Delaware Enhanced Global Dividend & Income Fund
Form 3
June 26, 2007

FORM 3

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Â LEVEN ANN R

(Last) (First) (Middle)

C/O DELAWARE INVESTMENTS,Â 2005 MARKET STREET

(Street)

PHILADELPHIA,Â PAÂ 19103

(City) (State) (Zip)

2. Date of Event Requiring Statement (Month/Day/Year)
06/26/2007

3. Issuer Name **and** Ticker or Trading Symbol
Delaware Enhanced Global Dividend & Income Fund [DEX]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

5. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1.Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
		Title			

Date Exercisable	Expiration Date	Amount or Number of Shares	or Indirect (I) (Instr. 5)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LEVEN ANN R C/O DELAWARE INVESTMENTS 2005 MARKET STREET PHILADELPHIA,Â PAÂ 19103	Â X	Â	Â	Â

Signatures

Cindy Lindenberg, as attorney-in-fact to Ann Leven	06/26/2007
**Signature of Reporting Person	Date

Explanation of Responses:

No securities are beneficially owned

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. div style="line-height:120%;text-align:left;font-size:10pt;">See the reconciliation of core earnings to GAAP net earnings under Results of Operations — General for details on the tax and noncontrolling interest impacts of these reconciling items.

Property and Casualty Insurance Segment — Results of Operations AFG's property and casualty insurance operations contributed $239 million in GAAP pretax earnings in the first nine months of 2013 compared to $250 million in the first nine months of 2012, a decrease of $11 million (4%). Property and casualty core pretax earnings were $293 million in the first nine months of 2013 compared to $281 million in the first nine months of 2012, an increase of $12 million (4%). Higher underwriting profits in the Specialty casualty group and Specialty financial group were partially offset by a decline in the

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underwriting profits in the Property and transportation group during the first half of the year (including higher catastrophe losses.) The decline in GAAP pretax earnings reflects the higher non-core special A&E charges in 2013 as compared to 2012.

The following table details AFG's GAAP and core earnings before income taxes from its property and casualty operations for the nine months ended September 30, 2013 and 2012 (dollars in millions):

	Nine months ended September 30, 2013	2012	% Change
Gross written premiums	$3,734	$3,356	11 %
Reinsurance premiums ceded	(1,214)	(1,109)	9 %
Net written premiums	2,520	2,247	12 %
Change in unearned premiums	(175)	(156)	12 %
Net earned premiums	2,345	2,091	12 %
Loss and loss adjustment expenses (*)	1,449	1,286	13 %
Commissions and other underwriting expenses	772	697	11 %
Core underwriting gain	124	108	15 %
Net investment income	196	206	(5 %)
Other income and expenses, net	(27)	(33)	(18 %)
Core earnings before income taxes	293	281	4 %
Pretax non-core special A&E charges	(54)	(31)	74 %
GAAP earnings before income taxes	$239	$250	(4 %)

(*) Excluding non-core special A&E charges

Combined Ratios:			
Specialty lines			Change
Loss and LAE ratio	61.5 %	61.1 %	0.4 %
Underwriting expense ratio	32.9 %	33.3 %	(0.4 %)
Combined ratio	94.4 %	94.4 %	— %
Aggregate — including discontinued lines			
Loss and LAE ratio	64.1 %	63.0 %	1.1 %
Underwriting expense ratio	32.9 %	33.3 %	(0.4 %)
Combined ratio	97.0 %	96.3 %	0.7 %

AFG reports the underwriting performance of its Specialty insurance business in the following sub-components: (i) Property and transportation, (ii) Specialty casualty and (iii) Specialty financial.

Gross Written Premiums

Gross written premiums ("GWP") for AFG's property and casualty insurance segment were $3.73 billion for the first nine months of 2013 compared to $3.36 billion for the first nine months of 2012, an increase of $378 million (11%). Detail of AFG's property and casualty gross written premiums is shown below (dollars in millions):

	Nine months ended September 30, 2013 GWP	%	2012 GWP	%	% Change

Property and transportation	$1,945	52	%	$1,840	55	%	6	%
Specialty casualty	1,331	36	%	1,100	33	%	21	%
Specialty financial	458	12	%	415	12	%	10	%
Other specialty	—	—	%	1	—	%	(100	%)
	$3,734	100	%	$3,356	100	%	11	%

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Reinsurance Premiums Ceded

Reinsurance premiums ceded ("Ceded") for AFG's property and casualty insurance segment were 33% of gross written premiums for the first nine months of 2013 and 2012. Detail of AFG's property and casualty reinsurance premiums ceded is shown below (dollars in millions):

	Nine months ended September 30,				Change in
	2013		2012		
	Ceded	% of GWP	Ceded	% of GWP	% of GWP
Property and transportation	$(747)	38 %	$(682)	37 %	1 %
Specialty casualty	(428)	32 %	(366)	33 %	(1 %)
Specialty financial	(104)	23 %	(112)	27 %	(4 %)
Other specialty	65		51		
	$(1,214)	33 %	$(1,109)	33 %	— %

Net Written Premiums

Net written premiums ("NWP") for AFG's property and casualty insurance segment were $2.52 billion for the first nine months of 2013 compared to $2.25 billion for the first nine months of 2012, an increase of $273 million (12%). Detail of AFG's property and casualty net written premiums is shown below (dollars in millions):

	Nine months ended September 30,				
	2013		2012		
	NWP	%	NWP	%	% Change
Property and transportation	$1,198	47 %	$1,158	52 %	3 %
Specialty casualty	903	36 %	734	33 %	23 %
Specialty financial	354	14 %	303	13 %	17 %
Other specialty	65	3 %	52	2 %	25 %
	$2,520	100 %	$2,247	100 %	12 %

