

ALLIANCEBERNSTEIN GLOBAL HIGH INCOME FUND INC  
Form N-CSRS  
December 05, 2014

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANIES**  
**Investment Company Act file number: 811-07732**

**ALLIANCEBERNSTEIN GLOBAL HIGH INCOME FUND, INC.**  
**(Exact name of registrant as specified in charter)**

**1345 Avenue of the Americas, New York, New York 10105**  
**(Address of principal executive offices) (Zip code)**

**Joseph J. Mantineo**

**AllianceBernstein L.P.**

**1345 Avenue of the Americas**

**New York, New York 10105**

**(Name and address of agent for service)**

**Registrant's telephone number, including area code: (800) 221-5672**

**Date of fiscal year end: March 31, 2015**

**Date of reporting period: September 30, 2014**

**ITEM 1. REPORTS TO STOCKHOLDERS.**

SEMI-ANNUAL REPORT

AllianceBernstein

Global High Income Fund

(NYSE: AWF)

September 30, 2014

Semi-Annual Report

**Investment Products Offered**

**Are Not FDIC Insured**

**May Lose Value**

**Are Not Bank Guaranteed**

You may obtain a description of the Fund's proxy voting policies and procedures, and information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, without charge. Simply visit AllianceBernstein's website at [www.alliancebernstein.com](http://www.alliancebernstein.com), or go to the Securities and Exchange Commission's (the Commission's) website at [www.sec.gov](http://www.sec.gov), or call AllianceBernstein at (800) 227-4618.

The Fund files its complete schedule of portfolio holdings with the Commission for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the Commission's website at [www.sec.gov](http://www.sec.gov). The Fund's Forms N-Q may also be reviewed and copied at the Commission's Public Reference Room in Washington, DC; information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. AllianceBernstein publishes full portfolio holdings for the Fund monthly at [www.alliancebernstein.com](http://www.alliancebernstein.com).

**AllianceBernstein Investments, Inc. (ABI)** is the distributor of the AllianceBernstein family of mutual funds. ABI is a member of FINRA and is an affiliate of AllianceBernstein L.P., the manager of the funds.

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November 11, 2014

## Semi-Annual Report

This report provides management's discussion of fund performance for AllianceBernstein Global High Income Fund (the "Fund") for the semi-annual reporting period ended September, 2014. The Fund is a closed-end fund that trades on the New York Stock Exchange.

## Investment Objective and Policies

The Fund seeks high current income, and secondarily, capital appreciation. The Fund invests without limit in securities denominated in non-U.S. currencies as well as those denominated in the U.S. dollar. The Fund may also invest, without limit, in sovereign debt securities issued by emerging and developed nations and in debt securities of U.S. and non-U.S. corporate issuers. For more information regarding the Fund's risks, please see "Disclosures and Risks" on pages 4-5 and "Note E Risks Involved in Investing in the Fund" of the Notes to Financial Statements on pages 97-99.

## Investment Results

The table on page 6 shows the Fund's performance compared with its blended benchmark and its components for the six- and 12-month periods ended September 30, 2014. The blended benchmark is composed of equal weightings of the JPMorgan Government Bond Index-Emerging Markets (JPM GBI-EM, local currency-denominated), the JPMorgan Emerging Markets Bond Index Global (JPM EMBI Global), and the Barclays U.S. Corporate High Yield (HY) 2% Issuer Capped Index.

Individual performance for each of these indices is also included for both time periods.

The Fund outperformed the blended benchmark for both the six- and 12-month periods; an underweight to local emerging-market debt, which underperformed, contributed to returns, as did the Fund's overall currency exposure. Within the Fund's currency positioning, an underweight to the Russian ruble, South African rand and Australian dollar versus an overweight in the U.S. dollar, also contributed for both periods. Sector selection, specifically exposure to non-agency mortgages, as well as investment-grade and select emerging-market corporates, were positive contributors for both periods. Within the Fund's U.S. high yield holdings, an overweight to banks, as well as security selection in consumer non-cyclicals and communications, helped for both periods. Within the Fund's emerging-market allocation, an overweight to the Ivory Coast and underweight to Russia contributed positively during both periods, as did exposure to both hard and local currency in the Dominican Republic. For both periods, an allocation to bank loans detracted. An underweight in the Polish zloty contributed for the six-month period, while an overweight to U.S. high yield contributed for the 12-month period. Security selection in Argentina detracted for both periods.

