

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND
Form N-CSR
March 09, 2017

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 811-21636

First Trust/Aberdeen Global Opportunity Income Fund

(Exact name of registrant as specified in charter)

120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.

First Trust Portfolios L.P.
120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Name and address of agent for service)

registrant's telephone number, including area code: (630) 765-8000

Date of fiscal year end: December 31

Date of reporting period: December 31, 2016

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

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The Report to Shareholders is attached herewith.

FIRST TRUST/ABERDEEN
GLOBAL OPPORTUNITY INCOME FUND (FAM)

ANNUAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2016

ABERDEEN
ASSET MANAGEMENT

FIRST TRUST

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the goals, beliefs, plans or current expectations of First Trust Advisors L.P. ("First Trust" or the "Advisor") and/or Aberdeen Asset Management Inc. ("Aberdeen" or the "Sub-Advisor") and their respective representatives, taking into account the information currently available to them. Forward-looking statements include all statements that do not relate solely to current or historical fact. For example, forward-looking statements include the use of words such as "anticipate," "estimate," "intend," "expect," "believe," "plan," "may," "should," "would" or other words that convey uncertainty of future events or outcomes.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the First Trust/Aberdeen Global Opportunity Income Fund (the "Fund") to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. When evaluating the information included in this report, you are cautioned not to place undue reliance on these forward-looking statements, which reflect the judgment of the

Advisor and/or Sub-Advisor and their respective representatives only as of the date hereof. We undertake no obligation to publicly revise or update these forward-looking statements to reflect events and circumstances that arise after the date hereof.

PERFORMANCE AND RISK DISCLOSURE

There is no assurance that the Fund will achieve its investment objectives. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and that the value of the Fund shares may therefore be less than what you paid for them. Accordingly, you can lose money by investing in the Fund. See "Risk Considerations" in the Additional Information section of this report for a discussion of certain other risks of investing in the Fund.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit <http://www.ftportfolios.com> or speak with your financial advisor. Investment returns, net asset value and common share price will fluctuate and Fund shares, when sold, may be worth more or less than their original cost.

The Advisor may also periodically provide additional information on Fund performance on the Fund's webpage at <http://www.ftportfolios.com>.

HOW TO READ THIS REPORT

This report contains information that may help you evaluate your investment in the Fund. It includes details about the Fund and presents data and analysis that provide insight into the Fund's performance and investment approach.

By reading the portfolio commentary by the portfolio management team of the Fund, you may obtain an understanding of how the market environment affected the Fund's performance. The statistical information that follows may help you understand the Fund's performance compared to that of relevant market benchmarks.

It is important to keep in mind that the opinions expressed by personnel of Aberdeen are just that: informed opinions. They should not be considered to be promises or advice. The opinions, like the statistics, cover the period through the date on the cover of this report. The material risks of investing in the Fund are spelled out in the prospectus, the statement of additional information, this report and other Fund regulatory filings.

SHAREHOLDER LETTER

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
ANNUAL LETTER FROM THE CHAIRMAN AND CEO
DECEMBER 31, 2016

Dear Shareholders:

Now that 2016 is over, many will remember some of the historic events that occurred during the year: from the Brexit vote in the UK to leave the European Union, to the results of the U.S. Presidential Election which seemed unlikely at

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the beginning of the year, to the first World Series Championship for the Chicago Cubs in 108 years!

First Trust Advisors L.P. ("First Trust") is pleased to provide you with this annual report which contains detailed information about your investment for the 12 months ended December 31, 2016, including a performance analysis and the financial statements for you to review. We encourage you to read this report and discuss it with your financial advisor.

On November 8, Donald J. Trump was elected to become the 45th president in our country's history. While no one has a crystal ball and the ability to predict how his presidency will shape the United States (and the world), there is no doubt that his populist message resonated for many Americans, and his message of improving lives for the "average" American, while reducing the size and scope of the federal government, also won him millions of votes. Many of his supporters believe that with his background in business, President Trump will make policy changes that will continue to grow the economy and spur stock markets even higher. Many analysts predicted the Dow Jones Industrial Average would hit a new benchmark, 20,000, in the first days of the New Year. As with all change and a new administration, only time will tell.

As of December 31, 2016, the S&P 500(R) Index was up 11.96% calendar year-to-date, on a total return basis, as measured by Bloomberg. The current bull market (measuring from March 9, 2009 through December 31, 2016) is the second longest in history. We remain bullish on the economy, but continue to have a long-term perspective. We believe investors should think long-term as well, since no one can predict volatility and the inevitable ups and downs that occur in the market.

Thank you for your investment in First Trust /Aberdeen Global Opportunity Income Fund and for giving First Trust the opportunity to be a part of your investment plan. We value our relationship with you and will continue our relentless focus on bringing the types of investments that we believe could help you reach your financial goals.

Sincerely,

/s/ James A. Bowen

James A. Bowen
Chairman of the Board of Trustees
Chief Executive Officer of First Trust Advisors L.P.

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FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
"AT A GLANCE"
AS OF DECEMBER 31, 2016 (UNAUDITED)

FUND STATISTICS

Symbol on New York Stock Exchange	FAM
Common Share Price	\$11.16
Common Share Net Asset Value ("NAV")	\$12.07
Premium (Discount) to NAV	(7.54)%
Net Assets Applicable to Common Shares	\$208,482,462

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Current Monthly Distribution per Common Share (1)	\$0.075
Current Annualized Distribution per Common Share	\$0.900
Current Distribution Rate on Common Share Price (2)	8.06%
Current Distribution Rate on NAV (2)	7.46%

COMMON SHARE PRICE & NAV (WEEKLY CLOSING PRICE)

	Common Share Price	NAV
12/15	\$10.13	\$11.66
	9.96	11.46
	9.85	11.23
	9.72	11.24
1/16	9.95	11.47
	10.00	11.44
	9.78	11.33
	9.89	11.48
2/16	10.15	11.53
	10.38	11.79
	10.59	11.97
	10.73	12.18
3/16	10.69	12.04
	10.88	12.21
	10.74	12.16
	10.92	12.34
	11.01	12.33
4/16	11.09	12.50
	10.97	12.29
	11.08	12.33
	11.02	12.22
5/16	11.08	12.24
	11.08	12.38
	11.31	12.48
	11.10	12.42
	11.16	12.43
6/16	11.44	12.79
	11.40	12.82
	11.62	12.84
	11.60	12.91
	11.60	12.83
7/16	11.59	12.97
	11.59	12.96
	11.77	13.16
	11.86	13.21
8/16	11.88	13.07
	11.62	12.94
	11.71	12.98
	11.46	12.83
	11.70	13.10
9/16	11.78	13.11
	11.55	12.93
	11.35	12.82
	11.43	12.90
10/16	11.48	12.75
	11.27	12.68
	10.65	12.07
	10.83	11.90
11/16	10.97	11.86
	10.67	11.78
	10.94	11.93

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	10.94	11.87
	10.92	12.02
12/16	11.16	12.07

PERFORMANCE

	Average Annual Total		
	1 Year Ended 12/31/16	5 Years Ended 12/31/16	10 Years Ended 12/31/16
FUND PERFORMANCE (3)			
NAV	12.39%	2.71%	5.48%
Market Value	19.61%	2.58%	4.61%
INDEX PERFORMANCE			
Blended Index (4)	6.65%	1.42%	4.56%
Bloomberg Barclays Global Emerging Markets Index 7.16%		9.00%	5.22%
Bloomberg Barclays Global Aggregate Index	2.09%	0.21%	3.29%

