

NEW AMERICA HIGH INCOME FUND INC  
Form N-CSRS  
September 03, 2013

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-CSR**

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

Investment Company Act file number 811-5399

The New America High Income Fund, Inc  
(Exact name of registrant as specified in charter)

33 Broad Street Boston, MA  
(Address of principal executive offices)

02109  
(Zip code)

Ellen E. Terry, 33 Broad St., Boston, MA 02109  
(Name and address of agent for service)

Registrant's telephone number, including area code: 617-263-6400

Date of fiscal year 12/31  
end:

Date of reporting period: 1/1/13 - 6/30/13

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, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. Section 3507.

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contained in this form are not required to respond unless the  
form displays a currently valid OMB control number.**

SEC 2569 (5-08)

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Item 1 - Report to Shareholders

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August 12, 2013

**Dear Shareholder,**

The Fund's net asset value (the "NAV") was \$10.33 as of June 30th. The market price for the Fund's shares ended the period at \$10.06, representing a market price discount of 2.6%. During the period the Fund's regular monthly dividend remained at \$.065 per share. The annualized dividend yield for a common stock purchase at the year-end 2012 price of \$10.45 was 7.46%. As always, we remind shareholders that there is no certainty that the dividend will remain at the current level. The dividend can be affected by portfolio results, the cost and amount of leverage, market conditions and operating expenses among other factors.

As of June 30th, the Fund had borrowed \$100 million through its credit facility (the "Facility") with the Bank of Nova Scotia. Amounts borrowed under the Facility bear interest at an adjustable rate based on a margin above LIBOR. The interest rate on the Facility at the end of the period was 1.09%. While the spread between the cost of leverage and the portfolio's current yield at the end of the period was attractive, there is no guarantee that it will remain at this level. As discussed below in the market and strategy review provided by our investment adviser, the current yield of the high yield market as measured by the J.P. Morgan High Yield Index reached a record low during the first half of the year, before rebounding. An increase in the cost of the leverage or reduction in the portfolio's yield will reduce the spread and may reduce the income available for the common dividend.

**Total Returns for the Periods Ending June  
30, 2013**

|   | <b>1 Year</b> | <b>3 Years Cumulative</b> |
|---|---------------|---------------------------|
| New America High Income Fund (Stock Price and Dividends)* | 7.51%         | 46.01%                    |
| New America High Income Fund (NAV and Dividends)          | 11.62%        | 44.96%                    |
| Lipper Closed-End Fund Leveraged High Yield Average       | 12.82%        | 45.34%                    |
| Credit Suisse High Yield Index                            | 9.18%         | 34.23%                    |
| Citigroup 10 Year Treasury Index                          | (4.18%)       | 14.53%                    |

Sources: Credit Suisse, Citigroup, Lipper Inc., The New America High Income Fund, Inc.

Past performance is no guarantee of future results. Total return assumes the reinvestment of dividends.

The Credit Suisse High Yield Index and Citigroup 10 Year Treasury Index are unmanaged indices. Unlike the Fund, the indices have no trading activity, expenses or leverage.

\* Because the Fund's shares may trade at either a discount or premium to the Fund's net asset value per share, returns based upon the stock price and dividends will tend to differ from those derived from the underlying change in net asset value and dividends.

*Market Review*

The high yield market began the year on a high note, carrying over the positive momentum from the fourth quarter of 2012. However, sentiment shifted in the latter part of the second quarter, leading to negative absolute returns for the quarter. The combined result was a modest gain of 1.52% for the first half as measured by the Credit Suisse High Yield Index. The decline of the high yield market in May and June continues a trend of second-quarter weakness that this asset class has experienced every year since 2008. Although there is no guarantee this trend will continue, in four of those five years, high yield bonds bounced back with positive third-quarter performance as value-conscious and credit-focused investors bought on weakness.

The change in investor sentiment that took hold as we approached mid-year was partly driven by Fed tapering concerns. Although the central bank did not adjust its policy stance, a misinterpretation of Fed Chairman Ben

Bernanke's comments spawned a so-called taper tantrum in which market participants quickly adjusted their expectations regarding the future of Fed asset purchases. U.S. Treasury yields soared to their highest level in nearly two years pressuring the entire fixed income market in response to the Federal Reserve more clearly defining the framework for normalizing monetary policy.

In addition, a heavy new issue environment in May likely contributed to the pullback as the market was saturated with new deal terms that mostly favored bond issuers including historically low coupons. A record-setting \$52.3 billion of new high yield bonds priced in May, surpassing the previous mark of \$48.4 billion set in January 2013. We believe the heavy supply drained portfolio managers' cash positions, leading to selling pressure as high yield funds experienced redemptions. Industry outflows were modest in May but hit an all-time high in June.

As market volatility increases, buy-side investors should be able to negotiate more favorable deal terms such as better covenants or higher yields on new issues. For example, investors had little tolerance for the original pricing and structure of the Valeant Pharmaceuticals deal that was issued to finance its acquisition of Bausch & Lomb. After receiving pushback related to rising-rate concerns, the underwriter shortened the maturities on this sizable deal and increased the coupon. While it is uncertain if investor pushback will continue to gain traction, the example above is a welcomed development as issuers seemed to have the upper hand in most transactions year-to-date.

Importantly, we believe the sell-off was unrelated to the quality of the companies in the below investment-grade universe as fundamentals remained strong and defaults were largely benign. The par-weighted default rate for the J.P. Morgan Global High Yield Index ended the month at 1.09%.

#### *Strategy Review*

High yield valuations became somewhat stretched following several quarters of strong performance, leading us to maintain a heavy degree of discipline with respect to playing new issues as we saw little value among new offerings. Our strategy worked well from April into the third week of May as gains in the portfolio's existing holdings were substantial enough to counteract the negative effects of the late-period sell-off. For example, Rite Aid represented a top holding and our high conviction was reflected across three of the company's bond issues. The U.S. drugstore chain has executed a significant operational turnaround over the last few years, leading to solid earnings. Moreover, this issuer's liquidity and maturity profile are favorable, and credit metrics continue to improve, which has resulted in nice gains in the company's bonds. Additionally, we were able to take profits in names like MBIA, Radio Shack and Clear Channel, holdings that have recovered smartly off their lows and delivered compelling gains.

As has been a fairly consistent pattern over recent years, May brought with it a high degree of volatility that carried over into June. The J.P. Morgan Global High Yield Index recorded an all-time low yield of 5.24% in the first part of the month but by late June yields had surged to 7.20%. The Fund was not immune to this adverse move, with BB holdings suffering the greatest degree of volatility. Many securities in this ratings category declined 6 to 10 points in price. The Fund's holdings in the information technology sector saw particularly steep declines. Bonds for NCR, the maker of ATMs, were issued in May with a 4.625% coupon and traded as high as \$102 shortly after, but by June had declined to \$94.75 as rate fears took hold. BB-rated names like Vimplecom and Eldorado Goldcorp also saw significant markdowns, but we remain constructive on the Fund's positions in these names.

The energy sector also proved to be challenging with many bonds in that industry suffering meaningful declines in the June sell-off. As many of the credits are rated BB, they suffered not only from poor industry fundamentals during the first half, but also a high degree of rate sensitivity. El Paso Holdings bonds, for example, dropped from a range around \$118 to as low as \$103 in the June softness. We like the credit and attribute the negative price action to the move in rates. We remain underweight the sector and hope that a conservative posture for this industry will help mitigate some of the rate volatility.

On a positive note, the sell-off in the secondary market provided us with opportunities to invest in names we believe are fundamentally sound at a discount or to purchase recently issued bonds that were difficult to source due to overwhelming demand. Our recent credit meeting discussions have centered on these potential secondary market opportunities, with a focus on higher-quality securities that, in our view, have experienced outsized underperformance and spread widening. We also initiated positions in select high-quality emerging markets companies such as Marfrig and Israel Electric that look to have become oversold as many investors focused on risk reduction.

### *Outlook*

Similar to the past several years, the high yield market experienced a second-quarter correction. A combination of excessive new supply, capital outflows, and rising U.S. Treasury yields have pressured the asset class. Corrections are normal and healthy, particularly when valuations arguably reach stretched levels. Moreover, we view the sell-off as having been largely driven by technicals and unrelated to the quality of the companies in the high yield universe.

With below investment-grade yields and credit spreads moving higher, we believe the market will eventually stabilize as value-conscious investors reallocate and buy on weakness. We think high yield issuers are fundamentally sound and we expect defaults to remain low over the next two years. A meaningful portion of new issuance in the current cycle has been refinancing related, leading to lower debt costs and a meaningful reduction in near-term maturities.

While our investment team primarily focuses on credit fundamentals and less on the macro environment, we have a constructive view on the U.S. economy. We expect the U.S. to continue on a modest growth trajectory for the foreseeable future, creating a favorable operating environment for most high yield companies. We also think uncertainty around the timing of Fed tapering and monetary policy normalization given the stated linkage to employment market conditions could cause additional volatility in the Treasury market. We believe the portfolio will hold up well in relative terms in a rising-rate environment given its low duration and high level of diversity across industries.

From a diversification standpoint, we continue to methodically expand our investment opportunity set, evaluating both emerging markets and European opportunities. Our investment team is afforded the unique opportunity to leverage various independent insights that arise from the firm's global research platform as we broaden our scope outside of traditional U.S. high yield bonds. Our efforts here do not reflect a change in approach and will be prudent, incremental and opportunistic, and are subject to the Fund's non-fundamental limitation restricting non-dollar denominated securities principally traded in foreign markets to 10% of total assets.

As always, we aim to deliver high current income while seeking to contain volatility inherent in this market. Our team maintains a commitment to credit research and risk-conscious investing that has led to favorable returns for our high yield clients over various market cycles.

Sincerely,

Robert F. Birch  
Lead Director  
The New America High Income Fund, Inc.

Mark Vaselkiv  
Vice President  
T. Rowe Price Associates, Inc.

Ellen E. Terry  
President  
The New America High Income Fund, Inc.

Paul A. Karpers  
Vice President  
T. Rowe Price Associates, Inc.

*Past performance is no guarantee of future results. The views expressed in this update are as of the date of this letter. These views and any portfolio holdings discussed in the update are subject to change at any time based on market or other conditions. The Fund and T. Rowe Price Associates, Inc. disclaim any duty to update these views, which may not be relied upon as investment advice. In addition, references to specific companies' securities should not be regarded as investment recommendations or indicative of the Fund's portfolio as a whole.*



## The New America High Income Fund, Inc.

| <b>Industry Summary<br/>June 30, 2013 (Unaudited)</b>                  | <b>As a Percent of<br/>Total Investments</b> |
|--|--|
| Oil and Gas  | 12.16%                                       |
| Broadcasting and Entertainment   | 10.71%                                       |
| Telecommunications   | 9.30%  |
| Finance  | 7.47%  |
| Diversified/Conglomerate Service                                       | 7.45%  |
| Building and Real Estate   | 6.28%  |
| Healthcare, Education and Childcare                                    | 5.60%  |
| Mining, Steel, Iron and Non-Precious Metals                            | 4.57%  |
| Electronics  | 4.03%  |
| Containers, Packaging and Glass  | 3.91%  |
| Retail Stores  | 3.51%  |
| Diversified/Conglomerate Manufacturing                                 | 3.41%  |
| Beverage, Food and Tobacco   | 3.22%  |
| Automobile   | 3.10%  |
| Chemicals, Plastics and Rubber   | 3.06%  |
| Hotels, Motels, Inns and Gaming  | 2.43%  |
| Utilities  | 2.20%  |
| Personal Transportation  | 1.10%  |
| Personal, Food and Miscellaneous Services                              | 1.07%  |
| Personal Non-Durable Consumer Products                                 | 0.85%  |
| Aerospace and Defense  | 0.82%  |
| Insurance  | 0.82%  |
| Printing and Publishing  | 0.76%  |
| Leisure, Amusement and Entertainment                                   | 0.69%  |
| Textiles and Leather   | 0.58%  |
| Cargo Transport  | 0.52%  |
| Furnishings  | 0.18%  |
| Groceries  | 0.10%  |
| Banking  | 0.10%  |
| Total Investments  | 100.00%                                      |
| <b>Moody's Investors Service Ratings<br/>June 30, 2013 (Unaudited)</b> | <b>As a Percent of<br/>Total Investments</b> |
| Baa2   | 0.16%  |
| Baa3   | 1.29%  |
| Total Baa  | 1.45%  |
| Ba1  | 5.78%  |
| Ba2  | 6.86%  |
| Ba3  | 17.11%                                       |
| Total Ba   | 29.75%                                       |
| B1   | 12.19%                                       |
| B2   | 12.98%                                       |
| B3   | 18.50%                                       |
| Total B  | 43.67%                                       |
| Caa1   | 11.70%                                       |
| Caa2   | 8.17%  |
| Caa3   | 0.72%  |

