

ABERDEEN GLOBAL INCOME FUND INC  
Form N-CSR  
January 07, 2008

**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:	811-06342
Exact name of registrant as specified in charter:	Aberdeen Global Income Fund, Inc.
Address of principal executive offices:	800 Scudders Mill Road, Plainsboro, New Jersey 08536
Name and address of agent for service:	Mr. Alan Goodson Aberdeen Asset Management Inc. 1735 Market Street 37 <sup>th</sup> Floor Philadelphia, PA 19103
Registrant's telephone number, including area code:	866-839-5233
Date of fiscal year end:	10/31/07
Date of reporting period:	10/31/07

Item 1 Reports to Stockholders.

07

Invests primarily in global fixed-income securities

## Aberdeen Global Income Fund, Inc.

Annual Report

October 31, 2007

## Letter to Shareholders

December 17, 2007

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Dear Shareholder,

We present this Annual Report which covers the activities of Aberdeen Global Income Fund, Inc. (the Fund) for the year ended October 31, 2007. The Fund's principal investment objective is to provide high current income by investing primarily in fixed income securities. As a secondary investment objective, the Fund seeks capital appreciation, but only when consistent with its principal investment objective.

### Net Asset Value Performance

The Fund's total return based on net asset value (NAV) was 11.90% for the year ended October 31, 2007 and 8.50% per annum since inception, assuming the reinvestment of distributions.

### Share Price Performance

The Fund's share price decreased by 0.2% over the year, from \$13.00 on October 31, 2006 to \$12.97 on October 31, 2007. The Fund's share price on October 31, 2007 represented a discount of 8.6% to the NAV per share of \$14.19 on that date, compared with a discount of 3.4% to the NAV per share of \$13.46 on October 31, 2006. At the date of this letter, the share price was \$11.97, representing a discount of 11.0% to the NAV per share of \$13.45.

### Credit Quality: 71.5% of Securities Rated or Deemed Equivalent to A or Better

As of October 31, 2007, 71.5% of the Fund's portfolio was invested in securities where either the issue or the issuer was rated A or better, or judged by Aberdeen Asset Management Asia Limited (the Investment Manager) to be of equivalent quality.

### Distributions

Distributions to common shareholders for the twelve months ended October 31, 2007 totaled 78 cents per share. Based on the share price of \$12.97 on October 31, 2007, the distribution rate over the twelve months then ended was 6.0%. Since all distributions are paid after deducting applicable withholding taxes, the effective distribution rate may be higher for those U.S. investors who are able to claim a tax credit.

On December 12, 2007, the Board of Directors authorized a monthly distribution of 6.5 cents per share, payable on January 11, 2008 to common shareholders of record as of December 31, 2007.

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The Board's policy is to provide investors with a stable monthly distribution out of current income, supplemented by realized capital gains and, to the extent necessary, paid-in-capital. It is the Board's intention that a monthly distribution of at least 6.5 cents per share be maintained for twelve months, beginning with the July 13, 2007 distribution payment. This policy is subject to regular review at the Board's quarterly meetings, unless market conditions require an earlier evaluation. The next review is scheduled to take place in March 2008.

### Share Repurchase Policy

The Board's policy is generally to buy back Fund shares on the open market when the Fund trades at certain discounts to NAV. The Board has decided that the Fund will implement a share buy back in early 2008 if the Fund's shares are trading at a 8% or greater discount to net asset value.

### Portfolio Holdings Disclosure

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

### Proxy Voting

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities, and information regarding how the Fund voted proxies related to portfolio securities

Aberdeen Global Income Fund, Inc.

## Letter to Shareholders (concluded)

during the twelve months ended June 30, 2007, is available: (i) upon request and without charge by calling Investor Relations toll-free at 1-866-839-5233; and (ii) on the SEC's website at <http://www.sec.gov>.

### Investor Relations Information

For information about the Fund, daily updates of share price, NAV, and details of recent distributions, contact Aberdeen Asset Management Inc. by:

calling toll free at 1-866-839-5233 in the United States,  
emailing [InvestorRelations@aberdeen-asset.com](mailto:InvestorRelations@aberdeen-asset.com), or  
visiting the website at [www.aberdeenfco.com](http://www.aberdeenfco.com).

For information about the Aberdeen Group, visit the Aberdeen website at [www.aberdeen-asset.com](http://www.aberdeen-asset.com).

