

WESTERN ASSET GLOBAL HIGH INCOME FUND INC.

Form N-CSRS

January 25, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-21337

Western Asset Global High Income Fund Inc.  
(Exact name of registrant as specified in charter)

620 Eighth Avenue, New York, NY  
(Address of principal executive offices)

10018  
(Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902  
(Name and address of agent for service)

Registrant's telephone number, including area code: (888) 777-0102

Date of fiscal year May 31  
end:

Date of reporting period: November 30, 2011

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ITEM 1. REPORT TO STOCKHOLDERS.

The **Semi-Annual** Report to Stockholders is filed herewith.

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November 30, 2011

**Semi-Annual Report**

**Western Asset Global High Income Fund Inc.  
(EHI)**

|                                                                            |
|----------------------------------------------------------------------------|
|                                                                            |
| INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE |
|                                                                            |

II Western Asset Global High Income Fund Inc.

**Fund objectives**

The Fund's primary investment objective is high current income. The Fund's secondary investment objective is total return.

**What's inside**

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**Letter from the chairman**

## Edgar Filing: WESTERN ASSET GLOBAL HIGH INCOME FUND INC. - Form N-CSRS

**Dear Shareholder,**

We are pleased to provide the semi-annual report of Western Asset Global High Income Fund Inc. for the six-month reporting period ended November 30, 2011. Please read on for Fund performance information and a detailed look at prevailing economic and market conditions during the Fund's reporting period.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish this is through our website, [www.leggmason.com/cef](http://www.leggmason.com/cef). Here you can gain immediate access to market and investment information, including:

- Fund prices and performance,
- Market insights and commentaries from our portfolio managers, and
- A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,

R. Jay Gerken, CFA

Chairman, President and Chief Executive Officer

December 30, 2011

## Investment commentary

### Economic review

Although the U.S. economy continued to grow over the six months ended November 30, 2011, the pace of the expansion was generally disappointing. U.S. gross domestic product ( GDP )i growth, as reported by the U.S. Department of Commerce, has been less robust than during most other periods exiting a severe recession. Looking back, the Commerce Department reported that first and second quarter 2011 GDP growth were 0.4% and 1.3%, respectively. For comparison purposes, GDP growth was 3.0% for calendar 2010 as a whole. This moderation in growth during the first half of the calendar year was due to a variety of factors, including less robust export activity and a deceleration in consumer spending given higher oil and food prices. Third quarter GDP growth then rose to 1.8%. Improving growth was attributed, in part, to higher consumer spending, which grew 1.7% in the third quarter, versus a modest 0.7% gain in the second quarter.

Two factors holding back the economy have been the weak job market and continued strains in the housing market. While there was some improvement late in the reporting period, unemployment remained elevated. As reported by the U.S. Department of Labor, unemployment was 9.2% in June 2011, its highest reading since December 2010. Unemployment stayed at or above 9.0% over the next four months, before falling to 8.6% in November, its lowest rate since March 2009.

The housing market continued to experience challenges. Looking back, existing-home sales moved somewhat higher toward the end of 2010 and in January 2011, according to the National Association of Realtors ( NAR ). Existing-home sales then declined during five of the next ten months. Existing-home prices were weak versus a year ago, with the NAR reporting that the median existing-home price for all housing types was \$164,200 in November 2011, down 3.5% from November 2010.

While the manufacturing sector continued to expand, it experienced a soft patch during a portion of the reporting period. Based on the Institute for Supply Management's PMI ( PMI )ii, in June 2011 it had a reading of 55.3 (a reading below 50 indicates a contraction, whereas a reading above 50 indicates an expansion). The PMI then declined over the next two months and was 50.6 in August 2011, its lowest reading in two years. However, the manufacturing sector gained some momentum late in the period and ended November at 52.7.

Disappointing economic news was not limited to the U.S. In September 2011, the International Monetary Fund ( IMF ) lowered its growth projections for the global economy. Citing a much slower recovery in advanced economies since the beginning of the year and an increase in fiscal and financial uncertainty, the IMF pared its estimate for 2011 global growth to 4.0%, versus 4.3% in June. The IMF now anticipates 2011 growth will be 1.6% in the Eurozone and -0.5% in Japan. While growth in emerging market countries is expected to remain higher than in their developed country counterparts, the IMF reduced its projection for the former from 6.6% to 6.4% in 2011.