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|                   |         |
|-------------------|---------|
| Total Caa         | 20.59%  |
| Ca                | 0.06%   |
| Unrated           | 3.81%   |
| Equity            | 0.67%   |
| Total Investments | 100.00% |



## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                |     |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-----|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES 138.76%</b> |     |  |                                  |                   |
| <b>(d)(i)</b>                            |     |  |                                  |                   |
| <b>Aerospace and Defense 1.14%</b>       |     |  |                                  |                   |
| \$                                       | 475 | Ducommun,<br>Inc., Senior<br>Notes,<br>9.75%,<br>07/15/18                            | B3                               | \$ 521            |
|  | 500 | Esterline<br>Technologies,<br>Senior Notes,<br>7%, 08/01/20                          | Ba2                              | 535               |
|  | 775 | Kratos Defense<br>and Security<br>Solutions, Inc.,<br>Senior Notes,<br>10%, 06/01/17 | B3                               | 829               |
|  | 650 | Meccanica<br>Holdings USA,<br>Inc.,<br>Senior Notes,<br>6.25%,<br>07/15/19 (g)       | Baa3                             | 667               |
|  | 200 | Spirit<br>Aerosystems,<br>Inc.,<br>Senior Notes,<br>7.50%,<br>10/01/17               | Ba3                              | 209               |
|  |     |  |                                  | 2,761             |
| <b>Automobile 3.99%</b>                  |     |  |                                  |                   |
|  | 125 | Affinia Group,<br>Inc., Senior<br>Notes,<br>7.75%,<br>05/01/21 (g)                   | Caa2                             | 128               |
|  | 725 | Allison<br>Transmission,<br>Inc.,<br>Senior Notes,<br>7.125%<br>05/15/19 (g)         | B3                               | 767               |

|                               |       |   |                                   |                       |
|-------------------------------|-------|---|-----------------------------------|-----------------------|
|                               | 350   | American Axle and Manufacturing, Inc., Senior Notes, 6.25%, 03/15/21  | B2                                | 355                   |
|                               | 375   | American Axle and Manufacturing, Inc., Senior Notes, 6.625%, 10/15/22 | B2                                | 382                   |
|                               | 1,000 | Chrysler Group LLC, Senior Notes, 8%, 06/15/19                        | B1                                | 1,094                 |
|                               | 800   | Chrysler Group LLC, Senior Notes, 8.25%, 06/15/21                     | B1                                | 880                   |
|                               | 200   | Delphi Corporation, Senior Notes, 5%, 02/15/23                        | Ba1                               | 205                   |
|                               | 300   | Delphi Corporation, Senior Notes, 5.875%, 05/15/19                    | Ba1                               | 319                   |
|                               | 375   | Delphi Corporation, Senior Notes, 6.125%, 05/15/21                    | Ba1                               | 408                   |
|                               | 550   | Gestamp Fund Lux S.A., Senior Notes, 5.625%, 05/31/20 (g)             | (e)                               | 520                   |
|                               | 450   | Goodyear Tire & Rubber Company, Senior Notes, 6.50%, 03/01/21         | B1                                | 457                   |
| <b>Principal Amount/Units</b> |       |   | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |

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|    |     |  |      |        |
|----|-----|--|------|--------|
| \$ | 550 | Goodyear Tire & Rubber Company, Senior Notes, 8.25%, 08/15/20        | B1   | \$ 602 |
|    | 200 | Goodyear Tire & Rubber Company, Senior Notes, 8.75%, 08/15/20        | B1   | 233    |
|    | 825 | Jaguar Land Rover Automotive Plc, Senior Notes, 5.625%, 02/01/23 (g) | Ba3  | 801    |
|    | 225 | LKQ Corporation, Senior Notes, 4.75%, 05/15/23 (g)                   | Ba3  | 214    |
|    | 600 | Milacron LLC, Senior Notes, 7.75%, 02/15/21 (g)                      | Caa1 | 600    |
|    | 225 | Pittsburgh Glass Works, LLC, Senior Notes, 8.50%, 04/15/16 (g)       | B3   | 223    |
|    | 450 | Schaeffler Finance B.V., Senior Notes, 4.75%, 05/15/21 (g)           | Ba3  | 428    |
|    | 325 | Sonic Automotive, Inc., Senior Subordinated Notes, 5%, 05/15/23 (g)  | B3   | 314    |
|    | 300 | Sonic Automotive, Inc., Senior Subordinated Notes, 7%, 07/15/22      | B3   | 327    |

|                                   |              |   |      |       |
|-----------------------------------|--------------|---|------|-------|
|                                   |              | TRW<br>Automotive,<br>Inc., Senior<br>Notes,<br>4.50%,<br>03/01/21 (g)        | Ba2  | 374   |
|                                   | 375          |   |      | 9,631 |
| <b>Banking</b>                    | <b>.14%</b>  |   |      |       |
|                                   |              | Unicredit SPA,<br>Subordinated<br>Notes,<br>6.375%,<br>05/02/23               | Baa3 | 342   |
|                                   | 350          |   |      |       |
| <b>Beverage, Food and Tobacco</b> | <b>4.51%</b> |   |      |       |
|                                   |              | B&G Foods,<br>Inc., Senior<br>Notes,<br>4.625%,<br>06/01/21                   | B1   | 692   |
|                                   | 725          |   |      |       |
|                                   |              | Barry Callebaut<br>Services, N.V.,<br>Senior Notes,<br>5.50%,<br>06/15/23 (g) | Ba1  | 1,018 |
|                                   | 1,025        |   |      |       |
|                                   |              | Bumble Bee<br>Acquisition<br>Company,<br>Senior Notes,<br>9%, 12/15/17<br>(g) | B3   | 393   |
|                                   | 370          |   |      |       |
|                                   |              | Constellation<br>Brands, Inc.,<br>Senior Notes,<br>4.25%,<br>05/01/23         | Ba1  | 586   |
|                                   | 625          |   |      |       |
|                                   |              | Constellation<br>Brands, Inc.,<br>Senior Notes,<br>6%, 05/01/22               | Ba1  | 645   |
|                                   | 600          |   |      |       |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                                  |                   |
| \$   | 1,550 | Del Monte<br>Foods<br>Company,<br>Senior Notes,<br>7.625%,<br>02/15/19       | Caa1                             | \$ 1,589          |
|  | 660   | Esal GMBH,<br>Senior Notes,<br>6.25%,<br>02/05/23 (g)                        | (e)                              | 601               |
|  | 850   | Hawk<br>Acquisition<br>Sub, Inc.,<br>Senior Notes,<br>4.25%,<br>10/15/20 (g) | B1                               | 812               |
|  | 750   | Land O'Lakes<br>Capital Trust I,<br>7.45%,<br>03/15/28 (g)                   | Ba3                              | 735               |
|  | 95    | Marfrig<br>Overseas Ltd.,<br>Senior Notes,<br>9.625%,<br>11/16/16 (g)        | B2                               | 95                |
|  | 375   | Michael Foods,<br>Inc., Senior<br>Notes,<br>8.50%,<br>07/15/18 (g)           | Caa1                             | 386               |
|  | 175   | Post Holdings,<br>Inc., Senior<br>Notes,<br>7.375%,<br>02/15/22              | B1                               | 188               |
|  | 375   | R&R Ice<br>Cream Plc,<br>Senior Notes,<br>8.375%,<br>11/15/17<br>(g)(EUR)    | B1                               | 513               |
|  | 450   |  | (e)                              | 574               |



|                                       |               |  |      |        |
|---------------------------------------|---------------|--|------|--------|
|                                       |               | R&R Ice<br>Cream Plc,<br>Senior Notes,<br>9.25%,<br>05/10/18<br>(g)(EUR)       |      |        |
|                                       | 350           | Shearers Food,<br>Inc., Senior<br>Notes,<br>9%, 11/01/19<br>(g)                | B3   | 371    |
|                                       | 1,625         | U.S. Food<br>Service, Inc.,<br>Senior Notes,<br>8.50%,<br>06/30/19             | Caa2 | 1,690  |
|                                       |               |  |      | 10,888 |
| <b>Broadcasting and Entertainment</b> | <b>14.82%</b> |  |      |        |
|                                       | 250           | Altice<br>Financing S.A.,<br>Senior Notes,<br>7.875%,<br>12/15/19 (g)          | B1   | 267    |
|                                       | 325           | Altice<br>Financing S.A.,<br>Senior Notes,<br>9%, 06/15/23<br>(g)(EUR)         | B3   | 419    |
|                                       | 675           | Altice<br>Financing S.A.,<br>Senior Notes,<br>9.875%,<br>12/15/20 (g)          | B3   | 723    |
|                                       | 1,000         | AMC Networks,<br>Inc., Senior<br>Notes,<br>4.75%,<br>12/15/22                  | B1   | 967    |
|                                       | 475           | Block<br>Communications,<br>Inc.,<br>Senior Notes,<br>7.25%,<br>02/01/20 (g)   | Ba3  | 499    |
|                                       | 275           | Cablevision<br>Systems<br>Corporation,<br>Senior Notes,<br>8.625%,<br>09/15/17 | B1   | 311    |
|                                       | 2,625         |  | B1   | 2,461  |

| Principal<br>Amount/Units |   | Moody's<br>Rating<br>(Unaudited)  | Value<br>(Note 1) |
|---------------------------|---|---|-------------------|
|                           | CCO Holdings,<br>LLC, Senior<br>Notes,<br>5.125%,<br>02/15/23 |   |                   |
| \$                        | 725   | CCO Holdings,<br>LLC, Senior Notes,<br>5.25%, 09/30/22<br>B1  | \$ 689            |
|                           | 425   | CCO Holdings,<br>LLC, Senior Notes,<br>6.625%, 01/31/22<br>B1   | 445               |
|                           | 625   | Central European<br>Media<br>Enterprises Ltd.,<br>Senior Notes,<br>11.625%, 09/15/16<br>(g)(EUR) (e)        | 868               |
|                           | 1,325   | Cequel<br>Communications<br>Holdings I,<br>LLC, Senior Notes,<br>5.125%, 12/15/21<br>(g)                    | 1,255             |
|                           | 800   | Cequel<br>Communications<br>Holdings I,<br>LLC, Senior Notes,<br>6.375%, 09/15/20<br>(g)                    | 814               |
|                           | 350   | Cinemark USA,<br>Inc., Senior Notes,<br>4.875%, 06/01/23<br>(g)   | 334               |
|                           | 250   | Cinemark USA,<br>Inc., Senior Notes,<br>5.125%, 12/15/22<br>B2  | 242               |
|                           | 1,075   | Clear Channel<br>Communications,<br>Inc., Senior Notes,<br>9%, 12/15/19 (g)                                 | 1,043             |
|                           | 175   | Clear Channel<br>Worldwide<br>Holdings,<br>Inc., Senior<br>Subordinated<br>Notes,<br>7.625%, 03/15/20<br>B3 | 179               |
|                           | 675   | B3  | 699               |

