

ALLIANCEBERNSTEIN GLOBAL HIGH INCOME FUND INC
Form N-CSRS
December 05, 2013

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, 2014

Date of reporting period: September 30, 2013

ITEM 1. REPORTS TO STOCKHOLDERS.

SEMI-ANNUAL REPORT

AllianceBernstein

Global High Income Fund

(NYSE: AWF)

September 30, 2013

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, or go to the Securities and Exchange Commission's (the Commission) website at www.sec.gov, or call AllianceBernstein (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. 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.

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 15, 2013

Semi-Annual Report

This report provides management's discussion of fund performance for AllianceBernstein Global High Income Fund, Inc. (the Fund) for the semi-annual reporting period ended September 30, 2013. 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 3-4 and Note E Risks Involved in Investing in the Fund of the Notes to Financial Statements on pages 93-95.

Investment Results

The table on page 5 shows the Fund's performance compared with its blended benchmark and its components for the six- and 12-month periods ended September 30, 2013. 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 the six- and 12-month periods, primarily due to an overweight in high yield, which outperformed both U.S. dollar-denominated and local emerging market debt. Security selection within the Fund's high-yield positions, particularly in technology and consumer cyclical industries, was positive for the six- and 12-month periods. Security selection in the Fund's financial and non-cyclical holdings also contributed for the 12-month period. An allocation to commercial mortgage-backed securities, investment-grade and emerging market corporates, and high yield bank loans were also additive. Non-agency mortgage exposure contributed for the 12-month period. Currency exposure, particularly a long position in the Australian dollar, South African rand, U.S. dollar and Mexican peso all contributed. A short position in the Japanese yen also contributed for the annual period, while a short position in the British pound and a long position in the Hungarian forint detracted for the six- and 12-month periods.

The Fund utilized derivatives including futures for hedging purposes and currency forwards for hedging and investment purposes, which detracted from performance during both periods; purchased options and interest rate swaps for hedging purposes, and credit default swaps for hedging and investment purposes, which added to returns for both periods; and written options for hedging purposes, which had a positive impact during the six-month period and a negative impact during the 12-month period.

Market Review and Investment Strategy

The policy direction of the U.S. Federal Reserve (the Fed) continued to be a primary driver of market behavior for the 12-month period ended September 30, 2013. In the weeks leading into September, the conventional wisdom was that the Fed was prepared to begin scaling back its massive bond-purchasing program at its mid-month meeting. However, defying market expectations, the Fed surprised investors by announcing that its reflationary policies would remain in place for at least another month and, quite possibly, into next year, bolstering market returns.

Most global fixed-income markets declined during the six-month period, with the exception of high-yield corporates, which continued to be supported by positive fundamentals (leverage, earnings and revenue), low default rates and investors reaching for yield. Fundamentals within the financials sector remained favorable, as firms

continued to deleverage. Companies in the industrial space, however, continued to exhibit mid- to late-cycle behavior with rising industrial leverage.

Within emerging markets, both U.S. dollar-denominated and local emerging market debt declined during the six-month period. Adverse political developments, a decline in emerging market growth and the specter of rising rates all had a negative impact. Yet, in the view of the Fund's Management Team (the Team), re-pricing of emerging market debt has created opportunities within the sector, as U.S. dollar-denominated sovereign valuations look more attractive. The Team remains cautious of higher-volatility issuers and anticipates greater differentiation between those countries that have successfully implemented reforms (e.g., Mexico) and those that have not (e.g., Venezuela). U.S. dollar-denominated corporate debt remains attractive to the Team, which continues to find value across various sectors within the emerging corporate market.

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 and www.nyse.com. For additional shareholder information regarding this Fund, please see page 100.

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.

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

DISCLOSURES AND RISKS

(continued from previous page)

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.

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	Returns	
PERIODS ENDED SEPTEMBER 30, 2013 (unaudited)	6 Months	12 Months
AllianceBernstein Global High Income Fund (NAV)	0.59%	8.51%
Blended Benchmark: 33% JPM GBI-EM /33% JPM EMBI Global/33% Barclays U.S. Corporate HY 2% Issuer Capped Index		
JPM GBI-EM (local currency-denominated)	-4.98%	-1.22%
JPM EMBI Global	-5.25%	-4.34%
Barclays U.S. Corporate HY 2% Issuer Capped Index	0.81%	7.14%

The Fund's market price per share on September 30, 2013 was \$15.03. The Fund's NAV per share on September 30, 2013 was \$15.17. For additional financial highlights, please see pages 97-98.

