

NEW AMERICA HIGH INCOME FUND INC
Form N-CSR
March 02, 2012

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 811-05399

THE NEW AMERICA HIGH INCOME FUND, INC.
(Exact name of registrant as specified in charter)

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

02109
(Zip code)

Ellen E. Terry

33 Broad Street

Boston, MA 02109
(Name and address of agent for service)

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

Date of fiscal year end: December 31, 2011

Date of reporting period: July 1, 2011 to December 31, 2011

Item 1. Report to Stockholders

February 11, 2012

Dear Shareholder,

We are pleased to report to our shareholders on the results of The New America High Income Fund (the "Fund") for the year ended December 31, 2011. The Fund's net asset value per share (the "NAV") ended the year at \$9.58. The market price for the Fund's shares was \$10.21 on December 31, 2011, representing a market price premium to NAV of 6.6%. The Fund paid dividends totaling \$1.04 per share, which included an unusually large \$0.325 per share special dividend. The dividend yield for a common stock purchase at year-end 2010 for the year ended December 31, 2011 was approximately 10.4%. During 2011, the Fund paid an ordinary dividend of \$.065 per share per month, following the special dividend of \$.31 for January 2011. However, there is no certainty that the dividend will continue at the current level of \$.065 per share per month. The common stock dividend can be affected by portfolio results, the cost and amount of leverage, market conditions, and operating expenses, among other factors. The Fund's leverage, which is in the form of Auction Term Preferred Stock, contributed approximately 25% of the common dividend. The current extraordinarily low cost of leverage of less than 2% is not expected to continue indefinitely. It is also important to note that leverage is a two-edged sword. Leverage increases the total return to the common shareholders in favorable markets; however the reverse is true in poor markets.

	Total Returns for the Periods Ending December 31, 2011	
	1 Year	3 Years Cumulative
New America High Income Fund (Stock Price and Dividends)*	13.61%	214.52%
New America High Income Fund (NAV and Dividends)	3.87%	127.48%
Lipper Closed-End Fund Leveraged High Yield Average	4.22%	100.90%
Credit Suisse High Yield Index	5.47%	86.11%
Citigroup 10 Year Treasury Index	16.99%	13.93%

Sources: Credit Suisse, Citigroup, Lipper Inc., The New America High Income Fund, Inc.

Past performance is no guarantee of future results. Total return assumes the reinvestment of dividends.

The Credit Suisse High Yield Index and Citigroup 10 Year Treasury Index are unmanaged indices. Unlike the Fund, the indices have no trading activity, expenses or leverage.

* Because the Fund's shares may trade at either a discount or premium to the Fund's net asset value per share, returns based upon the stock price and dividends will tend to differ from those derived from the underlying change in net asset value and dividends.

Market Review

In a year fraught with volatility, the high yield market staged a vigorous rally during the final three months to completely recoup losses suffered during the third quarter. As the year came to a close, investors remained deeply concerned about the European debt crisis, but grew more optimistic about positive trends in the U.S. economy. Demand for below investment grade corporate bonds accelerated, leading to meaningful price gains for many securities. Despite the year-end rally, high yield bonds ended the period at compelling yield spreads versus U.S. Treasuries, which currently yield below 1% for issues maturing out to five years. Positive fundamentals for the vast majority of high yield issuers and consensus expectations for defaults to remain low should lend support to recent momentum and carry into the new year.

While the results for high yield bonds lagged investment grade sectors in 2011, overall performance trends were respectable in light of the challenging conditions during the second half of last year. For the second year in a row, there were no defaults in the portfolio, although we navigated through several close calls late in the year. While our credit analysis has led us to the conclusion that companies are generally in excellent shape, efforts to reform Wall Street and enact new regulatory constraints post the credit crisis have altered the broker/dealer community. This dynamic suggests that thinner markets and high volatility will likely remain the Achilles heels of the asset class for the foreseeable future.

Strategy Review

The fourth quarter provided significant drama in a number of historically stable sectors, particularly wireless services. Developments in Sprint and Clearwire put major stress on the credit quality of both companies, although fourth quarter financings and capital infusions stabilized the companies' financial footing. Sprint announced an aggressive initiative to gain market share by offering its customers Apple iPhones at highly subsidized prices. Sprint also hinted it might end its financial support for Clearwire even though it remains the majority owner of the corporation. In December, the two companies reached an agreement for additional capital commitments, giving Clearwire a two year window to continue its buildout. We participated in December new issues for Sprint, but also significantly reduced the Fund's positions in both companies given the ongoing uncertainty. In spite of these challenges, we remain constructive on the wireless industry, as we expect the break down of the AT&T and T Mobile merger may actually lead to other acquisitions as major players seek to add valuable spectrum to their businesses.

The strong performance of CCC-rated issues late in the year gave us an opportunity to dial down some of the Fund's lower rated holdings. We trimmed some of the largest positions, including Intelsat, First Data and Ally to reduce volatility in the portfolio, even though we remain constructive on the credits. The move reflects our view of higher upside potential in medium quality B's after the market sell off. In contrast, earlier in the year we viewed the middle of the market as overvalued. We also increased the Fund's BB allocation during the fourth quarter, as we took advantage of a robust new issue calendar for higher quality companies in the asset class. These shifts are designed to give the portfolio more stability during bouts of risk aversion in 2012. Overall, we have witnessed a growing concentration in BB's and a reduction in CCC weightings in the high yield indices, with CCC exposure now below 10% in many benchmarks. This implies the asset class is growing more conservative in its composition, which bodes well for performance and default trends in 2012 and beyond.

Outlook

In spite of a great fourth quarter, we see more gains ahead for the asset class if the U.S. economy remains on solid footing and continues its current trajectory. Two positive themes could add capital appreciation potential to an already healthy 8% income stream. First, we anticipate a pickup in merger and acquisition activity, as we noted in our remarks regarding wireless services. Energy is another sector where this trend is already evident. Should this theme materialize in a meaningful way, we could see some of the Fund's holdings bought out by higher rated acquirers, generating attractive gains along the way. Second, many high yield companies with debt trading at a discount are exploring refinancing opportunities to extend maturities. These transactions sometimes deliver capital appreciation as the new bond is tendered and often result in an opportunity to redeploy capital into

a new issue. While there is no guarantee that they will do so, if the pieces fall into place, high yield investors could enjoy attractive results in 2012.

Sincerely,

Robert F. Birch
President
The New America High Income Fund, Inc.

Mark Vaselkiv
Vice President
T. Rowe Price Associates, Inc.

Ellen E. Terry
Vice President
The New America High Income Fund, Inc.

Paul A. Karpers
Vice President
T. Rowe Price Associates, Inc.

The views expressed in this update are as of the date of this letter. These views and any portfolio holdings discussed in the update are subject to change at any time based on market or other conditions. The Fund and T. Rowe Price Associates, Inc. disclaim any duty to update these views, which may not be relied upon as investment advice. In addition, references to specific companies' securities should not be regarded as investment recommendations or indicative of the Fund's portfolio as a whole

The New America High Income Fund, Inc.

Industry Summary December 31, 2011	As a Percent of Total Investments
Oil and Gas	14.89%
Telecommunications	10.08%
Broadcasting and Entertainment	8.80%
Finance	8.62%
Healthcare, Education and Childcare	6.33%
Diversified/Conglomerate Service	6.08%
Mining, Steel, Iron and Non-Precious Metals	5.70%
Diversified/Conglomerate Manufacturing	4.83%
Building and Real Estate	4.23%
Containers, Packaging and Glass	2.99%
Hotels, Motels, Inns and Gaming	2.82%
Beverage, Food and Tobacco	2.72%
Electronics	2.68%
Chemicals, Plastics and Rubber	2.40%
Utilities	2.25%
Retail Stores	2.12%
Automobile	2.06%
Aerospace and Defense	1.86%
Insurance	1.32%
Personal Transportation	1.23%
Personal, Food and Miscellaneous Services	1.20%
Leisure, Amusement and Entertainment	1.17%
Cargo Transport	1.10%
Printing and Publishing	0.55%
Banking	0.52%
Farming and Agriculture	0.50%
Personal Non-Durable Consumer Products	0.48%
Textiles and Leather	0.29%
Groceries	0.18%
Total Investments	100.00%
Moody's Investors Service Ratings December 31, 2011 (Unaudited)	As a Percent of Total Investments
Baa1	0.19%
Baa2	0.12%
Baa3	1.01%
Total Baa	1.32%
Ba1	6.96%
Ba2	9.71%
Ba3	11.48%
Total Ba	28.15%
B1	13.13%
B2	12.29%
B3	21.95%
Total B	47.37%
Caa1	9.74%

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

Caa2	6.24%
Caa3	2.53%
Total Caa	18.51%
Ca	0.21%
Unrated	2.94%
Equity	1.50%
Total Investments	100.00%