|     |   |  |     |
|-----|---|--|-----|
|     | Clear Channel<br>Worldwide<br>Holdings,<br>Inc., Senior<br>Subordinated<br>Notes,<br>7.625%, 03/15/20 |  |     |
| 250 | Cogeco Cable, Inc.,<br>Senior Notes,<br>4.875%, 05/01/20<br>(g) (e)                                   |  | 243 |
| 600 | CSC Holdings,<br>LLC, Senior Notes,<br>6.75%, 11/15/21 Ba3  |  | 646 |
| 750 | Dish DBS<br>Corporation, Senior<br>Notes,<br>4.25%, 04/01/18 (g) Ba3                                  |  | 739 |
| 425 | Dish DBS<br>Corporation, Senior<br>Notes,<br>5%, 03/15/23 Ba3   |  | 409 |
| 800 | Dish DBS<br>Corporation, Senior<br>Notes,<br>5.125%, 05/01/20<br>(g) Ba3                              |  | 788 |
| 450 | Dish DBS<br>Corporation, Senior<br>Notes,<br>5.875%, 07/15/22 Ba3                                     |  | 458 |
| 150 | Dish DBS<br>Corporation, Senior<br>Notes,<br>7.125%, 02/01/16 Ba3                                     |  | 162 |
| 575 | GTP Acquisition<br>Partners I, LLC,<br>Senior Notes,<br>7.628%, 06/15/41<br>(g) Ba3                   |  | 603 |
| 225 | Lamar Media<br>Corporation, Senior<br>Subordinated<br>Notes,<br>5%, 05/01/23 B1                       |  | 214 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                                  |                   |
| \$   | 325   | Lamar Media Corporation, Senior Subordinated Notes, 5.875%, 02/01/22 | B1                               | \$ 332            |
|  | 350   | Lin Television Corporation, Senior Notes, 8.375%, 04/15/18           | B3                               | 372               |
|  | 500   | Mediacom Broadband LLC, Senior Notes, 6.375%, 04/01/23               | B3                               | 494               |
|  | 475   | Nara Cable Funding, Limited, Senior Notes, 8.875%, 12/1/18 (g)       | B1                               | 492               |
|  | 200   | Nara Cable Funding, Limited, Senior Notes, 8.875%, 12/1/18 (g)       | B1                               | 207               |
|  | 350   | National CineMedia LLC, Senior Notes, 6%, 04/15/22                   | Ba2                              | 359               |
|  | 1,675 | Netflix, Inc., Senior Notes, 5.375%, 02/01/21 (g)                    | Ba3                              | 1,667             |
|  | 825   | Nexstar Broadcasting, Inc., Senior Notes, 8.875%, 04/15/17           | B3                               | 887               |
|  | 100   | Numericable Finance & Co. S.C.A., Senior Notes, 8.75%, 02/15/19      | B2                               | 139               |

| Principal Amount/Units |   | Moody's Rating (Unaudited) | Value (Note 1) |
|------------------------|---|----------------------------|----------------|
|                        | (g)(EUR)<br>Numericable Finance & Co. S.C.A., Senior Notes, 12.375%, 02/15/19 | B2                         | 1,024          |
| 675                    | (g)(EUR)  |                            |                |
|                        | Polish Television Holding B.V., Senior Notes, 11.25%, 05/15/17                | (e)                        | 640            |
| 475                    | (g)(EUR)  |                            |                |
|                        | Sinclair Television Group, Inc., Senior Notes, 6.125%, 10/01/22               | B1                         | 601            |
| 600                    |   |                            |                |
|                        | Sirius XM Radio, Inc., Senior Notes, 4.25%, 05/15/20                          | B1                         | 117            |
| 125                    | (g)   |                            |                |
|                        | Sirius XM Radio, Inc., Senior Notes, 4.625%, 05/15/23                         | B1                         | 419            |
| 450                    | (g)   |                            |                |
|                        | Starz LLC, Senior Notes, 5%, 09/15/19   | Ba2                        | 718            |
| 725                    |   |                            |                |
|                        | Unitymedia Hessen GmbH&Co., Senior Notes, 9.50%, 03/15/21                     | B3                         | 686            |
| 475                    | (g) (EUR)   |                            |                |
|                        | Univision Communications, Inc., Senior Notes, 5.125%, 05/15/23                | B2                         | \$ 1,316       |
| \$ 1,400               | (g)   |                            |                |
|                        | Univision Communications, Inc., Senior Notes, 6.75%, 09/15/22                 | B2                         | 550            |
| 525                    | (g)   |                            |                |

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|       |  |      |       |
|-------|--|------|-------|
| 150   | Univision Communications, Inc., Senior Notes, 6.875%, 05/15/19 (g) | B2   | 158   |
| 1,950 | Univision Communications, Inc., Senior Notes, 7.875%, 11/01/20 (g) | B2   | 2,125 |
| 1,750 | Univision Communications, Inc., Senior Notes, 8.50%, 05/15/21 (g)  | Caa2 | 1,855 |
| 475   | UPCB Finance Limited, Senior Notes, 6.875%, 01/15/22 (g)           | Ba3  | 492   |
| 550   | UPCB Finance Limited, Senior Notes, 7.25%, 11/15/21 (g)            | Ba3  | 590   |
| 450   | UPC Holding, B.V., Senior Notes, 6.75%, 03/15/23 (g)(CHF)          | B2   | 462   |
| 200   | UPC Holding, B.V., Senior Notes, 6.75%, 03/15/23 (g)(EUR)          | B2   | 253   |
| 575   | Videotron Ltee., Senior Notes, 5%, 07/15/22                        | Ba2  | 559   |
| 175   | WaveDivision Holdings, LLC, Senior Notes, 8.125%, 09/01/20 (g)     | Caa1 | 177   |
| 775   | Wide Open West Finance, LLC,                                       | Caa1 | 825   |

Senior Notes,  
10.25%,  
07/15/19

Wide Open  
West Finance,  
LLC,  
Senior  
Subordinated  
Notes,  
13.375%,  
10/15/19

175

Caa1

193

WMG  
Acquisition  
Corporation,  
Senior Notes,  
6%, 01/15/21  
(g)

247

Ba3

254

WMG  
Acquisition  
Corporation,  
Senior Notes,  
11.50%,  
10/01/18

300

B3

344

35,784

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                                  |                   |
| <b>Building and Real Estate 8.78%</b>      |       |   |                                  |                   |
| \$   | 200   | Ainsworth Lumber<br>Company Ltd.,<br>Senior Notes,<br>7.50%, 12/15/17<br>(g)                  | B2                               | \$ 212            |
|  | 400   | Ashton Woods<br>USA, LLC,<br>Senior Notes,<br>6.875%, 02/15/21<br>(g)                         | Caa1                             | 404               |
|  | 1,250 | Associated<br>Materials, Inc.,<br>Senior Notes,<br>9.125%, 11/01/17<br>(g)                    | Caa1                             | 1,306             |
|  | 175   | Associated<br>Materials, Inc.,<br>Senior Notes,<br>9.125%, 11/01/17<br>(g)                    | Caa1                             | 183               |
|  | 275   | Aviv Healthcare<br>Properties Ltd.<br>Partnership,<br>Senior Notes,<br>7.75%, 02/15/19<br>(g) | Ba3                              | 293               |
|  | 175   | Beazer Homes<br>USA, Inc.,<br>Senior Notes,<br>7.25%, 02/01/23<br>(g)                         | Caa2                             | 178               |
|  | 1,100 | CBRE Services,<br>Inc., Senior<br>Notes,<br>5%, 03/15/23<br>(g)                               | Ba1                              | 1,039             |
|  | 500   | CCRE Company,<br>Senior Notes,<br>7.75%, 02/15/18<br>(g)                                      | B1                               | 502               |
|  | 1,350 | Cemex SAB de<br>CV, Senior Notes,<br>5.875%, 03/25/19<br>(g)                                  | (e)                              | 1,309             |



|                               |       |  |                                   |                       |
|-------------------------------|-------|--|-----------------------------------|-----------------------|
|                               | 750   | Cemex SAB de CV, Senior Notes, 9%, 01/11/18 (g)                          | (e)                               | 788                   |
|                               | 1,150 | Cemex Finance LLC, Senior Notes, 9.375%, 10/12/22 (g)                    | (e)                               | 1,246                 |
|                               | 450   | Corrections Corporation of America, Senior Notes, 4.625%, 05/01/23 (g)   | Ba1                               | 438                   |
|                               | 650   | Dycom Investments Inc., Senior Subordinated Notes, 7.125%, 01/15/21      | Ba3                               | 689                   |
|                               | 650   | P.H. Glatfelter Company, Senior Notes, 5.375%, 10/15/20                  | Ba1                               | 644                   |
|                               | 525   | iStar Financial, Inc., Senior Notes, 7.125%, 02/15/18                    | B3                                | 545                   |
|                               | 625   | Jefferies LoanCore LLC, Senior Notes, 6.875%, 06/01/20 (g)               | B2                                | 609                   |
|                               | 600   | KB Home, Senior Notes, 8%, 03/15/20                                      | B2                                | 666                   |
| <b>Principal Amount/Units</b> |       |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 400   | Ladder Capital Finance Holdings LLLP, Senior Notes, 7.375%, 10/01/17 (g) | Ba3                               | \$ 408                |
|                               | 475   | Masco Corporation, Senior Notes, 5.85%, 03/15/17                         | Ba3                               | 502                   |
|                               | 325   | Masco Corporation, Senior Notes, 6.125%, 10/03/16                        | Ba3                               | 352                   |

|     |  |      |     |
|-----|--|------|-----|
| 750 | Mercer International, Inc., Senior Notes, 9.50%, 12/01/17        | B3   | 806 |
| 225 | Meritage Homes Corporation, Senior Notes, 7%, 04/01/22           | B1   | 248 |
| 250 | MPT Operating Partnership, L.P., Senior Notes, 6.375%, 02/15/22  | Ba1  | 263 |
| 525 | MPT Operating Partnership, L.P., Senior Notes, 6.875%, 05/01/21  | Ba1  | 557 |
| 575 | Nortek, Inc., Senior Notes, 8.50%, 04/15/21                      | Caa1 | 611 |
| 650 | Nortek, Inc., Senior Notes, 10%, 12/01/18                        | Caa1 | 705 |
| 675 | Omega Healthcare Investors, Inc., Senior Notes, 5.875%, 03/15/24 | Ba1  | 709 |
| 575 | Potlach Corporation, Senior Notes, 7.50%, 11/01/19               | Baa3 | 678 |
| 375 | RSI Home Products, Inc., Senior Notes, 6.875%, 03/01/18 (g)      | B1   | 380 |
| 900 | Shea Homes Limited Partnership, Senior Notes, 8.625%, 05/15/19   | B2   | 958 |
| 550 | Summit Materials LLC, Senior Notes, 10.50%, 01/31/20 (g)         | B3   | 590 |
| 525 | Texas Industries, Senior Notes, 9.25%, 08/15/20                  | Caa2 | 564 |
| 575 | Toll Brothers Finance, Senior Notes, 4.375%, 04/15/23            | Ba1  | 530 |

|     |   |     |
|-----|---|-----|
| 125 | USG Corporation,<br>Senior Notes,<br>8.375%, 10/15/18<br>(g) B2 | 134 |
| 450 | USG Corporation,<br>Senior Notes,<br>9.75%, 08/01/14 (g) B2     | 467 |
| 125 | USG Corporation,<br>Senior Notes,<br>9.75%, 01/15/18 Caa2       | 141 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                   |     |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|---|-----|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b>  |     |  |                                  |                   |
|   |     | William Lyons<br>Homes, Inc.,<br>Senior Notes,<br>8.50%,<br>11/15/20 (g)                       | Caa2                             | \$ 544            |
| \$  | 500 |  |                                  | 21,198            |
| <b>Cargo Transport .73%</b>                 |     |  |                                  |                   |
|   |     | DP World Ltd.,<br>Senior Notes,<br>6.85%,<br>07/02/37(g)                                       | Baa3                             | 494               |
|   | 480 |  |                                  |                   |
|   |     | Florida East<br>Coast<br>Holdings,<br>Senior Notes,<br>10.50%,<br>08/01/17 (h)                 | Caa3                             | 258               |
|   | 246 |  |                                  |                   |
|   |     | Florida East<br>Coast Railway<br>Corporation,<br>Senior Notes,<br>8.125%,<br>02/01/17          | B3                               | 636               |
|   | 600 |  |                                  |                   |
|   |     | Kansas City<br>Southern de<br>Mexico,<br>S.A. de C.V.,<br>Senior Notes,<br>6.125%,<br>06/15/21 | Baa3                             | 50                |
|   | 45  |  |                                  |                   |
|   |     | Watco<br>Companies,<br>LLC,<br>Senior Notes,<br>6.375%,<br>04/01/23 (g)                        | B3                               | 324               |
|   | 325 |  |                                  | 1,762             |
| <b>Chemicals, Plastics and Rubber 4.28%</b> |     |  |                                  |                   |
|   |     | Ashland Inc.,<br>Senior Notes,<br>3.875%,<br>04/15/18 (g)                                      | Ba1                              | 221               |
|   | 225 |  |                                  |                   |