Yours sincerely,

**Martin Gilbert**

President

### **All amounts are U.S. dollars unless otherwise stated**

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

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

Therefore, the exact amount of distributable income for each fiscal year can only be determined as of the end of the Fund's fiscal year, October 31. However, under the U.S. Investment Company Act of 1940, the Fund may be required to indicate the sources of

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certain distributions to shareholders. This estimated

distribution composition may vary from month to month because it may be materially impacted by future realized gains and losses on securities and fluctuations in the value of the currencies in which Fund assets are denominated.

The distributions for the fiscal year ended October 31, 2007 consisted entirely of net investment income.

In January 2008, a Form 1099-DIV will be sent to shareholders, which will state the amount and composition of distributions and provide information with respect to their appropriate tax treatment for the 2007 calendar year.

Aberdeen Global Income Fund, Inc.

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## Automatic Dividend Reinvestment and Cash Purchase Plan

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Common shareholders are automatically enrolled in the Fund's Automatic Dividend Reinvestment and Cash Purchase Plan (the Plan), which allows you to automatically reinvest your distributions in shares of the Fund's common stock at favorable commission rates, unless an election is made to receive distributions in cash. Distributions made under the Plan are taxable to the same extent as are cash distributions. The Plan also enables you to make additional cash investments in shares of at least \$100 per transaction, with a maximum of \$10,000 per month, and an aggregate annual limit of \$120,000. Under this arrangement, The Bank of New York Mellon Corporation (formerly, The Bank of New York) (the Plan Agent) will purchase shares for you on the American Stock Exchange or otherwise on the open market on or before the investment date. The investment date is the 15th day of each month, but if such date is not a business day, the preceding business day.

As a participant in the Plan you will benefit from:

**Automatic reinvestment** the Plan Agent will automatically reinvest your distributions, allowing you to gradually grow your holdings in the Fund;

**Lower costs** shares are purchased on your behalf under the Plan at low brokerage rates. Brokerage on share purchases is currently 2 cents per share;

**Convenience** the Plan Agent will hold your shares in non-certificated form and will provide a detailed plan account statement of your holdings at the end of each month.

To request a brochure containing information on the Plan, please contact the Plan Agent;

The Bank of New York Mellon Corporation

Shareholder Relations Department

P.O. Box 11258

Church Street Station

New York, NY 10286

or call toll free at 1-800-432-8224.

Aberdeen Global Income Fund, Inc.



## Report of the Investment Manager

### Share Price Performance

On October 31, 2007, the Fund's share price was \$12.97, which represented a discount of 8.6% to the NAV per share of \$14.19. As of December 17, 2007, the share price was \$11.97, representing a discount of 11.0% to the NAV per share of \$13.45.

### Auction Market Preferred Stock (AMPS)

The Fund's \$30 million of AMPS continued to be well bid at the regular auctions. The average interest rate paid was 5.401% over the year ended October 31, 2007, compared with an interest rate of 5.18948% for 30-day U.S. commercial paper over the same period. The average AMPS rate for the twelve months ended October 31, 2007 was slightly higher than the average AMPS for the six months ended April 30, 2007, while the average commercial paper rate was slightly lower for the same period. The key driver of the increase in the AMPS interest rate was the impact of increased risk aversion on credit spreads, while a 0.50% easing of monetary policy by the U.S. Federal Reserve in September 2007 drove the fall in commercial paper rates.

Over the twelve months ended October 31, 2007, the impact of the AMPS on the net asset value attributable to common shareholders was positive. Bond movements made a negative contribution, as increased risk aversion placed upward pressure on non-Government yields. However, this negative effect was mitigated by the locking in of fixed rates on 64% of the AMPS, pursuant to the interest rate swap agreement referred to below. The Fund's locking in of fixed rates on a portion of the AMPS has meant that the differential between the AMPS funding rates and the yields at which the Fund invests remained positive despite the volatility in U.S. short-term interest rates. Currency movements also made a positive contribution.