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**Investment commentary (continued)**

**Market review**

**Q. Did Treasury yields trend higher or lower during the six months ended November 30, 2011?**

**A.** Both short- and long-term Treasury yields fluctuated but, overall, moved lower. When the period began, two- and ten-year Treasury yields were 0.45% and 3.05%, respectively. Yields initially moved higher, as two-year Treasury yields peaked at 0.50% and ten-year Treasuries peaked at 3.22% on July 1, 2011. Yields then generally declined due to disappointing economic data and increased risk aversion. During the height of the flight to quality in September 2011, two-year Treasuries hit their low for the reporting period of 0.16% and ten-year Treasuries reached their reporting period trough of 1.72%. With risk appetite increasing, yields generally moved higher in October. Two-year Treasury yields again moved higher in November, whereas ten-year Treasury yields declined during the month. When the reporting period ended on November 30, 2011, two-year Treasury yields were 0.25% and ten-year Treasury yields were 2.08%.

**Q. How did the Federal Reserve Board ( Fed ) respond to the economic environment?**

**A.** The Fed took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. As has been the case since December 2008, the Fed kept the federal funds rate at a historically low range between zero and 0.25%. In addition, in August 2011, the Fed declared its intention to keep the federal funds rate on hold until mid-2013. In September 2011, the Fed announced its intention to purchase \$400 billion of longer-term Treasury securities and to sell an equal amount of shorter-term Treasury securities by June 2012 (often referred to as Operation Twist ). Finally, at its meeting in December (after the reporting period ended), the Fed potentially opened the door to another round of quantitative easing in 2012, saying it is prepared to employ its tools to promote a stronger economic recovery in a context of price stability.

**Q. What actions did international central banks take during the reporting period?**

**A:** Given the economic challenges in the Eurozone, the European Central Bank ( ECB ) lowered interest rates from 1.50% to 1.25% in November 2011. In December (after the reporting period ended), the ECB lowered interest rates to 1.00%, equaling its all-time low. In other developed countries, the Bank of England kept rates on hold at 0.50% during the reporting period, as did Japan at a range of zero to 0.10%, the lowest level since 2006. Elsewhere, a number of emerging market countries, including China and India, raised interest rates during the reporting period in an effort to ward off inflation.

**Q. What factors impacted the spread sectors (non-Treasuries) during the reporting period?**

**A.** The spread sectors experienced periods of heightened volatility during the period. Risk aversion was often elevated during the first four months of the period given a host of disappointing economic data, a further escalation of the European sovereign debt crisis and the downgrading of U.S. government securities by Standard & Poor's. Risk appetite returned in October due to some better-than-expected economic data and signs of progress in Europe. However, risk aversion increased again in November, given renewed fears regarding the European sovereign debt crisis. While most U.S. spread sectors posted positive results during the six-month reporting

Western Asset Global High Income Fund Inc. V

period, they produced mixed results versus equal-duration<sup>v</sup> Treasuries. For the six months ended November 30, 2011, the Barclays Capital U.S. Aggregate Index<sup>vi</sup> returned 3.54%. In comparison, the Barclays Capital Global Aggregate Index (Hedged)<sup>vii</sup> returned 2.11% over the same time frame.

**Q. How did the high-yield market perform over the six months ended November 30, 2011?**

**A.** The U.S. high-yield bond market produced poor results during the reporting period. The asset class largely treaded water during the first two months of the period. While high-yield fundamentals remained solid overall, this was offset by concerns regarding the economy and the European sovereign debt crisis. With risk aversion increasing, the high-yield market, measured by the Barclays Capital U.S. High Yield 2% Issuer Cap Index<sup>viii</sup>, then fell 4.02% and 3.29% in August and September, respectively. The market then rallied sharply in October, rising 6.00%, as risk appetite returned. However, the high-yield market again weakened in November given the escalating European sovereign debt crisis. All told, the high-yield market returned -3.56% for the six months ended November 30, 2011.