Net Earned Premiums

Net earned premiums ("NEP") for AFG's property and casualty insurance segment were $2.35 billion for the first nine months of 2013 compared to $2.09 billion for the first nine months of 2012, an increase of $254 million (12%). Detail of AFG's property and casualty net earned premiums is shown below (dollars in millions):

	Nine months ended September 30,				
	2013		2012		
	NEP	%	NEP	%	% Change
Property and transportation	$1,111	47 %	$1,040	50 %	7 %
Specialty casualty	825	35 %	699	33 %	18 %
Specialty financial	350	15 %	301	14 %	16 %
Other specialty	59	3 %	51	3 %	16 %
	$2,345	100 %	$2,091	100 %	12 %

The $378 million increase in gross written premiums for the first nine months of 2013 compared to the first nine months of 2012 reflects strong growth across each of the property and casualty sub-segments. Overall average renewal rates increased approximately 4% in the first nine months of 2013.

Property and transportation Gross written premiums increased $105 million (6%) for the first nine months of 2013 compared to the same period in 2012 due primarily to higher crop premiums and growth in the transportation businesses. Average renewal rates were up approximately 5% for the first nine months of 2013. Reinsurance premiums ceded as a percentage of gross written premiums increased 1 percentage point in the first nine months of 2013 compared to the first nine months of 2012 reflecting higher cessions of multi-peril crop business.

Specialty casualty Gross written premiums increased $231 million (21%) for the first nine months of 2013 compared to the first nine months of 2012 as a result of increased premiums in nearly all businesses in this group, particularly in the workers'

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compensation and excess and surplus lines. New business opportunities, increased exposures from higher payroll on existing accounts, strong retentions and higher renewal pricing have contributed to increased premiums in the workers' compensation businesses. In addition, new business opportunities and general market hardening have generated increased premiums in several of the excess and surplus lines businesses. Average renewal rates were up approximately 6% for this group in the first nine months of 2013. Reinsurance premiums ceded as a percentage of gross written premiums declined 1 percentage point for the first nine months of 2013 compared to the first nine months of 2012 reflecting a change in the mix of business.

Specialty financial   Gross written premiums increased $43 million (10%) for the first nine months of 2013 compared to the first nine months of 2012 due primarily to growth in lender-placed mortgage property insurance offered by the financial institutions business. Gross written premiums for the first nine months of 2013 include $17 million in risk fees from AFG's warranty operations. Prior to 2013, fees in the warranty operations were included in other income. Average renewal rates for this group remained relatively unchanged in the first nine months of 2013. Reinsurance premiums ceded as a percentage of gross written premiums declined 4 percentage points for the first nine months of 2013 compared to the first nine months of 2012 reflecting the impact of reinsurance reinstatement premiums paid in the third quarter of 2012 and a change in the mix of business.

Other specialty   The amounts shown as reinsurance premiums ceded represent business assumed by AFG's internal reinsurance program from the operations that make up AFG's other Specialty sub-components.

Combined Ratio

The table below details the components of the combined ratio for AFG's property and casualty segment for the first nine months of 2013 compared to the first nine months of 2012:

	Nine months ended September 30, 2013		Nine months ended September 30, 2012		Change		Nine months ended September 30, 2013		Nine months ended September 30, 2012
Property and transportation									
Loss and LAE ratio	75.1	%	69.4	%	5.7	%			
Underwriting expense ratio	25.3	%	27.4	%	(2.1	%)			
Combined ratio	100.4	%	96.8	%	3.6	%			
Underwriting profit (loss)							$(5	)	$33
Specialty casualty									
Loss and LAE ratio	57.1	%	59.5	%	(2.4	%)			
Underwriting expense ratio	34.4	%	34.0	%	0.4	%			
Combined ratio	91.5	%	93.5	%	(2.0	%)			
Underwriting profit							$70		$45
Specialty financial									
Loss and LAE ratio	33.3	%	38.9	%	(5.6	%)			
Underwriting expense ratio	52.5	%	51.7	%	0.8	%			
Combined ratio	85.8	%	90.6	%	(4.8	%)			
Underwriting profit							$50		$28
Total Specialty									
Loss and LAE ratio	61.5	%	61.1	%	0.4	%			
Underwriting expense ratio	32.9	%	33.3	%	(0.4	%)			
Combined ratio	94.4	%	94.4	%	—	%			
Underwriting profit							$131		$116
Aggregate — including discontinued lines									
Loss and LAE ratio	64.1	%	63.0	%	1.1	%			
Underwriting expense ratio	32.9	%	33.3	%	(0.4	%)			
Combined ratio	97.0	%	96.3	%	0.7	%			
Underwriting profit							$70		$77

The Specialty insurance operations generated an underwriting profit of $131 million in the first nine months of 2013 compared to $116 million in the first nine months of 2012, an increase of $15 million (13%). The higher profit in the first nine months of 2013 is primarily the result of higher underwriting profits in the Specialty casualty and Specialty financial groups partially offset by lower underwriting profits and higher catastrophe losses in the Property and transportation businesses. Overall catastrophe losses were $30 million (1.3 points on the combined ratio) during the first nine months of 2013 compared to $13 million (0.6 points) during the first nine months of 2012.

Property and transportation This group reported an underwriting loss of $5 million for the first nine months of 2013 compared to a $33 million underwriting gain for the first nine months of 2012, a decrease in underwriting profit of $38 million. This decline is due primarily to lower profitability in the transportation businesses and higher catastrophe losses from the impact of the spring storms in the southeastern United States. Catastrophe losses were $27 million (2.4 points on the combined ratio) for this group during the first nine months of 2013 compared to $7 million (0.7 points) during the first nine months of 2012.

