

Clough Global Equity Fund  
Form N-CSR  
June 03, 2011  
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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: 811-21712

Clough Global Equity Fund

(exact name of registrant as specified in charter)

1290 Broadway, Suite 1100, Denver, Colorado 80203

(Address of principal executive offices) (Zip code)

Erin E. Douglas, Secretary

Clough Global Equity Fund

1290 Broadway, Suite 1100

Denver, Colorado 80203

(Name and address of agent for service)

Registrant's telephone number, including area code: 303-623-2577

Date of fiscal year end: March 31

Date of reporting period: March 31, 2011

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Item 1. **Reports to Stockholders.**

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**Clough Global Funds**

**Shareholder Letter**

March 31, 2011

To our Shareholders:

**Performance:**

During the twelve-months ended March 31, 2011, the Clough Global Allocation Fund's total return, assuming reinvestment of all distributions, was 17.30% based on the net asset value and 10.20% based on the market price of the stock. That compares with 15.65% return for the S&P 500 for the same period. Since the Fund's inception on July 28, 2004, the total growth in net asset value assuming reinvestment of all distributions has been 8.42%, this compares to a average annual total return of 5.03% for the S&P 500 through March 31, 2011. Total distributions since inception has been \$8.41 per share, and based on the current dividend rate of \$0.30 per share, offer a yield of 7.39% on market price as of March 31, 2011, of \$16.24.

During the twelve-months ended March 31, 2011, the Clough Global Equity Fund's total return, assuming reinvestment of all distributions, was 17.05% based on the net asset value and 16.07% based on the market price of the stock. That compares with 15.65% return for the S&P 500 for the same period. Since the Fund's inception on April 27, 2005, the total growth in net asset value assuming reinvestment of all distributions has been 7.67%, this compares to a average annual total return of 4.49% for the S&P 500 through March 31, 2011. Total distributions since inception has been \$7.47 per share, and based on the current dividend rate of \$0.29 per share, offer a yield of 7.55% on market price as of March 31, 2011, of \$15.37.

During the twelve-months ended March 31, 2011, the Clough Global Opportunities Fund's total return, assuming reinvestment of all distributions, was 16.21% based on the net asset value and 15.27% based on the market price of the stock. That compares with 15.65% return for the S&P 500 for the same period. Since the Fund's inception on April 25, 2006, the total growth in net asset value assuming reinvestment of all distributions has been 4.28%, this compares to a average annual total return of 2.53% for the S&P 500 through March 31, 2011. Total distributions since inception has been \$5.85 per share, and based on the current dividend rate of \$0.27 per share, offer a yield of 7.80% on market price as of March 31, 2011, of \$13.85.

**Fiscal Year Fund Review:**

The last twelve months have been characterized by volatile financial markets despite an upward trend in global equities. Early in 2010, the sovereign debt crisis in Europe reminded investors of the still lengthy restructuring ahead for the European Union. Concerns over the solvency of the peripheral EU governments and ultimately the health of the Continent's banking system pressured markets and led to the first of a series of on-going government bailouts. Later in the Fall, in response to slowing growth, the U.S. Federal Reserve embarked upon a second campaign of quantitative easing (QE2) which helped restore a bid to asset prices, in particular for equities and commodities. Periodic taxpayer-led bailouts and unconventional monetary policies are to be expected in an environment of ongoing

balance sheet deleveraging by overly-indebted banking systems and households in Europe and the United States.

The Fed's QE2 policy also helped push the value of the US dollar lower, as the US dollar index declined more than 15% from its 2010 high. The weak dollar was a catalyst for a broad sentiment shift as global investors pared their emerging markets equity holdings in favor of those in developed markets. In essence that shift has been away from tighter monetary policy of Asia and Brazil, who are dealing with cyclical inflation pressures, towards the United States and Europe where the markets were being assisted by easy money, government bailouts and low interest rates. This was a headwind for the Funds' emerging markets exposure.

The strongest performing areas for the Funds came from our energy, aerospace manufacturing holdings, as well as from consumer cyclical stocks. Despite a relatively weak year for emerging markets, our strategies focused on Asian household consumption growth also worked well.

We thought that free cash flow would be the equity story for 2010 but the performance of that strategy was mixed. Some stocks we thought were particularly undervalued actually declined. These include Microsoft (MSFT), a company which, although it offers an 11% free cash flow yield and double digit growth as technology upgrade cycles emerge, was nevertheless down 11.39% in 2010. Google (GOOG), still one of the fastest growing large companies in the world, appreciated a mere 3.46%. We continue to believe these holdings have great promise for 2011.

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Other free cash flow stories, however, performed quite well. Transdigm Group Corp. Inc. (TDG), a leading global designer and producer of aircraft components and The Goodyear Tire and Rubber Company (GT), a leading manufacturer and distributor of tires benefited from rebounds in end-market demand, which was amplified by significant pricing power at both companies.

The energy sector also performed well as high energy prices supported increased earnings for both exploration and production companies and oil equipment and service providers. National Oilwell Varco (NOV), one of the largest providers of machinery and related equipment for oil-drilling rigs benefited from higher spending budgets from its customers, as well as market share gains due to its leading technology position. Another holding, Golar LNG Inc (GLNG), owns and operates a fleet of liquid natural gas (LNG) tankers. The increased demand for LNG from Europe and Asia has benefited Golar as has China's ongoing need to increase and diversify its sources of energy. High barriers to entry in Golar's business have supported its higher valuation.