**Q. How did the emerging market debt asset class perform over the reporting period?**

**A:** Despite periods of volatility, the asset class generated a positive return for the six-month reporting period. In general, emerging market debt was supported by robust growth in developing countries and overall solid demand. These factors more than offset periods of weakness triggered by concerns regarding interest rate hikes in China, geopolitical issues and decelerating growth in many developed countries. Overall, the JPMorgan Emerging Markets Bond Index Global ( EMBI Global )<sup>ix</sup> returned 3.15% over the six months ended November 30, 2011.

**Performance review**

For the six months ended November 30, 2011, Western Asset Global High Income Fund Inc. returned -6.46% based on its net asset value ( NAV )<sup>x</sup> and -4.16% based on its New York Stock Exchange ( NYSE ) market price per share. The Fund's unmanaged benchmarks, the Barclays Capital U.S. Aggregate Index, the Barclays Capital U.S. High Yield 2% Issuer Cap Index and the EMBI Global, returned 3.54%, -3.56% and 3.15%, respectively, over the same time frame. The Lipper High Current Yield (Leveraged) Closed-End Funds Category Average<sup>xi</sup> returned -5.22% for the same period. Please note that Lipper performance returns are based on each fund's NAV.

During this six-month period, the Fund made distributions to shareholders totaling \$0.58 per share, which may have included a return of capital. The performance table shows the Fund's six-month total return based on its NAV and market price as of November 30, 2011. **Past performance is no guarantee of future results.**

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**Investment commentary (continued)**

**Performance Snapshot**

as of November 30, 2011 (unaudited)

| Price Per Share        | 6-Month<br>Total Return* |
|------------------------|--------------------------|
| \$12.18 (NAV)          | -6.46%                   |
| \$12.24 (Market Price) | -4.16%                   |

All figures represent past performance and are not a guarantee of future results. Performance figures for periods shorter than one year represent cumulative figures and are not annualized.

\* Total returns are based on changes in NAV or market price, respectively.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, at NAV.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, in additional shares in accordance with the Fund's Dividend Reinvestment Plan.

**Looking for additional information?**

The Fund is traded under the symbol EHI and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol XEHIX on most financial websites. *Barron's* and the *Wall Street Journal's* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as [www.leggmason.com/cef](http://www.leggmason.com/cef).

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

As always, thank you for your confidence in our stewardship of your assets.

Sincerely,

R. Jay Gerken, CFA

Chairman, President and Chief Executive Officer

December 30, 2011

***RISKS:*** *An investment in the Fund is subject to investment risk, including the possible loss of the entire principal amount that you invest. As interest rates rise, bond prices fall, reducing the value of the Fund's holdings. The Fund may use derivatives, such as options, futures contracts, swap agreements and credit default swaps, which can be illiquid, may disproportionately increase losses and have a potentially large impact on Fund performance. Investing in foreign securities is subject to certain risks not associated with domestic investing, such as currency fluctuations, and changes in political and economic conditions. These risks are magnified in emerging or developing markets. High-yield bonds involve greater credit and liquidity risks than investment grade bonds. Leverage may magnify gains and increase losses in the Fund's portfolio.*

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole. Forecasts and predictions are inherently limited and should not be relied upon as an indication of actual or future performance.

- i Gross domestic product ( GDP ) is the market value of all final goods and services produced within a country in a given period of time.
- ii The Institute for Supply Management's PMI is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies. It offers an early reading on the health of the manufacturing sector.
- iii The Federal Reserve Board ( Fed ) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.
- iv The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.
- v Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points. Calculation is based on the weighted average of the present values for all cash flows.
- vi The Barclays Capital U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- vii The Barclays Capital Global Aggregate Index (Hedged) is an index comprised of several other Barclays Capital indices that measure fixed-income performance of regions around the world.
- viii The Barclays Capital U.S. High Yield 2% Issuer Cap Index is an index of the 2% Issuer Cap component of the Barclays Capital U.S. Corporate High Yield Index, which covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.
- ix The JPMorgan Emerging Markets Bond Index Global ( EMBI Global ) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments.
- x Net asset value ( NAV ) is calculated by subtracting total liabilities and outstanding preferred stock (if any) from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.
- xi Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the six-month period ended November 30, 2011, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 41 funds in the Fund's Lipper category.