Specialty casualty   Underwriting profit was $70 million for the first nine months of 2013 compared to $45 million in the first nine months of 2012, an increase of $25 million (56%), reflecting a lower current accident year loss ratio as well as increased favorable reserve development.

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Management's Discussion and Analysis of Financial Condition and Results of Operations — Continued

Specialty financial Underwriting profit was $50 million for the first nine months of 2013 compared to $28 million in the first nine months of 2012, an increase of $22 million (79%). The improved results were due primarily to higher underwriting profits in the financial institutions business, primarily from lender-placed mortgage property insurance.

Losses and Loss Adjustment Expenses
AFG's overall loss and LAE ratio was 64.1% for the first nine months of 2013 compared to 63.0% for the first nine months of 2012, an increase of 1.1 percentage points. The components of AFG's property and casualty losses and LAE amounts and ratio are detailed below:

	Nine months ended September 30,				
	Amount		Ratio		Change in
	2013	2012	2013	2012	Ratio
Property and transportation					
Current year, excluding catastrophe losses	$812	$729	73.1 %	70.0 %	3.1 %
Prior accident years development	(4)	(14)	(0.4 %)	(1.3 %)	0.9 %
Current year catastrophe losses	27	7	2.4 %	0.7 %	1.7 %
Property and transportation losses and LAE and ratio	$835	$722	75.1 %	69.4 %	5.7 %
Specialty casualty					
Current year, excluding catastrophe losses	$511	$439	62.0 %	63.0 %	(1.0 %)
Prior accident years development	(42)	(25)	(5.0 %)	(3.7 %)	(1.3 %)
Current year catastrophe losses	1	2	0.1 %	0.2 %	(0.1 %)
Specialty casualty losses and LAE and ratio	$470	$416	57.1 %	59.5 %	(2.4 %)
Specialty financial					
Current year, excluding catastrophe losses	$124	$130	35.6 %	43.3 %	(7.7 %)
Prior accident years development	(10)	(16)	(2.9 %)	(5.5 %)	2.6 %
Current year catastrophe losses	2	3	0.6 %	1.1 %	(0.5 %)
Specialty financial losses and LAE and ratio	$116	$117	33.3 %	38.9 %	(5.6 %)
Total Specialty					
Current year, excluding catastrophe losses	$1,482	$1,327	63.3 %	63.5 %	(0.2 %)
Prior accident years development	(70)	(62)	(3.1 %)	(3.0 %)	(0.1 %)
Current year catastrophe losses	30	13	1.3 %	0.6 %	0.7 %
Total Specialty losses and LAE and ratio	$1,442	$1,278	61.5 %	61.1 %	0.4 %
Aggregate — including discontinued lines					
Current year, excluding catastrophe losses	$1,483	$1,327	63.3 %	63.5 %	(0.2 %)
Prior accident years development	(10)	(23)	(0.5 %)	(1.1 %)	0.6 %
Current year catastrophe losses	30	13	1.3 %	0.6 %	0.7 %
Aggregate losses and LAE and ratio	$1,503	$1,317	64.1 %	63.0 %	1.1 %

Net prior year reserve development
AFG's Specialty property and casualty operations recorded net favorable reserve development related to prior accident years of $70 million in the first nine months of 2013 compared to $62 million in the first nine months of 2012, an increase of $8 million (13%).

Property and transportation   Net favorable reserve development of $4 million in the first nine months of 2013 reflects lower than expected claims handling expense in the crop business and lower claim severity in the property inland marine and ocean marine businesses, substantially offset by adverse development from increased severity in the commercial auto liability business written by the transportation businesses. Net favorable reserve development of $14 million in the first nine months of 2012 reflects lower than expected loss frequency in crop products, partially offset by higher than expected claim severity in the property and inland marine business.

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Specialty casualty Net favorable reserve development of $42 million in the first nine months of 2013 reflects lower than expected claim severity in directors and officers liability insurance and lower than expected claim severity and frequency in excess liability business. Net favorable reserve development of $25 million in the first nine months of 2012 reflects lower than expected claim severity and frequency in homebuilders' general liability products and lower than expected claim severity in directors and officers liability insurance substantially offset by higher claim frequency and severity in a run-off book of U.S.-based program (motel/hotel, restaurants, taverns and recreational) business.

Specialty financial Net favorable reserve development of $10 million in the first nine months of 2013 is due to lower than expected frequency and severity in the foreign credit and financial institution services businesses as economic conditions did not affect these lines as adversely as had been anticipated. Net favorable reserve development of $16 million in the first nine months of 2012 reflects lower than expected claim severity in fidelity and crime products, lower than expected frequency and severity in the financial institution service businesses and lower than expected claim frequency and severity in the run-off automobile residual value insurance business.

Other specialty In addition to the development discussed above, total specialty net favorable reserve development reflects amortization of the deferred gain on the retroactive insurance transaction entered into in connection with the sale of a business in 1998 and reserve development associated with AFG's internal reinsurance program.

Special Asbestos and Environmental Reserve Charges See "Net prior year reserve development" under "Property and Casualty Insurance — Results of Operations" for the quarters ended September 30, 2013 and 2012 for a discussion of the $54 million and $31 million special A&E charges recorded in the third quarters of 2013 and 2012, respectively.

Aggregate Aggregate net prior accident years reserve development for AFG's property and casualty segment includes the special A&E charges mentioned above.

Catastrophe losses
AFG generally seeks to reduce its exposure to catastrophes through individual risk selection, including minimizing coastal and known fault-line exposures, and the purchase of reinsurance. The $27 million in catastrophe losses in the property and transportation group in the first nine months of 2013 resulted primarily from spring storms in the southeastern United States.