Our position in Bank of America has been a drag on Fund performance. Despite strong lending margins, helped by what is likely to be an extended period of very low deposit rates, a marked decrease in credit losses and a significant increase in the bank's capital adequacy ratios, Bank of America stock has lagged. The shares now trade at a discount to tangible book value suggesting that firm is worth no more than its liquidation value. We believe the national consumer and corporate franchise, which includes the

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## Shareholder Letter

## Clough Global Funds

March 31, 2011

Merrill Lynch and Countrywide Financial platforms, are severely undervalued and believe that management will successfully execute its turnaround strategy.

The Funds' position in Genworth Financial shares also hurt returns. Genworth is a mortgage insurance provider and was hobbled during the 2008 credit crisis and housing bust, though fundamentals are much better today. We believe housing is undergoing a gradual recovery in the US, albeit the slope of that recovery is far from steep. While Genworth's balance sheet has improved meaningfully, we have not seen a recovery in new policy issuance that we expected and that growth is necessary for the thesis to play out. We have exited this position for now.

The Funds continued to maintain a focus on generating income with a portion of the portfolio allocated to fixed income markets. This allocation helps us generate our managed distribution target and also provides diversification for the Funds to help reduce volatility. Low yields on US Treasury bonds have made the task of generating attractive returns in fixed income markets more difficult, so we have expanded our yield-focused strategies beyond just US Treasuries and mortgage-backed securities. Corporate bonds were the biggest allocation to our yield-focused strategies and we believe they continue to produce equity-like returns. Our corporate bond allocation averaged approximately 10% of total assets over the period.

Our yield-generating strategies also included specialty finance company equities such as Business Development Companies (BDCs) and Mortgage Real Estate Investment Trusts (M-REITs). BDCs are REIT-like structures that invest in the debt structures of companies not large enough to finance themselves in the public markets. The Funds' exposure to BDCs was on average 3% during the fiscal year and the BDC holdings returned roughly 30% in 2010. Finally, M-REITs are publically traded portfolios of agency and non-agency mortgage backed securities. We believe the mortgage REITs are the best way to monetize the historically steep yield curve. The Funds had approximately 6% on average allocated to this sector and our holdings of M-REITs returned nearly 20% for the year.

### **Outlook for the Next Twelve Months:**

We have seen a strong global economic recovery since the depths of the 2008 credit crisis. This recovery was driven by extraordinary fiscal stimulus, bank and government bailouts and unorthodox monetary policies. Nonetheless, the underlying trend towards fiscal consolidation and balance sheet restructuring, particularly in the developed world economies continues. As these policies normalize, and in some instances reverse, we would expect global growth to slow over the next couple of years. Such an environment is not necessarily bearish for equity markets and we see plenty of opportunity for investors over the next several years. We have made modest changes to our long-term thematic exposures as we enter 2011.

The Funds remain focused on quality, large cap multi-nationals with dominant strategic positions, and high free cash levels which can be used to benefit shareholders. As far as sectors are concerned, we continue to prefer North American auto, auto parts and aerospace

manufacturers, and firms leveraged to the high growth being seen in the wireless device sector. Further, our yield focused strategies continue to emphasize BDCs, M-REITs and corporate bonds. We have been reducing our holdings in the commodity sector, including some of our long-held investments in the energy sector which have performed well. The flip side of slower growth is likely a reduction in inflationary pressures in the emerging markets which will improve sentiment. We think emerging markets are likely to return as market leaders later in the year, particularly if growth in the developed economies falters. We are rebuilding our holdings of Chinese consumer-oriented equities.

We sincerely appreciate your interest in our Funds. If you have any questions about your investment, please call 1-877-256-8445.

Sincerely,

Charles I. Clough, Jr.

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*Past performance is no guarantee of future results.*

*The information in this Portfolio Managers' Shareholder Commentary represents the opinions of the individual Portfolio Managers and is not intended to be a forecast of future events, a guarantee of future results, or investment advice.*

*The S&P 500 Index is the Standard & Poor's composite index of 500 stocks, a widely recognized, unmanaged index of common stock prices. It is not possible to invest directly in an Index.*



**Table of Contents****Clough Global Allocation Fund****Portfolio Allocation**

March 31, 2011

**Asset Allocation\***

Common Stock US	56.86%
Common Stock Foreign	19.16%
ETFs	-0.24%
<b>Total Equities</b>	<b>75.78%</b>
Corporate Debt	8.95%
Government L/T	10.30%
Asset/Mortgage-backed	0.09%
Preferred Stock	0.31%
<b>Total Fixed Income</b>	<b>19.65%</b>
Short-Term Investments	1.63%
Options	0.00%
Other (Foreign Cash)	2.94%
Rights & Warrants	0.00%
<b>Total Other</b>	<b>4.57%</b>
<b>TOTAL INVESTMENTS</b>	<b>100.00%</b>

**Global Securities Holdings^**

United States	74.66%
Brazil	8.94%
China	4.10%
Great Britain	2.30%
Canada	2.05%
Bermuda	1.78%
Singapore	1.16%
Hong Kong	0.93%
South Korea	0.82%
Malaysia	0.78%
The Netherlands	0.75%
Switzerland	0.55%

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Taiwan	0.53%
Russia	0.21%
Indonesia	0.20%
Philippines	0.19%
France	0.09%
Japan	0.09%
Cayman Islands	-0.13%
TOTAL INVESTMENT	100.00%

\* *Includes securities sold short.*

^ *Includes securities sold short and foreign cash balances.*

**Table of Contents****Portfolio Allocation****Clough Global Equity Fund**

March 31, 2011 (Unaudited)