**Fund at a glance (unaudited)**

**Investment breakdown (%) as a percent of total investments**

The bar graph above represents the composition of the Fund's investments as of November 30, 2011 and May 31, 2011 and does not include derivatives such as futures contracts, forward foreign currency contracts, written options and swap contracts. The Fund is actively managed. As a result, the composition of the Fund's investments is subject to change at any time.

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## Spread duration (unaudited)

**Economic Exposure November 30, 2011**

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

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|           |                                                                                                                                                  |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| ABS       | Asset Backed Securities                                                                                                                          |
| EHF       | Western Asset Global High Income Fund Inc.                                                                                                       |
| EM        | Emerging Markets                                                                                                                                 |
| HY        | High Yield                                                                                                                                       |
| IG Credit | Investment Grade Credit                                                                                                                          |
| MBS       | Mortgage Backed Securities                                                                                                                       |
| Benchmark | 1/3 Barclays Capital U.S. Aggregate Index, 1/3 JP Morgan Emerging Markets Bond Index Global and 1/3 Barclays U.S. High Yield 2% Issuer Cap Index |

**Effective duration (unaudited)**

**Interest Rate Exposure November 30, 2011**

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

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|           |                                                                                                                                                     |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| EHI       | Western Asset Global High Income Fund Inc.                                                                                                          |
| EM        | Emerging Markets                                                                                                                                    |
| HY        | High Yield                                                                                                                                          |
| IG Credit | Investment Grade Credit                                                                                                                             |
| MBS       | Mortgage Backed Securities                                                                                                                          |
| Benchmark | 1/3 Barclays Capital U.S. Aggregate Index, 1/3 JP Morgan Emerging Markets Bond Index<br>Global and 1/3 Barclays U.S. High Yield 2% Issuer Cap Index |

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**Schedule of investments (unaudited)**

November 30, 2011

**Western Asset Global High Income Fund Inc.**

| <b>Security</b>                                                                       | <b>Rate</b> | <b>Maturity Date</b> | <b>Face Amount</b> | <b>Value</b>     |
|---------------------------------------------------------------------------------------|-------------|----------------------|--------------------|------------------|
| <b>Corporate Bonds &amp; Notes 76.5%</b>                                              |             |                      |                    |                  |
| <b>Consumer Discretionary 14.7%</b>                                                   |             |                      |                    |                  |
| <b>Auto Components 0.2%</b>                                                           |             |                      |                    |                  |
| Europcar Groupe SA, Senior Notes                                                      | 9.375%      | 4/15/18              | 1,075,000EUR \$    | 780,018(a)       |