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES 135.57% (d)			
Aerospace and Defense 2.56%			
\$ 650	BE Aerospace Inc., Senior Notes, 8.50%, 07/01/18	Ba2	\$ 704
475	Bombardier, Inc., Senior Notes, 6.125%, 05/15/21 (g)(EUR)	Ba2	572
475	Ducommun, Inc., Senior Notes, 9.75%, 07/15/18 (g)	B3	490
500	Esterline Technologies, Senior Notes, 7%, 08/01/20	Ba3	529
775	Kratos Defense and Security Solutions, Inc., Senior Notes, 10%, 06/01/17	B3	791
625	Moog, Inc., Senior Notes, 7.25%, 06/15/18	Ba3	659
525	Sequa Corporation, Senior Notes, 11.75%, 12/01/15 (g)	Caa2	553
225	Sequa Corporation, Senior Notes, 13.50%, 12/01/15 (g)	Caa2	239
200	Spirit Aerosystems, Inc., Senior Notes, 7.50%, 10/01/17	Ba3	216
850	Transdigm, Inc., Senior Subordinated Notes, 7.75%, 12/15/18	B3	912
			5,665
Automobile 2.84%			
158	Affinia Group, Inc., Senior Notes, 10.75%, 08/15/16 (g)	B1	169
350	Allison Transmission, Inc., Senior Notes, 7.125% 05/15/19 (g)	Caa1	343

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

400	Conti Gummi Finance B.V., Senior Notes, 8.50%, 07/15/15 (g)(EUR)	Ba3	554
1,175	Ford Motor Company, Senior Notes, 7.45%, 07/16/31	Ba2	1,398
1,000	Ford Motor Credit Company LLC, Senior Notes, 5.75%, 02/01/21	Ba1	1,040
600	Ford Motor Credit Company LLC, Senior Notes, 5.875%, 08/02/21	Ba1	622
		Moody's Rating (Unaudited)	Value (Note 1)
Principal Amount/Units			
\$ 1,375	Ford Motor Credit Company LLC, Senior Notes, 12%, 05/15/15	Ba1	\$ 1,678
200	Goodyear Tire & Rubber Company, Senior Notes, 8.75%, 08/15/20	B1	220
50	Goodyear Tire & Rubber Company, Senior Notes, 10.50%, 05/15/16	B1	55
225	Pittsburgh Glass Works, LLC, Senior Notes, 8.50%, 04/15/16 (g)	B2	218
			6,297
Banking	.71%		
1,250	Amsouth Bank, N.A., Subordinated Notes, 5.20%, 04/01/15	Ba3	1,163
390	Zions Bancorp, 7.75%, 09/23/14	(e)	417
			1,580
Beverage, Food and Tobacco	3.75%		
380	Bumble Bee Acquisition Company, Senior Notes, 9%, 12/15/17 (g)	B2	386
525	Cott Beverages, Inc., Senior Notes,	B3	562

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

	8.125%, 09/01/18		
	Cott Beverages, Inc., Senior Notes,		
200	8.375%, 11/15/17	B3	214
	Darling International, Inc., Senior Notes,		
150	8.50%, 12/15/18	Ba3	166
	Del Monte Foods Company, Senior Notes,		
1,150	7.625%, 2/15/19	B3	1,107
	JBS Finance II Ltd., Senior Notes,		
275	8.25%, 01/29/18 (g)	B1	250
	JBS USA, LLC Senior Notes,		
425	11.625%, 05/01/14	B1	482
	Land O'Lakes, Senior Notes,		
750	7.45%, 03/15/28 (g)	Ba1	720
	Michael Foods, Inc., Senior Notes,		
900	9.75%, 07/15/18	Caa1	918
	Pilgrim's Pride Corporation, Senior Notes,		
450	7.875%, 12/15/18	Caa1	417

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 650	Pinnacle Foods Finance LLC, Senior Notes, 8.25%, 09/01/17	B3	\$ 674
800	Pinnacle Foods Finance LLC, Senior Notes, 9.25%, 04/01/15	B3	820
150	Pinnacle Foods Finance LLC, Senior Subordinated Notes, 10.625%, 04/01/17	Caa1	156
275	R&R Ice Cream plc, Senior Notes, 8.375%, 11/15/17 (g)(EUR)	B2	306
225	Reddy Ice Holdings, Inc., Senior Notes, 10.50%, 11/01/12	Caa3	226
375	TreeHouse Foods, Inc., Senior Notes, 7.75%, 03/01/18	Ba2	403
525	U.S. Food Service, Inc., Senior Notes, 8.50%, 06/30/19 (g)	Caa2	504
			8,311
Broadcasting and Entertainment 11.96%			
800	AMC Entertainment, Inc., Senior Notes, 8.75%, 06/01/19	B1	828
550	AMC Entertainment, Inc., Senior Subordinated Notes, 9.75%, 12/01/20	Caa1	523
475	Bresnan Broadband Holdings, Senior Notes, 8%, 12/15/18 (g)	B3	492
875	Cablevision Systems Corporation,	B1	932

	Senior Notes, 7.75%, 04/15/18		
350	Cablevision Systems Corporation, Senior Notes, 8%, 04/15/20	B1	376
275	Cablevision Systems Corporation, Senior Notes, 8.625%, 09/15/17	B1	305
186	CCH II, LLC, Senior Notes, 13.50%, 11/30/16	B2	215
600	CCO Holdings, LLC, Senior Notes, 7%, 01/15/19	B1	624
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 1,200	CCO Holdings, LLC, Senior Notes, 7.25%, 10/30/17	B1	\$ 1,266
425	CCO Holdings, LLC, Senior Notes, 7.875%, 04/30/18	B1	454
250	CCO Holdings, LLC, Senior Notes, 7.375%, 06/01/20	B1	264
1,350	Cequel Communications Holdings I, LLC, Senior Notes, 8.625%, 11/15/17 (g)	B3	1,431
150	Cinemark USA, Inc., Senior Notes, 7.375%, 06/15/21	B3	153
225	Clear Channel Communications, Inc., Senior Notes, 7.25%, 10/15/27	Ca	92
900	Clear Channel Communications, Inc., Senior Notes, 11%, 08/01/16	Ca	549
150	Cyfrowy Polsat Finance AB, Senior Notes, 7.125%, 05/20/18 (g)(EUR)	Ba3	190
475	Dish DBS Corporation, Senior Notes, 6.75%, 06/01/21	Ba2	514

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

150	Dish DBS Corporation, Senior Notes, 7.125%, 02/01/16	Ba2	162
700	Dish DBS Corporation, Senior Notes, 7.875%, 09/01/19	Ba2	795
575	GTP Acquisition Partners I, LLC, Senior Notes, 7.628%, 06/15/41 (g)	Ba3	563
200	Lamar Media Corporation, Senior Subordinated Notes, 7.875%, 04/15/18	B1	212
350	Lin Television Corporation, Senior Notes, 8.375%, 04/15/18	Caa1	337
650	Lions Gate Entertainment, Inc., Senior Notes, 10.25%, 11/01/16 (g)	B1	650
350	Netflix, Inc., Senior Notes, 8.50%, 11/15/17	Ba2	361
825	Nexstar Broadcasting, Inc., Senior Notes, 8.875%, 04/15/17	B3	846
125	Odeon & UCI Finco plc, Senior Notes, 9%, 08/1/18 (g)(GBP)	B3	179

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 500	Regal Cinemas Corporation, Senior Notes, 8.625%, 07/15/19	B2	\$ 538
825	Regal Cinemas Corporation, Senior Notes, 9.125%, 08/15/18	B3	885
925	Sinclair Television Group, Inc., Senior Notes, 9.25%, 11/01/17 (g)	B1	1,008
2,425	Sirius Satellite Radio, Inc., Senior Notes, 8.75%, 04/01/15 (g)	B2	2,655
250	Sirius XM Radio, Inc., Senior Notes, 9.75%, 09/01/15 (g)	Ba2	271
200	Telenet Finance III Luxembourg S.C.A., Senior Notes, 6.625%, 02/15/21 (g)(EUR)	Ba3	249
550	Unitymedia Hessen GmbH&Co., Senior Notes, 8.125%, 12/01/17 (g)	B1	584
1,100	Univision Communications, Inc., Senior Notes, 7.875%, 11/01/20 (g)	B2	1,116
1,750	Univision Communications, Inc., Senior Notes, 8.50%, 05/15/21 (g)	Caa2	1,593
525	UPC Holding BV, Senior Notes, 9.875%, 04/15/18 (g)	B2	557
550	UPCB Finance Limited, Senior Notes, 7.25%, 11/15/21 (g)	Ba3	557

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

450	UPCB Finance Limited, Senior Notes, 7.625%, 01/15/20 (g)(EUR)	Ba3	575
75	Videotron Ltee., Senior Notes, 9.125%, 04/15/18	Ba1	83
400	Virgin Media Finance PLC, Senior Notes, 9.50%, 08/15/16	Ba2	449
150	WMG Acquisition Corporation, Senior Notes, 9.50%, 06/15/16 (g)	Ba2	163
350	XM Satellite Radio, Inc., Senior Notes, 7.625%, 11/01/18 (g)	B2	371

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 1,350	XM Satellite Radio, Inc., Senior Notes, 13%, 08/01/14 (g)	B2	\$ 1,532
			26,499

Building and Real Estate 5.83%

575	Associated Materials, Inc., Senior Notes, 9.125%, 11/01/17	B3	507
275	Aviv Healthcare Properties Ltd. Partnership, Senior Notes, 7.75%, 02/15/19	B1	270
500	CB Richard Ellis Services, Inc., Senior Subordinated Notes, 6.625%, 10/15/20	Ba1	514
325	CB Richard Ellis Services, Inc., Senior Subordinated Notes, 11.625%, 06/15/17	Ba2	374
775	Cemex Finance Europe BV, Senior Notes, 4.75%, 03/05/14 (EUR)	(e)	747
780	Cemex Finance LLC, Senior Notes,	(e)	681