See Disclosures, Risks and Note about Historical Performance on pages 3-4.

PORTFOLIO SUMMARY

September 30, 2013 (unaudited)

PORTFOLIO STATISTICS

Net Assets (\$mil): \$1,308.2

* All data are as of September 30, 2013. The Fund's security type 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 represents 0.8% or less in the following security types: Asset-Backed Securities, Common Stocks, Governments - Sovereign Bonds, Inflation-Linked Securities, Local Governments - Regional Bonds, Options Purchased - Puts and Warrants.

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Portfolio Summary

PORTFOLIO SUMMARY

September 30, 2013 (unaudited)

* All data are as of September 30, 2013. 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: Australia, Austria, Bahrain, Barbados, Belgium, Bermuda, Chile, China, Colombia, Costa Rica, Croatia, Denmark, El Salvador, Ghana, Greece, Hong Kong, India, Indonesia, Italy, Ivory Coast, Jamaica, Japan, Kazakhstan, Macau, Mexico, Nigeria, Norway, Peru, Philippines, Portugal, Serbia, Singapore, Spain, Sweden, Switzerland, United Arab Emirates, Uruguay and Virgin Islands (BVI).

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Portfolio Summary

PORTFOLIO OF INVESTMENTS

September 30, 2013 (unaudited)

	Principal Amount (000)	U.S. \$ Value
CORPORATES NON-INVESTMENT		
GRADES 61.8%		
Industrial 52.7%		
Basic 4.7%		
Ainsworth Lumber Co., Ltd. 7.50%, 12/15/17 ^{(a)(b)}	U.S.\$ 506	\$ 543,318
AK Steel Corp. 8.75%, 12/01/18	868	946,120
Aleris International, Inc. 7.625%, 2/15/18	1,932	2,018,940
7.875%, 11/01/20	1,570	1,621,025
ArcelorMittal 6.75%, 2/25/22 ^(a)	2,500	2,631,250
Arch Coal, Inc. 7.00%, 6/15/19 ^(a)	693	537,075
7.25%, 6/15/21 ^(a)	1,156	872,780
Ashland, Inc. 4.75%, 8/15/22	501	469,688
Axiall Corp. 4.875%, 5/15/23 ^(b)	194	183,815
Calcipar SA 6.875%, 5/01/18 ^(b)	735	766,238
Celanese US Holdings LLC 6.625%, 10/15/18	408	440,640
Commercial Metals Co. 6.50%, 7/15/17	1,927	2,081,160
Consol Energy, Inc. 8.25%, 4/01/20	2,175	2,332,687
Eagle Spinco, Inc. 4.625%, 2/15/21 ^(b)	139	133,440
GrafTech International Ltd. 6.375%, 11/15/20	375	378,750
Hexion US Finance Corp. 6.625%, 4/15/20	900	900,000
Huntsman International LLC 8.625%, 3/15/21	2,060	2,286,600
James River Coal Co. 7.875%, 4/01/19	251	79,065
JMC Steel Group, Inc. 8.25%, 3/15/18 ^(b)	810	791,775
Magnetation LLC/Mag Finance Corp. 11.00%, 5/15/18 ^(b)	4,141	4,016,770
Molycorp, Inc. 3.25%, 6/15/16 ^(a)	909	627,210
10.00%, 6/01/20	1,455	1,451,362
Momentive Performance Materials, Inc. 8.875%, 10/15/20	1,888	1,982,400