| <b>Automobiles 0.5%</b>                                                               |             |                      |                    |                  |
| Escrow GCB General Motors                                                             | 8.250%      | 7/15/23              | 300,000            | 4,875(b)         |
| Escrow GCB General Motors                                                             | 8.375%      | 7/15/33              | 3,500,000          | 56,875(b)        |
| Ford Motor Credit Co., LLC, Senior Notes                                              | 7.500%      | 8/1/12               | 1,930,000          | 2,000,306(c)     |
| Jaguar Holding Co. II/Jaguar Merger Sub Inc., Senior Notes                            | 9.500%      | 12/1/19              | 290,000            | 292,900(a)       |
| <b>Total Automobiles</b>                                                              |             |                      |                    | <b>2,354,956</b> |
| <b>Diversified Consumer Services 0.7%</b>                                             |             |                      |                    |                  |
| Odeon & UCI Finco PLC, Senior Secured Notes                                           | 9.000%      | 8/1/18               | 1,060,000GBP       | 1,538,307(a)     |
| Service Corp. International, Senior Notes                                             | 7.625%      | 10/1/18              | 185,000            | 203,962(c)       |
| Service Corp. International, Senior Notes                                             | 7.500%      | 4/1/27               | 520,000            | 500,500(c)       |
| Sotheby's, Senior Notes                                                               | 7.750%      | 6/15/15              | 910,000            | 955,500(c)       |
| Stonemor Operating LLC/Cornerstone Family Services of WV/Osiris Holding, Senior Notes | 10.250%     | 12/1/17              | 210,000            | 203,963          |
| <b>Total Diversified Consumer Services</b>                                            |             |                      |                    | <b>3,402,232</b> |
| <b>Hotels, Restaurants &amp; Leisure 4.0%</b>                                         |             |                      |                    |                  |
| Boyd Gaming Corp., Senior Notes                                                       | 9.125%      | 12/1/18              | 160,000            | 147,200          |
| Caesars Entertainment Operating Co. Inc., Senior Notes                                | 10.750%     | 2/1/16               | 1,380,000          | 883,200          |
| Caesars Entertainment Operating Co. Inc., Senior Secured Notes                        | 10.000%     | 12/15/15             | 420,000            | 351,750          |
| Caesars Entertainment Operating Co. Inc., Senior Secured Notes                        | 11.250%     | 6/1/17               | 1,280,000          | 1,337,600(c)     |
| Choctaw Resort Development Enterprise, Senior Notes                                   | 7.250%      | 11/15/19             | 503,000            | 324,435(a)       |
| CityCenter Holdings LLC/CityCenter Finance Corp., Senior Secured Notes                | 10.750%     | 1/15/17              | 1,287,811          | 1,225,432(a)(d)  |
| Downstream Development Quapaw, Senior Secured Notes                                   | 10.500%     | 7/1/19               | 700,000            | 665,000(a)(c)    |
| El Pollo Loco Inc., Secured Notes                                                     | 17.000%     | 1/1/18               | 1,400,000          | 1,204,000(a)     |
| Enterprise Inns PLC, Senior Secured Bonds                                             | 6.500%      | 12/6/18              | 1,095,000GBP       | 1,198,267        |
| Fiesta Restaurant Group, Secured Notes                                                | 8.875%      | 8/15/16              | 390,000            | 384,150(a)(c)    |
| Hoa Restaurant Group LLC/Hoa Finance Corp., Senior Secured Notes                      | 11.250%     | 4/1/17               | 610,000            | 561,200(a)(c)    |
| Inn of the Mountain Gods Resort & Casino, Senior Secured Notes                        | 8.750%      | 11/30/20             | 519,000            | 500,835(a)       |
| Landry's Acquisition Co., Secured Notes                                               | 11.625%     | 12/1/15              | 130,000            | 133,250(a)       |
| Landry's Holdings Inc., Senior Secured Notes                                          | 11.500%     | 6/1/14               | 800,000            | 776,000(a)       |