**Asset Allocation\***

Common Stock US	62.08%
Common Stock Foreign	19.21%
ETFs	-0.47%

**Total Equities** **80.82%**

Corporate Debt	8.49%
Government L/T	5.97%
Asset/Mortgage-backed	0.26%
Preferred Stock	0.31%

**Total Fixed Income** **15.03%**

Short-Term Investments	1.17%
Options	0.00%
Other (Foreign Cash)	2.98%
Rights & Warrants	0.00%

**Total Other** **4.15%**

**TOTAL INVESTMENTS** **100.00%**

**Global Securities Holdings^**

United States	74.84%
Brazil	8.75%
China	4.08%
Great Britain	2.30%
Canada	2.02%
Bermuda	1.85%
Singapore	1.15%
Hong Kong	0.93%
South Korea	0.81%
Malaysia	0.78%
The Netherlands	0.75%
Switzerland	0.58%
Taiwan	0.53%
Russia	0.21%
Philippines	0.19%
Indonesia	0.18%
France	0.09%
Japan	0.09%

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Cayman Islands	-0.13%
TOTAL INVESTMENTS	100.00%

\* *Includes securities sold short.*

^ *Includes securities sold short and foreign cash balances.*

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**Table of Contents****Clough Global Opportunities Fund****Portfolio Allocation**

March 31, 2011 (Unaudited)

**Asset Allocation\***

Common Stock US	56.45%
Common Stock Foreign	19.13%
ETFs	-0.80%
<b>Total Equities</b>	<b>74.78%</b>
Corporate Debt	8.96%
Government L/T	11.49%
Asset/Mortgage-backed	0.06%
Preferred Stock	0.31%
<b>Total Fixed Income</b>	<b>20.82%</b>
Short-Term Investments	1.23%
Options	0.18%
Other (Foreign Cash)	2.99%
Rights & Warrants	0.00%
<b>Total Other</b>	<b>4.40%</b>
<b>TOTAL INVESTMENTS</b>	<b>100.00%</b>
<b>Global Securities Holdings^</b>	
United States	74.70%
Brazil	8.91%
China	4.10%
Great Britain	2.31%
Canada	2.05%
Bermuda	1.80%
Singapore	1.16%
Hong Kong	0.93%
South Korea	0.82%
Malaysia	0.78%
The Netherlands	0.75%
Taiwan	0.53%
Switzerland	0.52%
Russia	0.21%
Indonesia	0.19%
Philippines	0.19%
Japan	0.09%

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France	0.09%
Cayman Islands	-0.13%
<hr/>	
TOTAL INVESTMENTS	100.00%

\* *Includes securities sold short.*

^ *Includes securities sold short and foreign cash balances.*

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## Report of Independent Registered

## Public Accounting Firm

To the Shareholders and Board of Trustees of

Clough Global Allocation Fund,

Clough Global Equity Fund, and

Clough Global Opportunities Fund:

We have audited the accompanying statements of assets and liabilities of Clough Global Allocation Fund, Clough Global Equity Fund, and Clough Global Opportunities Fund (each a Fund, collectively the Funds), including the statements of investments, as of March 31, 2011, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of March 31, 2011, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Clough Global Allocation Fund, Clough Global Equity Fund, and Clough Global Opportunities Fund as of March 31, 2011, the results of their operations and their cash flows for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Denver, Colorado

May 18, 2011

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## Clough Global Allocation Fund

## Statement of Investments

March 31, 2011

	Shares	Value
<b>COMMON STOCKS 105.54%</b>		
<b>Basic Materials 0.91%</b>		
Anglo American PLC - Unsponsored ADR <sup>(a)</sup>	6,794	\$175,421
Gerdau S.A. - Sponsored A DR <sup>(a)(b)</sup>	24,229	302,862
Walter Energy, Inc. <sup>(a)</sup>	9,300	1,259,499
		1,737,782
<b>Communications 10.39%</b>		
CBS Corp. - Class B <sup>(a)</sup>	20,029	501,526
Chunghwa Telecom Co., Ltd. - ADR <sup>(a)</sup>	34,835	1,085,459
Cisco Systems, Inc. <sup>(a)</sup>	69,000	1,183,350
DiGi.Com Bhd	33,800	319,168
Google, Inc. - Class A <sup>(a)(b)(c)</sup>	10,154	5,952,376
Liberty Media Corp. - Capital - Series A <sup>(a)(b)(c)</sup>	6,070	447,177
Liberty Media Corp. - Class A <sup>(a)(c)</sup>	41,200	660,848
Liberty Media Corp. - Starz - Series A <sup>(a)(b)(c)</sup>	1,407	109,183
Maxis Bhd	771,900	1,371,134
NII Holdings, Inc. <sup>(a)(b)(c)</sup>	16,318	679,971
Philippine Long Distance Telephone Co.	9,050	484,613
Qihoo 360 Technology Co., Ltd. - ADR <sup>(c)</sup>	3,334	98,653
Telekom Malaysia Bhd	240,900	321,333
Valassis Communications, Inc. <sup>(a)(b)(c)</sup>	7,000	203,980
Verizon Communications, Inc. <sup>(a)(b)</sup>	106,813	4,116,573
Viacom, Inc. - Class B <sup>(a)</sup>	12,500	581,500
The Walt Disney Co. <sup>(a)(b)</sup>	41,358	1,782,116
		19,898,960
<b>Consumer Cyclical 8.13%</b>		
Arezzo Industria e Comercio S.A. <sup>(c)</sup>	27,052	376,953
Bosideng International Holdings, Ltd.	1,140,000	338,546
Cie Generale des Etablissements Michelin - Class B	7,673	648,098
Cooper Tire & Rubber Co. <sup>(a)(b)</sup>	77,582	1,997,736
Gol Linhas Aereas Inteligentes S.A. - ADR <sup>(a)(b)(c)</sup>	117,074	1,607,426
The Goodyear Tire & Rubber Co. <sup>(a)(b)(c)</sup>	362,948	5,436,961
Hanesbrands, Inc. <sup>(c)</sup>	10,200	275,808
Localiza Rent A Car S.A.	52,156	831,225
MGM Resorts International <sup>(a)(c)</sup>	52,000	683,800