TOP 10 HOLDINGS	% OF TOTAL INVESTMENTS
Russian Federal Bond - OFZ, 7.05%, 1/19/2028	5.2%
Brazil Notas do Tesouro Nacional, Series F, 10.00%, 1/1/2025	5.1
Japan Government Thirty Year Bond, 2.40%, 3/20/2037	4.5
Italy Buoni Poliennali Del Tesoro, 7.25%, 11/1/2026	3.9
European Investment Bank, 8.75%, 8/25/2017	3.6
Portugal Obrigacoes do Tesouro OT, 5.65%, 2/15/2024	3.4
Treasury Corp. of Victoria, 6.00%, 10/17/2022	3.3
Spain Government Bond, 5.90%, 7/30/2026	3.2
Italy Buoni Poliennali Del Tesoro, 9.00%, 11/1/2023	2.7
Peruvian Government International Bond, 6.90%, 8/12/2037	2.3
Total	37.2%

CREDIT QUALITY (6)	% OF TOTAL INVESTMENTS
AAA	10.4%
AA+	1.6
A+	4.5
A	4.7
A-	2.3
BBB+	15.2
BBB	6.3
BBB-	15.4

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BB+	8.9
BB	8.2
BB-	5.9
B+	5.8
B	4.6
B-	3.4
CCC	0.5
CCC-	0.2
NR	2.1

Total	100.00%
	=====

	% OF TOTAL
TOP 10 COUNTRIES (5)	INVESTMENTS

Italy	9.0%
Brazil	8.3
Russia	7.4
Spain	6.3
South Africa	6.2
Mexico	5.2
Japan	4.5
Turkey	4.0
Multinational	3.6
Portugal	3.4

Total	57.9%
	=====

	% OF TOTAL
INDUSTRY CLASSIFICATION	INVESTMENTS

Sovereigns	72.3%
Supranationals	3.6
Government Regional	3.3
Banks	3.2
Government Agencies	3.1
Integrated Oils	2.7
Real Estate	1.3
Wireless Telecommunications Services	1.2
Exploration & Production	1.2
Food & Beverage	1.0
Metals & Mining	1.0
Financial Services	0.8
Pipeline	0.8
Railroad	0.7
Utilities	0.7
Construction Materials Manufacturing	0.6
Software & Services	0.6
Transportation & Logistics	0.5
Chemicals	0.4
Communications Equipment	0.4
Oil & Gas Services & Equipment	0.3
Home Improvement	0.3
Industrial Other	0.0*

Total	100.0%
	=====

* Amount is less than 0.1%.

- (1) Most recent distribution paid or declared through 12/31/16. Subject to change in the future.
- (2) Distribution rates are calculated by annualizing the most recent distribution paid or declared through the report date and then dividing by Common Share Price or NAV, as applicable, as of 12/31/16. Subject to change in the future.
- (3) Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.
- (4) Blended index consists of the following: Citigroup World Government Bond Index (40.0%); JPMorgan Emerging Markets Bond Index - Global Diversified (30.0%); JPMorgan Global Bond Index - Emerging Markets Diversified (30.0%).
- (5) Portfolio securities are included in a country based upon their underlying credit exposure as determined by Aberdeen Asset Management Inc., the sub-advisor.
- (6) The credit quality and ratings information presented above reflect the ratings assigned by one or more nationally recognized statistical rating organizations (NRSROs), including Standard & Poor's Ratings Group, a division of the McGraw-Hill Companies, Inc., Moody's Investors Service, Inc., Fitch Ratings or a comparably rated NRSRO. For situations in which a security is rated by more than one NRSRO and the ratings are not equivalent, the highest ratings are used. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

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PORTFOLIO COMMENTARY

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PLAN FOR TENDER OFFER

The Fund announced on February 14, 2017, that the Fund's Board of Trustees approved the commencement (subject to certain conditions), no later than June 1, 2017, of a cash tender offer for up to 25% of the Fund's then outstanding common shares of beneficial interest at a price per share equal to 98% of the Fund's net asset value ("NAV") per share. Please see the subsequent event footnote for more information.

SUB-ADVISOR

Aberdeen Asset Management Inc. ("Aberdeen" or the "Sub-Advisor"), a Securities and Exchange Commission-registered investment advisor, is a wholly-owned subsidiary of Aberdeen Asset Management PLC ("Aberdeen Group"). Aberdeen Group is a publicly-traded international investment management group listed on the London Stock Exchange, managing assets for both institutional and retail clients from offices around the world.

PORTFOLIO MANAGEMENT TEAM

Investment decisions for the First Trust/Aberdeen Global Opportunity Income Fund (the "Fund") are made by Aberdeen using a team approach and not by any one individual. By making team decisions, Aberdeen seeks to ensure that the investment process results in consistent returns across all portfolios with similar objectives. Aberdeen does not employ separate research analysts. Instead, Aberdeen's investment managers combine analysis with portfolio management. Each member of the team has sector and portfolio responsibilities such as day-to-day monitoring of liquidity. The overall result of this matrix approach is a high degree of cross-coverage, leading to a deeper understanding of the securities in which Aberdeen invests. Below are the members of the team with significant responsibility for the day-to-day management of the Fund's portfolio.

JOZSEF SZABO
Head of Global Macro

BRETT DIMENT
Head of Emerging Market Debt

KEVIN DALY
Senior Investment Manager, Emerging Market Debt

EDWIN GUTIERREZ
Head of Emerging Market Sovereign Debt

MAX WOLMAN
Senior Investment Manager, Emerging Market Debt

JAMES ATHEY
Investment Manager, Global Macro

COMMENTARY

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND RECAP

The Fund had a net asset value ("NAV") total return¹ of 12.39% and a market value total return of 19.61% for the year ended December 31, 2016, compared to the blended index² total return of 6.65% over the same period. In addition to this blended index, the Fund currently uses other indexes for comparative purposes. The total returns for the year ended December 31, 2016, for these indexes were as follows: the Bloomberg Barclays Global Emerging Markets Index was 9.00% and the Bloomberg Barclays Global Aggregate Index was 2.09%.

An important factor impacting the return of the Fund relative to its benchmarks was the Fund's use of financial leverage through the use of bank borrowings. The Fund uses leverage because its managers believe that, over time, leverage provides opportunities for additional income and total return for common shareholders. However, the use of leverage can also expose common shareholders

1 Total return is based on the combination of reinvested dividend, capital

gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

- 2 Blended index consists of the following: Citigroup World Government Bond Index (40.0%); JPMorgan Emerging Markets Bond Index - Global Diversified (30.0%); JPMorgan Global Bond Index - Emerging Markets Diversified (30.0%).

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PORTFOLIO COMMENTARY (CONTINUED)

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to additional volatility. For example, as the prices of securities held by the Fund decline, the negative impact of the evaluation changes on Common Share NAV and Common shareholder total return is magnified by the use of leverage. Conversely, leverage may enhance Common Share returns during periods when the prices of securities held by the Fund generally are rising. Unlike the Fund, the Bloomberg Barclays Global Emerging Markets Index, Bloomberg Barclays Global Aggregate Index and the components of the blended index are not leveraged. Leverage had a positive impact on the performance of the Fund over this reporting period.

EMERGING MARKET FIXED INCOME COMMENTARY

MARKET RECAP

2016 was a year of marked improvement in the performance of emerging market ("EM") bonds. A positive market tone dictated most of the period despite a shaky start to the year following a stark drop in the oil price and rising political uncertainty in developed markets throughout the second half of 2016. Developed market political developments shaped sentiment throughout the year, but EM assets were able to withstand some surprising election outcomes to post positive returns. The UK's vote to leave the European Union and the election of Donald Trump to be the new President of the United States were the key events, although emerging market countries were not immune as Brazil, Turkey and South Africa, among others, were also hit by political volatility during the year.

The UK's surprise referendum result at the end of June shocked financial markets but the negative sentiment was short lived as investors realized that emerging markets would be unaffected by the vote. Trump's surprise victory in November sparked some negative returns in EM risk assets, as the outspoken Republican's pre-election rhetoric and campaign promises spooked markets. Trump's pledge to boost domestic infrastructure spending and cut taxes in order to boost growth, while also renegotiating or even tearing up existing trade deals, saw U.S. treasury yields increase and the U.S. dollar appreciate. This led to downward pressure on EM debt, but even this negative sentiment was short-lived with EM debt rallying in December as markets shrugged off prospects of a "hard" Trump. There is still significant uncertainty surrounding Trump's eventual policy mix,

but the President-elect's rhetoric since victory has been more moderate in tone and more focused on domestic rather than foreign policy, which would have more sanguine implications for EM.