See Notes to Financial Statements.

**Western Asset Global High Income Fund Inc.**

| <b>Security</b>                                                                        | <b>Rate</b> | <b>Maturity Date</b> | <b>Face Amount</b> | <b>Value</b>      |
|----------------------------------------------------------------------------------------|-------------|----------------------|--------------------|-------------------|
| <b><i>Hotels, Restaurants &amp; Leisure continued</i></b>                              |             |                      |                    |                   |
| Landry's Restaurants Inc., Senior Secured Notes                                        | 11.625%     | 12/1/15              | 565,000            | \$ 591,838(c)     |
| Landry's Restaurants Inc., Senior Secured Notes                                        | 11.625%     | 12/1/15              | 190,000            | 199,025(a)(c)     |
| MGM Resorts International, Senior Secured Notes                                        | 10.375%     | 5/15/14              | 475,000            | 534,375           |
| MGM Resorts International, Senior Secured Notes                                        | 11.125%     | 11/15/17             | 1,135,000          | 1,275,456         |
| Mohegan Tribal Gaming Authority, Senior Subordinated Notes                             | 8.000%      | 4/1/12               | 1,510,000          | 989,050           |
| Mohegan Tribal Gaming Authority, Senior Subordinated Notes                             | 7.125%      | 8/15/14              | 675,000            | 344,250           |
| Mohegan Tribal Gaming Authority, Senior Subordinated Notes                             | 6.875%      | 2/15/15              | 625,000            | 303,125           |
| NCL Corp. Ltd., Senior Notes                                                           | 9.500%      | 11/15/18             | 1,770,000          | 1,876,200(e)      |
| NCL Corp. Ltd., Senior Secured Notes                                                   | 11.750%     | 11/15/16             | 730,000            | 846,800(c)        |
| Pinnacle Entertainment Inc., Senior Subordinated Notes                                 | 7.500%      | 6/15/15              | 190,000            | 185,250           |
| Pinnacle Entertainment Inc., Senior Subordinated Notes                                 | 8.750%      | 5/15/20              | 140,000            | 136,500           |
| Seven Seas Cruises S de RL LLC, Senior Secured Notes                                   | 9.125%      | 5/15/19              | 800,000            | 821,000(a)        |
| Snoqualmie Entertainment Authority, Senior Secured Notes                               | 4.179%      | 2/1/14               | 150,000            | 135,750(a)(f)     |
| Sugarhouse HSP Gaming Prop Mezz LP/ Sugarhouse HSP Gaming Finance Corp., Secured Notes | 8.625%      | 4/15/16              | 750,000            | 774,375(a)(c)     |
| <b>Total Hotels, Restaurants &amp; Leisure</b>                                         |             |                      |                    | <b>18,705,313</b> |
| <b><i>Household Durables 0.3%</i></b>                                                  |             |                      |                    |                   |
| DFS Furniture Holdings PLC, Senior Secured Notes                                       | 9.750%      | 7/15/17              | 676,000GBP         | 906,793(a)        |
| Standard Pacific Corp., Senior Notes                                                   | 8.375%      | 1/15/21              | 610,000            | 565,775(c)        |
| <b>Total Household Durables</b>                                                        |             |                      |                    | <b>1,472,568</b>  |
| <b><i>Internet &amp; Catalog Retail 0.3%</i></b>                                       |             |                      |                    |                   |
| Netflix Inc., Senior Notes                                                             | 8.500%      | 11/15/17             | 780,000            | 787,800(c)        |
| QVC Inc., Senior Secured Notes                                                         | 7.375%      | 10/15/20             | 480,000            | 512,400(a)        |
| <b>Total Internet &amp; Catalog Retail</b>                                             |             |                      |                    | <b>1,300,200</b>  |
| <b><i>Media 6.7%</i></b>                                                               |             |                      |                    |                   |
| CCH II LLC/CCH II Capital Corp., Senior Notes                                          | 13.500%     | 11/30/16             | 611,752            | 708,103(c)        |
| CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes                              | 7.875%      | 4/30/18              | 870,000            | 905,888(c)        |