The Fund utilized derivatives including Treasury futures and interest rate swaps to manage the overall duration and yield curve structure of the Fund;

yield curve positioning detracted from performance for the six-month period and added for the 12-month period. Currency forwards were employed to manage overall currency positioning which added to returns during both periods. Purchased options were utilized for hedging and investment purposes, which detracted for both periods; written options were utilized for hedging purposes, which had a positive impact during both periods. Credit default swaps were utilized for hedging and investment purposes, which had an immaterial impact during the six-month period, and detracted during the 12-month period. The Fund utilized leverage through reverse repurchase agreements at favorable rates, and was able to reinvest the proceeds into higher yielding securities; leverage contributed positively for both periods.

### Market Review and Investment Strategy

During the six-month period ended September 30, 2014, markets remained heavily focused on the direction of interest rates, central bank monetary policy and global growth. In the first half of the period, the low interest rate environment and continued global growth supported both emerging-market debt and high yield. The high-yield market was additionally supported by positive corporate earnings, low default rates and investors demand for yield. However, volatility returned toward the end of the period, as U.S. dollar strength, geopolitical risks and slower growth all played a role in sending emerging-market debt and high yield into negative territory, dampening

earlier positive performance. Local currency debt was particularly hard hit. The U.S. Federal Reserve, nearing the end of its monthly asset purchase program, also brought an eventual increase in official rates into focus once again. Softness in some commodity prices, particularly oil, added another dimension of risk to commodity-rich emerging-market economies. Furthermore, U.S. high yield was adversely impacted in September by outflows from retail high-yield funds and record-setting issuance.

Growth in the emerging markets continues to move forward sluggishly, while inflation is on the higher end of many emerging-market central banks' ranges. Within the Fund's emerging-market exposure, the Fund's Management Team (the Team) continues to be deliberate about country selection and remain cautious in the Fund's positioning in large, lower-quality countries with high volatility. The Fund is maintaining a diversified allocation to emerging-market corporates the Team finds attractive, and has only limited exposure to emerging-market local debt. The Team is closely monitoring emerging investor flows, which were weakly positive in the third quarter of 2014, as well as the impact of lower oil prices on each country. With emerging-market growth in the more moderate range, the Team believes that differentiating between countries and sectors has become even more important.

In the Team's view, continued moderate global growth should provide a supportive backdrop for high yield, and the Team anticipates that growth

will be fast enough to prevent a significant deterioration of credit quality, but not so fast as to warrant reactionary monetary policy tightening. Credit fundamentals are still generally solid and the Team continues to look for opportunities in periods of volatility, while emphasizing the importance of

security selection. The Team cautions against the reach for yield, and remains selective in the Fund's exposure to CCC-rated\* bonds. The Fund's high-yield holdings are attractively valued compared to current and expected defaults, and are diversified at the country, sector and issuer levels.

\* *A measure of the quality and safety of a bond or portfolio, based on the issuer's financial condition, and not based on the financial condition of the fund itself. AAA is highest (best) and D is lowest (worst). Ratings are subject to change. Investment-grade securities are those rated BBB and above.*



## DISCLOSURES AND RISKS

### AllianceBernstein Global High Income Fund Shareholder Information

Weekly comparative net asset value ( NAV ) and market price information about the Fund is published each Saturday in *Barron's* and in other newspapers in a table called *Closed End Funds* . Daily NAV and market price information, and additional information regarding the Fund, is available at [www.alliancebernstein.com](http://www.alliancebernstein.com) and [www.nyse.com](http://www.nyse.com). For additional shareholder information regarding this Fund, please see page 106.

### Benchmark Disclosure

The unmanaged JPM® GBI-EM (local currency-denominated), the JPM® EMBI Global, and the Barclays U.S. Corporate HY 2% Issuer Capped Index do not reflect fees and expenses associated with the active management of a mutual fund portfolio. The JPM GBI-EM represents the performance of local currency government bonds issued by emerging markets. The JPM EMBI Global (market-capitalization weighted) represents the performance of U.S. dollar-denominated Brady bonds, Eurobonds, and trade loans issued by sovereign and quasi-sovereign entities. The Barclays U.S. Corporate HY 2% Issuer Capped Index is the 2% Issuer Capped component of the U.S. Corporate High Yield Index, which represents the performance of fixed income securities having a maximum quality rating of Ba1, a minimum amount outstanding of \$150 million, and at least one year to maturity. An investor cannot invest directly in an index, and its results are not indicative of the performance of any specific investment, including the Fund.

### A Word About Risk

**Market Risk:** The value of the Fund's assets will fluctuate as the stock or bond market fluctuates. The value of its investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.