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Tenneco, Inc. <sup>(a)(c)</sup>	42,833	1,818,261
TRW Automotive Holdings Corp. <sup>(a)(b)(c)</sup>	20,646	1,137,182

	Shares	Value
<b>Consumer Cyclical (continued)</b>		
Visteon Corp. <sup>(a)(b)(c)</sup>	6,681	\$417,496
		15,569,492

**Consumer Non - cyclical 3.85%**

Abbott Laboratories <sup>(a)</sup>	14,100	691,605
Celltrion, Inc.	9,390	297,891
Cia de Bebidas das Americas - ADR <sup>(a)</sup>	25,700	727,567
Community Health Systems, Inc. <sup>(a)(b)(c)</sup>	6,600	263,934
Health Management Associates, Inc. - Class A <sup>(a)(c)</sup>	26,800	292,120
Hypermarcas S.A. <sup>(c)</sup>	18,600	244,939
Julio Simoes Logistica S.A.	116,852	707,847
LifePoint Hospitals, Inc. <sup>(a)(c)</sup>	7,000	281,260
Man Wah Holdings, Ltd.	869,800	1,127,149
Raia S.A. <sup>(c)</sup>	18,700	294,820
Safeway, Inc. <sup>(a)(b)</sup>	34,757	818,180
Santos Brasil Participacoes S.A.	57,000	924,485
Tenet Healthcare Corp. <sup>(a)(b)(c)</sup>	38,600	287,570
Thermo Fisher Scientific, Inc. <sup>(a)(b)(c)</sup>	7,500	416,625
		7,375,992

**Energy 25.93%**

<i>Coal 4.08%</i>		
Alpha Natural Resources, Inc. <sup>(a)(b)(c)</sup>	35,643	2,116,125
Arch Coal, Inc. <sup>(a)</sup>	33,307	1,200,384
Consol Energy, Inc. <sup>(a)</sup>	19,374	1,039,028
Massey Energy Co. <sup>(a)</sup>	17,300	1,182,628
Peabody Energy Corp. <sup>(a)(b)</sup>	31,604	2,274,224
		7,812,389

*Oil & Gas Producers 14.08%*

Anadarko Petroleum Corp. <sup>(a)(b)</sup>	25,007	2,048,573
Brigham Exploration Co. <sup>(a)(c)</sup>	26,218	974,785
Canadian Natural Resources, Ltd. <sup>(a)</sup>	33,500	1,655,905
Chesapeake Energy Corp. <sup>(a)</sup>	23,400	784,368
Devon Energy Corp. <sup>(a)(b)</sup>	5,800	532,266
Golar LNG, Ltd. <sup>(a)(b)</sup>	61,389	1,570,331
Hess Corp. <sup>(a)(b)</sup>	19,200	1,636,032
InterOil Corp. <sup>(a)(b)(c)</sup>	34,350	2,563,884
Marathon Oil Corp. <sup>(a)</sup>	67,400	3,593,094
Newfield Exploration Co. <sup>(a)(b)(c)</sup>	10,200	775,302
Nexen, Inc. <sup>(a)</sup>	39,000	971,880

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OAO Lukoil - Sponsored ADR <sup>(a)</sup>	7,723	553,353
Occidental Petroleum Corp. <sup>(a)</sup>	17,326	1,810,394
OGX Petroleo e Gas Participacoes S.A. <sup>(c)</sup>	125,300	1,501,927
Petrohawk Energy Corp. <sup>(a)(c)</sup>	66,600	1,634,364
Southwestern Energy Co. <sup>(a)(c)</sup>	29,700	1,276,209

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March 31, 2011

	Shares	Value
<b>Energy (continued)</b>		
Suncor Energy, Inc. <sup>(a)</sup>	39,282	\$1,761,405
Ultra Petroleum Corp. <sup>(a)(c)</sup>	8,500	418,625
Whiting Petroleum Corp. <sup>(a)(b)(c)</sup>	12,200	896,090
		26,958,787
<i>Oil &amp; Gas Services 7.77%</i>		
Baker Hughes, Inc. <sup>(a)(b)</sup>	44,000	3,230,920
Calfrac Well Services, Ltd. <sup>(a)</sup>	14,400	464,157
Cameron International Corp. <sup>(a)(b)(c)</sup>	60,463	3,452,437
Core Laboratories NV <sup>(a)</sup>	8,759	894,907
EnSCO PLC - Sponsored ADR <sup>(a)(b)</sup>	30,072	1,739,364
National Oilwell Varco, Inc. <sup>(a)</sup>	43,993	3,487,325
Tenaris S.A. - ADR <sup>(a)(b)</sup>	3,800	187,948
Transocean, Ltd. <sup>(a)(b)(c)</sup>	10,900	849,655
Weatherford International, Ltd. <sup>(a)(b)(c)</sup>	25,951	586,493
		14,893,206
<b>TOTAL ENERGY</b>		49,664,382
<b>Financial 30.41%</b>		
<i>Banks 4.80%</i>		
Agricultural Bank of China, Ltd. - Class H <sup>(c)</sup>	1,583,000	897,472
Banco Bradesco S.A. - ADR	8,335	172,951
Banco do Brasil S.A.	15,971	288,088
Banco Santander Brasil S.A. - ADR <sup>(a)</sup>	54,100	663,266
Bank of China, Ltd. - Class H	3,126,300	1,740,283
China Construction Bank Corp. - Class H	1,664,870	1,560,304
China Merchants Bank Co., Ltd. - Class H	306,000	847,754
Industrial & Commercial Bank of China - Class H	1,378,000	1,144,414
Itau Unibanco Holding S.A. - ADR	12,039	289,538
Lloyds Banking Group PLC <sup>(a)(c)</sup>	378,200	352,439
M&T Bank Corp. <sup>(a)(b)</sup>	14,057	1,243,623
Standard Chartered PLC	1	26
		9,200,158