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|                                   |     |  |   |                           |
|-----------------------------------|-----|--|---|---------------------------|
|                                   | 475 | Ashland Inc.,<br>Senior Notes,<br>4.75%,<br>08/15/22 (g)                               | Ba1                                       | 469                       |
|                                   | 875 | Celanese US<br>Holdings LLC,<br>Senior Notes,<br>4.625%,<br>11/15/22                   | Ba2                                       | 855                       |
|                                   | 475 | Ciech Group<br>Financing,<br>Senior Notes,<br>9.50%,<br>11/30/19<br>(g)(EUR)           | B2  | 669                       |
|                                   | 225 | Compass<br>Minerals<br>International,<br>Inc., Senior<br>Notes,<br>8%, 06/01/19        | Ba2                                       | 239                       |
|                                   | 575 | Eagle Spinco,<br>Inc., Senior<br>Notes<br>4.625%,<br>02/15/21 (g)                      | Ba3                                       | 552                       |
|                                   | 500 | Hexion<br>Specialty<br>Chemicals,<br>Inc.,<br>Senior Notes,<br>6.625%,<br>04/15/20 (g) | Ba3                                       | 500                       |
|                                   | 375 | Hexion<br>Specialty<br>Chemicals,<br>Inc.,<br>Senior Notes,<br>8.875%,<br>02/01/18     | B3  | 383                       |
| <b>Principal<br/>Amount/Units</b> |     |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| \$                                | 425 | Hexion<br>Specialty<br>Chemicals,<br>Inc.,<br>Senior Notes,<br>8.875%,<br>02/01/18 (g) | B3  | \$ 433                    |
|                                   | 275 |  | (e)                                       | 264                       |

|     |  |      |     |
|-----|--|------|-----|
|     | Hexion<br>Specialty<br>Chemicals,<br>Inc.,<br>Senior Notes,<br>9%, 11/15/20                  |      |     |
| 250 | Huntsman<br>International<br>LLC,<br>Senior Notes,<br>4.875%,<br>11/15/20                    | B1   | 247 |
| 175 | Huntsman<br>International<br>LLC,<br>Senior<br>Subordinated<br>Notes,<br>8.625%,<br>03/15/20 | B2   | 190 |
| 350 | Ineos Group<br>Holdings S.A.,<br>Senior Notes,<br>6.125%,<br>08/15/18 (g)                    | Caa1 | 331 |
| 275 | Momentive<br>Performance<br>Materials,<br>Inc., Senior<br>Notes,<br>8.875%,<br>10/15/20      | B1   | 287 |
| 450 | Momentive<br>Performance<br>Materials,<br>Inc., Senior<br>Notes,<br>9%, 01/15/21             | Caa1 | 388 |
| 300 | Petrologistics<br>LP, Senior<br>Notes,<br>6.25%,<br>04/01/20 (g)                             | B2   | 288 |
| 425 | PolyOne<br>Corporation,<br>Senior Notes,<br>5.25%,<br>03/15/23 (g)                           | Ba3  | 417 |
| 325 | PolyOne<br>Corporation,<br>Senior Notes,   | Ba3  | 349 |

|  |   |      |        |
|--|---|------|--------|
|  | 7.375%,<br>09/15/20   |      |        |
|  | PQ<br>Corporation,<br>Senior Notes,<br>8.75%,<br>05/01/18 (g)                           | Caa1 | 1,253  |
| 1,225                                  |   |      |        |
|  | Rockwood<br>Specialty<br>Group, Inc.,<br>Senior Notes,<br>4.625%,<br>10/15/20           | Ba2  | 603    |
| 600                                    |   |      |        |
|  | Trinseo<br>Materials<br>Operating<br>S.C.A.,<br>Senior Notes,<br>8.75%,<br>02/01/19 (g) | B1   | 457    |
| 475                                    |   |      |        |
|  | Tronox Finance<br>LLC, Senior<br>Notes,<br>6.375%,<br>08/15/20 (g)                      | B2   | 493    |
| 525                                    |   |      |        |
|  | US Coat<br>Acquisition,<br>Senior Notes,<br>5.75%,<br>02/01/21<br>(g)(EUR)              | B1   | 131    |
| 100                                    |   |      |        |
|  | US Coat<br>Acquisition,<br>Senior Notes,<br>7.375%,<br>05/01/21 (g)                     | Caa1 | 308    |
| 300                                    |   |      |        |
|  |   |      | 10,327 |
| <b>Containers, Packaging and Glass</b> | <b>5.47%</b>  |      |        |
|  | AEP Industries,<br>Inc., Senior<br>Notes,<br>8.25%,<br>04/15/19                         | B3   | 402    |
| 375                                    |   |      |        |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |     |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-----|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |     |   |                                  |                   |
| \$   | 223 | ARD Finance<br>S.A., Senior<br>Notes,<br>11.125%,<br>06/01/18 (g)(h)                | Caa1                             | \$ 238            |
|  | 475 | Ardagh<br>Packaging<br>Finance plc,<br>Senior Notes,<br>7%, 11/15/20 (g)            | B3                               | 456               |
|  | 875 | Ardagh<br>Packaging<br>Finance plc,<br>Senior Notes,<br>9.25%, 10/15/20<br>(g)(EUR) | B3                               | 1,196             |
|  | 425 | Boise Cascade<br>LLC, Senior<br>Notes,<br>6.375%, 11/01/20                          | B2                               | 429               |
|  | 250 | Boise Paper<br>Holdings LLC,<br>Senior Notes,<br>8%, 04/01/20                       | Ba3                              | 265               |
|  | 375 | Boise Paper<br>Holdings LLC,<br>Senior Notes,<br>9%, 11/01/17                       | Ba3                              | 396               |
|  | 425 | Bway Holding<br>Company,<br>Senior Notes,<br>10%, 06/15/18                          | Caa1                             | 459               |
|  | 925 | Cascades, Inc.,<br>Senior Notes,<br>7.875%, 01/15/20                                | Ba3                              | 967               |
|  | 875 | Clearwater Paper<br>Corporation,<br>Senior Notes,<br>4.50%, 02/01/23<br>(g)         | Ba2                              | 836               |
|  | 250 | Clearwater Paper<br>Corporation,  | Ba2                              | 269               |



|                                   |       |  |   |                           |
|-----------------------------------|-------|--|---|---------------------------|
|                                   |       | Senior Notes,<br>7.125%, 11/01/18  |   |                           |
|                                   |       | Crown Americas<br>LLC, Senior<br>Notes,<br>4.50%, 01/15/23                           |   |                           |
|                                   | 375   | (g)  | Ba2                                       | 353                       |
|                                   |       | Exopack Holding<br>Corporation,<br>Senior Notes,<br>10%, 06/01/18                    |   |                           |
|                                   | 400   |  | Caa2                                      | 402                       |
|                                   |       | Graphic<br>Packaging<br>International,<br>Inc., Senior<br>Notes,<br>4.75%, 04/15/21  |   |                           |
|                                   | 325   |  | Ba3                                       | 315                       |
|                                   |       | Graphic<br>Packaging<br>International,<br>Inc., Senior<br>Notes,<br>7.875%, 10/01/18 |   |                           |
|                                   | 525   |  | Ba3                                       | 568                       |
|                                   |       | Greif Inc., Senior<br>Notes,<br>7.75%, 08/01/19                                      |   |                           |
|                                   | 350   |  | Ba2                                       | 399                       |
|                                   |       | Reynolds Group<br>Issuer, Inc.,<br>Senior Notes,<br>5.75%, 10/15/20                  |   |                           |
|                                   | 200   |  | B1  | 201                       |
|                                   |       |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Principal<br/>Amount/Units</b> |       |  |   |                           |
|                                   |       | Reynolds<br>Group Issuer,<br>Inc.,<br>Senior Notes,<br>7.125%,<br>04/15/19           |   |                           |
| \$                                | 175   |  | B1  | \$ 185                    |
|                                   |       | Reynolds<br>Group Issuer,<br>Inc.,<br>Senior Notes,<br>9%, 04/15/19                  |   |                           |
|                                   | 1,350 |  | Caa2                                      | 1,394                     |
|                                   |       | Reynolds<br>Group Issuer,<br>Inc.,<br>Senior Notes,<br>9.875%,<br>08/15/19           |   |                           |
|                                   | 425   |  | Caa2                                      | 456                       |
|                                   | 285   |  | Ba1                                       | 279                       |

|   |   |     |        |
|---|---|-----|--------|
|   | Rock-Tenn<br>Company,<br>Senior Notes,<br>3.50%,<br>03/01/20              |     |        |
| 135   | Rock-Tenn<br>Company,<br>Senior Notes,<br>4.45%,<br>03/01/19              | Ba1 | 142    |
| 90  | Rock-Tenn<br>Company,<br>Senior Notes,<br>4.90%,<br>03/01/22              | Ba1 | 93     |
| 675   | Sappi Papier<br>Holding GmbH,<br>Senior Notes,<br>6.625%,<br>04/15/21 (g) | Ba2 | 653    |
| 575   | Sappi Papier<br>Holding GmbH,<br>Senior Notes,<br>7.75%,<br>07/15/17 (g)  | Ba2 | 605    |
| 275   | Sappi Papier<br>Holding GmbH,<br>Senior Notes,<br>8.375%,<br>06/15/19 (g) | Ba2 | 294    |
| 625   | Sealed Air<br>Corporation,<br>Senior Notes,<br>5.25%,<br>04/01/23 (g)     | B1  | 606    |
| 320   | Tekni Plex,<br>Inc., Senior<br>Notes,<br>9.75%,<br>06/01/19 (g)           | B3  | 341    |
|   |   |     | 13,199 |
| <b>Diversified/Conglomerate Manufacturing 4.76%</b> |   |     |        |
| 375   | Amsted<br>Industries, Inc.,<br>Senior Notes,<br>8.125%,<br>03/15/18 (g)   | Ba3 | 395    |
| 325   | BC Mountain<br>LLC, Senior<br>Notes,<br>7%, 02/01/21                      | B3  | 333    |