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

	9.50%, 12/14/16 (g)		
	Dycom Investments Inc., Senior Subordinated Notes,		
650	7.125%, 01/15/21	Ba3	657
	Heidelbergcement Finance, Senior Notes,		
150	8%, 01/31/17 (EUR)	Ba2	198
	Host Hotels and Resorts, L.P., Senior Notes,		
300	5.875%, 06/15/19 (g)	Ba1	305
	Host Marriott, L.P., Senior Notes,		
400	6%, 10/01/21 (g)	Ba1	410
	Host Marriott, L.P., Senior Notes,		
500	6.75%, 06/01/16	Ba1	514
	Masco Corporation, Senior Notes,		
325	5.85%, 03/15/17	Ba2	324
	Masco Corporation, Senior Notes,		
325	6.125%, 10/03/16	Ba2	334
	Mercer International, Inc., Senior Notes,		
750	9.50%, 12/01/17	B3	767
	MPT Operating Partnership, L.P., Senior Notes,		
525	6.875%, 05/01/21	Ba2	520

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 900	Nortek, Inc., Senior Notes, 8.50%, 04/15/21 (g)	Caa1	\$ 762
650	Nortek, Inc., Senior Notes, 10%, 12/01/18 (g)	Caa1	616
575	Potlach Corporation, Senior Notes, 7.50%, 11/01/19	Ba1	581
725	Reliance Intermediate Holdings, L.P., Senior Notes, 9.50%, 12/15/19 (g)	Ba2	776
450	Rouse Company, LLC, Senior Notes, 6.75%, 11/09/15	(e)	454
725	Shea Homes Limited Partnership, Senior Notes, 8.625%, 05/15/19 (g)	B2	672
200	Standard Pacific Corporation, Senior Notes, 8.375%, 05/15/18	B3	191
400	Standard Pacific Corporation, Senior Notes, 10.75%, 09/15/16	B3	423
525	Texas Industries, Senior Notes, 9.25%, 08/15/20	Caa2	470
125	USG Corporation, Senior Notes, 8.375%, 10/15/18 (g)	B2	115
725	USG Corporation, Senior Notes, 9.75%, 08/01/14 (g)	B2	736
			12,918
Cargo Transport 1.51%			
480	DP World Ltd., Senior Notes,	Baa3	438

	6.85%, 07/02/37 (g)		
	DP World Sukuk Limited, Senior Notes,		
1,520	6.25%, 07/02/17 (g)	Baa3	1,531
	Florida East Coast Holdings, Senior Notes,		
316	11.25%, 08/01/17 (h)	Caa3	250
	Florida East Coast Railway Corporation, Senior Notes,		
300	8.125%, 02/01/17	B3	296
	Kansas City Southern de Mexico, S.A. de C.V., Senior Notes,		
250	6.125%, 06/15/21	Ba2	257

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
	Kansas City Southern de Mexico, S.A. de C.V., Senior Notes,		
\$ 525	8%, 02/01/18	Ba2	\$ 575
			3,347

Chemicals, Plastics and Rubber 3.31%

	Compass Minerals International, Inc., Senior Notes,		
225	8%, 06/01/19	Ba2	242
	Hexion Specialty Chemicals, Inc., Senior Notes,		
625	8.875%, 02/01/18	B3	586
	Hexion Specialty Chemicals, Inc., Senior Notes,		
325	9%, 11/15/20	(e)	268
	Huntsman International LLC, Senior Subordinated Notes,		
175	8.625%, 03/15/20	B3	186
1,250	Huntsman International LLC, Senior Subordinated Notes,	B3	1,325

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

	8.625%, 03/15/21		
450	Kerling plc, Senior Notes, 10.625%, 02/01/17 (g)(EUR)	B3	515
375	Koppers Holdings Inc., Senior Notes, 7.875%, 12/01/19	B1	396
600	Lyondell Chemical Company, Senior Notes, 6%, 11/15/21 (g)	Ba2	621
444	Lyondell Chemical Company, Senior Notes, 8%, 11/01/17	Ba2	485
62	Lyondell Chemical Company, Senior Notes, 11%, 05/01/18	Ba2	68
300	Momentive Performance Materials, Inc., Senior Notes, 9%, 01/15/21	Caa1	230
1,175	Momentive Performance Materials, Inc., Senior Notes, 11.50%, 12/01/16	Caa2	875
325	PolyOne Corporation, Senior Notes, 7.375%, 09/15/20	Ba3	335
550	Solutia, Inc, Senior Notes, 7.875%, 03/15/20	B1	597
550	Solutia, Inc, Senior Notes, 8.75%, 11/01/17	B1	598
			7,327

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
Containers, Packaging and Glass 4.12%			
\$ 375	AEP Industries, Inc., Senior Notes, 8.25%, 04/15/19	B2	\$ 381
425	Ball Corporation, Senior Notes, 7.375%, 09/01/19	Ba1	465
250	Boise Paper Holdings LLC, Senior Notes, 8%, 04/01/20	Ba3	264
375	Boise Paper Holdings LLC, Senior Notes, 9%, 11/01/17	Ba3	403
425	Bway Holding Company, Senior Notes, 10%, 06/15/18	B3	452
625	Cascades Inc., Senior Notes, 7.75%, 12/15/17	Ba3	619
925	Cascades, Inc., Senior Notes, 7.875%, 01/15/20	Ba3	897
250	Clearwater Paper Corporation, Senior Notes, 7.125%, 11/01/18	Ba3	259
300	Clearwater Paper Corporation, Senior Notes, 10.625%, 06/15/16	Ba3	335
225	Clondalkin Acquisition BV, Senior Notes, 2.546%, 12/15/13 (g)	B1	210
150	Crown Euro Holdings, S.A., Senior Notes, 7.125%, 08/15/18	Ba1	197
425		Caa1	422

	Exopack Holding Corporation, Senior Notes, 10%, 06/01/18 (g)		
525	Graphic Packaging International, Inc., Senior Notes, 7.875%, 10/01/18	B2	559
600	Graphic Packaging International, Inc., Senior Notes, 9.50%, 06/15/17	B2	656
350	Greif Inc., Senior Notes, 7.75%, 08/01/19	Ba2	378
300	Plastipak Holdings, Inc., Senior Notes, 10.625%, 08/15/19 (g)	B3	331
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 1,125	Reynolds Group Issuer, Inc., Senior Notes, 7.125%, 04/15/19 (g)	Ba3	\$ 1,142
200	Reynolds Group Issuer, Inc., Senior Notes, 7.75%, 10/15/16 (g)	Ba3	210
575	Reynolds Group Issuer, Inc., Senior Notes, 9%, 04/15/19 (g)	Caa1	545
375	Sealed Air Corporation, Senior Notes, 8.125%, 09/15/19 (g)	B1	411
			9,136
Diversified/Conglomerate Manufacturing 6.65%			
500	AGY Holding Corp., Senior Notes, 11%, 11/15/14	Caa3	306
400	Altra Holdings, Inc., Senior Notes, 8.125%, 12/01/16	B1	424
375	Amsted Industries, Inc., Senior Notes, 8.125%, 03/15/18 (g)	B1	398
1,075	Building Materials Corporation of America, Senior Notes,	Ba3	1,129

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

	6.75%, 05/01/21 (g)		
650	Case New Holland, Incorporated, Senior Notes, 7.875%, 12/01/17	Ba2	734
900	CNH Capital LLC, Senior Notes, 6.25%, 11/01/16 (g)	Ba2	932
450	Coleman Cable, Inc., Senior Notes, 9%, 02/15/18	B3	447
250	Columbus McKinnon Corporation, Senior Subordinated Notes, 7.875%, 02/01/19	B1	260
1,875	Commscope, Inc., Senior Notes, 8.25%, 01/15/19 (g)	B3	1,870
650	Euramax International, Inc., Senior Notes, 9.50%, 04/01/16 (g)	Caa1	501
500	Fiat Industrial Finance, Senior Notes, 6.25%, 03/09/18 (EUR)	Ba2	555
300	Manitowoc Company, Inc., Senior Notes, 8.50%, 11/01/20	B3	313
475	Oshkosh Corporation, Senior Notes, 8.25%, 03/01/17	B1	493

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 475	Oshkosh Corporation, Senior Notes, 8.50%, 03/01/20	B1	\$ 489
200	Owens Corning, Inc., Senior Notes, 9%, 06/15/19	Ba1	239
650	Ply Gem Industries, Inc., Senior Notes, 8.25%, 02/15/18	Caa1	566
1,425	RBS Global, Inc., Senior Notes, 8.50%, 05/01/18	Caa1	1,507
700	Sensata Technologies BV, Senior Notes, 6.50%, 05/15/19 (g)	B3	695
450	SPX Corporation, Senior Notes, 6.875%, 09/01/17	Ba2	486
50	Terex Corporation, Senior Notes, 10.875%, 06/01/16	B2	55
900	Terex Corporation, Senior Subordinated Notes, 8%, 11/15/17	Caa1	871
675	Tomkins LLC, Senior Notes, 9%, 10/01/18	B1	746
675	Vulcan Materials, Senior Notes, 7.50%, 06/15/21	Ba2	731
			14,747
Diversified/Conglomerate Service 8.37%			
425	Aguila 3 S.A., Senior Notes, 7.875%, 01/31/18 (g)	B2	412
475	Anixter Inc., Senior Notes, 10%, 03/15/14	Ba2	542
600	Aramark Holdings, Senior Notes, 8.625%, 05/01/16 (g)	B3	618
280		B2	286