Risk sentiment also improved throughout the year as it became apparent that monetary tightening in the U.S. may not be as forthcoming as previously expected. Indeed the U.S. Federal Reserve ("Fed") only carried out one hike of 25 basis points ("bps") in 2016, a significant deviation from the three rate rises that the Fed had hinted at in its final meeting of 2015. Commodities were also a key driver of sentiment as the Brent crude oil price swung sharply below US\$28 per barrel in January before recovering and finishing just under US\$40 per barrel at the end of March. The oil price remained mostly range-bound between US\$40 and US\$50 per barrel for most of the year before OPEC, the oil cartel, led by Saudi Arabia, agreed to implement production quotas. This allowed prices to finish the calendar year strongly at nearly US\$57 per barrel.

Fund flows into the asset class totaled approximately US\$40bn in 2016, the largest amount since 2012 and a welcome reversal to the outflows experienced in 2015. This helped absorb a record US\$128.8bn of sovereign issuance, driven by Argentina's US\$17bn multi-tranche deal in April and by the Middle East, where Saudi Arabia priced US\$17.5bn and its neighbors Qatar, Abu Dhabi, Oman and Bahrain also returned to the market to raise money in the face of falling hydrocarbon revenues.

PERFORMANCE ANALYSIS

The EM debt portion of the Fund outperformed the EM debt portion of its blended index in both hard currency and local currency bonds.

Within the hard currency space, the Fund's overweight positions in Brazil and Iraq were the key positive contributors to performance, as were selection effects in Venezuela and South Africa. On the other side, an underweight position in Ecuador detracted from performance as did an off-benchmark allocation to the United Arab Emirates and selection effects in Romania and Mozambique. Within the local currency holdings, overweight positions in Brazil and Russia were the primary contributors to performance as were zero-weights in Malaysia and Romania. Positioning in Peru and an underweight to Colombia were the main detractors from performance as was bond selection in Turkey and off-benchmark exposure in Uruguay.

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PORTFOLIO COMMENTARY (CONTINUED)

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
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MARKET AND FUND OUTLOOK

While December provided more clarity on Donald Trump's cabinet appointments, it remains unclear as to the direction of the president-elect's domestic and foreign policy mix. Trump's predilection for using the social media platform Twitter as his mouthpiece - something which many emerging market leaders have long adopted - suggests that markets may suffer more kneejerk reactions as

investors struggle to decipher the 140-character messages. We believe Trump's protectionist rhetoric during the campaign and on his victory tour when he threatened to enact large trade tariffs on China and Mexico may be dialed back as the Republican Party does not have a history of being trade protectionists. On the other hand, we expect he will likely have the backing of his party for sweeping tax cuts that should be supportive for U.S. growth, which ultimately could be good news for emerging market growth.

DEVELOPED MARKET COMMENTARY

MARKET RECAP

Global yield curves generally flattened over most of the year amid expansionary central bank policy and political uncertainty, prompting government bonds to perform well. Towards the end of the year, markets were in reflation mode reflecting higher commodity prices and pricing in looser fiscal policy, most notably following Donald Trump's election victory, prompting yield curves to steepen. The Fed raised interest rates by 25 bps in December and the 10-year U.S. Treasury yield ended the year at 2.45%. In the UK, the country voted to leave the European Union in June pushing sterling to a historic low, while the UK gilt yield closed at 1.24%. In Europe, bunds closed at 0.21%. In currencies, the Canadian dollar was the best performing G10 currency supported by the leg up in oil prices. The Japanese yen also performed well reflecting risk-off sentiment at the beginning of the period. Sterling was the biggest underperformer reflecting concerns over the UK leaving the single market.

In the U.S., the victory of Donald Trump in November's election prompted market participants to focus on the pro-growth elements of his pre-election promises as opposed to his anti-globalization stance, pricing higher nominal growth from tax cuts, increased infrastructure spending and deregulation. The Fed hiked interest rates by 25 bps in December (to a target range of 0.5% to 0.75% for Fed funds) and also flagged up a further potential three increases in 2017, which was a more hawkish stance than the market had expected

In Europe, the European Central Bank ("ECB") continued to be accommodative in its monetary policy with the announcement of its Corporate Sector Purchase Programme. At the December 2016 meeting, however, the ECB announced that it would reduce its monthly purchases to (euro)60bn (from (euro)80bn, previously) and extend the programme by nine months to December 2017. The stability of the European banking system, and Eurozone in general, continued to be a concern as fears grew about the capitalization of Deutsche Bank. The result of the Italian referendum in November, whereby Matteo Renzi decisively lost his mandate to pursue reforms then resigned as prime minister, was relatively well digested by markets; the most pressing concern is recapitalizing the Italian banking sector, as shown by the recent bail-out of one of the largest banks, Monte dei Paschi.

In the UK, the main event was the electorate's decision for the country to leave the European Union in June's "Brexit" referendum. This led to a marked depreciation in sterling over the second half of the year, reaching a 30 year low, and a resultant increase in inflation expectations because of higher import costs. After an initial wobble (with spread widening most pronounced in the banking sector and UK-centric corporate bonds), credit markets proved remarkably resilient to the "Leave" outcome of the vote; this was due to the Bank of England and other central banks acting quickly to reassure markets by promising additional liquidity and even looser monetary policy. In negotiations which are set to take place over several years, the market's main concern is of a "hard" Brexit.

In Japan, the Bank of Japan ("BoJ") cut its policy rate into negative territory in January in an effort to combat deflation. It then, in September, announced an amended monetary policy of qualitative and quantitative easing with "yield-curve control"; the aim of this was to target purchases at varying maturities to

maintain the 10-year bond yield close to 0% and steepen the yield curve to support the banking sector. The BoJ also committed to overshooting the 2% inflation target.

Emerging markets enjoyed a strong performance over most of the year, as investor risk appetite increased on the back of improved global economic growth and higher commodity prices as well as a relatively dovish Fed, but the rally in the dollar and increase in U.S. interest rates led to increased capital outflows as the year ended.

Oil prices were relatively stable over the first half of the year but increased in the second half as the Organization of Petroleum Exporting Countries (OPEC), as well as non-OPEC countries, announced production cuts which should help support prices by improving the supply-demand balance. Uncertainties remain on whether the countries actually stick to their production limits.

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PORTFOLIO COMMENTARY (CONTINUED)

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PERFORMANCE ANALYSIS

The Fund's developed market bond portfolio underperformed over the period, with the sleeve returning -2.40% versus the benchmark return of 1.60%. The portfolio remains underweight the U.S. and Japan with large overweight positions in Australia and Eurozone.

The main contributors to performance were overweight positions in European periphery, particularly Spain amid positive risk sentiment and a more optimistic political backdrop. An overweight to U.S. long-end also benefitted from yield curve flattening over the period.

The main drags to performance were an underweight to Japanese yen which detracted as the yen outperformed amid risk-off sentiment at the beginning of the period. A long position in European Investment Bank sterling credit also detracted as gilts outperformed following the UK's vote to leave the European Union.

MARKET AND FUND OUTLOOK

Donald Trump's victory in the U.S. election has significantly altered the global economic outlook. It is not clear which of his campaign themes will characterize his government. Fiscal easing, largely through tax cuts and possibly through infrastructure spending, could boost demand in the short-to-medium term. However, with the economy close to full employment, we believe it is likely the Fed will need to offset some of the fiscal easing with monetary tightening. If President Trump pursues a protectionist agenda, we believe the U.S. will likely suffer a supply shock, which could make the growth/inflation trade-off less favourable. The market has moved to price in higher inflation and rates, and a potentially weaker outlook for emerging markets. We believe this environment is

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likely to continue. Elsewhere, European political risk will likely become a bigger concern, with a series of important elections over the next year. However, to us, the ECB is unlikely to allow significant peripheral weakness. Sentiment surrounding Brexit will tend to overshadow other economic news, in our view, although with the UK government losing its High Court case, a softer Brexit now seems a little more likely.