|       |                |      |       |
|-------|----------------|------|-------|
|       | (g)            |      |       |
|       | Builders       |      |       |
|       | FirstSource,   |      |       |
|       | Inc.,          |      |       |
|       | Senior Notes,  |      |       |
|       | 7.625%,        |      |       |
| 450   | 06/01/21 (g)   | Caa2 | 435   |
|       | Building       |      |       |
|       | Materials      |      |       |
|       | Corporation of |      |       |
|       | America,       |      |       |
|       | Senior Notes,  |      |       |
|       | 6.75%,         |      |       |
| 1,075 | 05/01/21 (g)   | Ba3  | 1,137 |
|       | CNH Capital    |      |       |
|       | LLC, Senior    |      |       |
|       | Notes,         |      |       |
|       | 3.625%,        |      |       |
| 400   | 04/15/18 (g)   | Ba2  | 382   |
|       | CNH Capital    |      |       |
|       | LLC, Senior    |      |       |
|       | Notes,         |      |       |
|       | 6.25%,         |      |       |
| 900   | 11/01/16       | Ba2  | 958   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |   |                                  |                   |
| \$ 250                                     | Columbus<br>McKinnon<br>Corporation,<br>Senior<br>Subordinated<br>Notes,<br>7.875%,<br>02/01/19 | B1                               | \$ 265            |
| 1,525                                      | Commscope,<br>Inc., Senior<br>Notes,<br>8.25%,<br>01/15/19 (g)                                  | B3                               | 1,624             |
| 500  | Fiat Industrial<br>Finance,<br>Senior Notes,<br>6.25%,<br>03/09/18 (EUR)                        | Ba2                              | 706               |
| 200  | Frigo Glass<br>Finance B.V.,<br>Senior Notes,<br>8.25%,<br>05/15/18<br>(g)(EUR)                 | B1                               | 264               |
| 325  | General Cable<br>Corporation,<br>Senior Notes,<br>5.75%,<br>10/01/22 (g)                        | B1                               | 323               |
| 275  | Interline<br>Brands, Inc.,<br>Senior Notes,<br>10%, 11/15/18                                    | Caa1                             | 296               |
| 475  | KM Germany<br>Holding GMBH,<br>Senior Notes,<br>8.75%,<br>12/15/20<br>(g)(EUR)                  | B2                               | 634               |
| 400  | Manitowoc<br>Company, Inc.,<br>Senior Notes,  | B3                               | 400               |

|   |               |  |   |                           |
|---|---------------|--|---|---------------------------|
|   |               | 5.875%,<br>10/15/22  |   |                           |
|   |               | Manitowoc<br>Company, Inc.,<br>Senior Notes,<br>8.50%,<br>11/01/20               | B3  | 328                       |
| 300                                     |               |  |   |                           |
|   |               | Mcron Finance<br>Sub LLC,<br>Senior Notes,<br>8.375%,<br>05/15/19 (g)            | B1  | 383                       |
| 375                                     |               |  |   |                           |
|   |               | Navistar<br>International<br>Corporation,<br>Senior Notes,<br>8.25%,<br>11/01/21 | B3  | 344                       |
| 350                                     |               |  |   |                           |
|   |               | Sensata<br>Technologies<br>BV,<br>Senior Notes,<br>4.875%,<br>10/15/23 (g)       | B1  | 644                       |
| 675                                     |               |  |   |                           |
|   |               | Silver II<br>Borrower<br>S.C.A.,<br>Senior Notes,<br>7.75%,<br>12/15/20 (g)      | Caa1                                      | 432                       |
| 425                                     |               |  |   |                           |
|   |               | Terex<br>Corporation,<br>Senior Notes,<br>6%, 5/15/21                            | B2  | 1,015                     |
| 1,000                                   |               |  |   |                           |
|   |               | Terex<br>Corporation,<br>Senior Notes,<br>6.50%,<br>04/01/20                     | B2  | 205                       |
| 200                                     |               |  |   |                           |
|   |               |  |   | 11,503                    |
|   |               |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Principal<br/>Amount/Units</b>       |               |  |   |                           |
| <b>Diversified/Conglomerate Service</b> | <b>10.41%</b> |  |   |                           |
|   |               | Aguila 3 S.A.,<br>Senior Notes,<br>7.875%, 01/31/18<br>(g)                       | B2  | \$ 1,287                  |
| \$                                      | 1,250         |  |   |                           |
|   | 550           | Alliance Data<br>Systems<br>Company,   | (e)                                       | 571                       |

|       |   |     |       |
|-------|---|-----|-------|
|       | Senior Notes,<br>5.25%, 12/01/17<br>(g)   |     |       |
| 575   | Alliance Data<br>Systems<br>Company,<br>Senior Notes,<br>6.375%, 04/01/20<br>(g)                              | (e) | 604   |
| 250   | American<br>Builders &<br>Contractors<br>Supply Company,<br>Inc.,<br>Senior Notes,<br>5.625%, 04/15/21<br>(g) | B3  | 245   |
| 275   | Anixter Inc.,<br>Senior Notes,<br>5.625%, 05/01/19  | Ba3 | 287   |
| 350   | Aramark<br>Holdings, Senior<br>Notes,<br>5.75%, 03/15/20<br>(g)   | B3  | 355   |
| 250   | Ashtead Capital<br>Inc., Senior<br>Notes,<br>6.50%, 07/15/22<br>(g)   | B2  | 261   |
| 25    | CDW<br>Corporation,<br>Senior<br>Secured Notes,<br>8%, 12/15/18   | Ba3 | 27    |
| 1,600 | CDW Escrow<br>Corporation,<br>Senior<br>Subordinate<br>Notes,<br>8.50%, 04/01/19                              | B3  | 1,724 |
| 275   | Ceridian<br>Corporation,<br>Senior Notes,<br>8.875%, 07/15/19<br>(g)  | B1  | 305   |
| 175   | Cerved<br>Technologies,<br>Senior Notes,<br>6.375%, 01/15/20<br>(g)(EUR)                                      | B2  | 223   |

|       |   |      |       |
|-------|---|------|-------|
| 325   | Clean Harbors, Incorporated, Senior Notes, 5.125%, 06/01/21 | Ba2  | 322   |
| 250   | Clean Harbors, Incorporated, Senior Notes, 5.25%, 08/01/20  | Ba2  | 254   |
| 625   | Coinstar, Inc., Senior Notes, 6%, 03/15/19 (g)              | Ba3  | 625   |
| 100   | Equiniti Newco plc, Senior Notes, 7.125%, 12/15/18 (g)(GBP) | (e)  | 153   |
| 950   | Europcar Groupe SA, Senior Notes, 11.50%, 05/15/17 (g)(EUR) | Caa1 | 1,360 |
| 1,775 | First Data Corporation, Senior Notes, 6.75%, 11/01/20 (g)   | B1   | 1,815 |
| 150   | First Data Corporation, Senior Notes, 7.375%, 06/15/19 (g)  | B1   | 155   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                                  |                   |
| \$   | 1,775 | First Data<br>Corporation,<br>Senior Notes,<br>12.625%,<br>01/15/21                           | Caa1                             | \$ 1,873          |
|  | 175   | FTI Consulting<br>Inc., Senior<br>Notes,<br>6%, 11/15/22 (g)                                  | Ba2                              | 178               |
|  | 475   | FTI Consulting<br>Inc., Senior<br>Notes,<br>6.75%, 10/01/20                                   | Ba2                              | 500               |
|  | 125   | Gategroup<br>Finance<br>(Luxembourg)<br>S.A., Senior<br>Notes,<br>6.75%, 03/01/19<br>(g)(EUR) | B1                               | 160               |
|  | 425   | Global General<br>Merger, Inc.,<br>Senior Notes,<br>11%, 12/15/20 (g)                         | Caa1                             | 470               |
|  | 125   | GNet Escrow<br>Corporation,<br>Senior Notes,<br>12.125%,<br>07/01/18 (g)                      | B3                               | 131               |
|  | 475   | Goodman<br>Networks, Inc.,<br>Senior Notes,<br>13.125%,<br>07/01/18 (g)                       | B3                               | 503               |
|  | 300   | H&E Equipment<br>Services,<br>Senior Notes,<br>7%, 09/01/22                                   | B3                               | 314               |
|  | 600   | Harbinger Group,<br>Inc., Senior<br>Notes,<br>7.875%, 07/15/19                                | B3                               | 612               |



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|                     |     |  |                    |                 |
|---------------------|-----|--|--------------------|-----------------|
|                     |     | (g)  |                    |                 |
|                     | 175 | Hertz, Inc., Senior Notes, 6.25%, 10/15/22                         | B2                 | 182             |
|                     | 350 | Igloo Holdings Corporation, Senior Notes, 8.25%, 12/15/17          | Caa1               | 357             |
|                     | 325 | (g) Iron Mountain Inc., Senior Subordinated Notes, 5.75%, 08/15/24 | B1                 | 303             |
|                     | 175 | Jaguar Holdings, Inc., Senior Notes, 9.375%, 10/15/17              | Caa1               | 183             |
|                     | 700 | (g) Jaguar Holdings, Inc., Senior Notes, 9.50%, 12/01/19           | B3                 | 770             |
|                     | 100 | Loxam SAS Senior Notes, 7.375%, 01/24/20                           | (e)                | 129             |
|                     | 350 | (g)(EUR) Maxim Crane Works, L.P., Senior Notes, 12.25%, 04/15/15   | Caa2               | 368             |
|                     | 775 | (g) MDC Partners, Inc., Senior Notes, 6.75%, 04/01/20              | B3                 | 765             |
|                     | 175 | Rexel SA, Senior Notes, 5.125%, 06/15/20                           | Ba3                | 228             |
|                     |     |  | <b>Moody's</b>     |                 |
| <b>Principal</b>    |     |  | <b>Rating</b>      | <b>Value</b>    |
| <b>Amount/Units</b> |     |  | <b>(Unaudited)</b> | <b>(Note 1)</b> |
| \$                  | 425 | Rexel SA, Senior Notes, 5.25%, 06/15/20 (g)                        | Ba3                | \$ 430          |
|                     | 900 | Safway Group Holding LLC,  | B3                 | 877             |

|     |   |      |     |
|-----|---|------|-----|
|     | Senior Notes,<br>7%, 05/15/18<br>(g)  |      |     |
| 275 | Service Master<br>Company,<br>Senior Notes,<br>8%, 02/15/20                                   | B3   | 274 |
| 500 | Sungard Data<br>Systems, Inc.,<br>Senior<br>Subordinated<br>Notes,<br>6.625%,<br>11/01/19 (g) | Caa1 | 501 |
| 675 | Syniverse<br>Holdings, Inc.,<br>Senior Notes,<br>9.125%,<br>01/15/19                          | Caa1 | 722 |
| 100 | Techem<br>GmbH, Senior<br>Notes,<br>6.125%,<br>10/01/19<br>(g)(EUR)                           | Ba3  | 136 |
| 250 | Transunion<br>Holding<br>Company, Inc.,<br>Senior Notes,<br>8.125%,<br>06/15/18 (g)           | Caa1 | 261 |
| 100 | Trionista<br>HoldCo GmbH,<br>Senior Notes,<br>5%, 04/30/20<br>(g)(EUR)                        | B1   | 128 |
| 325 | United Rentals<br>of North<br>America,<br>Inc., Senior<br>Notes,<br>6.125%,<br>06/15/23       | B3   | 326 |
| 350 | UR Financing<br>Escrow<br>Corporation,<br>Senior Notes,<br>5.75%,<br>07/15/18                 | Ba3  | 367 |
| 625 | Verisure<br>Holding AB,   | B2   | 875 |

|                    |              |   |      |        |
|--------------------|--------------|---|------|--------|
|                    |              | Senior Notes,<br>8.75%,<br>09/01/18<br>(g)(EUR)                               |      |        |
|                    | 525          | West<br>Corporation,<br>Senior Notes,<br>7.875%,<br>01/15/19                  | B3   | 547    |
|                    | 1,025        | West<br>Corporation,<br>Senior Notes,<br>8.625%,<br>10/01/18                  | B3   | 1,097  |
|                    |              |   |      | 25,140 |
| <b>Electronics</b> | <b>5.63%</b> |   |      |        |
|                    | 700          | Core Logic,<br>Inc., Senior<br>Notes,<br>7.25%,<br>06/01/21                   | Ba3  | 745    |
|                    | 800          | Eagle Midco<br>Inc., Senior<br>Notes,<br>9%, 06/15/18<br>(g)                  | Caa2 | 784    |
|                    | 500          | Epicor<br>Software<br>Corporation,<br>Senior Notes,<br>8.625%,<br>05/01/19    | Caa1 | 512    |
|                    | 525          | Global AT&T<br>Electronics,<br>Ltd.,<br>Senior Notes,<br>10%, 02/01/19<br>(g) | B1   | 536    |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                                  |                   |
| \$ 950                                     |       | HD Supply,<br>Inc., Senior<br>Notes,<br>7.50%,<br>07/15/20 (g)              | Caa1                             | \$ 969            |
|  | 200   | HD Supply,<br>Inc., Senior<br>Notes,<br>11.50%,<br>07/15/20                 | Caa1                             | 232               |
|  | 950   | HD Supply,<br>Inc., Senior<br>Subordinated<br>Notes,<br>10.50%,<br>01/15/21 | Caa2                             | 981               |
|  | 1,375 | iGATE<br>Corporation,<br>Senior Notes,<br>9%, 05/01/16                      | B2                               | 1,432             |
|  | 650   | Infor US, Inc.,<br>Senior Notes,<br>9.375%,<br>04/01/19                     | Caa1                             | 704               |
|  | 225   | Infor US, Inc.,<br>Senior Notes,<br>11.50%,<br>07/15/18                     | Caa1                             | 254               |
|  | 350   | NCR<br>Corporation,<br>Senior Notes,<br>4.625%,<br>02/15/21                 | Ba3                              | 336               |
|  | 750   | NCR<br>Corporation,<br>Senior Notes,<br>5%, 07/15/22                        | Ba3                              | 724               |
|  | 475   | Nuance<br>Communications,<br>Senior Notes,<br>5.375%,<br>08/15/20 (g)       | Ba3                              | 464               |