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<i>Diversified Financial Services 7.41%</i>		
Bank of America Corp. <sup>(a)</sup>	287,452	3,831,735
CIT Group, Inc. <sup>(a)(b)(c)</sup>	13,800	587,190
Citigroup, Inc. <sup>(a)(b)(c)</sup>	832,342	3,678,952
First Niagara Financial Group, Inc. <sup>(a)(b)</sup>	40,800	554,064
IntercontinentalExchange, Inc. <sup>(a)(c)</sup>	3,271	404,099
MGIC Investment Corp. <sup>(a)(b)(c)</sup>	195,797	1,740,635
	<b>Shares</b>	<b>Value</b>
<b>Financial (continued)</b>		
New York Community Bancorp, Inc. <sup>(a)(b)</sup>	30,896	\$533,265
People's United Financial, Inc. <sup>(a)</sup>	40,697	511,968
The PMI Group, Inc. <sup>(a)(b)(c)</sup>	199,042	537,413
Radian Group, Inc. <sup>(a)</sup>	185,755	1,264,992
Valley National Bancorp <sup>(a)</sup>	39,600	552,816
		14,197,129
<i>Insurance 2.67%</i>		
Genworth Financial, Inc. - Class A <sup>(a)(b)(c)</sup>	146,957	1,978,041
Hartford Financial Services Group, Inc. <sup>(a)(b)</sup>	76,567	2,061,950
Maiden Holdings, Ltd. <sup>(a)(d)</sup>	23,900	179,011
XL Capital, Ltd. <sup>(a)(b)</sup>	36,000	885,600
		5,104,602
<i>Investment Companies 5.34%</i>		
Ares Capital Corp. <sup>(a)</sup>	142,024	2,400,206
Golub Capital BDC, Inc. <sup>(a)</sup>	53,100	837,918
Indochina Capital Vietnam Holdings, Ltd. <sup>(a)(c)(e)</sup>	15,595	57,389
Knight Capital Group, Inc. - Class A <sup>(a)(b)(c)</sup>	39,717	532,208
Medley Capital Corp. <sup>(a)(b)(c)</sup>	34,088	415,192
PennantPark Investment Corp. <sup>(a)</sup>	177,530	2,116,157
Solar Capital, Ltd. <sup>(a)</sup>	131,618	3,143,031
Solar Senior Capital, Ltd. <sup>(a)(c)</sup>	39,147	729,309
		10,231,410
<i>Real Estate 0.12%</i>		
BHG S.A. - Brazil Hospitality Group <sup>(c)</sup>	10,279	143,232
BHG S.A. - Brazil Hospitality Group, Receipt Shares <sup>(c)(e)</sup>	1,315	18,324
Mingfa Group International Co., Ltd. <sup>(d)</sup>	217,014	67,794
		229,350
<i>REITs 10.07%</i>		
American Capital Agency Corp. <sup>(a)</sup>	30,044	875,482
Annaly Capital Management, Inc. <sup>(a)</sup>	161,700	2,821,665

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Apollo Commercial Real Estate Finance, Inc. <sup>(a)(b)</sup>	47,600	778,260
Ascendas Real Estate Investment Trust	838,000	1,356,224
Ascott Residence Trust	346,374	329,749
CapitaCommercial Trust	1,201,000	1,324,387
Capstead Mortgage Corp. <sup>(a)(b)</sup>	157,584	2,013,924
Cypress Sharpridge Investments, Inc. <sup>(a)(b)</sup>	86,800	1,100,624
Dynex Capital, Inc. <sup>(a)</sup>	90,102	906,426