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 PORTFOLIO OF INVESTMENTS (a)
 DECEMBER 31, 2016

PRINCIPAL VALUE (LOCAL CURRENCY)	DESCRIPTION	STATED COUPON	M
FOREIGN SOVEREIGN BONDS AND NOTES - 102.4%			
	ARGENTINA - 3.4%		
7,307,000	Argentine Bonos del Tesoro (ARS).....	18.20%	1
23,243,000	Argentine Bonos del Tesoro (ARS).....	16.00%	1
2,200,000	Argentine Republic Government International Bond (USD) (b)...	7.50%	0
306,396	Argentine Republic Government International Bond (USD).....	8.28%	1
953,386	Argentine Republic Government International Bond (USD).....	8.28%	1
1,598,000	Argentine Republic Government International Bond (USD) (b)...	7.13%	0
	ARMENIA - 0.7%		
1,477,000	Republic of Armenia International Bond (USD) (b).....	6.00%	0
	AUSTRALIA - 4.4%		
10,705,000	Treasury Corp. of Victoria (AUD).....	6.00%	1
	BAHRAIN - 0.9%		
1,856,000	Bahrain Government International Bond (USD) (b).....	7.00%	1
	BRAZIL - 6.8%		
49,700,000	Brazil Notas do Tesouro Nacional, Series F (BRL).....	10.00%	0
	CANADA - 2.0%		
4,043,000	Canadian Government Bond (CAD).....	8.00%	0
	COSTA RICA - 0.4%		
990,000	Costa Rica Government International Bond (USD).....	4.25%	0
	DOMINICAN REPUBLIC - 0.2%		
314,000	Dominican Republic International Bond (USD).....	6.85%	0
	EL SALVADOR - 0.4%		
942,000	El Salvador Government International Bond (USD).....	7.65%	0

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	ETHIOPIA - 1.4%			
2,370,000	Ethiopia International Bond (USD) (b).....	6.63%	1	
650,000	Ethiopia International Bond (USD).....	6.63%	1	
	GHANA - 1.1%			
7,100,000	Ghana Government Bond (GHS).....	23.00%	0	
600,000	Ghana Government International Bond (USD).....	8.13%	0	
	HONDURAS - 0.8%			
1,500,000	Honduras Government International Bond (USD) (b).....	7.50%	0	
	HUNGARY - 1.9%			
955,300,000	Hungary Government Bond (HUF).....	5.50%	0	
	INDONESIA - 3.7%			
1,750,000	Indonesia Government International Bond (USD) (b).....	5.88%	0	
27,000,000,000	Indonesia Treasury Bond (IDR).....	5.25%	0	
51,100,000,000	Indonesia Treasury Bond (IDR).....	8.38%	0	
	IRAQ - 1.8%			
4,560,000	Iraq International Bond (USD).....	5.80%	0	

See Notes to Financial Statements

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FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
 PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
 DECEMBER 31, 2016

PRINCIPAL VALUE (LOCAL CURRENCY)	DESCRIPTION	STATED COUPON	M

FOREIGN SOVEREIGN BONDS AND NOTES (CONTINUED)			
	ITALY - 11.9%		
4,650,000	Italy Buoni Poliennali Del Tesoro (EUR).....	9.00%	1
6,800,000	Italy Buoni Poliennali Del Tesoro (EUR).....	7.25%	1
3,273,000	Italy Buoni Poliennali Del Tesoro (EUR) (b).....	1.65%	0
2,970,000	Republic of Italy Government International Bond (USD).....	6.88%	0
	IVORY COAST - 1.0%		
484,000	Ivory Coast Government International Bond (USD).....	6.38%	0
1,738,440	Ivory Coast Government International Bond (USD).....	5.75%	1

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	JAMAICA - 0.8%		
1,584,000	Jamaica Government International Bond (USD).....	7.88%	0
	JAPAN - 5.9%		
1,074,500,000	Japan Government Thirty Year Bond (JPY).....	2.40%	0
	KENYA - 0.4%		
790,000	Kenya Government International Bond (USD).....	6.88%	0
	MEXICO - 4.2%		
94,530,000	Mexican Bonos (MXN).....	6.50%	0
20,000,000	Mexican Bonos (MXN).....	10.00%	1
63,700,000	Mexican Bonos (MXN).....	8.50%	1
	MONGOLIA - 1.1%		
2,660,000	Mongolia Government International Bond (USD).....	5.13%	1
	PERU - 3.1%		
21,350,000	Peruvian Government International Bond (PEN).....	6.90%	0
	POLAND - 1.6%		
13,600,000	Republic of Poland Government Bond (PLN).....	4.00%	1
	PORTUGAL - 4.5%		
7,830,000	Portugal Obrigacoes do Tesouro OT (EUR) (b).....	5.65%	0
	RUSSIA - 7.1%		
955,300,000	Russian Federal Bond - OFZ (RUB).....	7.05%	0
400,000	Russian Foreign Bond - Eurobond (USD).....	5.88%	0
	RWANDA - 0.9%		
510,000	Rwanda International Government Bond (USD) (b).....	6.63%	0
1,440,000	Rwanda International Government Bond (USD).....	6.63%	0
	SENEGAL - 0.8%		
1,440,000	Senegal Government International Bond (USD).....	8.75%	0
	SERBIA - 0.2%		
480,000	Serbia International Bond (USD).....	5.25%	1

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See Notes to Financial Statements

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
 PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
 DECEMBER 31, 2016

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PRINCIPAL VALUE (LOCAL CURRENCY)	DESCRIPTION	STATED COUPON	M
FOREIGN SOVEREIGN BONDS AND NOTES (CONTINUED)			
	SOUTH AFRICA - 5.6%		
48,160,000	Republic of South Africa Government Bond (ZAR).....	10.50%	1
29,220,000	Republic of South Africa Government Bond (ZAR).....	8.00%	0
114,500,000	Republic of South Africa Government Bond (ZAR).....	6.25%	0
	SPAIN - 8.3%		
6,000,000	Spain Government Bond (EUR) (b).....	5.90%	0
2,004,000	Spain Government Bond (EUR).....	6.00%	0
3,300,000	Spain Government Bond (EUR) (b).....	5.15%	1
	SUPRANATIONALS - 4.7%		
7,604,000	European Investment Bank (GBP).....	8.75%	0
	SURINAME - 0.4%		
900,000	Republic of Suriname (USD) (b).....	9.25%	1
	TANZANIA - 0.5%		
894,447	Tanzania Government International Bond (USD) (c).....	7.25%	0
	TURKEY - 3.5%		
5,500,000	Turkey Government Bond (TRY).....	6.30%	0
18,400,000	Turkey Government Bond (TRY).....	10.40%	0
723,000	Turkey Government International Bond (USD).....	4.88%	1
	UKRAINE - 2.1%		
500,000	Ukraine Government International Bond (USD) (b).....	7.75%	0
404,000	Ukraine Government International Bond (USD) (b).....	7.75%	0
154,000	Ukraine Government International Bond (USD) (b).....	7.75%	0
2,297,000	Ukraine Government International Bond (USD) (b).....	7.75%	0
297,000	Ukraine Government International Bond (USD) (b).....	7.75%	0
297,000	Ukraine Government International Bond (USD) (b).....	7.75%	0
297,000	Ukraine Government International Bond (USD) (b).....	7.75%	0
716,000	Ukraine Government International Bond (USD) (b).....	(d)	0
	UNITED KINGDOM - 2.1%		
2,230,000	United Kingdom Gilt (GBP).....	4.25%	1
	URUGUAY - 0.7%		
520,000	Uruguay Government International Bond (USD).....	4.38%	1
655,000	Uruguay Government International Bond (USD).....	7.63%	0
	VENEZUELA - 0.6%		