Commissions and Other Underwriting Expenses
AFG's property and casualty commissions and other underwriting expenses ("U/W Exp") were $772 million in the first nine months of 2013 compared to $697 million for the first nine months of 2012, an increase of $75 million (11%). AFG's underwriting expense ratio was 32.9% for the first nine months of 2013 compared to 33.3% for the first nine months of 2012, a decrease of 0.4 percentage points. Detail of AFG's property and casualty commissions and other underwriting expenses and underwriting expense ratios is shown below (dollars in millions):

	Nine months ended September 30,				
	2013		2012		Change in
	U/W Exp	% of NEP	U/W Exp	% of NEP	% of NEP
Property and transportation	$281	25.3 %	$285	27.4 %	(2.1 %)
Specialty casualty	285	34.4 %	238	34.0 %	0.4 %
Specialty financial	184	52.5 %	156	51.7 %	0.8 %
Other specialty	22	37.3 %	18	37.2 %	0.1 %
	$772	32.9 %	$697	33.3 %	(0.4 %)

The overall decrease of 0.4% in AFG's expense ratio for the first nine months of 2013 as compared to the first nine months of 2012, as well as the fluctuations in AFG's sub-components, reflects the impact of higher premiums on the ratio partially offset by changes in the mix of AFG's business and the impact of certain reinsurance ceding commissions received that are partially based on the profitability of the business ceded.

Property and transportation   Commissions and other underwriting expenses as a percentage of net earned premiums decreased 2.1 percentage points for the first nine months of 2013 compared to the first nine months of 2012 reflecting the timing of the determination of reimbursements for administrative and operating expenses under the Federal crop insurance program and the impact of higher premiums on the ratio partially offset by lower profitability-based commissions received from reinsurers.

Specialty casualty   Commissions and other underwriting expenses as a percentage of net earned premiums increased 0.4 percentage points for the first nine months of 2013 compared to the first nine months of 2012 reflecting higher profitability-based commissions related to international business, partially offset by the impact of higher premiums on the ratio.

Specialty financial   Commissions and other underwriting expenses as a percentage of net earned premiums increased 0.8 percentage points for the first nine months of 2013 compared to the first nine months of 2012 reflecting higher profitability-based commissions and lower ceding commissions from reinsurers, partially offset by the impact of higher premiums on the ratio.

Property and Casualty Net Investment Income

Net investment income in AFG's property and casualty operations was $196 million for the first nine months of 2013 compared to $206 million in the first nine months of 2012, a decrease of $10 million (5%). In recent years, yields available in the financial markets on fixed maturity securities have generally declined, placing downward pressure on AFG's investment portfolio yield. The average invested assets and overall earned yield on investments held by AFG's property and casualty operations are provided below (dollars in millions):

	Nine months ended September 30,			
	2013	2012	Change	% Change
Net investment income	$196	$206	$(10)	(5%)
Average invested assets (at amortized cost)	$6,876	$6,623	$253	4%
Yield (net investment income as a % of average invested assets)	3.80%	4.15%	(0.35%)	

The property and casualty segment’s overall yield on investments (net investment income as a percentage of average invested assets) was 3.80% for the first nine months of 2013 compared to 4.15% for the first nine months of 2012, a decline of 0.35 percentage points. In addition to the impact of lower yields available in the financial markets, the $253 million increase in average invested assets reflects primarily higher average cash and cash equivalent balances.

Property and Casualty Other Income and Expense, Net

Other income and expenses, net for AFG's property and casualty operations was a net expense of $27 million for the first nine months of 2013 compared to $33 million for the first nine months of 2012, a decrease of $6 million (18%). The table below details the items included in other income and expenses, net for AFG's property and casualty operations (in millions):

	Nine months ended September 30,	
	2013	2012
Other income		
Warranty operations	$—	$12
Income from the sale of real estate	4	—
Other	6	5
Total other income	10	17
Other expenses		
Warranty operations	—	14
Amortization of intangibles	10	10

Other	24	23
Total other expense	34	47
Interest expense	3	3
Other income and expenses, net	$(27)	$(33)

Beginning in 2013, AFG’s warranty operations are included in the Specialty financial underwriting results.

Interest expense for AFG's property and casualty operations includes interest charges on long-term debt within the property and casualty operations, primarily notes secured by real estate and other secured borrowings.

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Annuity Segment — Results of Operations

AFG's annuity operations contributed $231 million in GAAP pretax earnings in the first nine months of 2013 compared to $188 million in the first nine months of 2012, an increase of $43 million (23%). AFG's annuity operations contributed $236 million in core pretax earnings in the first nine months of 2013 compared to $188 million in the first nine months of 2012, an increase of $48 million (26%). The increase in both GAAP and core pretax earnings was a result of growth in the annuity business and the favorable impact that rising interest rates and strong stock market performance in the first nine months of 2013 had on AFG's fixed-indexed annuity business. Results for the first nine months of 2012 reflect the negative impact of sharply lower interest rates partially offset by the impact of strong stock market performance on the fixed-indexed annuity business.

In the second quarter of 2013, AFG recorded a pretax charge of $5 million in its annuity operations to cover expected assessments from state guaranty funds related to the insolvency and liquidation of Executive Life Insurance Company of New York ("ELNY"), an unaffiliated life insurance company. ELNY was placed into rehabilitation by the New York Insurance Department in 1991. In April 2012, ELNY was declared insolvent and ordered into liquidation. AFG's life insurance subsidiaries are required under the solvency or guaranty laws of most states in which they do business to pay assessments up to certain prescribed limits to fund policyholder losses or liabilities of insolvent insurance companies such as ELNY and started receiving guaranty fund assessments related to ELNY from various states in the second quarter of 2013. AFG does not expect to record significant additional charges for ELNY guaranty fund assessments in future quarters.

The following table details AFG's GAAP and core earnings before income taxes from its annuity operations for the nine months ended September 30, 2013 and 2012 (dollars in millions).