	Avis Budget Car Rental LLC, Senior Notes, 7.625%, 05/15/14		
450	Avis Budget Car Rental LLC, Senior Notes, 9.625%, 03/15/18	B2	467
700	Capsugel Finance Company, Senior Notes, 9.875%, 08/01/19 (g)(EUR)	Caa1	915
575	CDW Corporation, Senior Notes, 11.50%, 10/12/15	Caa1	591
25	CDW Corporation, Senior Secured Notes, 8%, 12/15/18	B2	26

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 2,300	CDW Corporation, Senior Subordinate Notes, 12.535%, 10/12/17	Caa2	\$ 2,323
825	CDW Escrow Corporation, Senior Subordinate Notes, 8.50%, 04/01/19	Caa1	831
625	First Data Corporation, Senior Notes, 7.375%, 06/15/19 (g)	B1	588
800	First Data Corporation, Senior Notes, 8.875%, 08/15/20 (g)	B1	800
925	First Data Corporation, Senior Notes, 12.625%, 01/15/21 (g)	Caa1	814
1,375	First Data Corporation, Senior Subordinated Notes, 11.25%, 03/31/16	Caa2	1,134
475	FTI Consulting Inc., Senior Notes, 6.75%, 10/01/20	Ba2	495
150	FTI Consulting Inc., Senior Notes, 7.75%, 10/01/16	Ba2	155
400		B2	416

	Garda World Security Corporation, Senior Notes, 9.75%, 03/15/17 (g)		
475	Goodman Networks, Inc., Senior Notes, 12.125%, 07/01/18 (g)	B2	454
75	Interline Brands, Inc., Senior Notes, 7%, 11/15/18	B2	77
975	iPayment, Inc., Senior Notes, 10.25%, 05/15/18 (g)	B3	917
550	Jaguar Holdings, Inc., Senior Notes, 9.50%, 12/01/19 (g)	B3	577
625	Lender Processing Services, Inc., Senior Notes, 8.125%, 07/01/16	Ba2	613
617	Mac Gray Corporation, Senior Notes, 7.625%, 08/15/15	B3	625
350	Maxim Crane Works, L.P., Senior Notes, 12.25%, 04/15/15 (g)	Caa1	304
550	RSC Equipment, Inc., Senior Notes, 8.25%, 02/01/21	Caa1	561
650	Syniverse Holdings, Inc., Senior Notes, 9.125%, 01/15/19	Caa1	684
700	United Rentals North America, Inc., Senior Notes, 10.875%, 06/15/16	B3	774

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2011** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
	West Corporation, Senior Notes, 7.875%, 01/15/19	B3	\$ 521
\$ 525			
	West Corporation, Senior Notes, 8.625%, 10/01/18	B3	1,035
1,025			18,555
Electronics 2.95%			
	Advanced Micro Devices, Inc., Senior Notes, 7.75%, 08/01/20	Ba3	487
475			
	Advanced Micro Devices, Inc., Senior Notes, 8.125%, 12/15/17	Ba3	182
175			
	Aspect Software, Inc., Senior Notes, 10.625%, 05/15/17	Caa1	258
250			
	Eagle Parent, Inc., Senior Notes, 8.625%, 05/01/19 (g)	Caa1	752
800			
	Fidelity National Information Services, Inc., Senior Notes, 7.625%, 07/15/17	Ba2	572
525			
	Fidelity National Information Services, Inc., Senior Notes, 7.625%, 07/15/17 (g)	Ba2	136
125			
	Fidelity National Information Services, Inc., Senior Notes, 7.875%, 07/15/20	Ba2	351
325			
	Freescale Semiconductor, Inc., Senior Notes, 8.05%, 02/01/20	Caa1	117
125			

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

310	Freescale Semiconductor, Inc., Senior Notes, 10.125%, 03/15/18 (g)	Ba3	338
1,350	iGATE Corporation, Senior Notes, 9%, 05/01/16 (g)	B2	1,404
575	Jabil Circuit, Inc., Senior Notes, 7.75%, 07/15/16	Ba1	641
375	JDA Software Group, Inc., Senior Notes, 8%, 12/15/14	B1	407
225	Lawson Software, Senior Notes, 11.50%, 07/15/18 (g)	Caa1	220
925	MEMC Electronic Materials, Inc., Senior Notes, 7.75%, 04/01/19	B1	666
			6,531

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
Farming and Agriculture .68%			
\$ 575	CF Industries, Inc., Senior Notes, 6.875%, 05/01/18	Ba1	\$ 658
725	CF Industries, Inc., Senior Notes, 7.125%, 05/01/20	Ba1	855
			1,513
Finance 10.81%			
600	Aircastle Limited, Senior Notes, 9.75%, 08/01/18	Ba3	633
100	Aircastle Limited, Senior Notes, 9.75%, 08/01/18 (g)	Ba3	106
775	Ally Financial, Inc., Senior Notes, 7.50%, 09/15/20	B1	783
250	Ally Financial, Inc., Senior Notes, 8%, 03/15/20	B1	256
725	Ally Financial, Inc., Senior Notes, 8%, 11/01/31	B1	698
1,650		B2	1,695

	CIT Group, Inc., Senior Notes, 6.625%, 04/01/18 (g)		
100	CIT Group, Inc., Senior Notes, 7%, 05/01/16	B2	100
600	CIT Group, Inc., Senior Notes, 7%, 05/01/17	B2	602
1,200	Discover Financial Services, Senior Notes, 10.25%, 07/15/19	Ba1	1,450
400	E*Trade Financial Corporation, Senior Notes, 6.75%, 06/01/16	B2	388
475	E*Trade Financial Corporation, Senior Notes, 7.875%, 12/01/15	B2	479
2,873	E*Trade Financial Corporation, Senior Notes, 12.50%, 11/30/17	(e)	3,261
350	General Motors Financial Company, Inc., Senior Notes, 6.75%, 06/01/18 (g)	Ba3	357
600	Icahn Enterprises, L.P., Senior Notes, 8%, 01/15/18	Ba3	622
350	International Lease Finance Corporation, Senior Notes, 5.75%, 05/15/16	B1	325

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2011** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 925	International Lease Finance Corporation, Senior Notes, 8.25%, 12/15/20	B1	\$ 934
525	International Lease Finance Corporation, Senior Notes, 8.625%, 01/15/22	B1	529
1,800	International Lease Finance Corporation, Senior Notes, 8.875%, 09/01/17	B1	1,859
55	Jefferies Group, Inc., Senior Notes, 5.125%, 04/13/18	Baa2	48
105	Jefferies Group, Inc., Senior Notes, 8.50%, 07/15/19	Baa2	106
1,500	Nuveen Investments, Inc., Senior Notes, 5.50%, 09/15/15	Caa2	1,267
1,850	Nuveen Investments, Inc., Senior Notes, 10.50%, 11/15/15	Caa2	1,831
575	Nuveen Investments, Inc., Senior Notes, 10.50%, 11/15/15 (g)	Caa2	569
650	PHH Corporation, Senior Notes, 9.25%, 03/01/16	Ba2	630
225	Provident Funding Associates, L.P., Senior Notes, 10.125%, 02/15/19 (g)	B2	175
575	Provident Funding Associates, L.P., Senior Notes, 10.25%, 04/15/17 (g)	Ba3	538

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

375	Grifols Inc., Senior Notes, 8.25%, 02/01/18	B3	394
1,325	HCA, Inc., Senior Notes, 7.50%, 02/15/22	B3	1,355
550	HCA, Inc., Senior Secured Notes, 8.50%, 04/15/19	Ba3	602
98	HCA, Inc., Senior Secured Notes, 9.875%, 02/15/17	B2	107
475	Health Management Associates, Inc., Senior Notes, 7.375%, 01/15/20 (g)	B3	494
1,225	lasis Healthcare Capital 8.375%, 05/15/19	Caa1	1,078
600	Inventive Health Inc., Senior Notes, 10%, 08/15/18 (g)	Caa2	540
425	Inventive Health Inc., Senior Notes, 10%, 08/15/18 (g)	Caa2	383
975	Kindred Healthcare, Inc., Senior Notes, 8.25%, 06/01/19	B3	819

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2011** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 250	LifePoint Hospitals, Inc., Senior Notes, 6.625%, 10/01/20	Ba1	\$ 259
475	MedAssets, Inc., Senior Notes, 8%, 11/15/18	B3	466
900	Multiplan, Inc., Senior Notes, 9.875%, 09/01/18 (g)	Caa1	938
350	Mylan Inc., Senior Notes, 7.625%, 07/15/17 (g)	Ba3	381
525	Radiation Therapy Services, Inc., Senior Subordinated Notes, 9.875%, 04/15/17	B3	392
400	Select Medical Corporation, Senior Subordinated Notes, 7.625%, 02/01/15	Caa1	376
925	Tenet Healthcare Corporation, Senior Notes, 6.25%, 11/01/18 (g)	B1	934
600	Tenet Healthcare Corporation, Senior Notes, 8%, 08/01/20	Caa1	597
50	Tenet Healthcare Corporation, Senior Notes, 8.875%, 07/01/19	B1	56
50	United Surgical Partners International, Inc., Senior Subordinated Notes, 8.875%, 05/01/17	Caa1	50
175	Universal Health Services, Inc., Senior Notes, 7%, 10/01/18	B1	182
200		B3	203