See Notes to Financial Statements.

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**Schedule of investments (unaudited) (cont d)**

November 30, 2011

**Western Asset Global High Income Fund Inc.**

| <b>Security</b>                                               | <b>Rate</b> | <b>Maturity Date</b> | <b>Face Amount</b> | <b>Value</b>      |
|---------------------------------------------------------------|-------------|----------------------|--------------------|-------------------|
| <b>Media continued</b>                                        |             |                      |                    |                   |
| CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes     | 8.125%      | 4/30/20              | 3,440,000          | \$ 3,646,400(c)   |
| CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes     | 7.375%      | 6/1/20               | 810,000            | 810,000           |
| Cengage Learning Acquisitions Inc., Senior Notes              | 10.500%     | 1/15/15              | 3,020,000          | 2,204,600(a)      |
| Cengage Learning Acquisitions Inc., Senior Subordinated Notes | 13.250%     | 7/15/15              | 190,000            | 127,300(a)        |
| Charter Communications Inc., Senior Notes                     | 6.500%      | 4/30/21              | 760,000            | 736,250(c)        |
| CSC Holdings Inc., Senior Debentures                          | 7.875%      | 2/15/18              | 1,500,000          | 1,642,500(c)      |
| DISH DBS Corp., Senior Notes                                  | 7.875%      | 9/1/19               | 1,080,000          | 1,150,200(c)      |
| Entercom Radio LLC, Senior Notes                              | 10.500%     | 12/1/19              | 750,000            | 735,000(a)        |
| Good Sam Enterprises LLC, Secured Notes                       | 11.500%     | 12/1/16              | 800,000            | 776,000           |
| Grupo Televisa SA, Senior Bonds                               | 6.625%      | 1/15/40              | 1,300,000          | 1,414,793(c)      |
| ITV PLC, Senior Notes                                         | 10.000%     | 6/30/14              | 2,000,000EUR       | 2,942,971         |
| Kabel BW Musketeer GmbH, Senior Secured Notes                 | 9.500%      | 3/15/21              | 400,000EUR         | 522,699(a)        |
| LBI Media Inc., Senior Secured Notes                          | 9.250%      | 4/15/19              | 760,000            | 676,400(a)(c)     |
| Musketeer GmbH, Senior Secured Notes                          | 9.500%      | 3/15/21              | 1,250,000EUR       | 1,633,435(a)      |
| Nara Cable Funding Ltd., Senior Secured Notes                 | 8.875%      | 12/1/18              | 1,500,000EUR       | 1,728,334(a)      |
| NET Servicos de Comunicacao SA, Bonds                         | 7.500%      | 1/27/20              | 480,000            | 549,600(c)        |
| Nielsen Finance LLC/Nielsen Finance Co., Senior Notes         | 11.500%     | 5/1/16               | 60,000             | 68,700(c)         |
| Nielsen Finance LLC/Nielsen Finance Co., Senior Notes         | 7.750%      | 10/15/18             | 240,000            | 255,000(c)        |
| Ono Finance II PLC, Senior Bonds                              | 11.125%     | 7/15/19              | 890,000EUR         | 947,745(a)        |
| Polish Television Holding BV, Senior Secured Bonds, step bond | 11.250%     | 5/15/17              | 675,000EUR         | 938,742(a)(e)     |
| Seat Pagine Gialle SpA, Senior Secured Notes                  | 10.500%     | 1/31/17              | 366,000EUR         | 290,158(a)        |
| Time Warner Inc.                                              | 6.500%      | 11/15/36             | 160,000            | 180,226(c)        |
| TVN Finance Corp. III AB, Senior Notes                        | 7.875%      | 11/15/18             | 225,000EUR         | 288,727(a)        |
| Univision Communications Inc., Senior Notes                   | 8.500%      | 5/15/21              | 250,000            | 207,500(a)        |
| Univision Communications Inc., Senior Secured Notes           | 6.875%      | 5/15/19              | 840,000            | 783,300(a)(c)     |
| Univision Communications Inc., Senior Secured Notes           | 7.875%      | 11/1/20              | 660,000            | 627,000(a)(c)     |
| UPC Holding BV, Senior Notes                                  | 9.875%      | 4/15/18              | 330,000            | 341,550(a)(c)     |
| UPCB Finance II Ltd., Senior Notes                            | 6.375%      | 7/1/20               | 1,250,000EUR       | 1,536,856(a)      |
| Ziggo Bond Co. BV, Senior Notes                               | 8.000%      | 5/15/18              | 1,450,000EUR       | 1,899,655(a)      |
| <b>Total Media</b>                                            |             |                      |                    | <b>31,275,632</b> |

See Notes to Financial Statements.