	Nine months ended September 30,		
	2013	2012	% Change
Revenues:			
Net investment income	$764	$722	6 %
Other income:			
Guaranteed withdrawal benefit fees	18	9	100 %
Policy charges and other miscellaneous income	28	30	(7 %)
Total revenues	810	761	6 %
Costs and Expenses:			
Annuity benefits (a)	394	417	(6 %)
Acquisition expenses	114	92	24 %
Other expenses (b)	66	64	3 %
Total costs and expenses	574	573	— %
Core earnings before income taxes	236	188	26 %
Pretax non-core ELNY guaranty fund assessments	(5)	—	— %
GAAP earnings before income taxes	$231	$188	23 %

(a) Annuity benefits consisted of the following (in millions):

	Nine months ended September 30,		
	2013	2012	% Change
Interest credited — fixed	$333	$329	1 %
Interest credited — fixed component of variable annuities	5	5	— %

Change in expected death and annuitization reserve	14	14	— %
Amortization of sales inducements	23	23	— %
Change in guaranteed withdrawal benefit reserve	28	9	211 %
Change in other benefit reserves	6	7	(14 %)
Derivatives related to fixed-indexed annuities:			
Embedded derivative mark-to-market	110	97	13 %
Equity option mark-to-market	(125)	(67)	87 %
Total annuity benefits	$394	$417	(6 %)

(b) Other expenses exclude the non-core ELNY guaranty fund assessments.

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Net Spread on Fixed Annuities (excludes variable annuity earnings)

The table below (dollars in millions) details the components of these spreads for AFG's fixed annuity operations (including fixed-indexed annuities):

	Nine months ended September 30,		
	2013	2012	% Change
Average fixed annuity investments (at amortized cost)	$18,693	$16,371	14 %
Average fixed annuity benefits accumulated	18,231	16,147	13 %
As % of fixed annuity benefits accumulated (except as noted):			
Net investment income (as % of fixed annuity investments)	5.40 %	5.82 %	
Interest credited — fixed	(2.43 %)	(2.72 %)	
Net interest spread	2.97 %	3.10 %	
Policy charges and other miscellaneous income	0.14 %	0.17 %	
Other annuity benefit expenses, net of guaranteed withdrawal benefit fees	(0.39 %)	(0.32 %)	
Acquisition expenses	(0.80 %)	(0.72 %)	
Other expenses (*)	(0.45 %)	(0.49 %)	
Change in fair value of derivatives related to fixed-indexed annuities	0.11 %	(0.29 %)	
Net spread earned on fixed annuities	1.58 %	1.45 %	

(*) Excludes the $5 million second quarter 2013 non-core charge for the ELNY guaranty fund assessments. Including this charge, the net spread earned on fixed annuities was 1.54% for the nine months ended September 30, 2013.

Annuity Net Investment Income

Net investment income for the first nine months of 2013 was $764 million compared to $722 million for the first nine months of 2012, an increase of $42 million (6%). This increase reflects primarily the growth in AFG's annuity business. The overall yield earned on investments in AFG's annuity operations, calculated as net investment income divided by average investment balances (at amortized cost), declined by 0.42 percentage points for the first nine months of 2013 compared to the same period in 2012. This decline in net investment yield reflects (i) the investment of new premium dollars in the recent low interest rate environment and (ii) the impact of the maturity and redemption of higher yielding investments.

Annuity Interest Credited — Fixed

Interest credited — fixed for the first nine months of 2013 was $333 million compared to $329 million for the first nine months of 2012, an increase of $4 million (1%). The impact of growth in the annuity business was partially offset by lower interest crediting rates on new premiums as compared to the crediting rates on policyholder funds surrendered or withdrawn as well as the impact of crediting rate reductions on existing policyholder funds that were implemented in the second half of 2012. The average interest rate credited to policyholders, calculated as interest credited divided by average fixed annuity benefits accumulated, decreased 0.29 percentage points in the first nine months of 2013 compared to the same period of 2012. During the first nine months of 2013, interest rates credited on new premiums generally ranged from 1.00% to 2.00%.

Annuity Net Interest Spread

AFG's net interest spread decreased 0.13 percentage points in the first nine months of 2013 compared to the same period in 2012 due primarily to the run-off of higher yielding investments, partially offset by lower crediting rates.

Annuity Policy Charges and Other Miscellaneous Income
Annuity policy charges and other miscellaneous income for the first nine months of 2013 were $28 million compared to $30 million for the first nine months of 2012, a decrease of $2 million (7%). Policy charges and other miscellaneous income for AFG's annuity operations, which consist primarily of surrender charges, as a percentage of average fixed annuity benefits accumulated declined 0.03 percentage points primarily reflecting lower surrender charge rates.

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Other Annuity Benefits

Other annuity benefits, net of guaranteed withdrawal benefit fees for the first nine months of 2013 were $53 million compared to $44 million for the first nine months of 2012, an increase of $9 million (20%). In addition to interest credited to policyholders' accounts, annuity benefits expense also includes the following expenses (in millions, net of guaranteed withdrawal benefit fees):

	Nine months ended September 30,	
	2013	2012
Change in expected death and annuitization reserve	$14	$14
Amortization of sales inducements	23	23
Change in guaranteed withdrawal benefit reserve	28	9
Change in other benefit reserves	6	7
Other annuity benefits	71	53
Offset guaranteed withdrawal benefit fees	(18)	(9)
Other annuity benefits, net	$53	$44

The $9 million increase in other annuity benefits, net of guaranteed withdrawal benefit fees for the first nine months of 2013 compared to the first nine months of 2012 reflects primarily increased sales of products with guaranteed withdrawal benefit features.