**Interest Rate Risk:** Changes in interest rates will affect the value of investments in fixed-income securities. When interest rates rise, the value of investments in fixed-income securities tends to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.

**Credit Risk:** An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default, causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security.

**Below Investment Grade Securities:** Investments in fixed-income securities with lower ratings (commonly known as *junk bonds* ) tend to have a higher probability that an issuer will default or fail to meet its payment obligations. These securities may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of the junk bond market generally and less secondary market liquidity.

**Inflation Risk:** This is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money. As inflation increases, the value of the Fund's assets can decline as can the value of the Fund's distributions. This risk is significantly greater if the Fund invests a significant portion of its assets in fixed-income securities with longer maturities.

**Foreign (Non-U.S.) Risk:** Investments in securities of non-U.S. issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.

*(Disclosures, Risks and Note about Historical Performance continued on next page)*

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## DISCLOSURES AND RISKS

*(continued from previous page)*

**Emerging Market Risk:** Investments in emerging market countries may have more risk because the markets are less developed and less liquid as well as being subject to increased economic, political, regulatory or other uncertainties.

**Currency Risk:** Fluctuations in currency exchange rates may negatively affect the value of the Fund's investments or reduce its returns.

**Leverage Risk:** To the extent the Fund uses leveraging techniques, its NAV may be more volatile because leverage tends to exaggerate the effect of changes in interest rates and any increase or decrease in the value of the Fund's investments.

**Diversification Risk:** The Fund may have more risk because it is non-diversified, meaning that it can invest more of its assets in a smaller number of issuers and that adverse changes in the value of one security could have a more significant effect on the Fund's NAV.

**Derivatives Risk:** Investments in derivatives may be illiquid, difficult to price, and leveraged so that small changes may produce disproportionate losses for the Fund, and may be subject to counterparty risk to a greater degree than more traditional investments.

**Management Risk:** The Fund is subject to management risk because it is an actively managed investment fund. The Adviser will apply its investment techniques and risk analyses in making investment decisions, but there is no guarantee that its techniques will produce the intended results.

The Fund may invest in mortgage-backed and/or other asset-backed securities, including securities backed by mortgages and assets with an international or emerging markets origination and securities backed by non-performing loans at the time of investment. Investments in mortgage-backed and other asset-backed securities are subject to certain additional risks. The value of these securities may be particularly sensitive to changes in interest rates. These risks include extension risk, which is the risk that, in periods of rising interest rates, issuers may delay the payment of principal, and prepayment risk, which is the risk that, in periods of falling interest rates, issuers may pay principal sooner than expected, exposing the Fund to a lower rate of return upon reinvestment of principal. Mortgage-backed securities offered by nongovernmental issuers and other asset-backed securities may be subject to other risks, such as higher rates of default in the mortgages or assets backing the securities or risks associated with the nature and servicing of mortgages or assets backing the securities.

These risks are fully discussed in the Fund's prospectus.

### **An Important Note About Historical Performance**

**The performance on the following page represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance information shown. All fees and expenses related to the operation of the Fund have been deducted. Performance assumes reinvestment of distributions and does not account for taxes.**

**HISTORICAL PERFORMANCE**

THE FUND VS. ITS BENCHMARKS PERIODS ENDED SEPTEMBER 30, 2014	Returns	
	6 Months	12 Months
AllianceBernstein Global High Income Fund (NAV)	1.74%	8.67%
Blended Benchmark: 33% JPM GBI-EM /33% JPM EMBI Global/33% Barclays U.S. Corporate HY 2% Issuer Capped Index	0.82%	4.96%
JPM GBI-EM (local currency-denominated)	-1.72%	-0.61%
JPM EMBI Global	3.69%	8.28%
Barclays U.S. Corporate HY 2% Issuer Capped Index	0.50%	7.19%

*The Fund's market price per share on September 30, 2014 was \$13.60. The Fund's NAV per share on September 30, 2014 was \$14.90. For additional financial highlights, please see pages 101-102.*

See Disclosures, Risks and Note about Historical Performance on pages 4-5.

## PORTFOLIO SUMMARY

September 30, 2014 (unaudited)

### PORTFOLIO STATISTICS

Net Assets (\$mil): \$1,284.4

\* All data are as of September 30, 2014. The Fund's security type breakdown is expressed as a percentage of total investments and may vary over time. The Fund also enters into derivative transactions, which may be used for hedging or investment purposes (see *Portfolio of Investments* section of the report for additional details). Other securities type weightings represent 0.7% or less in the following security types: Asset-Backed Securities, Common Stocks, Investment Companies, Local Governments Regional Bond, Options Purchased Puts, Quasi-Sovereigns, Warrants and Whole Loan Trusts.