The Fund has entered into interest rate swap agreements, based on an initial aggregate notional amount of \$19.2 million, which represented 64% of the total AMPS outstanding. A portion of the interest rate swaps, with a nominal value of \$7.2 million, expired on October 31, 2007. Upon expiration, the unhedged portion of the total AMPS outstanding increased from \$10.8 million to \$18 million, and the coverage of the interest rate swaps decreased from 64% to 40%. Under the terms of the agreements currently in effect, the Fund receives a floating rate of interest (one month USD-LIBOR BBA rate) and pays fixed rates of interest for the terms and based upon the notional amounts set forth below:

### Remaining Term as of

October 31, 2007	Amount (in \$ million)	Fixed Rate Payable (%)
36 months	4.8	4.055
12 months	7.2	3.540

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

Aberdeen Global Income Fund, Inc.

## Portfolio Composition

### Quality of Investments

As of October 31, 2007, 71.5% of the Fund's total investments were invested in securities where either the issue or the issuer was rated at least A by Standard & Poor's Corporation or Moody's Investors Service, Inc. or, if unrated, judged to be of equivalent quality by the Investment Manager. The table below shows the asset quality of the Fund's portfolio as of October 31, 2007, compared with the previous six and twelve months:

Date	AAA/Aaa %	AA/Aa %	A %	BBB/Baa %	BB/Ba* %	B* %
October 31, 2007	45.3	14.5	11.7	8.1	15.3	5.1
April 30, 2007	51.6	15.1	12.7	1.6	15.0	4.0
October 31, 2006	64.4	9.5	12.4	0.9	9.1	3.7

\* Below investment grade

### Geographic Composition

The Fund's investments are divided into three categories: Developed Markets, Investment Grade Developing Markets and Sub-Investment Grade Developing Markets. The table below shows the geographic composition (i.e., with U.S. dollar denominated bonds issued by foreign issuers allocated into country of issuance) of the Fund's total investments as of October 31, 2007, compared with the previous six and twelve months:

Date	Investment Grade		
	Developed Markets %	Developing Markets %	Sub-Investment Grade Developing Markets %
October 31, 2007	70.2	5.5	24.3
April 30, 2007	76.5	6.9	16.6
October 31, 2006	71.8	17.2	11.0

### Currency Composition

The table below shows the currency composition of the Fund's total investments as of October 31, 2007, compared with the previous six and twelve months:

Date	Investment Grade		
	Developed Markets %	Developing Markets %	Sub-Investment Grade Developing Markets %
October 31, 2007	88.5	3.9	7.6
April 30, 2007	86.1	4.5	9.4

October 31, 2006	79.0	17.5	3.5
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### Maturity Composition

As of October 31, 2007, the average maturity of the Fund's total investments was 7.9 years, compared with 5.9 years on October 31, 2006. The table below shows the maturity composition of the Fund's investments as of October 31, 2007, compared with the previous six and twelve months:

<b>Date</b>	<b>Under 3 Years</b> %	<b>3 to 5 Years</b> %	<b>5 to 10 Years</b> %	<b>10 Years &amp; Over</b> %
October 31, 2007	26.7	20.7	31.7	20.9
April 30, 2007	31.3	16.1	32.7	19.9
October 31, 2006	41.2	15.8	29.7	13.3

Aberdeen Global Income Fund, Inc.

## Summary of Key Rates

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

	October 31, 2007	April 30, 2007	October 31, 2006
<b>Australia</b>			
90 day bank bills	7.01%	6.38%	6.38%
10 year bonds	6.15%	5.88%	5.66%
Australian Dollar	\$0.93	\$0.83	\$0.77
<b>Canada</b>			
90 day bank bills	3.95%	4.16%	4.19%
10 year bonds	4.31%	4.15%	4.03%
Canadian Dollar	\$1.05	\$0.90	\$0.89
<b>Malaysia</b>			
90 day T-bills	3.49%	3.35%	3.55%
10 year bonds	3.72%	3.49%	3.98%
Malaysian Ringgit*	RM3.34	RM3.42	RM3.65
<b>New Zealand</b>			
90 day bank bills	8.68%	8.09%	7.59%
10 year bonds	6.45%	6.09%	5.75%
New Zealand Dollar	\$0.77	\$0.74	\$0.67
<b>Philippines</b>			
90 day T-bills	N/A	3.73%	5.73%
10 year bonds	N/A	6.58%	7.61%
Philippines Peso*	₱43.68	₱47.61	₱49.84
<b>Singapore</b>			
90 day T-bills	2.27%	2.20%	3.35%
10 year bonds	5.56%	2.68%	3.19%
Singapore Dollar*	S\$1.45	S\$1.52	S\$1.56
<b>South Korea</b>			
90 day T-bills	6.15%	4.95%	4.57%
10 year bonds	5.56%	5.15%	4.91%
South Korean Won*	₩900.70	₩930.50	₩942.20
<b>Thailand</b>			
90 day deposits	2.25%	2.75%	3.25%
10 year bonds	4.81%	3.86%	5.16%
Thai Baht*	฿33.99	฿34.78	฿36.72
<b>United Kingdom</b>			
90 day bank bills	5.65%	5.35%	4.80%
10 year bonds	4.93%	5.04%	4.51%
British Pound	\$2.08	\$2.00	\$1.91
<b>U.S.\$ Bonds**</b>			
Malaysia	4.68%	5.10%	5.24%
Philippines	4.58%	5.20%	5.46%
South Korea	5.10%	5.16%	4.96%