	Universal Hospital Services, Inc., Senior Secured Notes, 8.50%, 06/01/15		
625	Valeant Pharmaceuticals, International, Senior Notes, 6.875%, 12/01/18 (g)	B1	623
500	Vanguard Health Holding Company II, LLC, Senior Notes, 7.75%, 02/01/19	B3	480
725	Vanguard Health Holding Company II, LLC, Senior Notes, 8%, 02/01/18	B3	700
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 31	Vanguard Health Systems, Inc., Senior Discount Notes, Zero Coupon, 02/01/16	Caa1	\$ 19
525	Warner Chilcott Company, LLC, Senior Notes, 7.75%, 09/15/18	B3	535
			19,320
Hotels, Motels, Inns and Gaming 3.76%			
150	Ameristar Casinos, Inc., Senior Notes, 7.50%, 04/15/21	B3	155
1,425	Caesar's Entertainment Operating Company, Inc., Senior Notes, 11.25%, 06/01/17	B3	1,514
75	CCM Merger, Inc., Senior Notes, 8%, 08/01/13 (g)	Caa3	72
500	Cirsa Funding Luxembourg S.A., Senior Notes, 8.75%, 05/15/18 (g)(EUR)	B3	531
650	Codere Finance (Luxembourg) S.A., Senior Notes, 8.25%, 06/15/15 (g)(EUR)	B2	774
300		Ba2	332

	MGM Mirage, Senior Notes, 9%, 03/15/20		
375	MGM Mirage, Senior Notes, 10.375%, 05/15/14	Ba2	428
400	MGM Mirage, Senior Notes, 13%, 11/15/13	Ba2	474
750	MGM Resorts International, Senior Notes, 11.125%, 11/15/17	Ba2	856
275	Pinnacle Entertainment, Inc., Senior Notes, 8.625%, 08/01/17	B1	291
225	Pinnacle Entertainment, Inc., Senior Subordinated 8.75%, 05/15/20	Caa1	220
325	Quapaw Downstream Development Authority, Senior Notes, 10.50%, 07/01/19 (g)	B3	312
750	Seminole Tribe of Florida, Senior Notes, 7.75%, 10/01/17 (g)	Ba1	781
750	Seneca Gaming Corporation, Senior Notes, 8.25%, 12/01/18 (g)	B2	729

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 225	Sheraton Holding Corporation, Senior Notes, 7.375%, 11/15/15	Ba1	\$ 254
175	Starwood Hotels and Resorts Worldwide, Inc., Senior Notes, 7.15%, 12/01/19	Ba1	200
375	Wynn Las Vegas LLC, Senior Notes, 7.875%, 11/01/17	(e)	412
			8,335
Insurance 1.82%			
550	Amerigroup Corporation, Senior Notes, 7.50%, 11/15/19	Ba3	567
925	Financial Security Assurance Holdings Ltd., Junior, Subordinated Debentures, 6.40%, 12/15/66 (g)	Baa1	592
750	Hub International Limited, Senior Notes, 9%, 12/15/14 (g)	B3	752
1,735	Hub International Limited, Senior Subordinated Notes, 10.25%, 06/15/15 (g)	Caa1	1,718
425	USI Holdings Corporation, Senior Subordinated Notes, 9.75%, 05/15/15 (g)	Caa1	406
			4,035
Leisure, Amusement and Entertainment 1.61%			
525	Cedar Fair LP, Senior Notes, 9.125%, 08/01/18	B2	568
175	Easton Bell Sports Inc., Senior Notes, 9.75%, 12/01/16	B2	190

450	Manchester United Finance plc, Senior Notes, 8.375%, 02/01/17 (g)	(e)	470
225	NCL Corporation, Senior Notes, 9.50%, 11/15/18	Caa1	235
700	NCL Corporation, Senior Notes, 11.75%, 11/15/16	B2	802
450	Speedway Motorsports, Inc., Senior Notes, 8.75%, 06/01/16	Ba2	490

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 775	Ticketmaster, Senior Notes, 10.75%, 08/01/16	B3	\$ 823
			3,578

Mining, Steel, Iron and Non-Precious Metals 7.84%

725	AK Steel Corporation, Senior Notes, 7.625%, 05/15/20	B2	681
525	Algoma Acquisition Corporation, 9.875%, 06/15/15 (g)	Caa2	449
800	Alpha Natural Resources, Inc., Senior Notes, 6.25%, 06/01/21	Ba3	774
575	Alrosa Finance S.A., Senior Notes, 7.75%, 11/03/20 (g)	Ba3	571
250	Arch Coal, Inc., Senior Notes, 8.75%, 08/01/16	B1	274
975	Consol Energy, Inc., Senior Notes, 8%, 04/01/17	B1	1,070
400	Consol Energy, Inc., Senior Notes, 8.25%, 04/01/20	B1	442
850	FMG Resources Pty. Ltd., Senior Notes, 7%, 11/01/15 (g)	B1	858
625	FMG Resources Pty. Ltd., Senior Notes,	B1	631

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

	8.25%, 11/01/19 (g)		
	Foresight Energy LLC, Senior Notes,		
1,000	9.625%, 08/15/17 (g)	Caa1	1,025
	JMC Steel Group, Inc., Senior Notes,		
525	8.25%, 03/15/18 (g)	B3	512
	McJunkin Red Man Corporation, Senior Notes,		
800	9.50%, 12/15/16	B3	812
	Metals USA, Inc., Senior Secured Notes,		
175	11.125%, 12/01/15	B3	181
	Mirabela Nickel Ltd., Senior Notes,		
250	8.75%, 04/15/18 (g)	B2	224
	New World Resources N.V., Senior Notes,		
325	7.875%, 05/01/18 (g)(EUR)	Ba3	391
	Novelis, Inc., Senior Notes,		
425	8.75%, 12/15/20	B2	457
	Patriot Coal Corporation, Senior Notes,		
425	8.25%, 04/30/18	B3	410

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 625	Peabody Energy Corporation, Senior Notes, 6%, 11/15/18 (g)	Ba1	\$ 638
650	Peabody Energy Corporation, Senior Notes, 6.25%, 11/15/21 (g)	Ba1	669
3,375	Ryerson Holding Corporation, Senior Secured Notes, 16.50%, 02/01/15 (b)	Caa3	1,544
1,225	Ryerson Inc., Senior Secured Notes, 12%, 11/01/15	Caa1	1,240
625	Severstal Columbus LLC, Senior Notes, 10.25%, 02/15/18	B3	653
475	Steel Dynamics, Inc., Senior Notes, 7.625%, 03/15/20	Ba2	500
50	Steel Dynamics, Inc., Senior Notes, 7.75%, 04/15/16	Ba2	52
350	Thomson Creek Metals Company Inc., Senior Notes, 7.375%, 06/01/18	B3	310
1,125	Tube City IMS Corporation., Senior Subordinated Notes, 9.75%, 02/01/15	B3	1,136
350	Vedanta Resources, Plc, Senior Notes, 8.25%, 06/07/21 (g)	Ba2	269
725	Vedanta Resources, Plc, Senior Notes, 9.50%, 07/18/18 (g)	Ba2	617
			17,390
Oil and Gas 20.49%			
950		B3	921

		Alta Mesa Holdings, L.P., Senior Notes, 9.625%, 10/15/18		
	575	Antero Resources Corporation, Senior Notes, 7.25%, 08/01/19 (g)	B3	588
	1,425	Antero Resources Corporation, Senior Notes, 9.375%, 12/01/17	B3	1,543
	300	Berry Petroleum Company, Senior Notes, 6.75%, 11/01/20	B2	303
Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1)
\$	450	Berry Petroleum Company, Senior Notes, 10.25%, 06/01/14	B2	\$ 509
	700	Bill Barrett Corporation, Senior Notes, 7.625%, 10/01/19	B1	730
	200	Bill Barrett Corporation, Senior Notes, 9.875%, 07/15/16	B1	220
	500	Calumet Specialty Products Partners, L.P., Senior Notes, 9.375%, 05/01/19 (g)	B3	485
	200	Calumet Specialty Products Partners, L.P., Senior Notes, 9.375%, 05/01/19 (g)	B3	194
	450	Carrizo Oil & Gas, Inc., Senior Notes, 8.625%, 10/15/18 (g)	B3	454
	1,000	CGG Veritas, Senior Notes, 6.50%, 06/01/21	Ba3	975
	225	Chesapeake Energy Corp., Senior Notes, 6.625%, 08/15/20	Ba3	240
	975	Chesapeake Energy Corp., Senior Notes, 9.50%, 02/15/15	Ba3	1,114
	525	Chesapeake Oilfield Operating, Senior Notes, 6.625%, 11/15/19 (g)	Ba3	543
	800		Caa1	765

	Clayton Williams Energy, Inc., Senior Notes, 7.75%, 04/01/19 (g)		
300	Concho Resources, Inc., Senior Notes, 7%, 01/15/21	B3	321
750	Concho Resources, Inc., Senior Notes, 8.625%, 10/01/17	B3	817
1,325	Connacher Oil and Gas Limited, Senior Notes, 8.50%, 08/01/19, (g)	Caa2	1,189
400	Continental Resources, Senior Notes, 7.125%, 04/01/21	B1	433
772	Denbury Resources Inc., Senior Subordinated Notes, 8.25%, 02/15/20	B1	863