**Portfolio Summary**

ALLIANCEBERNSTEIN GLOBAL HIGH INCOME FUND 7

## PORTFOLIO SUMMARY

September 30, 2014 (unaudited)

\* All data are as of September 30, 2014. The Fund's country breakdown is expressed as a percentage of total investments and may vary over time. The Fund also enters into derivative transactions, which may be used for hedging or investment purposes (see *Portfolio of Investments* section of the report for additional details). Other country weightings represent 0.8% or less in the following countries: Argentina, Australia, Bahrain, Barbados, Belgium, Bermuda, Bulgaria, Chile, China, Colombia, Costa Rica, Croatia, Denmark, El Salvador, Ghana, Guatemala, Hong Kong, India, Indonesia, Ivory Coast, Jamaica, Japan, Kazakhstan, Kenya, Lebanon, Macau, Mongolia, Morocco, Norway, Pakistan, Peru, Philippines, Portugal, Romania, Serbia, Singapore, South Africa, Spain, Sri Lanka, Sweden, Turkey, United Arab Emirates, Venezuela, Virgin Islands (BVI) and Zambia.

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Portfolio Summary

**PORTFOLIO OF INVESTMENTS**

September 30, 2014 (unaudited)

		Principal Amount (000)	U.S. \$ Value
<b>CORPORATES NON-INVESTMENT</b>			
<b>GRADES 63.1%</b>			
<b>Industrial 53.0%</b>			
<b>Basic 4.3%</b>			
Ainsworth Lumber Co., Ltd. 7.50%, 12/15/17 <sup>(a)</sup>	U.S.\$	506	\$ 523,710
AK Steel Corp. 8.75%, 12/01/18		868	941,780
Aleris International, Inc. 7.625%, 2/15/18		932	936,660
7.875%, 11/01/20		795	791,025
ArcelorMittal 7.25%, 3/01/41		1,863	1,867,658
7.50%, 10/15/39		2,343	2,413,290
Arch Coal, Inc. 7.00%, 6/15/19 <sup>(b)</sup>		693	369,023
7.25%, 6/15/21		1,156	557,770
Ardagh Finance Holdings SA 8.625%, 6/15/19 <sup>(a)(b)</sup>		356	358,036
Ashland, Inc. 4.75%, 8/15/22		501	488,475
Axalta Coating Systems US Holdings, Inc./Axalta Coating Systems Dutch Holding B 7.375%, 5/01/21 <sup>(a)</sup>		656	703,560
Axiall Corp. 4.875%, 5/15/23		194	186,240
Celanese US Holdings LLC 6.625%, 10/15/18		408	421,260
Cliffs Natural Resources, Inc. 6.25%, 10/01/40		1,240	877,300
Commercial Metals Co. 6.50%, 7/15/17		1,927	2,061,890
CONSOL Energy, Inc. 8.25%, 4/01/20		2,175	2,272,875
Eagle Spinco, Inc. 4.625%, 2/15/21		139	133,440
Emeco Pty Ltd. 9.875%, 3/15/19 <sup>(a)(b)</sup>		1,521	1,513,395
Hexion US Finance Corp. 6.625%, 4/15/20		900	904,500
Hexion US Finance Corp./Hexion Nova Scotia Finance ULC 8.875%, 2/01/18		239	243,481
Huntsman International LLC 8.625%, 3/15/21		2,060	2,224,800
INEOS Group Holdings SA 5.75%, 2/15/19 <sup>(a)</sup>	EUR	715	905,338
5.875%, 2/15/19 <sup>(a)</sup>	U.S.\$	1,752	1,725,720