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March 31, 2011

	Shares	Value
<b>Financial (continued)</b>		
Hatteras Financial Corp. <sup>(a)(b)</sup>	131,208	\$3,689,569
Host Hotels & Resorts, Inc. <sup>(a)</sup>	19,862	349,770
Invesco Mortgage Capital, Inc. <sup>(a)</sup>	70,782	1,546,587
MFA Financial, Inc. <sup>(a)(b)</sup>	177,662	1,456,828
Starwood Property Trust, Inc. <sup>(a)</sup>	32,633	727,716
		19,277,211
<b>TOTAL FINANCIAL</b>		<b>58,239,860</b>
<b>Industrial 8.63%</b>		
BE Aerospace, Inc. <sup>(a)(c)</sup>	53,395	1,897,124
China State Construction International Holdings, Ltd.	798,200	728,570
Crown Holdings, Inc. <sup>(a)(b)(c)</sup>	18,121	699,108
Goodrich Corp. <sup>(a)(b)</sup>	6,700	573,051
GZI Transport, Ltd.	765,700	433,125
Jardine Strategic Holdings, Ltd. <sup>(a)</sup>	21,295	568,577
Jiangsu Expressway Co., Ltd. - Class H	1,330,493	1,491,525
KBR, Inc. <sup>(a)</sup>	5,864	221,483
MSCI, Inc. -Class A <sup>(a)(c)</sup>	7,800	287,196
Omron Corp.	7,375	207,295
Owens Corning <sup>(a)(b)(c)</sup>	23,298	838,495
Owens-Illinois, Inc. <sup>(a)(c)</sup>	72,454	2,187,386
Sensata Technologies Holding NV <sup>(a)(b)(c)</sup>	30,512	1,059,682
TE Connectivity, Ltd. <sup>(a)</sup>	15,600	543,192
TransDigm Group, Inc. <sup>(a)(b)(c)</sup>	24,135	2,023,237
Verisk Analytics, Inc. -Class A <sup>(a)(c)</sup>	25,895	848,320
Zhejiang Expressway Co., Ltd. - Class H	2,106,000	1,916,871
		16,524,237
<b>Technology 11.92%</b>		
Apple, Inc. <sup>(a)(c)</sup>	5,473	1,907,067
Arrow Electronics, Inc. <sup>(a)(b)(c)</sup>	45,400	1,901,352
Avnet, Inc. <sup>(a)(c)</sup>	36,200	1,234,058
Broadcom Corp. - Class A <sup>(a)(b)(c)</sup>	13,500	531,630
Fidelity National Information		

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Services, Inc. <sup>(a)(b)</sup>	30,300	990,507
Fiserv, Inc. <sup>(a)(b)(c)</sup>	9,900	620,928
HTC Corp.	8,000	312,856
Ingram Micro, Inc. - Class A <sup>(a)(b)(c)</sup>	41,800	879,054
International Business Machines Corp. <sup>(a)(b)</sup>	40,300	6,571,721
Microsoft Corp. <sup>(a)(b)</sup>	194,214	4,925,267
Oracle Corp. <sup>(a)(b)</sup>	2,384	79,554
Samsung Electronics Co., Ltd.	2,163	1,837,747
SanDisk Corp. <sup>(a)(c)</sup>	4,383	202,012
Xerox Corp. <sup>(a)(b)</sup>	78,537	836,419
		22,830,172

	Shares	Value
<b>Utilities 5.37%</b>		
Babcock & Wilcox Co. <sup>(a)(b)(c)</sup>	8,025	\$267,874
CMS Energy Corp. <sup>(a)(b)</sup>	29,300	575,452
DPL, Inc. <sup>(a)(b)</sup>	38,100	1,044,321
Edison International <sup>(a)(b)</sup>	7,100	259,789
National Grid PLC -Sponsored ADR <sup>(a)(b)</sup>	113,700	5,462,148
Northeast Utilities <sup>(a)(b)</sup>	17,200	595,120
Oneok, Inc. <sup>(a)(b)</sup>	9,900	662,112
Power Assets Holdings, Ltd.	211,000	1,410,546
		10,277,362

<b>TOTAL COMMON STOCKS</b>		
<b>(Cost \$174,025,317)</b>		202,118,239

<b>EXCHANGE TRADED FUNDS 5.77%</b>		
iShares FTSE China 25 Index Fund <sup>(a)</sup>	64,500	2,899,920
iShares iBoxx \$ High Yield Corporate Bond Fund <sup>(a)(b)</sup>	31,101	2,860,048
SPDR Gold Trust <sup>(a)(b)(c)</sup>	37,800	5,285,196
		11,045,164

<b>TOTAL EXCHANGE TRADED FUNDS</b>		
<b>(Cost \$8,708,729)</b>		11,045,164

<b>PREFERRED STOCKS 0.43%</b>		
The Goodyear Tire & Rubber Co., 5.875%	15,900	812,172

<b>TOTAL PREFERRED STOCKS</b>		
<b>(Cost \$795,993)</b>		812,172

**Description and**

<b>Maturity Date</b>	<b>Principal Amount</b>	<b>Value</b>
<b>CORPORATE BONDS 12.17%</b>		
American Axle & Manufacturing, Inc. 03/01/2017, 7.875% <sup>(a)</sup>	\$755,000	770,100
Anheuser-Busch InBev Worldwide, Inc. 11/17/2015, 9.750% <sup>(a)</sup>	1,585,000	1,002,366
ArvinMeritor, Inc. 03/15/2018, 10.625% <sup>(a)</sup>	425,000	480,250
BE Aerospace, Inc. 07/01/2018, 8.500% <sup>(a)</sup>	525,000	582,750
Bombardier, Inc. 05/01/2034, 7.450% <sup>(a)(d)</sup>	505,000	487,325
CITIC Resources Holdings, Ltd. 05/15/2014, 6.750% <sup>(a)(f)</sup>	450,000	472,500
Citigroup, Inc. 03/05/2038, 6.875% <sup>(a)</sup>	585,000	644,949
Constellation Brands, Inc. 09/01/2016, 7.250% <sup>(a)</sup>	675,000	733,219