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|                                   |               |   |      |                           |                           |
|-----------------------------------|---------------|---|------|---------------------------|---------------------------|
|                                   | 400           | NXP B.V.,<br>Senior Notes,<br>5.75%,<br>02/15/21 (g)                          | B3   |                           | 408                       |
|                                   | 450           | NXP B.V.,<br>Senior Notes,<br>5.75%,<br>03/15/23 (g)                          | B3   |                           | 459                       |
|                                   | 2,675         | Sun Edison,<br>Inc., Senior<br>Notes,<br>7.75%,<br>04/01/19                   | Caa1 |                           | 2,541                     |
|                                   | 500           | Travelport LLC,<br>Senior Notes,<br>11.875%,<br>09/01/16                      | Caa3 |                           | 467                       |
|                                   | 1,025         | Travelport LLC,<br>Senior Notes,<br>13.875%,<br>03/01/16 (g)(h)               | Caa2 |                           | 1,046                     |
|                                   |               |   |      |                           | 13,594                    |
| <b>Finance</b>                    | <b>10.00%</b> |   |      |                           |                           |
|                                   | 475           | AerCap<br>Aviation<br>Solutions B.V.,<br>Senior Notes,<br>6.375%,<br>05/30/17 | (e)  |                           | 501                       |
|                                   | 650           | Aircastle<br>Limited, Senior<br>Notes,<br>6.25%,<br>12/01/19                  | Ba3  |                           | 675                       |
|                                   | 200           | Aircastle<br>Limited, Senior<br>Notes,<br>6.75%,<br>04/15/17                  | Ba3  |                           | 210                       |
|                                   | 750           | Aircastle<br>Limited, Senior<br>Notes,<br>7.625%,<br>04/15/20                 | Ba3  |                           | 825                       |
|                                   | 600           | Aircastle<br>Limited, Senior<br>Notes,<br>9.75%,<br>08/01/18                  | Ba3  |                           | 658                       |
| <b>Principal<br/>Amount/Units</b> |               |   |      | <b>Moody's<br/>Rating</b> | <b>Value<br/>(Note 1)</b> |

(Unaudited)

|    |       |   |         |    |       |
|----|-------|---|---------|----|-------|
| \$ | 425   | Air Lease Corporation, Senior Notes, 4.50%, 01/15/16                  | (e)     | \$ | 427   |
|    | 800   | Air Lease Corporation, Senior Notes, 6.125%, 04/01/17                 | (e)     |    | 830   |
|    | 875   | Algeco Scotsman Global Finance PLC, Senior Notes, 8.50%, 10/15/18     | (g) B1  |    | 872   |
|    | 1,175 | Ally Financial, Inc., Senior Notes, 5.50%, 02/15/17                   | B1      |    | 1,225 |
|    | 775   | Ally Financial, Inc., Senior Notes, 7.50%, 09/15/20                   | B1      |    | 891   |
|    | 700   | CIT Group, Inc., Senior Notes, 5%, 08/15/22                           | Ba3     |    | 697   |
|    | 1,575 | CIT Group, Inc., Senior Notes, 5.375%, 05/15/20                       | Ba3     |    | 1,618 |
|    | 2,125 | CIT Group, Inc., Senior Notes, 5.50%, 02/15/19                        | (g) Ba3 |    | 2,183 |
|    | 1,650 | CIT Group, Inc., Senior Notes, 6.625%, 04/01/18                       | (g) Ba3 |    | 1,782 |
|    | 1,200 | Discover Financial Services, Senior Notes, 10.25%, 07/15/19           | Ba1     |    | 1,533 |
|    | 900   | E*Trade Financial Corporation, Senior Notes, 6.375%, 11/15/19         | B2      |    | 916   |
|    | 625   | E*Trade Financial Corporation, Senior Notes, 6.75%, 06/01/16          | B2      |    | 641   |
|    | 350   | General Motors Financial Company, Inc., Senior Notes, 3.25%, 05/15/18 | (g) Ba3 |    | 337   |
|    | 525   | General Motors Financial  | Ba3     |    | 490   |

|     |   |     |     |
|-----|---|-----|-----|
|     | Company,<br>Inc., Senior Notes,<br>4.25%, 05/15/23 (g)                              |     |     |
|     | General Motors<br>Financial<br>Company,<br>Inc., Senior Notes,<br>6.75%, 06/01/18   | Ba3 | 382 |
| 350 |   |     |     |
|     | International Lease<br>Finance<br>Corporation, Senior<br>Notes,<br>8.875%, 09/01/17 | Ba3 | 338 |
| 300 |   |     |     |
|     | LBG Capital No. 1<br>plc, Senior Notes,<br>7.588%,<br>05/12/20(GBP)                 | B1  | 497 |
| 325 |   |     |     |
|     | MBIA Insurance<br>Corporation,<br>Surplus Notes,<br>11.537%, 01/15/33<br>(g)        | Ca  | 216 |
| 250 |   |     |     |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |     |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-----|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |     |   |                                  |                   |
| \$   | 225 | Nationstar<br>Mortgage LLC,<br>Senior Notes,<br>6.50%,<br>07/01/21                        | B2                               | \$ 216            |
|  | 525 | Nationstar<br>Mortgage LLC,<br>Senior Notes,<br>6.50%,<br>06/01/22                        | B2                               | 512               |
|  | 400 | Neuberger<br>Berman Group<br>LLC,<br>Senior Notes,<br>5.625%,<br>03/15/20 (g)             | Ba1                              | 413               |
|  | 425 | Neuberger<br>Berman Group<br>LLC,<br>Senior Notes,<br>5.875%,<br>03/15/22 (g)             | Ba1                              | 431               |
|  | 525 | Patriot Merger,<br>Senior Notes,<br>9%, 07/15/21<br>(g)                                   | (e)                              | 513               |
|  | 550 | Provident<br>Funding<br>Associates,<br>L.P.,<br>Senior Notes,<br>6.75%,<br>06/15/21 (g)   | Ba3                              | 549               |
|  | 225 | Provident<br>Funding<br>Associates,<br>L.P.,<br>Senior Notes,<br>10.125%,<br>02/15/19 (g) | Ba3                              | 249               |
|  | 625 | Springleaf<br>Finance   | Caa1                             | 614               |



|  |              |  |   |                           |
|--|--------------|--|---|---------------------------|
|  |              | Corporation,<br>Senior Medium<br>Term<br>Notes, 6.90%,<br>12/15/17                   |   |                           |
|  | 1,350        | Synovus<br>Financial<br>Corporation,<br>Subordinate<br>Notes,<br>5.125%,<br>06/15/17 | B3  | 1,323                     |
|  | 525          | Synovus<br>Financial<br>Corporation,<br>Senior Notes,<br>7.875%,<br>02/15/19         | B2  | 583                       |
|  |              |  |   | 24,147                    |
| <b>Furnishings</b>                         | <b>.25%</b>  |  |   |                           |
|  | 250          | Mohawk<br>Industries, Inc.,<br>Senior Notes,<br>3.85%,<br>02/01/23                   | Ba1                                       | 241                       |
|  | 350          | Tempur-Pedic<br>International,<br>Inc.,<br>Senior Notes,<br>6.875%,<br>12/15/20 (g)  | B3  | 366                       |
|  |              |  |   | 607                       |
| <b>Groceries</b>                           | <b>.14%</b>  |  |   |                           |
|  | 325          | The Pantry,<br>Inc., Senior<br>Notes,<br>8.375%,<br>08/01/20                         | Caa1                                      | 349                       |
| <b>Principal<br/>Amount/Units</b>          |              |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Healthcare, Education and Childcare</b> | <b>7.83%</b> |  |   |                           |
| \$   | 1,125        | Biomet, Inc.,<br>Senior Notes,<br>6.50%, 08/01/20                                    | B3  | \$ 1,159                  |
|  | 600          | CHS/Community<br>Health Systems,<br>Inc., Senior<br>Notes,<br>5.125%, 08/15/18       | Ba2                                       | 609                       |
|  | 625          |  | B3  | 646                       |

|       |  |      |       |
|-------|--|------|-------|
|       | CHS/Community Health Systems, Inc., Senior Notes, 7.125%, 07/15/20             |      |       |
| 475   | CHS/Community Health Systems, Inc., Senior Notes, 8%, 11/15/19                 | B3   | 506   |
| 175   | Crown Newco 3 plc, Senior Notes, 7%, 02/15/18 (g)(GBP)                         | B2   | 269   |
| 525   | Davita, Inc., Senior Notes, 6.375%, 11/01/18                                   | B2   | 550   |
| 775   | Fresenius Medical Care US Finance II, Inc., Senior Notes, 5.625%, 07/31/19 (g) | Ba2  | 802   |
| 450   | Fresenius Medical Care US Finance II, Inc., Senior Notes, 5.875%, 01/31/22 (g) | Ba2  | 472   |
| 525   | HCA Holdings, Inc., Senior Notes, 6.25%, 02/15/21                              | B3   | 536   |
| 1,375 | HCA, Inc., Senior Notes, 7.50%, 02/15/22                                       | B3   | 1,519 |
| 375   | Hologic, Inc., Senior Notes, 6.25%, 08/01/20                                   | B2   | 389   |
| 475   | lasis Healthcare Capital 8.375%, 05/15/19                                      | Caa1 | 475   |
| 425   | Inventive Health Inc., Senior Notes, 10.75%, 08/15/18 (g)                      | Caa2 | 361   |
| 600   | Inventive Health Inc., Senior  | Caa2 | 510   |