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2011** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 575	Denbury Resources Inc., Senior Subordinated Notes, 9.75%, 03/01/16	B1	\$ 632
700	Dolphin Subsidiary II, Inc., Senior Notes, 6.50%, 10/15/16 (g)	Ba1	737
1,650	Dolphin Subsidiary II, Inc., Senior Notes, 7.25%, 10/15/21 (g)	Ba1	1,790
575	El Paso Corporation, Senior Notes, 7.75%, 01/15/32	Ba3	667
150	El Paso Corporation, Senior Notes, 7.80%, 08/01/31	Ba3	174
125	Encore Acquisition Company, Senior Subordinated Notes, 9.50%, 05/01/16	B1	138
875	Energy Transfer Equity, L.P., Senior Notes, 7.50%, 10/15/20	Ba2	947
1,725	Exco Resources, Inc., Senior Notes, 7.50%, 09/15/18	B3	1,630
1,425	Exterran Holdings, Inc., Senior Notes, 7.25%, 12/01/18	Ba3	1,334
1,825	Ferrellgas, L.P., Senior Notes, 6.50%, 05/01/21	Ba3	1,606
700	Frac Tech Services, LLC, Senior Notes, 7.625%, 11/15/18 (g)	Ba3	733
1,925	GenOn Escrow Corporation, Senior Notes, 9.50%, 10/15/18	B3	1,944

400	Global Geophysical Services, Senior Notes, 10.50%, 05/01/17	B3	379
550	Goodrich Petroleum Corporation, Senior Notes, 8.875%, 03/15/19 (g)	Caa1	547
600	Helix Energy Solutions Group, Inc., Senior Notes, 9.50%, 01/15/16 (g)	B3	624
73	Inergy, L.p., Senior Notes, 6.875%, 08/01/21	Ba3	74

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 700	Inergy, L.p., Senior Notes, 7%, 10/01/18	Ba3	\$ 711
525	Kinder Morgan Finance Company, Senior Notes, 5.70%, 01/15/16	Ba1	538
475	MEG Energy Corporation, Senior Notes, 6.50%, 03/15/21 (g)	B3	484
710	Newfield Exploration Company, Senior Subordinated Notes, 6.875%, 02/01/20	Ba2	753
1,150	Niska Gas Storage US, LLC, Senior Notes, 8.875%, 03/15/18	B2	1,127
475	Oasis Petroleum, Inc., Senior Notes, 6.50%, 11/01/21	Caa1	469
250	Oasis Petroleum, Inc., Senior Notes, 7.25%, 02/01/19	Caa1	257
575	Offshore Group Investment Ltd., Senior Notes, 11.50%, 08/01/15	B3	621
675	Penn Virginia Corporation, Senior Notes, 7.25%, 04/15/19	B2	631
500	Penn Virginia Corporation, Senior Notes,	B2	533

	10.375%, 06/15/16		
	Penn Virginia Resources Partners, L.P., Senior Notes,		
325	8.25%, 04/15/18	B2	327
	Petroleos de Venezuela SA, Senior Notes,		
1,500	8.50%, 11/02/17 (g)	(e)	1,131
	Petroleum Geo Services ASA, Senior Notes,		
675	7.375%, 12/15/18 (g)	Ba2	689
	PetroPlus Finance Ltd., Senior Notes,		
175	7%, 05/01/17 (g)	Caa2	77
	PetroPlus Finance Ltd., Senior Notes,		
925	9.375%, 09/15/19 (g)	Caa2	426
	Plains Exploration and Production Company, Senior Notes,		
325	6.75%, 02/01/22	B1	337
	Precision Drilling Corporation, Senior Notes,		
500	6.625%, 11/15/20	Ba1	508

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2011** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 150	Quicksilver Resources, Inc., Senior Notes, 9.125%, 08/15/19	B2	\$ 157
1,000	Quicksilver Resources, Inc., Senior Notes, 11.75%, 01/01/16	B2	1,134
825	Range Resources Corporaiton, Senior Subordinated Notes, 6.75%, 08/01/20	Ba3	913
450	Regency Energy Partners, L.P., Senior Notes, 6.875%, 12/01/18	B1	477
575	SESI LLC, Senior Notes, 6.375%, 05/01/19	Ba3	586
875	SESI LLC, Senior Notes, 7.125%, 12/15/21 (g)	Ba3	930
325	SM Energy Company, Senior Notes, 6.50%, 11/15/21 (g)	B1	335
225	SM Energy Company, Senior Notes, 6.625%, 02/15/19 (g)	B1	232
425	Swift Energy Company, Senior Notes, 7.875%, 03/01/22 (g)	B3	423
650	Swift Energy Company, Senior Notes, 8.875%, 01/15/20	B3	683
335	Transocean Incorporated, Senior Notes, 5.05%, 12/15/16	Baa3	341
370	Transocean Incorporated, Senior Notes, 6.375%, 12/15/21	Baa3	392
825	Unit Corporation, Senior Subordinated Notes,	B3	825

	6.625%, 05/15/21		
	Whiting Petroleum Corporation, Senior Subordinated Notes,		
75	6.50% 10/01/18	Ba3	78
	WPX Energy, Inc., Senior Notes,		
1,100	6%, 01/15/22 (g)	Ba1	1,125
			45,413

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
Personal, Food and Miscellaneous Services 1.65%			
	Central Garden & Pet Company, Senior Subordinated Notes,		
\$ 400	8.25%, 03/01/18	B2	\$ 393
	CKE Restaurants, Senior Notes,		
600	11.375%, 07/15/18	B2	654
	DineEquity, Inc., Senior Notes,		
1,000	9.50%, 10/30/18	B3	1,070
	Fiesta Restaurant Group, Senior Notes,		
450	8.875%, 08/15/16 (g)	B2	448
	Wendy's International Holdings, LLC, Senior Notes,		
1,000	10%, 07/15/16	B3	1,098
			3,663
Personal Non-Durable Consumer Products .66%			
	Acco Brands Corporation, Senior Notes,		
200	10.625%, 03/15/15	B1	223
	Jarden Corporation, Senior Notes,		
250	8%, 05/01/16	Ba3	271
	Ontex IV, S.A., Senior Notes,		
825	7.50%, 04/15/18 (g)(EUR)	B1	966
			1,460
Personal Transportation 1.70%			
	Continental Airlines, Inc., Senior Notes,		
925	6.75%, 09/15/15 (g)	Ba2	879
185		Baa2	199

	Continental Airlines, Inc., Senior Notes, 7.25%, 05/10/21		
126	Continental Airlines, Inc., Senior Notes, 9.25%, 11/10/18	Ba2	130
516	Delta Airlines, Inc., Senior Notes, 9.50%, 09/15/14 (g)	Ba2	530
1,600	Delta Airlines, Inc., Senior Notes, 12.25%, 03/15/15 (g)	B2	1,688
175	Northwest Airlines 7.575%, 09/01/20	(e)	181
150	United Airlines, Inc., Senior Notes, 12%, 11/01/13 (g)	B3	156
			3,763

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
Printing and Publishing .75%			
\$ 175	McClatchy Company, Senior Notes, 11.50%, 02/15/17	B1	\$ 169
75	Nielsen Finance LLC, Senior Notes, 7.75%, 10/15/18	B2	80
228	Nielsen Finance LLC, Senior Notes, 11.50%, 05/01/16	B2	260
717	Nielsen Finance LLC, Senior Notes, 11.625%, 02/01/14	B2	817
375	Trader Corporation, Senior Notes, 9.875%, 08/15/18 (g)	B3	341
			1,667
Retail Stores 2.92%			
1,125	Academy, Ltd., Senior Notes, 9.25%, 08/01/19 (g)	Caa1	1,103
800	Claire's Escrow Corporation, Senior Notes, 8.875%, 03/15/19	Caa3	600
184	Claire's Stores, Inc., Senior Notes, 9.625%, 06/01/15 (h)	Caa3	149
125	Neiman Marcus Group, Inc., Senior Subordinated Notes, 10.375%, 10/15/15	Caa1	129
100	Penney (J.C.) Corporation, Inc., Senior Notes, 7.125%, 11/15/23	Ba1	100
500	QVC, Inc., Senior Notes, 7.125%, 04/15/17 (g)	Ba2	529
250	QVC, Inc., Senior Notes, 7.50%, 10/01/19 (g)	Ba2	270
575		Ba2	497

	Radio Shack Corporation, Senior Notes 6.75%, 05/15/19		
100	Rite Aid Corporation, Senior Notes, 8%, 08/15/20	B3	111
750	Rite Aid Corporation, Senior Notes, 8.625%, 03/01/15	Caa3	720
150	Rite Aid Corporation, Senior Notes, 9.50%, 06/15/17	Caa3	137
600	Rite Aid Corporation, Senior Notes, 10.25%, 10/15/19	Caa2	660
550	Rite Aid Corporation, Senior Notes, 10.375%, 07/15/16	Caa2	579
25	Toys 'R' Us Delaware, Inc., Senior Notes, 7.375%, 09/01/16 (g)	B1	25

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 400	Toys 'R' Us, Inc., Senior Notes, 7.375%, 10/15/18	B3	\$ 361
475	Toys 'R' Us Property Company II, LLC, Senior Notes, 8.50%, 12/01/17	Ba1	496
			6,466
Telecommunications	13.87%		
325	Avaya, Inc., Senior Notes, 7%, 04/01/19 (g)	B1	315
100	Avaya, Inc., Senior Notes, 9.75%, 11/01/15	Caa2	90
2,400	Avaya, Inc., Senior Notes, 10.125%, 11/01/15	Caa2	2,172
400	Cincinnati Bell Inc., Senior Notes, 7%, 02/15/15	B1	402
375	Clearwire Communications LLC, Senior Secured Notes, 12%, 12/01/15 (g)	B3	359
100	Cricket Communications, Inc.,	Ba2	104