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## Statement of Investments

## Clough Global Allocation Fund

March 31, 2011

## Description and

Maturity Date	Principal Amount	Value
<b>CORPORATE BONDS (continued)</b>		
Crown Americas LLC / Crown Americas Capital Corp. II		
05/15/2017, 7.625% <sup>(a)</sup>	\$700,000	\$764,750
Dana Holding Corp.		
02/15/2021, 6.750% <sup>(a)</sup>	430,000	432,150
Felcor Lodging LP		
10/01/2014, 10.000% <sup>(a)</sup>	450,000	516,375
Ford Motor Credit Co., LLC		
10/01/2014, 8.700% <sup>(a)</sup>	850,000	964,736
Forest Oil Corp.		
06/15/2019, 7.250% <sup>(a)</sup>	600,000	630,000
General Cable Corp.		
04/01/2017, 7.125% <sup>(a)(b)</sup>	700,000	725,375
Genworth Financial, Inc.		
06/15/2020, 7.700% <sup>(a)</sup>	490,000	502,285
Gol Finance		
07/20/2020, 9.250% <sup>(a)(d)</sup>	545,000	585,194
The Goldman Sachs Group, Inc.		
02/01/2041, 6.250% <sup>(a)</sup>	580,000	579,541
Graphic Packaging International, Inc.		
10/01/2018, 7.875% <sup>(a)</sup>	305,000	328,256
Hanesbrands, Inc.		
12/15/2016, 8.000% <sup>(a)</sup>	490,000	533,487
Hidili Industry International Development, Ltd.		
11/04/2015, 8.625% <sup>(a)(d)</sup>	585,000	590,850
Iron Mountain, Inc.		
01/01/2016, 6.625% <sup>(a)</sup>	625,000	631,250
Itau Unibanco Holding S.A.		
11/23/2015, 10.500% <sup>(a)(d)</sup>	1,520,000	963,587
JPMorgan Chase & Co.		
04/23/2019, 6.300% <sup>(a)</sup>	675,000	747,387
Lear Corp.		
03/15/2018, 7.875% <sup>(a)</sup>	600,000	655,500
Morgan Stanley		
01/25/2021, 5.750% <sup>(a)</sup>	435,000	439,207
Newfield Exploration Co.		
05/15/2018, 7.125% <sup>(a)</sup>	250,000	270,000
Petrohawk Energy Corp.		
06/01/2015, 7.875% <sup>(a)</sup>	675,000	718,875
Pioneer Natural Resources Co.		
03/15/2017, 6.650% <sup>(a)</sup>	525,000	571,398
President and Fellows of Harvard College		
10/01/2037, 6.300% <sup>(a)</sup>	826,000	930,726
Range Resources Corp.		
05/15/2019, 8.000% <sup>(a)</sup>	600,000	664,500
Rearden G Holdings EINS GmbH		
03/30/2020, 7.875% <sup>(a)(d)</sup>	440,000	479,600
Silgan Holdings, Inc.		

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08/15/2016, 7.250% <sup>(a)</sup>	500,000	545,000
Spirit Aerosystems, Inc.		
10/01/2017, 7.500% <sup>(a)</sup>	550,000	594,000
Star Energy Geothermal Wayang Windu, Ltd.		
02/12/2015, 11.500% <sup>(a)(d)</sup>	450,000	517,500
Starwood Hotels & Resorts Worldwide, Inc.		
05/15/2018, 6.750% <sup>(a)(b)</sup>	675,000	736,594

**Description and**

<b>Maturity Date</b>	<b>Principal Amount</b>	<b>Value</b>
<b>CORPORATE BONDS (continued)</b>		
TAM Capital 2, Inc.		
01/29/2020, 9.500% <sup>(a)(f)</sup>	\$520,000	\$574,600
Tenneco, Inc.		
08/15/2018, 7.750% <sup>(a)</sup>	300,000	321,750
Terex Corp.		
11/15/2017, 8.000% <sup>(a)</sup>	582,000	616,192

**TOTAL CORPORATE BONDS**

(Cost \$21,518,766) 23,304,124

**ASSET/MORTGAGE BACKED SECURITIES 0.39%**

Freddie Mac REMICS		
Series 2006-3155, Class SA,		
11/15/2035, 36.570% <sup>(a)(g)</sup>	66,656	70,190
Government National Mortgage Association (GNMA)		
Series 2007-37, Class SA,		
03/20/2037, 21.227% <sup>(a)(g)</sup>	115,428	130,727
Series 2007-37, Class SB,		
03/20/2037, 21.227% <sup>(a)(g)</sup>	23,838	28,092
Small Business Administration Participation Certificates		
Series 2008-20L, Class 1,		
12/01/2028, 6.220% <sup>(a)</sup>	485,722	530,749

**TOTAL ASSET/MORTGAGE BACKED**

**SECURITIES**

(Cost \$681,537) 759,758

**FOREIGN GOVERNMENT BONDS 1.97%**

Brazilian Government International Bonds		
01/05/2016, 12.500% <sup>(a)</sup>	5,150,000	3,608,549
01/10/2028, 10.250% <sup>(a)</sup>	259,000	159,832

**TOTAL FOREIGN GOVERNMENT**

**BONDS**

(Cost \$3,498,294) 3,768,381

**GOVERNMENT & AGENCY OBLIGATIONS 11.76%**

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U.S. Treasury Bonds		
05/15/2040, 4.375% <sup>(a)</sup>	1,550,000	1,514,406
U.S. Treasury Notes		
04/30/2016, 2.625% <sup>(a)</sup>	7,000,000	7,114,296
08/15/2018, 4.000% <sup>(a)</sup>	13,000,000	13,891,722