Annuity Acquisition Expenses

AFG's amortization of DPAC and commission expenses as a percentage of average fixed annuity benefits accumulated was 0.80% for the first nine months of 2013 compared to 0.72% for the first nine months of 2012 and has generally ranged between 0.70% and 0.80%. Variances in these percentages generally relate to the impact of (i) material changes in interest rates or the stock market on AFG's fixed-indexed annuity business, and (ii) differences in actual experience from actuarially projected estimates and assumptions. For example, the favorable impact of the increase in market interest rates during 2013 on the fair value of derivatives related to fixed-indexed annuities (discussed below) resulted in a partially offsetting acceleration in the amortization of DPAC.

Annuity Other Expenses

Annuity other expenses for the first nine months of 2013 were $66 million excluding the non-core ELNY guaranty fund assessments charge, compared to $64 million for the first nine months of 2012, an increase of $2 million (3%). Annuity other expenses represent primarily general and administrative expenses, as well as selling and issuance expenses that are not deferred. As a percentage of average fixed annuity benefits accumulated, these expenses declined 0.04 percentage points for the first nine months of 2013 as compared to the first nine months of 2012.

Change in Fair Value of Derivatives Related to Fixed-Indexed Annuities

AFG's fixed-indexed annuities, which represented approximately 45% of annuity benefits accumulated at September 30, 2013, provide policyholders with a crediting rate tied, in part, to the performance of an existing stock market index. AFG attempts to mitigate the risk in the index-based component of these products through the purchase of call options on the appropriate index. AFG's strategy is designed so that an increase in the liabilities, due to an increase in the market index, will generally be offset by unrealized and realized gains on the call options purchased by AFG. Both the index-based component of the annuities and the related call options are considered derivatives that must be marked-to-market through earnings each period. The fair values of these derivatives are impacted by actual and expected stock market performance and interest rates as well as other factors. For a list of other factors impacting the fair value of the index-based component of AFG's annuity benefits accumulated, see Note D — "Fair Value

Measurements." The net change in fair value of derivatives related to fixed-indexed annuities reduced annuity benefits by $15 million in the first nine months of 2013 as the impact of strong stock market performance on the embedded derivative was more than offset by the positive impact of higher market interest rates. Conversely, the net change in fair value of the derivatives related to fixed-indexed annuities increased annuity benefits expense by $30 million in the first nine months of 2012 reflecting the negative impact of sharply lower market interest rates on the embedded derivative.

Annuity Net Spread Earned on Fixed Annuities

AFG's net spread earned on fixed annuities increased 0.13 percentage points in the first nine months of 2013 compared to the same period in 2012 as the 0.13 percentage points decrease in AFG's net interest spread was more than offset by the impact of changes in the fair value of derivatives discussed above.

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Annuity Benefits Accumulated

Annuity premiums received and benefit payments are recorded as increases or decreases in annuity benefits accumulated rather than as revenue and expense. Increases in this liability for interest credited and other benefits are charged to expense and decreases for surrender and other policy charges are credited to other income.

For certain products, annuity benefits accumulated also includes reserves for accrued persistency and premium bonuses (sales inducements), excess benefits expected to be paid on future deaths and annuitizations ("EDAR") and guaranteed withdrawal benefits. Annuity benefits accumulated also includes amounts advanced from the Federal Home Loan Bank of Cincinnati. The following table is a progression of AFG's annuity benefits accumulated liability for the nine months ended September 30, 2013 and 2012 (in millions):

	Nine months ended September 30,	
	2013	2012
Beginning fixed annuity reserves	$17,274	$15,188
Fixed annuity premiums (receipts)	2,613	2,385
Federal Home Loan Bank advances	200	—
Surrenders, benefits and other withdrawals	(1,085)	(1,042)
Interest and other annuity benefit expenses:		
Interest credited	333	329
Embedded derivative mark-to-market	110	97
Change in other benefit reserves	60	42
Ending fixed annuity reserves	$19,505	$16,999
Reconciliation to annuity benefits accumulated per balance sheet:		
Ending fixed annuity reserves (from above)	$19,505	$16,999
Impact of unrealized investment gains	84	46
Fixed component of variable annuities	196	200
Annuity benefits accumulated per balance sheet	$19,785	$17,245

Statutory Annuity Premiums

AFG's annuity operations generated statutory premiums of $2.65 billion in the first nine months of 2013 compared to $2.43 billion in the first nine months of 2012, an increase of $221 million (9%). The following table summarizes AFG's annuity sales (dollars in millions):

	Nine months ended September 30,		
	2013	2012	% Change
Retail single premium annuities — indexed	$1,314	$1,357	(3%)
Retail single premium annuities — fixed	112	118	(5%)
Financial institutions single premium annuities — indexed	604	232	160%
Financial institutions single premium annuities — fixed	427	501	(15%)
Education market — 403(b) fixed and indexed annuities	156	177	(12%)
Total fixed annuity premiums	2,613	2,385	10%
Variable annuities	39	46	(15%)
Total annuity premiums	$2,652	$2,431	9%

The 9% increase in annuity premiums in the first nine months of 2013 compared to the same period in 2012 reflects continued successful distribution channel expansion, primarily in the financial institutions market, as well as new product offerings. Management also believes that AFG has benefitted from its strong ratings, and that the entire annuity industry has benefitted from the rise in interest rates in 2013, particularly in the financial institutions market.