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

	Senior Notes, 7.75%, 05/15/16		
	Cricket Communications, Inc., Senior Notes, 7.75%, 10/15/20	B3	836
950			
	Cricket Communications, Inc., Senior Notes, 10%, 07/15/15	B3	775
775			
	Crown Castle International Corporation, Senior Notes, 9%, 01/15/15	B1	543
500			
	Digicel Group Limited, Senior Notes, 8.25%, 09/01/17 (g)	B1	707
700			
	Digicel Group Limited, Senior Notes, 10.50%, 04/15/18 (g)	Caa1	452
450			
	Earthlink Inc., Senior Notes, 8.875%, 05/15/19	B2	302
325			
	EH Holdings Corporation, Senior Notes, 6.50%, 06/15/19 (g)	Ba3	808
775			
	EH Holdings Corporation, Senior Notes, 7.625%, 06/15/21 (g)	B3	814
775			
	Equinix, Inc., Senior Notes, 7%, 07/15/21	Ba2	954
900			

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2011 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 625	Equinix, Inc., Senior Notes, 8.125%, 03/01/18	Ba2	\$ 687
450	GCI, Inc., Senior Notes, 6.75%, 06/01/21	B2	438
225	Geoeye, Inc., Senior Notes, 9.625%, 10/01/15	Ba3	246
1,175	Intelsat Bermuda Ltd., Senior Notes, 11.50%, 02/04/17 (g)	Caa3	1,099
250	Intelsat Bermuda Ltd., Senior Notes, 11.50%, 02/04/17	Caa3	239
525	Intelsat Jackson Holdings S.A., Senior Notes, 7.25%, 04/01/19 (g)	B3	536
675	Intelsat Jackson Holdings S.A., Senior Notes, 7.25%, 10/15/20	B3	687
125	Intelsat Jackson Holdings S.A., Senior Notes, 8.50%, 11/01/19	B3	132
2,050	Intelsat (Luxembourg) S.A., Senior Notes, 11.25%, 02/04/17	Caa3	1,978
525	Level 3 Communications, Inc., Senior Notes, 11.875%, 02/01/19	Caa2	558
550	Level 3 Escrow, Inc., Senior Notes, 8.125%, 07/01/19 (g)	B3	542
800	Level 3 Financing, Inc., Senior Notes, 9.375%, 04/01/19	B3	832
1,425		B2	1,446

	MetroPCS Wireless, Inc., Senior Notes, 7.875%, 09/01/18		
1,975	Nextel Communications, Senior Notes, 7.375%, 08/01/15	B1	1,797
750	NII Capital Corporation, Senior Notes, 7.625, 04/01/21	B2	743
375	NII Capital Corporation, Senior Notes, 8.875%, 12/15/19	B2	396
600	Paetec Holding Corporation, Senior Notes, 8.875%, 06/30/17	(e)	651
		Moody's Rating (Unaudited)	Value (Note 1)
\$ 275	Paetec Holding Corporation, Senior Notes, 9.875%, 12/01/18	(e)	\$ 300
425	Sable International Finance Limited, Senior Notes, 7.75%, 02/15/17 (g)	Ba2	420
125	Satelites Mexicanos, S.A. de C.V., Senior Notes, 9.50%, 05/15/17	B3	128
50	SBA Telecommunications, Inc., Senior Notes, 8%, 08/15/16	B1	54
725	SBA Telecommunications, Inc., Senior Notes, 8.25%, 08/15/19	B1	792
1,575	Sprint Nextel Corporation, Senior Notes, 9%, 11/15/18 (g)	Ba3	1,652
475	Sprint Nextel Corporation, Senior Notes, 11.50%, 11/15/21 (g)	B3	470
1,000	Telesat Canada, Senior Notes, 11%, 11/01/15	Caa1	1,070
900		Caa1	997

	Telesat Canada, Senior Subordinated Notes, 12.50%, 11/01/17		
425	Trilogy International Partners, LLC, Senior Notes, 10.25%, 08/15/16 (g)	Caa1	400
275	ViaSat, Inc., Senior Notes, 8.875%, 09/15/16	B1	283
324	Wind Acquisition Holdings Finance S.A., Senior Notes, 12.25%, 07/15/17 (g)(h)	Caa1	235
1,200	Windstream Corporation, Senior Notes, 7.875%, 11/01/17	Ba3	1,299
			30,740
Textiles and Leather	.39%		
375	Hanesbrands, Inc., Senior Notes, 6.375%, 12/15/20	B1	382
200	Levi Strauss & Co., Senior Notes, 7.625%, 05/15/20	B2	204
275	Levi Strauss & Co., Senior Notes, 8.875%, 04/01/16	B2	287
			873

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2011** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
Utilities 3.10%			
\$ 350	AES Corporation, Senior Notes, 7.375%, 07/01/21 (g)	Ba3	\$ 375
1,300	AES Corporation, Senior Notes, 9.75%, 04/15/16	Ba3	1,475
1,000	Calpine Corporation, Senior Notes, 7.50%, 02/15/21 (g)	B1	1,075
375	EDP Finance B.V., Senior Notes, 5.375%, 11/02/12 (g)	Baa3	369
150	Genon Energy, Inc., Senior Notes, 7.875%, 06/15/17	B3	144
375	NRG Energy, Inc., Senior Notes, 7.625%, 01/15/18	B1	375
338	PNM Resources, Inc., Senior Notes, 9.25%, 05/15/15	Ba2	376
950	Sabine Pass LNG, L.P., Senior Notes, 7.50%, 11/30/16	B3	955
800	Texas Competitive Electric Holdings, Company, LLC Senior Notes, 10.25%, 11/01/15	Caa3	272
425	Texas Competitive Electric Holdings, Company, LLC Senior Notes, 10.25%, 11/01/15	Caa3	145
1,150	Texas Competitive Electric Holdings, Company, LLC Senior Secured Notes, 11.50%, 10/01/20 (g)	B2	966
300		Ba2	345

Tokyo Electric Power
Company, Inc.,
Senior Notes,
4.50%, 03/24/14 (EUR)

6,872

**Total Corporate Debt
Securities**

(Total cost of \$300,172)

300,507

Shares**PREFERRED STOCK 1.95% (d)****Broadcasting and Entertainment .16%**

495	Spanish Broadcasting System, Inc., 10.75% (a)	Caa3	347
-----	---	------	-----

Containers, Packaging and Glass 0.00%

1,975	Smurfit-Stone Container Corporation, 7%, (c)(f) ESC		
-------	---	--	--

Shares		Moody's Rating (Unaudited)	Value (Note 1)
Electronics .74%			
2,675	Lucent Technologies Capital Trust I, Convertible, 7.75%	B3	\$ 1,634
Finance 1.05%			
1,125	Ally Financial, Inc., 7% (g)	B3	806
41,300	Ally Financial, Inc., 8.50%	Caa1	760
39,575	GMAC Capital Trust, 8.125%	B3	765
			2,331
	Total Preferred Stock (Total cost of \$5,164)		4,312
COMMON STOCK .12% (d)			
15,325	Ameristar Casinos, Inc,		265
	Total Common Stock (Total cost of \$336)		265
	TOTAL INVESTMENTS (Total cost of \$305,672)		\$ 305,084

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

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

(c) Security is valued at fair value using methods determined by the Board of Directors. The total value of these securities at December 31, 2011 was \$0.

(d) Percentages indicated are based on total net assets to common shareholders of \$221,656.

(e) Not rated.

(f) Non-income producing.

(g) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers in transactions exempt from registration. Unless otherwise noted, 144A Securities are deemed to be liquid. See Note 1 of the Note to Schedule of Investments for valuation policy. Total market value of Rule 144A securities amounted to \$103,792 as of December 31, 2011.

(h) Pay-In-Kind

(EUR) Euro

(GBP) British Pound

ESC Escrow Cusip. Represents a beneficial interest to account for possible future payments by the company. Interest rate and maturity date are those of the original security.

The accompanying notes are an integral part of these financial statements.

20

The New America High Income Fund, Inc.