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2,370,000	Venezuela Government International Bond (USD).....	7.75%	1
	ZAMBIA - 0.5%		
1,099,000	Zambia Government International Bond (USD) (b).....	8.97%	0
	TOTAL FOREIGN SOVEREIGN BONDS AND NOTES.....		
	(Cost \$228,740,149)		

See Notes to Financial Statements

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FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
 PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
 DECEMBER 31, 2016

PRINCIPAL VALUE (LOCAL CURRENCY)	DESCRIPTION	STATED COUPON	M

FOREIGN CORPORATE	BONDS AND NOTES (e) - 27.6%		
	AZERBAIJAN - 0.4%		
842,000	Southern Gas Corridor CJSC (USD) (b).....	6.88%	0
	BANGLADESH - 0.5%		
1,000,000	Banglalink Digital Communications Ltd. (USD) (b).....	8.63%	0
	BARBADOS - 0.5%		
1,000,000	Sagicor Finance 2015 Ltd. (USD) (b).....	8.88%	0
	BRAZIL - 4.2%		
1,650,000	Marfrig Overseas Ltd. (USD).....	9.50%	0
1,550,000	OAS Finance Ltd. (USD) (f) (g) (h) (i).....	8.88%	(
460,000	OAS Investments GmbH (USD) (f) (g) (h).....	8.25%	1
1,910,000	Petrobras Global Finance B.V. (USD).....	8.75%	0
2,360,000	Petrobras Global Finance BV (USD).....	5.38%	0
500,000	Petrobras Global Finance BV (USD).....	8.38%	0
982,114	QGOG Atlantic/Alaskan Rigs Ltd. (USD).....	5.25%	0
1,040,000	Vale Overseas Ltd. (USD).....	6.88%	1
	DOMINICAN REPUBLIC - 0.9%		
1,860,000	AES Andres BV / Dominican Power Partners / Empresa Generadora de Electricidad Itabo (USD) (b).....	7.95%	0
	GEORGIA - 1.9%		
540,000	BGEO Group JSC (USD) (b).....	6.00%	0
1,300,000	Georgian Oil and Gas Corp. JSC (USD) (b).....	6.75%	0
1,900,000	Georgian Railway JSC (USD).....	7.75%	0

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	GUATEMALA - 1.3%			
980,000	Comcel Trust via Comunicaciones Celulares S.A. (USD) (b).....	6.88%	0	
1,550,000	Industrial Subordinated Trust (USD).....	8.25%	0	
	HONG KONG - 0.5%			
1,020,000	Shimao Property Holdings Ltd. (USD).....	8.38%	0	
	INDIA - 0.5%			
1,000,000	ICICI Bank Ltd. (USD) (i).....	6.38%	0	
	INDONESIA - 0.8%			
1,600,000	Pertamina Persero PT (USD) (b).....	4.30%	0	
	KAZAKHSTAN - 2.5%			
1,870,000	KazMunayGas National Co., JSC (USD).....	9.13%	0	
1,052,000	Tengizchevroil Finance Co. International Ltd. (USD) (b).....	4.00%	0	
2,240,000	Zhaikmunai LLP (USD) (b).....	7.13%	1	
	MEXICO - 2.6%			
1,050,000	Alfa SAB de CV (USD).....	6.88%	0	
890,000	Cemex SAB de CV (USD) (b).....	7.75%	0	
18,600,000	Petroleos Mexicanos (MXN).....	7.19%	0	
1,640,000	Sixsigma Networks Mexico S.A. de CV (USD) (b).....	8.25%	1	
1,200,000	Unifin Financiera SAB de CV SOFOM ENR (USD) (b).....	7.25%	0	

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See Notes to Financial Statements

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
 PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
 DECEMBER 31, 2016

PRINCIPAL VALUE (LOCAL CURRENCY)	DESCRIPTION	STATED COUPON	M

FOREIGN CORPORATE BONDS AND NOTES (E) (CONTINUED)			
	NETHERLANDS - 0.3%		
600,000	GTH Finance BV (USD) (b).....	7.25%	0
	NIGERIA - 1.0%		
1,000,000	Access Bank PLC (USD) (b).....	10.50%	1
980,000	IHS Netherlands Holdco BV (USD) (b).....	9.50%	1

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	PARAGUAY - 0.7%			
1,360,000	Banco Regional SAECA (USD) (b).....	8.13%	0	
	PERU - 0.4%			
730,000	Union Andina de Cementos SAA (USD).....	5.88%	1	
	RUSSIA - 2.7%			
1,640,000	Evraz Group S.A. (USD) (b).....	6.50%	0	
1,328,000	Global Ports Finance PLC (USD) (b).....	6.87%	0	
1,350,000	Lukoil International Finance BV (USD).....	4.56%	0	
1,170,000	Sberbank of Russia Via SB Capital S.A. (USD).....	6.13%	0	
	SOUTH AFRICA - 2.6%			
2,000,000	Eskom Holdings SOC Ltd. (USD) (b).....	6.75%	0	
2,910,000	Eskom Holdings SOC Ltd. (USD).....	7.13%	0	
530,000	MTN Mauritius Investment Ltd. (USD) (b).....	6.50%	1	
	TURKEY - 1.8%			
750,000	Arcelik AS (USD) (b).....	5.00%	0	
2,000,000	Turkiye Vakiflar Bankasi TAO (USD).....	6.00%	1	
1,150,000	Yasar Holdings AS (USD) (b).....	8.88%	0	
	UNITED ARAB EMIRATES - 1.2%			
2,270,000	Jafz Sukuk Ltd. (USD).....	7.00%	0	
	VENEZUELA - 0.3%			
1,370,000	Petroleos de Venezuela SA (USD).....	6.00%	0	
	TOTAL FOREIGN CORPORATE BONDS AND NOTES.....			
	(Cost \$57,649,683)			
	U.S. GOVERNMENT BONDS AND NOTES - 2.7%			
	UNITED STATES - 2.7%			
\$2,693,000	United States Treasury Note.....	3.75%	1	
2,760,000	United States Treasury Note.....	1.50%	0	
	TOTAL U.S. GOVERNMENT BONDS AND NOTES.....			
	(Cost \$6,074,362)			
	TOTAL INVESTMENTS - 132.7%.....			
	(Cost \$292,464,194) (k)			
	OUTSTANDING LOANS - (39.5%).....			
	NET OTHER ASSETS AND LIABILITIES - 6.8%.....			
	NET ASSETS - 100.0%.....			

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
DECEMBER 31, 2016

- (a) All of these securities are available to serve as collateral for the outstanding loans.
- (b) This security, sold within the terms of a private placement memorandum, is exempt from registration under Rule 144A under the Securities Act of 1933, as amended (the "1933 Act"), and may be resold in transactions exempt from registration, normally to qualified institutional buyers. Pursuant to procedures adopted by the Fund's Board of Trustees, this security has been determined to be liquid by Aberdeen Asset Management Inc. (the "Sub-Advisor"). Although market instability can result in periods of increased overall market illiquidity, liquidity for each security is determined based on security specific factors and assumptions, which require subjective judgment. At December 31, 2016, securities noted as such amounted to \$74,661,520 or 35.8% of net assets.
- (c) Floating rate security. The interest rate shown reflects the rate in effect at December 31, 2016.
- (d) Zero coupon bond.
- (e) Portfolio securities are included in a country based upon their underlying credit exposure as determined by the Sub-Advisor.
- (f) This issuer has filed for bankruptcy protection in a Sao Paulo state court.
- (g) This security, sold within the terms of a private placement memorandum, is exempt from registration upon resale under Rule 144A under the 1933 Act, and may be resold in transactions exempt from registration, normally to qualified institutional buyers (see Note 2D - Restricted Securities in the Notes to Financial Statements).
- (h) This security is in default and interest is not being accrued by the Fund.
- (i) Fixed-to-floating or fixed-to-variable rate security. The interest rate shown reflects the fixed rate in effect at December 31, 2016. At a predetermined date, the fixed rate will change to a floating rate or a variable rate.
- (j) Perpetual maturity.
- (k) Aggregate cost for federal income tax purposes is \$299,510,776. As of December 31, 2016, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$7,152,272 and the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$29,996,395.