## Western Asset Global High Income Fund Inc.

| Security                                                                                  | Rate    | Maturity Date | Face Amount  | Value             |
|-------------------------------------------------------------------------------------------|---------|---------------|--------------|-------------------|
| <b>Multiline Retail 0.2%</b>                                                              |         |               |              |                   |
| Neiman Marcus Group Inc., Senior Secured Notes                                            | 7.125%  | 6/1/28        | 1,060,000 \$ | 975,200(c)        |
| <b>Specialty Retail 1.5%</b>                                                              |         |               |              |                   |
| American Greetings Corp., Senior Notes                                                    | 7.375%  | 6/1/16        | 120,000      | 125,376           |
| American Greetings Corp., Senior Notes                                                    | 7.375%  | 12/1/21       | 990,000      | 1,006,087(c)      |
| Edcon Proprietary Ltd., Senior Secured Notes                                              | 9.500%  | 3/1/18        | 1,825,000EUR | 1,918,887(a)      |
| Gymboree Corp., Senior Notes                                                              | 9.125%  | 12/1/18       | 1,030,000    | 854,900           |
| Michaels Stores Inc., Senior Subordinated Notes                                           | 13.000% | 11/1/16       | 2,490,000    | 2,651,850         |
| Spencer Spirit Holdings Inc./Spencer Gifts LLC/Spirit Halloween Superstores, Senior Notes | 11.000% | 5/1/17        | 490,000      | 474,075(a)(c)     |
| <b>Total Specialty Retail</b>                                                             |         |               |              | <b>7,031,175</b>  |
| <b>Textiles, Apparel &amp; Luxury Goods 0.3%</b>                                          |         |               |              |                   |
| Empire Today LLC/Empire Today Finance Corp., Senior Secured Notes                         | 11.375% | 2/1/17        | 350,000      | 325,500(a)(c)     |
| Oxford Industries Inc., Senior Secured Notes                                              | 11.375% | 7/15/15       | 1,115,000    | 1,226,500(c)      |
| <b>Total Textiles, Apparel &amp; Luxury Goods</b>                                         |         |               |              | <b>1,552,000</b>  |
| <b>Total Consumer Discretionary</b>                                                       |         |               |              | <b>68,849,294</b> |
| <b>Consumer Staples 1.4%</b>                                                              |         |               |              |                   |
| <b>Beverages 0.2%</b>                                                                     |         |               |              |                   |
| Constellation Brands Inc., Senior Notes                                                   | 8.375%  | 12/15/14      | 785,000      | 875,275(c)        |
| <b>Food Products 1.0%</b>                                                                 |         |               |              |                   |
| Blue Merger Sub Inc., Senior Notes                                                        | 7.625%  | 2/15/19       | 1,398,000    | 1,258,200(a)      |
| Boparan Holdings Ltd., Senior Notes                                                       | 9.875%  | 4/30/18       | 900,000GBP   | 1,158,731(a)      |
| Foodcorp Ltd., Senior Secured Notes                                                       | 8.750%  | 3/1/18        | 650,000EUR   | 733,660(a)        |
| Foodcorp Ltd., Senior Secured Notes                                                       | 8.750%  | 3/1/18        | 500,000EUR   | 564,354(a)        |
| Harmony Foods Corp., Senior Secured Notes                                                 | 10.000% | 5/1/16        | 340,000      | 328,100(a)(c)     |
| Simmons Foods Inc., Senior Secured Notes                                                  | 10.500% | 11/1/17       | 1,180,000    | 926,300(a)        |
| <b>Total Food Products</b>                                                                |         |               |              | <b>4,969,345</b>  |
| <b>Household Products 0.0%</b>                                                            |         |               |              |                   |
| Reynolds Group DL Escrow Inc./Reynolds Group Escrow LLC, Senior Secured Notes             | 8.750%  | 10/15/16      | 100,000      | 103,750(a)(c)     |
| <b>Personal Products 0.1%</b>                                                             |         |               |              |                   |
| Hypermecas SA, Notes                                                                      | 6.500%  | 4/20/21       | 480,000      | 422,400(a)(c)     |
| <b>Tobacco 0.1%</b>                                                                       |         |               |              |                   |
| Alliance One International Inc., Senior Notes                                             | 10.000% | 7/15/16       | 460,000      | 408,250(c)        |
| <b>Total Consumer Staples</b>                                                             |         |               |              | <b>6,779,020</b>  |

See Notes to Financial Statements.

8 Western Asset Global High Income Fund Inc. 2011 Semi-Annual Report

**Schedule of investments (unaudited) (cont d)**

November 30, 2011

**Western Asset Global High Income Fund Inc.**

| Security                                        | Rate   | Maturity Date | Face Amount | Value         |
|-------------------------------------------------|--------|---------------|-------------|---------------|
| <b>Energy 13.4%</b>                             |        |               |             |               |
| <b>Energy Equipment &amp; Services 1.5%</b>     |        |               |             |               |
| Complete Production Services Inc., Senior Notes | 8.000% | 12/15/16      | 560,000     | \$ 585,200(c) |

|                                      |        |         |         |            |
|--------------------------------------|--------|---------|---------|------------|
| Kodiak Oil & Gas Corp., Senior Notes | 8.125% | 12/1/19 | 690,000 | 701,212(a) |
|--------------------------------------|--------|---------|---------|------------|

See Notes to Financial Statements.

**Western Asset Global High Income Fund Inc.**

| <b>Security</b>                                  | <b>Rate</b> | <b>Maturity<br/>Date</b> | <b>Face<br/>Amount</b> | <b>Value</b>    |
|--------------------------------------------------|-------------|--------------------------|------------------------|-----------------|
| <i>Oil, Gas &amp; Consumable Fuels continued</i> |             |                          |                        |                 |
| LUKOIL International Finance BV, Bonds           | 6.356%      | 6/7/17                   | 1,542,000 \$           | 1,619,100(a)(c) |
| LUKOIL International Finance BV, Bonds           | 6.656%      |                          |                        |                 |