\* These currencies are quoted Asian currency per U.S. dollar. The Australian, Canadian and New Zealand dollars and British pound are quoted U.S. dollars per currency.

\*\* Sovereign issues.

**Aberdeen Asset Management Asia Limited**

**December 2007**

Aberdeen Global Income Fund, Inc.

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## **Aberdeen Global Income Fund, Inc.**

Financial Statements

As of October 31, 2007

## Portfolio of Investments

As of October 31, 2007

Principal Amount (000)	Description	Value (US\$)
<b>LONG-TERM INVESTMENTS 117.6%</b>		
<b>ARGENTINA 2.8%</b>		
USD 4,330	Republic of Argentina, 7.00%, 4/17/17	\$ 3,657,600
<b>AUSTRALIA 29.3%</b>		
AUD 500	ABN Amro Bank NV, 6.50%, 5/17/13 (a)(b)	434,602
AUD 500	Australia and New Zealand Banking Group, Ltd., 6.25%, 5/23/11 (a)(b)	439,168
AUD 500	AXA SA, 7.50%, 10/26/16 (a)(b)	435,759
AUD 500	Bank of America Corp., 6.50%, 12/05/08	459,047
AUD 1,000	Brisbane Airport Corporation, Ltd., 7.30%, 6/30/10	920,995
AUD 500	CFS Retail Property Trust, 6.25%, 12/22/14	423,129
AUD 500	Cie de Financement Foncier, 6.25%, 1/30/17	441,253
AUD 1,250	Commonwealth of Australia, 7.50%, 9/15/09	1,173,761
AUD 500	Commonwealth of Australia, 5.25%, 8/15/10	446,593
AUD 250	Commonwealth of Australia, 5.75%, 6/15/11	225,231
AUD 100	Commonwealth of Australia, 6.50%, 5/15/13	92,863
AUD 500	Commonwealth of Australia, 6.25%, 4/15/15	462,676
AUD 1,550	Commonwealth of Australia, 6.00%, 2/15/17	1,418,730
AUD 500	Deutsche Bank AG, 7.50%, 10/19/12	456,980
AUD 200	Eurofima, 6.00%, 1/28/14	176,094
AUD 1,000	Eurofima, 6.25%, 12/28/18	889,584
AUD 500	FGL Finance Australia, Ltd., 6.25%, 3/17/10	448,521
AUD 900	General Electric Capital Australia Funding Pty, 6.50%, 11/15/11	797,538
AUD 500	General Electric Capital Australia Funding Pty, 6.00%, 5/15/13	427,151
AUD 600	General Electric Capital Australia Funding Pty, 6.00%, 4/15/15	504,467
AUD 500	Goldman Sachs Group, Inc., 6.35%, 4/12/16	418,822
AUD 500	GPT RE, Ltd., 6.00%, 6/27/08	458,996
AUD 500	HBOS PLC, 6.75%, 5/01/12 (a)(b)	443,638
AUD 800	HSBC Bank, 6.50%, 9/22/11	704,869
AUD 2,000	HSBC Bank Australia, 7.025%, 5/20/11 (a)(b)	1,858,133
AUD 1,000	ING Bank Australia, Ltd., 7.00%, 4/24/12	904,064
AUD 500	JP Morgan Chase & Co., 7.00%, 6/21/12	448,927
AUD 500	Macquarie Bank, Ltd., 6.50%, 5/31/12 (a)(b)	429,701
AUD 500	Merrill Lynch & Co., Inc., 6.50%, 7/28/09	451,023
AUD 200	Merrill Lynch & Co., Inc., 6.75%, 3/12/14	172,039
AUD 500	Monumental Global Funding, Ltd., 6.50%, 11/08/11	444,483
AUD 500	National Capital Trust III, 7.81%, 9/30/16 (a)(b)	448,779
AUD 3,700	New South Wales Treasury Corporation, 7.00%, 12/01/10	3,417,171
AUD 1,250	Northern Territory Treasury, 6.75%, 7/14/09	1,151,000
AUD 1,500	Queensland Treasury Corporation, 6.00%, 7/14/09	1,368,649
AUD 1,900	Queensland Treasury Corporation, 6.00%, 6/14/11	1,704,708
AUD 2,700	Queensland Treasury Corporation, 6.00%, 8/14/13	2,401,968
AUD 3,000	Queensland Treasury Corporation, 6.00%, 10/14/15	2,648,248
AUD 1,250	Queensland Treasury Corporation, 6.00%, 6/14/21	1,091,843
AUD 500	RWH Finance Pty. Limited, 6.20%, 3/26/21 (a)	421,501
AUD 750	SPI Australia Finance Pty. Ltd., 6.25%, 11/14/08	686,008
AUD 600	SPI Electricity & Gas, 6.50%, 11/03/11	531,468