		Principal Amount (000)	U.S. \$ Value
NOVA Chemicals Corp. 5.25%, 8/01/23 ^(b)	U.S.\$	636	\$ 637,590
8.625%, 11/01/19 ^(a)		1,426	1,575,730
Novelis, Inc./GA 8.75%, 12/15/20		3,098	3,400,055
Orion Engineered Carbons Bondco GmbH 9.625%, 6/15/18 ^(b)		848	937,040
Peabody Energy Corp. 6.00%, 11/15/18		626	624,435
6.25%, 11/15/21 ^(a)		1,499	1,454,030
PetroLogistics LP/PetroLogistics Finance Corp. 6.25%, 4/01/20 ^(b)		528	517,440
Polymer Group, Inc. 7.75%, 2/01/19		3,500	3,740,625
Polypore International, Inc. 7.50%, 11/15/17 ^(a)		590	625,400
PQ Corp. 8.75%, 5/01/18 ^(b)		1,792	1,912,960
Rain CII Carbon LLC/CII Carbon Corp. 8.00%, 12/01/18 ^(b)		1,211	1,223,110
8.25%, 1/15/21 ^(b)		400	402,000
Ryerson, Inc. / Joseph T Ryerson & Son, Inc. 9.00%, 10/15/17		2,250	2,328,750
11.25%, 10/15/18		1,432	1,478,540
Smurfit Kappa Acquisitions 7.75%, 11/15/19 ^(b)	EUR	1,535	2,252,183
SPCM SA 6.00%, 1/15/22 ^(b)	U.S.\$	400	402,000
Steel Dynamics, Inc. 6.125%, 8/15/19		225	234,563
6.375%, 8/15/22		1,266	1,310,310
7.625%, 3/15/20		1,200	1,297,500
Thompson Creek Metals Co., Inc. 9.75%, 12/01/17		964	1,045,940
TPC Group, Inc. 8.75%, 12/15/20 ^(b)		2,767	2,829,257
United States Steel Corp. 6.65%, 6/01/37		1,137	929,497
US Coatings Acquisition, Inc./Axalta Coating Systems Dutch Holding B BV 5.75%, 2/01/21 ^(b)	EUR	388	526,218
7.375%, 5/01/21 ^{(a)(b)}	U.S.\$	1,291	1,349,095
Verso Paper Holdings LLC/Verso Paper, Inc. 8.75%, 2/01/19 ^(a)		688	227,040
			61,353,416
Capital Goods 5.7%			
American Builders & Contractors Supply Co., Inc. 5.625%, 4/15/21 ^(b)		265	260,694

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Portfolio of Investments

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		Principal Amount (000)	U.S. \$ Value
Ardagh Glass Finance PLC 8.75%, 2/01/20 ^(b)	EUR	860	\$ 1,181,112
Ardagh Packaging Finance PLC 7.375%, 10/15/17 ^(b)	U.S.\$	230	246,100
9.25%, 10/15/20 ^(b)	EUR	427	602,264
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA, Inc. 5.00%, 11/15/22 ^(b)		492	640,642
7.375%, 10/15/17 ^(b)		1,500	2,157,038
B/E Aerospace, Inc. 6.875%, 10/01/20	U.S.\$	1,236	1,350,330
BC Mountain LLC/BC Mountain Finance, Inc. 7.00%, 2/01/21 ^(b)		699	693,758
Befesa Zinc SAU Via Zinc Capital SA 8.875%, 5/15/18 ^(b)	EUR	450	644,287
Berry Plastics Corp. 9.75%, 1/15/21	U.S.\$	1,525	1,761,375
Bombardier, Inc. 5.75%, 3/15/22 ^(b)		1,550	1,538,375
6.125%, 1/15/23 ^(b)		325	325,000
7.75%, 3/15/20 ^(b)		1,266	1,430,580
Crown European Holdings SA 7.125%, 8/15/18 ^(b)	EUR	305	439,440
Frigoglass Finance BV 8.25%, 5/15/18 ^{(a)(b)}		338	484,754
GenCorp, Inc. 7.125%, 3/15/21 ^(b)	U.S.\$	603	631,643
Graphic Packaging International, Inc. 7.875%, 10/01/18		899	979,910
Griffon Corp. 7.125%, 4/01/18		718	761,080
HD Supply, Inc. 7.50%, 7/15/20 ^(b)		950	984,437
11.50%, 7/15/20		1,297	1,546,672
HeidelbergCement Finance Luxembourg SA 8.50%, 10/31/19 ^(b)	EUR	1,330	2,233,369
Huntington Ingalls Industries, Inc. 6.875%, 3/15/18	U.S.\$	640	688,000
7.125%, 3/15/21		632	680,980
KraussMaffei Group GmbH 8.75%, 12/15/20 ^(b)	EUR	228	332,355
KUKA AG 8.75%, 11/15/17 ^(b)		1,038	1,574,103
Lafarge SA 7.125%, 7/15/36	U.S.\$	800	