Currency Abbreviations:

ARS Argentine Peso
AUD Australian Dollar
BRL Brazilian Real
CAD Canadian Dollar
EUR Euro
GBP British Pound Sterling

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GHS Ghanaian Cedi
 HUF Hungarian Forint
 IDR Indonesian Rupiah
 INR Indian Rupee
 JPY Japanese Yen
 MXN Mexican Peso
 PEN Peruvian New Sol
 PLN Polish Zloty
 RUB Russian Ruble
 TRY Turkish Lira
 USD United States Dollar
 ZAR South African Rand

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See Notes to Financial Statements

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
 PORTFOLIO OF INVESTMENTS (CONTINUED)
 DECEMBER 31, 2016

 VALUATION INPUTS

A summary of the inputs used to value the Fund's investments as of December 31, 2016 is as follows (see Note 2A - Portfolio Valuation in the Notes to Financial Statements):

	ASSETS TABLE		
	TOTAL VALUE AT 12/31/2016	LEVEL 1 QUOTED PRICES	LEVEL SIGNIFI OBSERV INPU
	-----	-----	-----
Foreign Sovereign Bonds and Notes*.....	\$ 213,466,078	\$ --	\$ 213,4
Foreign Corporate Bonds and Notes*.....	57,608,097	--	57,6
U.S. Government Bonds and Notes*.....	5,592,478	--	5,5
	-----	-----	-----
Total Investments.....	276,666,653	--	276,6
Forward Foreign Currency Contracts**.....	2,065,334	--	2,0
	-----	-----	-----
Total.....	\$ 278,731,987	\$ --	\$ 278,7
	=====	=====	=====

	LIABILITIES TABLE		
	TOTAL VALUE AT 12/31/2016	LEVEL 1 QUOTED PRICES	LEVEL SIGNIFI OBSERV INPU
	-----	-----	-----
Forward Foreign Currency Contracts**.....	\$ 474,131	\$ --	\$ 4
	=====	=====	=====

* See the Portfolio of Investments for country breakout

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** See the Foreign Currency Contracts table for contract and currency detail.

All transfers in and out of the levels during the period are assumed to be transferred on the last day of the period at their current value. There were no transfers between levels at December 31, 2016.

CURRENCY EXPOSURE DIVERSIFICATION	% OF TOTAL INVESTMENTS+
USD	53.6%
EUR	9.5
RUB	5.1
JPY	4.4
ZAR	4.2
BRL	4.1
MXN	3.0
TRY	2.4
PEN	2.3
IDR	2.1
GBP	1.8
CAD	1.6
HUF	1.4
AUD	1.4
PLN	1.2
ARS	0.7
INR	0.6
GHS	0.6
Total	100.0%

+ The weightings include the impact of currency forwards.

See Notes to Financial Statements

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FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
 PORTFOLIO OF INVESTMENTS (CONTINUED)
 DECEMBER 31, 2016

FORWARD FOREIGN CURRENCY CONTRACTS (see Note 2C - Forward Foreign Currency Contracts in the Notes to Financial Statements).

FORWARD FOREIGN CURRENCY CONTRACTS

SETTLEMENT DATE	COUNTERPARTY	AMOUNT PURCHASED (a)	AMOUNT SOLD (a)	PURCHASE VALUE AS OF 12/31/2016	
01/11/17	GS	CAD 200,000	USD 152,070	\$ 148,981	\$
02/22/17	CIT	INR 123,870,000	USD 1,805,501	1,814,349	
01/11/17	CIT	ZAR 81,146,000	USD 5,659,829	5,894,405	
01/11/17	MS	USD 5,400,197	AUD 7,109,000	5,400,197	
02/22/17	JPM	USD 2,686,380	BRL 9,448,000	2,686,380	

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01/11/17	RBC	USD	11,562,137	EUR	10,324,000	11,562,137
01/11/17	CIT	USD	11,556,485	EUR	10,323,000	11,556,485
01/11/17	GS	USD	9,280,121	GBP	7,473,000	9,280,121
01/11/17	RBC	USD	1,370,517	MXN	26,128,000	1,370,517
01/11/17	JPM	USD	5,595,554	ZAR	81,146,000	5,595,555

Net Unrealized Appreciation (Depreciation)

(a) See Portfolio of Investments for currency descriptions.

See Note 2E - Offsetting on the Statement of Assets and Liabilities in the Notes to Financial Statements for a table that presents the forward foreign currency contracts' assets and liabilities on a gross basis.

Counterparty Abbreviations:

CIT Citibank, NA
 GS Goldman Sachs
 JPM JPMorgan Chase
 MS Morgan Stanley
 RBC Royal Bank of Canada

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
 STATEMENT OF ASSETS AND LIABILITIES
 DECEMBER 31, 2016

ASSETS:

Investments, at value
 (Cost \$292,464,194).....
 Cash.....
 Foreign currency (Cost \$359,334).....
 Unrealized appreciation on forward foreign currency contracts.....
 Receivables:
 Interest.....
 Due from broker.....
 Prepaid expenses.....

 Total Assets.....

LIABILITIES:

Outstanding loans.....
 Unrealized depreciation on forward foreign currency contracts.....
 Payables:
 Investment advisory fees.....
 Interest and fees on loans.....
 Audit and tax fees.....
 Custodian fees.....
 Printing fees.....
 Administrative fees.....
 Deferred Foreign Capital Gains Tax.....

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Transfer agent fees.....
Legal fees.....
Financial reporting fees.....
Trustees' fees and expenses.....
Other liabilities.....

Total Liabilities.....

NET ASSETS.....

NET ASSETS CONSIST OF:

Paid-in capital.....
Par value.....
Accumulated net investment income (loss).....
Accumulated net realized gain (loss) on investments, forward foreign currency
contracts and foreign

currency transactions.....
Net unrealized appreciation (depreciation) on investments, forward foreign
currency contracts and foreign

currency translation.....

NET ASSETS.....

NET ASSET VALUE, per Common Share (par value \$0.01 per Common Share).....

Number of Common Shares outstanding (unlimited number of Common Shares has been authorized).....

See Notes to Financial Statements

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FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

INVESTMENT INCOME:

Interest (net of foreign withholding tax of \$38,437).....
Other.....

Total investment income.....

EXPENSES:

Investment advisory fees.....
Interest and fees on outstanding loans.....
Custodian fees.....
Administrative fees.....
Printing fees.....
Audit and tax fees.....
Transfer agent fees.....
Legal fees.....

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Trustees' fees and expenses.....	
Financial reporting fees.....	
Other.....	
Total expenses.....	
NET INVESTMENT INCOME (LOSS).....	
NET REALIZED AND UNREALIZED GAIN (LOSS):	
Net realized gain (loss) on:	
Investments.....	
Forward foreign currency contracts.....	
Foreign currency transactions.....	
Net realized gain (loss).....	
Net change in unrealized appreciation (depreciation) on:	
Investments.....	
Forward foreign currency contracts.....	
Foreign currency translation.....	
Deferred Indonesian capital gains tax.....	
Net change in unrealized appreciation (depreciation).....	
NET REALIZED AND UNREALIZED GAIN (LOSS).....	
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS.....	