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Portfolio of Investments

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		Principal Amount (000)	U.S. \$ Value
James River Coal Co. 7.875%, 4/01/19 <sup>(c)</sup>	U.S.\$	251	\$ 3,765
JMC Steel Group, Inc. 8.25%, 3/15/18 <sup>(a)</sup>		810	818,100
Magnetation LLC/Mag Finance Corp. 11.00%, 5/15/18 <sup>(a)</sup>		2,711	2,751,665
Molycorp, Inc. 3.25%, 6/15/16 <sup>(d)</sup>		525	351,750
10.00%, 6/01/20		1,881	1,307,295
Momentive Performance Materials, Inc. 8.875%, 10/15/20 <sup>(e)(f)</sup>		1,772	1,588,155
NOVA Chemicals Corp. 8.625%, 11/01/19		1,426	1,490,170
Novacap International SAS 5.083%, 5/01/19 <sup>(a)(g)</sup>	EUR	329	417,671
Novelis, Inc./GA 8.75%, 12/15/20	U.S.\$	3,098	3,310,987
Peabody Energy Corp. 6.00%, 11/15/18		1,846	1,809,080
PQ Corp. 8.75%, 5/01/18 <sup>(a)</sup>		1,792	1,901,760
Rain CII Carbon LLC/CII Carbon Corp. 8.00%, 12/01/18 <sup>(a)</sup>		1,211	1,241,275
8.25%, 1/15/21 <sup>(a)</sup>		400	416,000
Ryerson, Inc./Joseph T. Ryerson & Son, Inc. 9.00%, 10/15/17		850	896,750
11.25%, 10/15/18		662	728,200
Smurfit Kappa Acquisitions 4.125%, 1/30/20 <sup>(a)</sup>	EUR	282	372,208
4.875%, 9/15/18 <sup>(a)</sup>	U.S.\$	2,064	2,105,280
Smurfit Kappa Treasury Funding Ltd. 7.50%, 11/20/25		238	271,320
SPCM SA 6.00%, 1/15/22 <sup>(a)</sup>		400	426,000
Steel Dynamics, Inc. 6.125%, 8/15/19		225	237,656
6.375%, 8/15/22		1,266	1,337,213
7.625%, 3/15/20		1,200	1,260,000
Thompson Creek Metals Co., Inc. 7.375%, 6/01/18		399	383,040
9.75%, 12/01/17		964	1,048,350
TPC Group, Inc. 8.75%, 12/15/20 <sup>(a)</sup>		2,767	2,939,937
United States Steel Corp. 6.65%, 6/01/37		1,137	1,077,308
WR Grace & Co. 5.125%, 10/01/21 <sup>(a)</sup>		771	783,529
5.625%, 10/01/24 <sup>(a)</sup>		386	395,650
			55,091,340

		Principal Amount (000)	U.S. \$ Value
<b>Capital Goods 5.0%</b>			
Accudyne Industries Borrower/Accudyne Industries LLC 7.75%, 12/15/20 <sup>(a)</sup>	U.S.\$	1,194	\$ 1,238,775
Apex Tool Group LLC 7.00%, 2/01/21 <sup>(a)(b)</sup>		3,075	2,829,000
Ardagh Glass Finance PLC 8.75%, 2/01/20 <sup>(a)</sup>	EUR	860	1,135,103
Ardagh Packaging Finance PLC 9.25%, 10/15/20 <sup>(a)</sup>		827	1,117,660
Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc. 6.00%, 6/30/21 <sup>(a)(b)</sup>		2,680	2,572,800
Ashtead Capital, Inc. 5.625%, 10/01/24 <sup>(a)</sup>		456	458,280
B/E Aerospace, Inc. 6.875%, 10/01/20		1,236	1,319,430
Befesa Zinc SAU Via Zinc Capital SA 8.875%, 5/15/18 <sup>(a)</sup>	EUR	450	601,884
Berry Plastics Corp. 5.50%, 5/15/22	U.S.\$	1,381	1,329,212
9.75%, 1/15/21		1,384	1,532,780
Beverage Packaging Holdings Luxembourg II SA/Beverage Packaging Holdings II Issuer 6.00%, 6/15/17 <sup>(a)</sup>		593	584,105
Bombardier, Inc. 5.75%, 3/15/22 <sup>(a)(b)</sup>		1,550	1,542,250
6.00%, 10/15/22 <sup>(a)(b)</sup>		1,300	1,293,500
7.45%, 5/01/34 <sup>(a)</sup>		920	929,200
7.75%, 3/15/20 <sup>(a)</sup>		1,266	1,380,193
EnPro Industries, Inc. 5.875%, 9/15/22 <sup>(a)</sup>		970	984,550
GenCorp, Inc. 7.125%, 3/15/21		603	649,733
Graphic Packaging International, Inc. 7.875%, 10/01/18		899	937,208
HD Supply, Inc. 7.50%, 7/15/20 <sup>(b)</sup>		1,814	1,882,025
HeidelbergCement Finance Luxembourg SA 8.50%, 10/31/19 <sup>(a)</sup>	EUR	1,330	2,178,807
Huntington Ingalls Industries, Inc. 6.875%, 3/15/18	U.S.\$	640	668,800