Annuity Earnings before Income Taxes Reconciliation
The following table reconciles the GAAP and core net spread earned on AFG’s fixed annuities to overall annuity pretax earnings for the nine months ended 2013 and 2012 (in millions):

	Nine months ended September 30,	
	2013	2012
Earnings on fixed annuity benefits accumulated (a)	$216	$179
Earnings on investments in excess of fixed annuity benefits accumulated (b)	18	9
Variable annuity earnings	2	—
Core earnings before income taxes	236	188
Pretax non-core ELNY guaranty fund assessments	(5)	—
GAAP earnings before income taxes	$231	$188

(a) Excludes the pretax non-core ELNY guarantee fund assessments of $5 million recorded in the second quarter of 2013.
(b) Net investment income (as a % of investments) of 5.40% and 5.82% for the nine months ended September 30, 2013 and 2012, respectively, multiplied by the difference between average fixed annuity investments (at amortized cost) and average fixed annuity benefits accumulated in each period.

Run-off Long-Term Care and Life Segment — Results of Operations The following table details AFG's earnings before income taxes from its run-off long-term care and life operations for the nine months ended September 30, 2013 and 2012 (dollars in millions):

	Nine months ended September 30,		
	2013	2012	% Change
Revenues:			
Net earned premiums:			
Long-term care	$58	$59	(2%)
Life operations	29	32	(9%)
Net investment income	57	54	6%
Other income	3	1	200%
Total revenues	147	146	1%
Costs and Expenses:			
Life, accident and health benefits:			
Long-term care	85	66	29%
Life operations	35	41	(15%)
Acquisition expenses	14	15	(7%)
Other expenses	20	16	25%
Total costs and expenses	154	138	12%
Earnings (loss) before income taxes	$(7)	$8	

The increase in long-term care benefits expense in the first nine months of 2013 as compared to the 2012 period is due primarily to an increase in new claims. Due to the nature and size of its long-term care business, AFG expects claims volatility from period to period. Management continues to monitor the long-term care business. The decrease in life benefits expense in the first nine months of 2013 as compared to the 2012 period is due primarily to improved claims experience in the first half of 2013.

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Medicare Supplement and Critical Illness Segment — Results of Operations AFG's Medicare supplement and critical illness segment contributed $183 million in GAAP pretax earnings in the first nine months of 2012, which includes a $155 million pretax non-core realized gain on the August 2012 sale of these businesses. See Note B — "Acquisitions and Sales of Subsidiaries." The following table details AFG's GAAP and core earnings before income taxes from its Medicare supplement and critical illness business (in millions):

	Nine months ended September 30,	
	2013	2012
Revenues:		
Net earned premiums	$—	$199
Net investment income	—	7
Other income	—	6
Total revenues	—	212
Costs and Expenses:		
Life, accident and health benefits	—	131
Acquisition expenses	—	31
Other expenses	—	22
Total costs and expenses	—	184
Core earnings before income taxes	—	28
Pretax non-core realized gain on sale of Medicare supplement and critical illness	—	155
GAAP earnings before income taxes	$—	$183

Holding Company, Other and Unallocated — Results of Operations AFG's net GAAP pretax loss outside of its insurance operations (excluding realized gains) totaled $144 million for the first nine months of 2013 compared to $143 million in the first nine months of 2012, an increase of $1 million (1%). AFG's net core pretax loss outside of its insurance operations (excluding realized gains) totaled $122 million for the first nine months of 2013 compared to $118 million for the first nine months of 2012, an increase of $4 million (3%).

The following table details AFG's GAAP and core loss before income taxes from operations outside of its insurance operations for the nine months ended September 30, 2013 and 2012 (dollars in millions):

	Nine months ended September 30,		
	2013	2012	% Change
Revenues:			
Net investment income	$6	$4	50 %
Other income	24	18	33 %
Total revenues	30	22	36 %
Costs and Expenses:			
Interest charges on borrowed money	51	54	(6 %)
Other expenses (*)	101	86	17 %
Total costs and expenses	152	140	9 %
Core loss before income taxes, excluding realized gains	(122)	(118)	3 %
Pretax non-core items, excluding realized gains:			
Special A&E charge	(22)	(2)	1,000 %

Other	—	(23)	(100%)
GAAP earnings before income taxes, excluding realized gains	$(144)	$(143)	1%

(*) Excludes pretax non-core special A&E charges of $22 million and $2 million for the first nine months of 2013 and 2012, respectively. Other expenses for the first nine months of 2012 also exclude $23 million in other non-core charges. See “Holding Company, Other and Unallocated — Results of Operations” for the quarters ended September 30, 2013 and 2012 for a discussion of these non-core charges.

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Holding Company and Other — Net Investment Income
AFG recorded investment income on investments held outside of its insurance operations of $6 million in the first nine months of 2013 and $4 million in the first nine months of 2012.

Holding Company and Other — Other Income
Other income in the table above includes $12 million in the first nine months of 2013 and $14 million in the first nine months of 2012 of management fees paid to AFG by the AFG-managed CLOs (AFG's consolidated managed investment entities). These fees are eliminated in consolidation — see the other income line in the Consolidate MIEs column under Results of Operations — Segmented Statement of Earnings. Excluding amounts eliminated in consolidation, AFG recorded other income outside of its insurance operations of $12 million in the first nine months of 2013 compared to $4 million in the first nine months of 2012. Results for the first nine months of 2012 include a charge of $4 million to write-down a fixed asset that is being sold.

Holding Company and Other — Interest Charges on Borrowed Money
AFG's holding companies and other operations outside of its insurance operations recorded interest expense of $51 million in the first nine months of 2013 compared to $54 million in the first nine months of 2012, a decrease of $3 million (6%). In 2012, AFG issued new Senior Notes and used the proceeds to redeem higher rate debt.

Holding Company and Other — Other Expenses
See "Holding Company and Other — Other Expenses" under "Holding Company, Other and Unallocated — Results of Operations" for the quarters ended September 30, 2013 and 2012 for a discussion of the $22 million and $25 million in non-core charges recorded in the third quarter of 2013 and 2012, respectively. Excluding these non-core charges, AFG's holding companies and other operations outside of its insurance operations recorded other expenses of $101 million in the first nine months of 2013 compared to $86 million in the first nine months of 2012, an increase of $15 million (17%). The $15 million increase reflects the impact of higher holding company expenses, primarily related to certain share-based incentive plans.