**TOTAL GOVERNMENT & AGENCY**

**OBLIGATIONS**

**(Cost \$22,333,398)** 22,520,424

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## Clough Global Allocation Fund

## Statement of Investments

March 31, 2011

	Shares	Value
<b>SHORT-TERM INVESTMENTS 2.21%</b>		
Dreyfus Treasury Prime Money Market Fund (0.000% 7-day yield) <sup>(h)</sup>	4,241,015	\$4,241,015
<b>TOTAL SHORT-TERM INVESTMENTS</b>		
(Cost \$4,241,015)		4,241,015
<b>Value</b>		
<b>Total Investments -140.24%</b>		
(Cost \$235,803,049)		268,569,277
Liabilities in Excess of Other Assets - (40.24%)		(77,067,339)
<b>NET ASSETS - 100.00%</b>		
		<b>\$191,501,938</b>

**SCHEDULE OF SECURITIES**

<b>SOLD SHORT <sup>(c)</sup></b>	<b>Shares</b>	<b>Value</b>
<b>COMMON STOCKS</b>		
Aetna, Inc.	(5,400)	\$(202,122)
Apollo Group, Inc. - Class A	(7,004)	(292,137)
Bed Bath & Beyond, Inc.	(4,400)	(212,388)
Berkshire Hathaway, Inc. - Class B	(11,800)	(986,834)
Cie Generale d Optique Essilor International S.A.	(5,600)	(415,861)
Diamond Offshore Drilling, Inc.	(12,373)	(961,382)
Kohl's Corp.	(5,000)	(265,200)
Macy's, Inc.	(16,360)	(396,894)
Noble Corp.	(7,231)	(329,878)
Toll Brothers, Inc.	(318)	(6,287)
		(4,068,983)
<b>EXCHANGE TRADED FUNDS</b>		
Energy Select Sector SPDR Fund	(18,258)	(1,457,171)
iShares Dow Jones U.S. Real Estate Index Fund	(5,002)	(297,119)
iShares MSCI South Korea Index Fund	(16,433)	(1,057,463)
United States Oil Fund LP	(63,139)	(2,688,459)
Vanguard REIT ETF	(105,410)	(6,165,431)
		(11,665,643)

**TOTAL SECURITIES SOLD**

**SHORT (Proceeds \$14,048,235)**

\$(15,734,626)

- (a) *Pledged security; a portion or all of the security is pledged as collateral for securities sold short or borrowings as of March 31, 2011. (See Note 1 and Note 6)*
- (b) *Loaned security; a portion or all of the security is on loan at March 31, 2011.*
- (c) *Non-income producing security.*
- (d) *Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. As of March 31, 2011, these securities had a total value of \$3,870,861 or 2.02% of net assets.*
- (e) *Fair valued security; valued by management in accordance with procedures approved by the Fund's Board of Trustees. As of March 31, 2011, these securities had a total value of \$75,713 or 0.04% of total net assets.*
- (f) *Securities were purchased pursuant to Regulation S under the Securities Act of 1933, which exempts securities offered and sold outside of the United States from registration. Such securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. These securities have been deemed liquid under guidelines approved by the Fund's Board of Trustees. As of March 31, 2011, the aggregate market value of those securities was \$1,047,100, representing 0.55% of net assets.*
- (g) *Floating or variable rate security - rate disclosed as of March 31, 2011.*
- (h) *Less than 0.0005%.*

*See Notes to the Financial Statements.*

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March 31, 2011

	Shares	Value
<b>COMMON STOCKS 112.81%</b>		
<b>Basic Materials 0.91%</b>		
Anglo American PLC - Unsponsored ADR <sup>(a)</sup>	12,536	\$323,679
Gerdau S.A.- Sponsored ADR <sup>(a)(b)</sup>	39,858	498,225
Walter Energy, Inc. <sup>(a)</sup>	15,100	2,044,993
		2,866,897
<b>Communications 10.71%</b>		
CBS Corp. - Class B <sup>(a)</sup>	32,698	818,758
Chunghwa Telecom Co., Ltd. - ADR <sup>(a)(b)</sup>	56,632	1,764,653
Cisco Systems, Inc. <sup>(a)(b)</sup>	113,700	1,949,955
DiGi.Com Bhd	55,500	524,078
Google, Inc. - Class A <sup>(a)(c)</sup>	16,616	9,740,465
Liberty Media Corp. - Capital - Series A <sup>(a)(b)(c)</sup>	9,887	728,375
Liberty Media Corp. - Class A <sup>(a)(c)</sup>	67,400	1,081,096
Liberty Media Corp. - Starz - Series A <sup>(a)(b)(c)</sup>	2,279	176,851
Maxis Bhd	1,262,900	2,243,302
NII Holdings, Inc. <sup>(a)(c)</sup>	32,991	1,374,735
Philippine Long Distance Telephone Co.	14,825	793,855
Qihoo 360 Technology Co., Ltd. - ADR <sup>(c)</sup>	5,473	161,946
Telekom Malaysia Bhd	395,200	527,151
Valassis Communications, Inc. <sup>(a)(c)</sup>	23,000	670,220
Verizon Communications, Inc. <sup>(a)(b)</sup>	174,763	6,735,366
Viacom, Inc. - Class B <sup>(a)</sup>	20,500	953,660
The Walt Disney Co. <sup>(a)(b)</sup>	79,320	3,417,899
		33,662,365
<b>Consumer Cyclical 8.26%</b>		
Arezzo Industria e Comercio S.A. <sup>(c)</sup>	44,369	618,255
Bosideng International Holdings, Ltd.	1,872,000	