|     |  |      |       |
|-----|--|------|-------|
|     | Notes,<br>11%, 08/15/18 (g)  |      |       |
| 525 | Kindred<br>Healthcare, Inc.,<br>Senior Notes,<br>8.25%, 06/01/19   | B3   | 538   |
| 975 | Kinetic Concepts,<br>Inc., Senior<br>Notes,<br>10.50%, 11/01/18    | B3   | 1,048 |
| 275 | Kinetic Concepts,<br>Inc., Senior<br>Notes,<br>12.50%, 11/01/19    | Caa1 | 283   |
| 250 | LifePoint<br>Hospitals, Inc.,<br>Senior Notes,<br>6.625%, 10/01/20 | Ba1  | 266   |
| 475 | MedAssets, Inc.,<br>Senior Notes,<br>8%, 11/15/18                  | B3   | 503   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |     |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-----|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |     |  |                                  |                   |
|  |     | Medi<br>Partenaires<br>SAS, Senior<br>Notes,<br>7%, 05/15/20<br>(g)(EUR)           | (e)                              | \$ 653            |
| \$   | 525 |  |                                  |                   |
|  |     | Multiplan, Inc.,<br>Senior Notes,<br>9.875%,<br>09/01/18 (g)                       | Caa1                             | 981               |
|  | 900 |  |                                  |                   |
|  |     | Select Medical<br>Corporation,<br>Senior Notes,<br>6.375%,<br>06/01/21 (g)         | B3                               | 570               |
|  | 600 |  |                                  |                   |
|  |     | Sky Growth<br>Holdings<br>Corporation,<br>Senior Notes,<br>7.375%,<br>10/15/20 (g) | Caa1                             | 302               |
|  | 300 |  |                                  |                   |
|  |     | Tenet<br>Healthcare<br>Corporation,<br>Senior Notes,<br>4.50%,<br>04/01/21 (g)     | Ba3                              | 466               |
|  | 500 |  |                                  |                   |
|  |     | Truven Health<br>Analytics,<br>Senior Notes,<br>10.625%,<br>06/01/20 (g)           | Caa1                             | 276               |
|  | 250 |  |                                  |                   |
|  |     | Universal<br>Health<br>Services, Inc.,<br>Senior Notes,<br>7%, 10/01/18            | B1                               | 185               |
|  | 175 |  |                                  |                   |
|  |     | Universal<br>Hospital<br>Services, Inc.,<br>Senior Notes,<br>7.625%,               | B3                               | 627               |
|  | 600 |  |                                  |                   |

|  |              |   |   |                           |
|--|--------------|---|---|---------------------------|
|  |              | 08/15/20  |   |                           |
|  |              | Valeant<br>Pharmaceuticals<br>International,<br>Senior Notes,<br>6.375%,<br>10/15/20 (g)    | B1  | 1,876                     |
|  | 1,900        |   |   |                           |
|  |              | Valeant<br>Pharmaceuticals<br>International,<br>Senior Notes,<br>6.75%,<br>08/15/18 (g)     | B1  | 845                       |
|  | 825          |   |   |                           |
|  |              | Vanguard<br>Health Holding<br>Company II,<br>LLC, Senior<br>Notes,<br>7.75%,<br>02/01/19    | B3  | 530                       |
|  | 500          |   |   |                           |
|  |              | Voyage Care<br>BondCo, plc,<br>Senior Notes,<br>6.50%,<br>08/01/18<br>(g)(GBP)              | B2  | 153                       |
|  | 100          |   |   | 18,905                    |
| <b>Hotels, Motels, Inns and Gaming</b> | <b>3.40%</b> |   |   |                           |
|  |              | Cirsa Funding<br>Luxembourg<br>S.A.,<br>Senior Notes,<br>8.75%,<br>05/15/18<br>(g)(EUR)     | B3  | 492                       |
|  | 375          |   |   |                           |
|  |              | City Center<br>Holdings LLC,<br>Senior Notes,<br>10.75%,<br>01/15/17                        | Caa1                                      | 432                       |
|  | 400          |   |   |                           |
|  |              |   | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Principal<br/>Amount/Units</b>      |              |   |   |                           |
|  |              | Graton<br>Economic<br>Development<br>Authority,<br>Senior Notes,<br>9.625%,<br>09/01/19 (g) | B3  | \$ 907                    |
| \$                                     | 825          |   | B1  | \$ 295                    |
|  | 300          |   |   |                           |

|       |   |      |       |
|-------|---|------|-------|
|       | Great Canadian Gaming Corporation, Senior Subordinated Notes, 6.625%, 07/25/22 (g)(CAD) |      |       |
| 1,775 | MGM Resorts International, Senior Notes, 6.625%, 12/15/21                               | B3   | 1,828 |
| 625   | MGM Resorts International, Senior Notes, 6.75%, 10/01/20                                | B3   | 645   |
| 375   | Peninsula Gaming LLC, Senior Notes, 8.375%, 02/15/18 (g)                                | Caa1 | 391   |
| 325   | Quapaw Downstream Development Authority, Senior Notes, 10.50%, 07/01/19 (g)             | Caa1 | 340   |
| 369   | Rivers Pittsburgh Borrower, L.P., Senior Notes, 9.50%, 06/15/19 (g)                     | B3   | 399   |
| 300   | Ryman Hotel Properties L.P., Senior Notes, 5%, 04/15/21 (g)                             | B1   | 290   |
| 450   | Seminole Tribe of Florida, Senior Notes, 7.75%, 10/01/17 (g)                            | Ba3  | 475   |
| 925   | Seneca Gaming Corporation,  | B2   | 976   |

|                        |  |      |       |
|------------------------|--|------|-------|
|                        | Senior Notes,<br>8.25%,<br>12/01/18 (g)                                      |      |       |
|                        | Station<br>Casinos LLC,<br>Senior Notes,<br>7.50%,<br>03/01/21 (g)           | Caa1 | 729   |
| 725                    |  |      | 8,199 |
| <b>Insurance 1.14%</b> |  |      |       |
|                        | Alliant Holdings<br>I, LLC, Senior<br>Notes,<br>7.875%,<br>12/15/20 (g)      | Caa2 | 251   |
| 250                    |  |      |       |
|                        | Centene<br>Corporation,<br>Senior Notes,<br>5.75%,<br>06/01/17               | Ba2  | 470   |
| 450                    |  |      |       |
|                        | CNO Financial<br>Group Inc.,<br>Senior Notes,<br>6.375%,<br>10/01/20 (g)     | Ba3  | 503   |
| 475                    |  |      |       |
|                        | Hub<br>International<br>Limited,<br>Senior Notes,<br>8.125%,<br>10/15/18 (g) | Caa2 | 495   |
| 475                    |  |      |       |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                        |  |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|--|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b>       |  |  |                                  |                   |
|  |  | Onex USI<br>Acquisition<br>Corporation,<br>Senior Notes,<br>7.75%,<br>01/15/21 (g) | Caa2                             | \$ 420            |
| \$ 425   |  |  |                                  |                   |
|  |  | Towergate<br>Finance plc,<br>Senior Notes,<br>8.50%,<br>02/15/18<br>(g)(GBP)       | B1                               | 310               |
| 200  |  |  |                                  |                   |
|  |  | Towergate<br>Finance plc,<br>Senior Notes,<br>10.50%,<br>02/15/19<br>(g)(GBP)      | Caa2                             | 310               |
| 200  |  |  |                                  |                   |
|  |  |  |                                  | 2,759             |
| <b>Leisure, Amusement and Entertainment .97%</b> |  |  |                                  |                   |
|  |  | Cedar Fair LP,<br>Senior Notes,<br>5.25%,<br>03/15/21 (g)                          | B1                               | 505               |
| 525  |  |  |                                  |                   |
|  |  | Manchester<br>United Finance<br>plc,<br>Senior Notes,<br>8.375%,<br>02/01/17 (g)   | (e)                              | 354               |
| 334  |  |  |                                  |                   |
|  |  | NCL<br>Corporation,<br>Ltd., Senior<br>Notes,<br>5%, 02/15/18<br>(g)               | B2                               | 245               |
| 250  |  |  |                                  |                   |
|  |  | Royal<br>Caribbean<br>Cruises, Ltd.,<br>Senior Notes,<br>5.25%,<br>11/15/22        | Ba1                              | 585               |
| 600  |  |  |                                  |                   |



|  |     |  |                                   |                       |
|--|-----|--|-----------------------------------|-----------------------|
|  |     | Six Flags Entertainment Corporation, Senior Notes, 5.25%, 01/15/21 (g) | B3                                | 648                   |
|  | 675 |  |                                   | 2,337                 |
| <b>Mining, Steel, Iron and Non-Precious Metals</b> |     |  |                                   |                       |
| <b>6.39%</b>                                       |     |  |                                   |                       |
|  |     | AK Steel Corporation, Senior Notes, 7.625%, 05/15/20                   | B3                                | 613                   |
|  | 725 |  |                                   |                       |
|  |     | Aleris Senior Notes, 7.875%, 11/01/20                                  | B2                                | 436                   |
|  | 425 |  |                                   |                       |
|  |     | Alrosa Finance S.A., Senior Notes, 7.75%, 11/03/20 (g)                 | Ba3                               | 616                   |
|  | 575 |  |                                   |                       |
|  |     | ArcelorMittal, Senior Notes, 5.75%, 08/05/20                           | Ba1                               | 247                   |
|  | 250 |  |                                   |                       |
|  |     | ArcelorMittal, Senior Notes, 6%, 03/01/21                              | Ba1                               | 575                   |
|  | 575 |  |                                   |                       |
|  |     | ArcelorMittal, Senior Notes, 6.125%, 06/01/18                          | Ba1                               | 948                   |
|  | 925 |  |                                   |                       |
|  |     | ArcelorMittal, Senior Notes, 6.75%, 02/25/22                           | Ba1                               | 257                   |
|  | 250 |  |                                   |                       |
|  |     | ArcelorMittal, Senior Notes, 10.35%, 06/01/19                          | Ba1                               | 593                   |
|  | 500 |  |                                   |                       |
|  |     | BlueScope Steel (Finance) Limited, Senior Notes, 7.125%, 05/01/18 (g)  | Ba3                               | 301                   |
|  | 300 |  |                                   |                       |
| <b>Principal Amount/Units</b>                      |     |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |

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|    |       |   |      |        |
|----|-------|---|------|--------|
| \$ | 250   | Consol Energy, Inc., Senior Notes, 8%, 04/01/17               | B1   | \$ 262 |
|    | 525   | Consol Energy, Inc., Senior Notes, 8.25%, 04/01/20            | B1   | 553    |
|    | 1,150 | Eldorado Gold Corporation, Senior Notes, 6.125%, 12/15/20 (g) | Ba3  | 1,115  |
|    | 525   | Essar Steel Algoma Inc., Senior Notes, 9.875%, 06/15/15 (g)   | Caa2 | 402    |
|    | 1,225 | FMG Resources Pty. Ltd., Senior Notes, 7%, 11/01/15 (g)       | B1   | 1,234  |
|    | 1,225 | Foresight Energy LLC, Senior Notes, 9.625%, 08/15/17 (g)      | Caa1 | 1,298  |
|    | 700   | JMC Steel Group, Inc., Senior Notes, 8.25%, 03/15/18 (g)      | B3   | 683    |
|    | 450   | Magnetation LLC, Senior Notes, 11%, 05/15/18 (g)              | B3   | 444    |
|    | 425   | Novelis, Inc., Senior Notes, 8.75%, 12/15/20                  | B2   | 454    |
|    | 625   | Peabody Energy Corporation, Senior Notes, 6%, 11/15/18        | Ba1  | 627    |
|    | 175   | Peabody Energy  | Ba1  | 169    |

|  |       |  |      |        |
|--|-------|--|------|--------|
|  |       | Corporation,<br>Senior Notes,<br>6.25%,<br>11/15/21                            |      |        |
|  | 775   | Ryerson Inc.,<br>Senior Secured<br>Notes,<br>9%, 10/15/17<br>(g)               | Caa2 | 787    |
|  | 1,150 | Ryerson Inc.,<br>Senior Secured<br>Notes,<br>11.25%,<br>10/15/18 (g)           | Caa3 | 1,161  |
|  | 775   | Severstal<br>Columbus LLC,<br>Senior Notes,<br>10.25%,<br>02/15/18             | B3   | 804    |
|  | 325   | Steel<br>Dynamics,<br>Senior Notes,<br>6.125%,<br>08/15/19 (g)                 | Ba2  | 345    |
|  | 525   | United States<br>Steel<br>Corporation,<br>Senior Notes,<br>6.875%,<br>04/01/21 | B1   | 508    |
|  |       |  |      | 15,432 |