Consolidated Realized Gains (Losses) on Securities AFG's consolidated realized gains on securities, which are not allocated to segments, were $154 million in the first nine months of 2013 compared to $145 million in the first nine months of 2012, an increase of $9 million (6%). Realized gains (losses) on securities consisted of the following (in millions):

	Nine months ended September 30,	
	2013	2012
Realized gains (losses) before impairments:		
Disposals	$158	$169
Change in the fair value of derivatives	2	1
Adjustments to annuity deferred policy acquisition costs and related items	—	(6)
	160	164
Impairment charges:		
Securities	(6)	(24)
Adjustments to annuity deferred policy acquisition costs and related items	—	5
	(6)	(19)
	$154	$145

Realized gains on disposals include gains on sales of shares of Verisk Analytics, Inc. of $49 million in the first nine months of 2013 and $66 million in the first nine months of 2012.

Consolidated Income Taxes   AFG's consolidated provision for income taxes was $155 million for the first nine months of 2013 compared to $184 million in the first nine months of 2012, a decrease of $29 million (16%). See Note L — "Income Taxes" to the financial statements for an analysis of items affecting AFG's effective tax rate.

Consolidated Noncontrolling Interests AFG's consolidated net loss attributable to noncontrolling interests was $25 million for the first nine months of 2013 compared to $55 million for the first nine months of 2012, a decrease of $30 million. The following table details net earnings (loss) in consolidated subsidiaries attributable to holders other than AFG (dollars in millions):

	Nine months ended September 30, 2013	2012	% Change
National Interstate	$4	$12	(67 %)
Marketform	—	(4)	(100 %)
Managed Investment Entities	(30)	(64)	(53 %)
Other	1	1	— %
	$(25)	$(55)	(55 %)

During the third quarter of 2012, AFG acquired the remaining 28% of Marketform that it did not already own. As discussed in Notes A — “Accounting Policies,” and H — “Managed Investment Entities” to the financial statements, the losses of Managed Investment Entities represent CLO losses that ultimately inure to holders of the CLO debt.

NEW ACCOUNTING STANDARDS

See Note A — “Accounting Policies — Accounting Standards Adopted in 2013” for a discussion of new accounting standards adopted by AFG in 2013.

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ITEM 3

Quantitative and Qualitative Disclosure of Market Risk

As of September 30, 2013, there were no material changes to the information provided in Item 7A — “Quantitative and Qualitative Disclosures about Market Risk” of AFG’s 2012 Form 10-K.

ITEM 4

Controls and Procedures

AFG’s management, with participation of its Co-Chief Executive Officers and its Chief Financial Officer, has evaluated AFG’s disclosure controls and procedures (as defined in Exchange Act Rule 13a-15) as of the end of the period covered by this report. Based on that evaluation, AFG’s Co-CEOs and CFO concluded that the controls and procedures are effective. There have been no changes in AFG’s internal control over financial reporting during the third fiscal quarter of 2013 that materially affected, or are reasonably likely to materially affect, AFG’s internal control over financial reporting.

In the ordinary course of business, AFG and its subsidiaries routinely enhance their information systems by either upgrading current systems or implementing new systems. There has been no change in AFG’s business processes and procedures during the third fiscal quarter of 2013 that has materially affected, or is reasonably likely to materially affect, AFG’s internal control over financial reporting.

PART II

OTHER INFORMATION

ITEM 2

Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities AFG repurchased shares of its Common Stock during the first nine months of 2013 as follows:

	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs (a)
First Quarter	61,586	$43.71	61,586	7,501,271
Second Quarter	1,386,570	$48.37	1,386,570	6,114,701
July	—	$—	—	6,114,701
August	—	$—	—	6,114,701
September	—	$—	—	6,114,701

(a) Represents the remaining shares that may be repurchased under the Plans authorized by AFG’s Board of Directors in August 2012 and February 2013. AFG’s Board of Directors authorized the repurchase of five million additional shares in February 2013.

In addition, AFG acquired 890 shares of its Common Stock (at $41.42 per share) in January 2013, 28,463 shares (at an average of $43.52 per share) in February 2013, and 15,826 shares (at $51.82 per share) in August 2013 in connection with its stock incentive plans.

ITEM 6
Exhibits

Number	Exhibit Description
12	Computation of ratios of earnings to fixed charges.
31(a)	Certification of Co-Chief Executive Officer pursuant to section 302(a) of the Sarbanes-Oxley Act of 2002.
31(b)	Certification of Co-Chief Executive Officer pursuant to section 302(a) of the Sarbanes-Oxley Act of 2002.
31(c)	Certification of Chief Financial Officer pursuant to section 302(a) of the Sarbanes-Oxley Act of 2002.
32	Certification of Co-Chief Executive Officers and Chief Financial Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial information from American Financial Group's Form 10-Q for the quarter ended September 30, 2013 formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheet (ii) Consolidated Statement of Earnings (iii) Consolidated Statement of Comprehensive Income (iv) Consolidated Statement of Changes in Equity (v) Consolidated Statement of Cash Flows (vi) Notes to Consolidated Financial Statements

Signature
Pursuant to the requirements of the Securities Exchange Act of 1934, American Financial Group, Inc. has duly caused this Report to be signed on its behalf by the undersigned duly authorized.

American Financial Group, Inc.

November 8, 2013

BY: /s/ Joseph E. (Jeff) Consolino
Joseph E. (Jeff) Consolino
Executive Vice President and
Chief Financial Officer