Statement of Assets and Liabilities**December 31, 2011**

(Dollars in thousands, except per share amounts)

Assets:

INVESTMENTS IN SECURITIES, at value (Identified cost of \$305,672 see Schedule of Investments and Notes 1 and 2)	\$ 305,084
CASH	3,036
RECEIVABLES:	
Investment securities sold	254
Interest and dividends	6,294
Cash purchase plan	5
PREPAID EXPENSES	68
UNREALIZED GAIN ON CURRENCY AND FORWARD CURRENCY EXCHANGE CONTRACTS (Notes 1 and 10)	295
Total assets	\$ 315,036

Liabilities:

PAYABLES:	
Investment securities purchased	\$ 156
Dividend on common stock	7,514
Dividend on preferred stock	7
ACCRUED EXPENSES (Note 3)	278
Total liabilities	\$ 7,955

Auction Term Preferred Stock:

\$1.00 par value, 1,000,000 shares authorized, 3,417 shares issued and outstanding, liquidation preference of \$25,000 per share (Notes 4 and 5)	\$ 85,425
---	-----------

Net Assets \$ 221,656**Represented By:**

COMMON STOCK:	
\$0.01 par value, 40,000,000 shares authorized, 23,134,615 shares issued and outstanding	\$ 231
CAPITAL IN EXCESS OF PAR VALUE	266,017
UNDISTRIBUTED NET INVESTMENT INCOME (Note 2)	1,188
ACCUMULATED NET REALIZED LOSS FROM SECURITIES TRANSACTIONS (Note 2)	(45,487)
NET UNREALIZED DEPRECIATION ON INVESTMENTS AND FORWARD CURRENCY EXCHANGE CONTRACTS	(293)
Net Assets Applicable To Common Stock	\$ 221,656

(Equivalent to \$9.58 per share, based on

23,134,615 shares outstanding)

Statement of Operations**For the Year Ended****December 31, 2011** (Dollars in thousands)

Investment Income: (Note 1)	
Interest income	\$ 26,438
Dividend income	607
Other income	191
Total investment income	\$ 27,236
Expenses:	
Cost of leverage:	
Preferred and auction fees (Note 5)	\$ 101
Total cost of leverage	\$ 101
Professional services:	
Investment Advisor (Note 3)	\$ 1,113
Legal (Note 9)	864
Custodian and transfer agent	277
Audit	59
Total professional services	\$ 2,313
Administrative:	
General administrative (Note 8)	\$ 554
Directors	179
Insurance	141
Rating Agency	50
Shareholder communications	46
Shareholder meeting	35
Miscellaneous	25
Total administrative	\$ 1,030
Total expenses	\$ 3,444
Net investment income	\$ 23,792
Realized and Unrealized Gain (Loss) on Investment Activities:	
Realized gain on investments and currencies, net	\$ 7,335
Change in net unrealized appreciation on investments and other financial instruments	\$ (20,616)
Net loss on investments	\$ (13,281)
Cost of Preferred Leverage	
Dividends to preferred stockholders (Notes 4 and 6)	\$ (168)
Net increase in net assets resulting from operations	\$ 10,343

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Statements of Changes in Net Assets (Dollars in thousands, except per share amounts)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
From Operations:		
Net investment income	\$ 23,792	\$ 24,383
Realized gain on investments and currencies, net	7,335	11,376
Change in net unrealized appreciation on investments and other financial instruments	(20,616)	5,389
Distributions from net investment income related to preferred stock		
Dividends to preferred stockholders (a)	(168)	(601)
Net increase in net assets resulting from operations	\$ 10,343	\$ 40,547
From Fund Share Transactions:		
Net asset value of 70,487 and 45,566 shares issued to common stockholders for reinvestment of dividends in 2011 and 2010	709	468
Distributions to Common Stockholders:		
From net investment income (\$1.04 and \$1.03 per share in 2011 and 2010, respectively)	\$ (24,020)	\$ (23,615)
Total net increase (decrease) in net assets	\$ (12,968)	\$ 17,400
Net Assets Applicable to Common Stock:		
Beginning of period	\$ 234,624	\$ 217,224
End of period (Including \$1,188 and \$917 of undistributed net investment income at December 31, 2011 and December 31, 2010, respectively)	\$ 221,656	\$ 234,624

(a) In 2010, dividends to preferred stockholders included a supplemental dividend as explained in Note 6.

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Financial Highlights**Selected Per Share Data and Ratios****For Each Share of Common Stock Outstanding Throughout the Period (b)**

	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
NET ASSET VALUE:					
Beginning of period	\$ 10.17	\$ 9.44	\$ 5.75	\$ 9.70	\$ 10.95
NET INVESTMENT INCOME					
	1.03	1.06	1.06	1.10	1.25#
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND OTHER FINANCIAL INSTRUMENTS					
	(.57)	.73	3.65	(4.00)	(1.00)#
DISTRIBUTIONS FROM NET INVESTMENT INCOME RELATED TO PREFERRED STOCK: (c)					
	(.01)	(.03)	(.12)	(.20)	(.25)
TOTAL FROM INVESTMENT OPERATIONS					
	.45	1.76	4.59	(3.10)	
DISTRIBUTIONS TO COMMON SHAREHOLDERS:					
From net investment income	(1.04)	(1.03)	(.90)	(.85)	(1.05)
TOTAL DISTRIBUTIONS					
	(1.04)	(1.03)	(.90)	(.85)	(1.05)
Effect of rights offering and related expenses; and Auction Term Preferred Stock offering costs and sales load					
					(.20)
NET ASSET VALUE:					
End of period	\$ 9.58	\$ 10.17	\$ 9.44	\$ 5.75	\$ 9.70
PER SHARE MARKET VALUE:					
End of period	\$ 10.21	\$ 9.96	\$ 9.05	\$ 4.50	\$ 8.55
TOTAL INVESTMENT RETURN†					
	13.61%	22.02%	126.88%	(40.53)%	(16.34)%

Calculation is based on average shares outstanding during the indicated period due to the per share effect of the Fund's September, 2007 rights offering.

† Total investment return is calculated assuming a purchase of common stock at the current market value on the first day and a sale at the current market value on the last day of each year reported. Dividends and distributions are assumed for purposes of this calculation to be reinvested at prices obtained under the dividend reinvestment plan. This calculation does not reflect brokerage commissions.

The accompanying notes are an integral part of these financial statements.

23

The New America High Income Fund, Inc.

Financial Highlights**Selected Per Share Data and Ratios****For Each Share of Common Stock Outstanding Throughout the Period (b) Continued**

	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
NET ASSETS, END OF PERIOD, APPLICABLE TO COMMON STOCK (a)	\$ 221,656	\$ 234,624	\$ 217,224	\$ 132,539	\$ 223,822
NET ASSETS, END OF PERIOD, APPLICABLE TO PREFERRED STOCK (a)	\$ 85,425	\$ 85,425	\$ 85,425	\$ 85,425	\$ 130,000
TOTAL NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK, END OF PERIOD (a)	\$ 307,081	\$ 320,049	\$ 302,649	\$ 217,964	\$ 353,822
EXPENSE RATIOS:					
Ratio of preferred and other leverage expenses to average net assets*	.04%	.05%	.04%	.15%	.15%
Ratio of operating expenses to average net assets*	1.42%	1.92%	1.55%	1.30%	1.19%
RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS*	1.46%	1.97%	1.59%	1.45%	1.34%
RATIO OF NET	10.10%	10.66%	13.59%	13.13%	11.66%

INVESTMENT INCOME TO AVERAGE NET ASSETS*					
RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK	1.07%	1.43%	1.07%	.92%	.84%
RATIO OF NET INVESTMENT INCOME TO AVERAGE NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK	7.41%	7.76%	9.20%	8.31%	7.28%
PORTFOLIO TURNOVER RATE	58.91%	79.02%	81.05%	57.08%	67.25%

(a) Dollars in thousands.

(b) The per share data for 2007 and 2008 has been adjusted to reflect a 1 for 5 reverse stock split in 2009.

(c) In 2010, dividends to preferred stockholders included a supplemental dividend as explained in Note 6.

* Ratios calculated on the basis of expenses and net investment income applicable to the common shares relative to the average net assets of the common stockholders only.

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

**Information Regarding
Senior Securities**

	As of December 31,				
	2011	2010	2009	2008	2007
TOTAL AMOUNT OUTSTANDING:					
Preferred Stock	\$ 85,425,000	\$ 85,425,000	\$ 85,425,000	\$ 85,425,000	\$ 130,000,000
ASSET COVERAGE:					
Per Preferred Stock Share					
(1)	\$ 89,869	\$ 93,664	\$ 88,572	\$ 63,788	\$ 68,043
INVOLUNTARY LIQUIDATION PREFERENCE:					
Per Preferred Stock Share					
(2)	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
LIQUIDATION VALUE:					
Per Preferred Stock Share					
(2)(3)	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

(1) Calculated by subtracting the Fund's total liabilities from the Fund's total assets and dividing such amount by the number of Preferred Shares outstanding.

(2) Plus accumulated and unpaid dividends.

(3) In January 2008, the Fund repurchased 600 shares of preferred stock at a price of \$25,000 per share. In October 2008, the Fund accepted an unsolicited offer to buy back and retire 1,183 shares of preferred stock at a price of \$16,250 per share. The Fund realized a gain of \$10,351,000 on this transaction. See Note 4 to the Financial Statements.

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Notes to Financial Statements
December 31, 2011

(1) Significant Accounting and Other Policies

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

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

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

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

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

(a) *Valuation of Investments* Investments for which market quotations are readily available are stated at market value, which is determined by using the most recently quoted bid price provided by an independent pricing service or principal market maker. Independent pricing services provide market quotations based primarily on quotations from dealers and brokers, market transactions, accessing data from quotations services, offering sheets obtained from dealers and various relationships between securities. Investments whose primary market is on an exchange are valued at the last sale price on the day of valuation. Short-term investments with original maturities of 60 days or less are stated at amortized cost, which approximates market value. Following procedures approved by the Board of Directors, investments for which market quotations are not readily available (primarily fixed-income corporate bonds and notes) are stated at fair value on the basis of subjective valuations furnished by securities dealers and brokers. Other investments, for which market quotations are not readily available with a cost of \$0 and a value of \$0, are

valued in good faith at fair market value using methods determined by the Board of Directors. Fair value measurement is further discussed in section (f) of this footnote.

(b) *Foreign Currency* Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U. S. dollar amounts on the respective dates of such transactions.

The Fund does not isolate that portion of the results of operations resulting from changes in foreign

The New America High Income Fund, Inc.

Notes to Financial Statements Continued
December 31, 2011

exchange rates on investments from the fluctu