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See Notes to Financial Statements

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
STATEMENTS OF CHANGES IN NET ASSETS

	YEAR ENDED 12/31/2

OPERATIONS:	
Net investment income (loss).....	\$ 12,61
Net realized gain (loss).....	(8,27
Net change in unrealized appreciation (depreciation).....	18,41

Net increase (decrease) in net assets resulting from operations.....	22,76

DISTRIBUTIONS TO SHAREHOLDERS FROM:	
Net investment income.....	(7,43
Return of capital.....	(8,10

Total distributions to shareholders.....	(15,54

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CAPITAL TRANSACTIONS:

Repurchase of Common Shares.....	-----
Net increase (decrease) in net assets resulting from capital transactions.....	-----
Total increase (decrease) in net assets.....	7,22

NET ASSETS:

Beginning of period.....	201,26
End of period.....	\$ 208,48
Accumulated net investment income (loss) at end of period.....	\$ (3,95)

CAPITAL TRANSACTIONS WERE AS FOLLOWS:

Common Shares at beginning of period.....	17,26
Common Shares repurchased*.....	-----
Common Shares at end of period.....	17,26

* On September 15, 2015, the Fund commenced a Share Repurchase Program. The program expired on March 15, 2016, but on September 15, 2016, the Fund announced that the Board of Trustees authorized a new Share Repurchase Program. For the year ended December 31, 2015, the Fund repurchased 143,088 of its shares at a weighted-average discount of 15.05% from net asset value per share. The Fund did not repurchase any shares during the year ended December 31, 2016. The Fund expects to repurchase its outstanding shares until the earlier of (i) the repurchase of an additional 863,356 common shares or (ii) March 15, 2017.

See Notes to Financial Statements

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FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

Net increase (decrease) in net assets resulting from operations	\$ 22,760,693
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by operating activities:	
Purchases of investments.....	(185,437,802)
Sales, maturities and paydowns of investments.....	194,298,272
Net amortization/accretion of premiums/discounts on investments.....	1,483,781
Net realized gain/loss on investments.....	8,986,279
Net change in unrealized appreciation/depreciation on forward foreign currency contracts.....	(728,970)
Net change in unrealized appreciation/depreciation on investments.....	(17,349,415)

CHANGES IN ASSETS AND LIABILITIES:

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Increase in interest receivable.....	(327,637)
Increase in due from broker.....	(50,224)
Increase in prepaid expenses.....	(1,051)
Increase in interest and fees on loans payable.....	15,071
Decrease in investment advisory fees payable.....	(2,589)
Increase in audit and tax fees payable.....	119
Increase in legal fees payable.....	4,576
Decrease in printing fees payable.....	(789)
Increase in administrative fees payable.....	3,642
Decrease in custodian fees payable.....	(10,610)
Increase in transfer agent fees payable.....	3,762
Decrease in Trustees' fees and expenses payable.....	(31)
Increase in deferred Indonesian capital gains tax.....	20,858
Increase in other liabilities payable.....	1,052
<hr/>	
CASH PROVIDED BY OPERATING ACTIVITIES.....	
CASH FLOWS FROM FINANCING ACTIVITIES:	
Distributions to Common Shareholders from ordinary income.....	(7,434,503)
Distributions to Common Shareholders from return of capital.....	(8,105,901)
Repayment of borrowing.....	(3,500,000)
Effect of exchange rate changes on Euro borrowing (a).....	(321,411)
<hr/>	
CASH USED IN FINANCING ACTIVITIES.....	
Increase in cash and foreign currency (b).....	
Cash and foreign currency at beginning of period.....	
CASH AND FOREIGN CURRENCY AT END OF PERIOD.....	
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid during the period for interest and fees.....	

(a) This amount is a component of net change in unrealized appreciation (depreciation) on foreign currency translation as shown on the Statement of Operations.

(b) Includes net change in unrealized appreciation (depreciation) on foreign currency of \$40,016, which does

not include the effect of exchange rate changes on Euro borrowings.

	YEAR ENDED DECEMBER		
	2016	2015	2014
Net asset value, beginning of period.....	\$ 11.66	\$ 13.77	\$ 15.32
INCOME FROM INVESTMENT OPERATIONS:			
Net investment income (loss).....	0.73	0.82	1.03
Net realized and unrealized gain (loss).....	0.58	(1.80)	(1.22)
Total from investment operations.....	1.31	(0.98)	(0.19)
DISTRIBUTIONS PAID TO SHAREHOLDERS FROM:			
Net investment income.....	(0.43)	--	(0.71)
Net realized gain.....	--	--	(0.13)
Return of capital.....	(0.47)	(1.14)	(0.52)
Total distributions.....	(0.90)	(1.14)	(1.36)
Common share repurchase.....	--	0.01	--
Net asset value, end of period.....	\$ 12.07	\$ 11.66	\$ 13.77
Market value, end of period.....	\$ 11.16	\$ 10.13	\$ 12.04
TOTAL RETURN BASED ON NET ASSET VALUE (a).....	12.39%	(6.03)%	(0.84)
TOTAL RETURN BASED ON MARKET VALUE (a).....	19.61%	(6.63)%	(5.46)

RATIOS TO AVERAGE NET ASSETS/SUPPLEMENTAL DATA:			
Net assets, end of period (in 000's).....	\$ 208,482	\$ 201,262	\$ 239,807
Ratio of total expenses to average net assets.....	2.19%	2.10%	2.16%
Ratio of total expenses to average net assets excluding interest expense.....	1.71%	1.71%	1.76%
Ratio of net investment income (loss) to average net assets	5.93%	6.42%	6.79%
Portfolio turnover rate.....	64%	61%	61%
INDEBTEDNESS:			
Total loan outstanding (in 000's).....	\$ 82,421	\$ 86,243	\$ 97,405
Asset coverage per \$1,000 of indebtedness (b).....	\$ 3,529	\$ 3,334	\$ 3,462

(a) Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan, and changes in net asset value per share for net asset value returns and changes in Common Share Price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

(b) Calculated by subtracting the Fund's total liabilities (not including the loan outstanding) from the Fund's total assets, and dividing by the outstanding loan balance in 000's.

NOTES TO FINANCIAL STATEMENTS

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
DECEMBER 31, 2016

1. ORGANIZATION

First Trust/Aberdeen Global Opportunity Income Fund (the "Fund") is a diversified, closed-end management investment company organized as a Massachusetts business trust on September 2, 2004, and is registered with the Securities and Exchange Commission (the "SEC") under the Investment Company Act of 1940, as amended (the "1940 Act"). The Fund trades under the ticker symbol FAM on the New York Stock Exchange ("NYSE").

The Fund's primary investment objective is to seek a high level of current income. As a secondary objective, the Fund seeks capital appreciation. The Fund pursues these objectives by investing its Managed Assets in the world bond markets through a diversified portfolio of investment grade and below-investment grade government and corporate debt securities. "Managed Assets" means the total asset value of the Fund minus the sum of the Fund's liabilities other than the principal amount of borrowings, if any. There can be no assurance that the Fund will achieve its investment objectives. The Fund may not be appropriate for all investors.

The Fund announced on February 14, 2017, that the Fund's Board of Trustees approved the commencement (subject to certain conditions), no later than June 1, 2017, of a cash tender offer for up to 25% of the Fund's then outstanding common shares of beneficial interest at a price per share equal to 98% of the Fund's net asset value ("NAV") per share. Please see the subsequent event footnote for more information.

2. SIGNIFICANT ACCOUNTING POLICIES

The Fund is considered an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946, "Financial Services-Investment Companies." The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

A. PORTFOLIO VALUATION

The net asset value ("NAV") of the Common Shares of the Fund is determined daily as of the close of regular trading on the NYSE, normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. If the NYSE closes early on a valuation day, the NAV is determined as of that time. Domestic debt securities and foreign securities are priced using data reflecting the earlier closing of the principal markets for those securities. The Fund's NAV per Common Share is calculated by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses,

dividends declared but unpaid and any borrowings of the Fund), by the total number of Common Shares outstanding.