See Notes to Financial Statements.

Aberdeen Global Income Fund, Inc.

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## Portfolio of Investments (continued)

As of October 31, 2007

Principal Amount (000)	Description	Value (US\$)
<b>LONG-TERM INVESTMENTS (continued)</b>		
<b>AUSTRALIA (continued)</b>		
AUD 500	St. George Bank, Ltd., 6.50%, 7/26/11 (a)(b)	\$ 441,919
AUD 1,000	Sydney Airport Finance, 6.25%, 11/21/11	879,847
AUD 500	Telstra Corporation, Ltd., 7.25%, 3/30/10	459,287
AUD 500	Travelers Insurance Company Institutional Funding, Ltd., 6.00%, 4/07/09	454,421
AUD 700	Wells Fargo & Co., 5.75%, 7/12/10	619,415
AUD 2,250	Western Australia Treasury Corporation, 8.00%, 6/15/13	2,182,882
		<b>38,717,951</b>
<b>BRAZIL 4.0%</b>		
BRL 500	Electropaulo Metropolitan, 19.125%, 6/28/10	329,199
USD 410	Federal Republic of Brazil, 10.00%, 8/07/11	490,565
BRL 6,810	Federal Republic of Brazil, 10.00%, 1/01/17	3,579,200
USD 410	ISA Capital do Brasil SA, 8.80%, 1/30/17	426,400
USD 460	Odebrecht Finance, Ltd., 7.50%, 10/18/12 (b)	467,682
		<b>5,293,046</b>
<b>CANADA 18.1%</b>		
CAD 2,500	Canadian Government, 5.50%, 6/01/10	2,715,703
CAD 3,000	Canadian Government, 10.25%, 3/15/14	4,208,402
CAD 2,000	Canadian Government, 8.00%, 6/01/23	2,958,539
CAD 2,000	Canadian Government, 9.00%, 6/01/25	3,282,586
CAD 750	Canada (Cayman), 7.25%, 6/01/08	799,777
CAD 500	Ontario Hydro, 8.50%, 5/26/25	749,421
CAD 2,000	Province of British Columbia, 9.50%, 1/09/12	2,502,990
CAD 2,000	Province of New Brunswick, 7.75%, 1/13/14	2,446,639
CAD 1,000	Province of Newfoundland, 5.125%, 12/29/10	1,071,118
CAD 2,000	Quebec Hydro, 9.625%, 7/15/22	3,131,207
		<b>23,866,382</b>
<b>CHINA 0.3%</b>		
USD 450	Parkson Retail Group, Ltd., 7.125%, 5/30/10 (b)	441,750
<b>COLOMBIA 1.4%</b>		
USD 1,460	Republic of Colombia, 7.375%, 9/18/37	1,667,320
USD 210	EEB International, Ltd., 8.75%, 10/31/11 (b)	216,058
		<b>1,883,378</b>
<b>DOMINICAN REPUBLIC 0.8%</b>		
USD 850		