The Fund's investments are valued daily at market value or, in the absence of market value with respect to any portfolio securities, at fair value. Market value prices represent last sale or official closing prices from a national or foreign exchange (i.e., a regulated market) and are primarily obtained from third-party pricing services. Fair value prices represent any prices not considered market value prices and are either obtained from a third-party pricing service or are determined by the Pricing Committee of the Fund's investment advisor, First Trust Advisors L.P. ("First Trust" or the "Advisor"), in accordance with valuation procedures adopted by the Fund's Board of Trustees, and in accordance with provisions of the 1940 Act. Investments valued by the Advisor's Pricing Committee, if any, are footnoted as such in the footnotes to the Portfolio of Investments. The Fund's investments are valued as follows:

Bonds, notes and other debt securities are fair valued on the basis of valuations provided by dealers who make markets in such securities or by a third-party pricing service approved by the Fund's Board of Trustees, which may use the following valuation inputs when available:

- 1) benchmark yields;
- 2) reported trades;
- 3) broker/dealer quotes;
- 4) issuer spreads;
- 5) benchmark securities;
- 6) bids and offers; and
- 7) reference data including market research publications.

Fixed income and other debt securities having a remaining maturity of 60 days or less when purchased are fair valued at cost adjusted for amortization of premiums and accretion of discounts (amortized cost), provided the Advisor's Pricing Committee has determined that the use of amortized cost is an appropriate reflection of fair value given market and issuer specific conditions existing at the time of the determination. Factors that may be considered in determining the appropriateness of the use of amortized cost include, but are not limited to, the following:

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
DECEMBER 31, 2016

- 1) the credit conditions in the relevant market and changes thereto;
- 2) the liquidity conditions in the relevant market and changes

thereto;

- 3) the interest rate conditions in the relevant market and changes thereto (such as significant changes in interest rates);
- 4) issuer-specific conditions (such as significant credit deterioration); and
- 5) any other market-based data the Advisor's Pricing Committee considers relevant. In this regard, the Advisor's Pricing Committee may use last-obtained market-based data to assist it when valuing portfolio securities using amortized cost.

Forward foreign currency contracts are fair valued at the current day's interpolated foreign exchange rate, as calculated using the current day's spot rate, and the thirty, sixty, ninety, and one-hundred eighty day forward rates provided by a third-party pricing service.

Certain securities may not be able to be priced by pre-established pricing methods. Such securities may be valued by the Fund's Board of Trustees or its delegate, the Advisor's Pricing Committee, at fair value. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933, as amended (the "1933 Act")) for which a third-party pricing service is unable to provide a market price; securities whose trading has been formally suspended; a security whose market or fair value price is not available from a pre-established pricing source; a security with respect to which an event has occurred that is likely to materially affect the value of the security after the market has closed but before the calculation of the Fund's NAV or make it difficult or impossible to obtain a reliable market quotation; and a security whose price, as provided by the third-party pricing service, does not reflect the security's fair value. As a general principle, the current fair value of a security would appear to be the amount which the owner might reasonably expect to receive for the security upon its current sale. When fair value prices are used, generally they will differ from market quotations or official closing prices on the applicable exchanges. A variety of factors may be considered in determining the fair value of such securities, including, but not limited to, the following:

- 1) the fundamental business data relating to the issuer, or economic data relating to the country of issue;
- 2) an evaluation of the forces which influence the market in which these securities are purchased and sold;
- 3) the type, size and cost of security;
- 4) the financial statements of the issuer, or the financial condition of the country of issue;
- 5) the credit quality and cash flow of the issuer, or country of issue, based on Aberdeen Asset Management Inc.'s ("Aberdeen" or the "Sub-Advisor") or external analysis;
- 6) the information as to any transactions in or offers for the security;
- 7) the price and extent of public trading in similar securities (or equity securities) of the issuer/borrower, or comparable companies;

- 8) the coupon payments;
- 9) the quality, value and salability of collateral, if any, securing the security;
- 10) the business prospects of the issuer, including any ability to obtain money or resources from a parent or affiliate and an assessment of the issuer's management (for corporate debt only);
- 11) the economic, political and social prospects/developments of the country of issue and the assessment of the country's governmental leaders/officials (for sovereign debt only);
- 12) the prospects for the issuer's industry, and multiples (of earnings and/or cash flows) being paid for similar businesses in that industry (for corporate debt only); and
- 13) other relevant factors.

The Fund is subject to fair value accounting standards that define fair value, establish the framework for measuring fair value and provide a three-level hierarchy for fair valuation based upon the inputs to the valuation as of the measurement date. The three levels of the fair value hierarchy are as follows:

- o Level 1 - Level 1 inputs are quoted prices in active markets for identical investments. An active market is a market in which transactions for the investment occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- o Level 2 - Level 2 inputs are observable inputs, either directly or indirectly, and include the following:
 - o Quoted prices for similar investments in active markets.
 - o Quoted prices for identical or similar investments in markets that are non-active. A non-active market is a market where there are few transactions for the investment, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
 - o Inputs other than quoted prices that are observable for the investment (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
 - o Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- o Level 3 - Level 3 inputs are unobservable inputs. Unobservable inputs may reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the investment.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND (FAM)
DECEMBER 31, 2016

The inputs or methodologies used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. A summary of the inputs used to value the Fund's investments as of December 31, 2016, is included with the Fund's Portfolio of Investments.

B. SECURITIES TRANSACTIONS AND INVESTMENT INCOME

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis. Interest income is recorded daily on the accrual basis. Amortization of premiums and accretion of discounts are recorded by using the effective interest method.

Securities purchased or sold on a when-issued, delayed-delivery or forward purchase commitment basis may have extended settlement periods. The value of the security so purchased is subject to market fluctuations during this period. The Fund maintains liquid assets with a current value at least equal to the amount of its when-issued, delayed-delivery or forward purchase commitments until payment is made. At December 31, 2016, the Fund had no when-issued, delayed-delivery or forward purchase commitments.

C. FORWARD FOREIGN CURRENCY CONTRACTS

The Fund is subject to foreign currency risk in the normal course of pursuing its investment objectives. Forward foreign currency contracts are agreements between two parties ("Counterparties") to exchange one currency for another at a future date and at a specified price. The Fund uses forward foreign currency contracts to facilitate transactions in foreign securities and to manage the Fund's foreign currency exposure. These contracts are valued daily, and the Fund's net equity therein, representing unrealized gain or loss on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is included in "Unrealized appreciation on forward foreign currency contracts" and "Unrealized depreciation on forward foreign currency contracts" on the Statement of Assets and Liabilities. The change in unrealized appreciation/depreciation is included in "Net change in unrealized appreciation (depreciation) on forward foreign currency contracts" on the Statement of Operations. When the forward contract is closed, the Fund records a realized gain or loss equal to the difference between the proceeds from (or the cost of) the closing transaction and the Fund's basis in the contract. This realized gain or loss is included in "Net realized gain (loss) on forward foreign currency contracts" on the Statement of Operations. Risks arise from the possible inability of Counterparties to meet the terms of their contracts and from movement in currency, securities values and interest rates. Due to the risks, the Fund could incur losses in excess of the net unrealized value shown on the Forward Foreign Currency Contracts table in the Portfolio of Investments. In the event of default by the Counterparty, the Fund will provide notice to the Counterparty of the Fund's intent to convert the currency held by the Fund into the currency that the Counterparty agreed to exchange with the Fund. If a Counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Fund may experience significant delays in obtaining any recovery in a bankruptcy or other reorganization proceeding. The Fund may obtain only limited recovery or may obtain no recovery in such circumstances.

D. RESTRICTED SECURITIES

The Fund invests in restricted securities, which are securities that may not be offered for public sale without first being registered under the 1933 Act. Prior to registration, restricted securities may only be resold in transactions exempt from registration under Rule 144A under the 1933 Act, normally to qualified institutional buyers. As of December 31, 2016, the Fund held restricted securities as shown in the following table that Aberdeen has deemed illiquid pursuant to procedures adopted by the Fund's Board of Trustees. Although market instability can result in periods of increased overall mark