**Oil and Gas 17.00%**

|  |     |  |     |     |
|--|-----|--|-----|-----|
|  | 950 | Access<br>Midstream<br>Partners, L.P.,<br>Senior Notes,<br>4.875%,<br>05/15/23 | Ba3 | 881 |
|  | 700 | AES<br>Corporation,<br>Senior Notes,<br>4.875%,<br>05/15/23                    | Ba3 | 653 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                                  |                   |
| \$   | 525   | AmeriGas<br>Finance LLC,<br>Senior Notes,<br>7%, 05/20/22                       | Ba2                              | \$ 538            |
|  | 1,325 | Antero Resources<br>Finance<br>Corporation,<br>Senior Notes,<br>6%, 12/01/20    | B2                               | 1,305             |
|  | 1,100 | Antero Resources<br>Finance<br>Corporation,<br>Senior Notes,<br>7.25%, 08/01/19 | B2                               | 1,141             |
|  | 450   | Approach<br>Resources, Inc.,<br>Senior Notes,<br>7%, 06/15/21                   | B3                               | 453               |
|  | 1,150 | Athlon Holdings<br>L.P., Senior<br>Notes,<br>7.375%, 04/15/21<br>(g)            | Caa1                             | 1,144             |
|  | 825   | Bill Barrett<br>Corporation,<br>Senior Notes,<br>7%, 10/15/22                   | B1                               | 829               |
|  | 1,275 | Bill Barrett<br>Corporation,<br>Senior Notes,<br>7.625%, 10/01/19               | B1                               | 1,320             |
|  | 400   | Bonanza Creek<br>Energy, Inc.,<br>Senior Notes,<br>6.75%, 04/15/21<br>(g)       | B3                               | 403               |
|  | 325   | Chesapeake<br>Energy Corp.,<br>Senior Notes,<br>3.25%, 03/15/16                 | Ba3                              | 323               |
|  | 350   | Chesapeake<br>Energy Corp.,   | Ba3                              | 352               |

| Principal<br>Amount/Units |       |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|---------------------------|-------|--|----------------------------------|-------------------|
|                           |       | Senior Notes,<br>5.375%, 06/15/21  |                                  |                   |
|                           | 850   | Chesapeake<br>Energy Corp.,<br>Senior Notes,<br>5.75%, 03/15/23            | Ba3                              | 858               |
|                           | 1,275 | Concho<br>Resources, Inc.,<br>Senior Notes,<br>5.50%, 04/01/23             | Ba3                              | 1,262             |
|                           | 300   | Concho<br>Resources, Inc.,<br>Senior Notes,<br>7%, 01/15/21                | Ba3                              | 323               |
|                           | 1,025 | Continental<br>Resources, Inc.,<br>Senior Notes,<br>4.50%, 04/15/23<br>(g) | Ba2                              | 994               |
|                           | 450   | Continental<br>Resources, Inc.,<br>Senior Notes,<br>5%, 09/15/22           | Ba2                              | 457               |
|                           |       |  |                                  |                   |
| \$                        | 175   | Crosstex Energy<br>L.P., Senior Notes,<br>7.125%, 06/01/22                 | B2                               | \$ 178            |
|                           | 225   | Crosstex Energy<br>L.P., Senior Notes,<br>8.875%, 02/15/18                 | B2                               | 239               |
|                           | 625   | DPL, Inc., Senior<br>Notes,<br>6.50%, 10/15/16                             | Ba1                              | 652               |
|                           | 800   | DPL, Inc., Senior<br>Notes,<br>7.25%, 10/15/21                             | Ba1                              | 816               |
|                           | 800   | El Paso<br>Corporation, Senior<br>Notes,<br>7.75%, 01/15/32                | Ba2                              | 854               |
|                           | 200   | El Paso<br>Corporation, Senior<br>Notes,<br>7.80%, 08/01/31                | Ba2                              | 212               |
|                           | 500   | Exterran Holdings,<br>Inc.,<br>Senior Notes,<br>6%, 04/01/21 (g)           | B2                               | 494               |
|                           | 1,875 |  | B2                               | 1,889             |

|       |  |     |       |
|-------|--|-----|-------|
|       | Ferrellgas, L.P.,<br>Senior Notes,<br>6.50%, 05/01/21                                      |     |       |
| 573   | Frac Tech<br>Services, Seniro<br>Notes,<br>8.125%, 11/15/18<br>(g)                         | Ba3 | 596   |
| 200   | Globe Luxembourg<br>SCA,<br>Senior Notes,<br>9.625%, 05/01/18<br>(g)                       | B3  | 198   |
| 400   | Hercules Offshore<br>Inc.,<br>Senior Notes,<br>8.75%, 07/15/21 (g)                         | B3  | 400   |
| 200   | Inergy Midstream,<br>L.P.,<br>Senior Notes,<br>6%, 12/15/20 (g)                            | B1  | 193   |
| 600   | Laredo Petroleum,<br>Inc.,<br>Senior Notes,<br>7.375%, 05/01/22                            | B3  | 633   |
| 1,650 | MarkWest Energy<br>Partners, L.P.,<br>Senior Notes,<br>4.50%, 07/15/23                     | Ba3 | 1,481 |
| 625   | Newfield<br>Exploration<br>Company,<br>Senior<br>Subordinated<br>Notes,<br>5.75%, 01/30/22 | Ba1 | 623   |
| 1,350 | OGX Austria<br>GMBH, Senior<br>Notes,<br>8.50%, 06/01/18 (g)                               | B2  | 435   |
| 220   | Pacific Rubiales<br>Energy<br>Corporation, Senior<br>Notes<br>5.125%, 03/28/23<br>(g)      | Ba2 | 208   |
| 775   | PBF Holding<br>Company LLC,<br>Senior Notes,<br>8.25%, 02/15/20                            | Ba3 | 812   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                                  |                   |
| \$   | 1,400 | PDC Energy,<br>Senior Notes,<br>7.75%, 10/15/22<br>(g)                               | B3                               | \$ 1,445          |
|  | 700   | Penn Virginia<br>Corporation,<br>Senior Notes,<br>6.50%, 05/15/21<br>(g)             | B2                               | 669               |
|  | 725   | Penn Virginia<br>Corporation,<br>Senior Notes,<br>8.375%, 06/01/20                   | B2                               | 761               |
|  | 800   | Penn Virginia<br>Corporation,<br>Senior Notes,<br>8.50%, 05/01/20<br>(g)             | Caa1                             | 776               |
|  | 325   | Penn Virginia<br>Resources<br>Partners,<br>L.P., Senior<br>Notes,<br>8.25%, 04/15/18 | B2                               | 336               |
|  | 1,600 | QEP Resources,<br>Inc., Senior<br>Notes,<br>5.25%, 05/01/23                          | Ba1                              | 1,560             |
|  | 700   | Range Resources<br>Corporation,<br>Senior<br>Subordinated<br>Notes,<br>5%, 03/15/23  | Ba3                              | 679               |
|  | 600   | Regency Energy<br>Partners, L.P.,<br>Senior Notes,<br>4.50%, 11/01/23<br>(g)         | B1                               | 546               |
|  | 350   | Regency Energy<br>Partners, L.P.,<br>Senior Notes,                                   | B1                               | 346               |



|                                   |     |  |   |                           |
|-----------------------------------|-----|--|---|---------------------------|
|                                   |     | 5.50%, 04/15/23<br>Rockies Express<br>Pipeline LLC,<br>Senior Notes,<br>6%, 01/15/19 (g) | Ba2                                       | 970                       |
| 1,075                             |     |  |   |                           |
|                                   | 50  | 6.85%, 07/15/18<br>(g)   | Ba2                                       | 47                        |
|                                   |     | Rosetta<br>Resources Inc.,<br>Senior Notes,<br>5.625%, 05/01/21                          | B2  | 586                       |
| 600                               |     |  |   |                           |
|                                   | 450 | 10%, 02/15/20 (g)  | B3  | 474                       |
|                                   |     | Sandridge<br>Energy, Inc.,<br>Senior Notes,<br>7.50%, 03/15/21                           | B2  | 263                       |
| 275                               |     |  |   |                           |
|                                   | 300 | 7.50%, 02/15/23  | B2  | 286                       |
|                                   |     | SESI LLC, Senior<br>Notes,<br>6.375%, 05/01/19   | Ba2                                       | 595                       |
| 575                               |     |  |   |                           |
|                                   |     |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Principal<br/>Amount/Units</b> |     |  |   |                           |
|                                   |     | SESI LLC,<br>Senior Notes,<br>7.125%,<br>12/15/21  | Ba2                                       | \$ 541                    |
| \$                                | 500 |  |   |                           |
|                                   | 650 | SM Energy<br>Company,<br>Senior Notes,<br>5%, 01/15/24<br>(g)                            | Ba3                                       | 611                       |
|                                   |     | SM Energy<br>Company,<br>Senior Notes,<br>6.50%,<br>11/15/21                             | Ba3                                       | 341                       |
| 325                               |     |  |   |                           |
| 575                               |     | SM Energy<br>Company,<br>Senior Notes,<br>6.50%,   | Ba3                                       | 604                       |

|       |   |      |       |
|-------|---|------|-------|
|       | 01/01/23  |      |       |
|       | SM Energy Company, Senior Notes, 6.625%, 02/15/19               | Ba3  | 233   |
| 225   |   |      |       |
|       | Suburban Propane Partners, L.P., Senior Notes, 7.375%, 03/15/20 | Ba3  | 130   |
| 125   |   |      |       |
|       | Suburban Propane Partners, L.P., Senior Notes, 7.375%, 08/01/21 | Ba3  | 206   |
| 200   |   |      |       |
|       | Swift Energy Company, Senior Notes, 7.875%, 03/01/22            | B3   | 1,097 |
| 1,100 |   |      |       |
|       | Swift Energy Company, Senior Notes, 8.875%, 01/15/20            | B3   | 668   |
| 650   |   |      |       |
|       | Targa Resources Partners L.P., Senior Notes, 6.375%, 08/01/22   | Ba3  | 404   |
| 387   |   |      |       |
|       | Tervita Corporation, Senior Notes, 8%, 11/15/18 (g)             | B2   | 468   |
| 475   |   |      |       |
|       | Tervita Corporation, Senior Notes, 9.75%, 11/01/19 (g)          | Caa2 | 535   |
| 575   |   |      |       |
|       | Western Refining, Inc., Senior Notes, 6.25%, 04/01/21 (g)       | B2   | 466   |
| 475   |   |      |       |
| 250   | WPX Energy, Inc., Senior  | Ba1  | 253   |

Notes,  
6%, 01/15/22

41,045

**Personal, Food and Miscellaneous Services**  
**1.50%**

|     |  |    |     |
|-----|--|----|-----|
| 400 | Central Garden & Pet Company, Senior Subordinated Notes, 8.25%, 03/01/18 | B2 | 405 |
| 60  | CKE Restaurants, Senior Notes, 11.375%, 07/15/18                         | B2 | 62  |
| 125 | Elior Finance & Co. SCA, Senior Notes, 6.50%, 05/01/20 (g)(EUR)          | B3 | 166 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                               |     |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|---|-----|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b>              |     |  |                                  |                   |
| \$ 450  |     | Fiesta<br>Restaurant<br>Group,<br>Senior Notes,<br>8.875%,<br>08/15/16                       | B2                               | \$ 479            |
|   | 950 | Laureate<br>Education,<br>Senior Notes,<br>9.25%,<br>09/01/19 (g)                            | Caa1                             | 1,021             |
|   | 500 | Realty<br>Corporation,<br>Senior Notes,<br>3.375%,<br>05/01/16 (g)                           | Caa2                             | 484               |
|   | 125 | Realty<br>Corporation,<br>Senior Notes,<br>9%, 01/15/20<br>(g)                               | Caa1                             | 139               |
|   | 250 | Seminole Hard<br>Rock<br>Entertainment,<br>Inc., Senior<br>Notes,<br>5.875%,<br>05/15/21 (g) | B2                               | 238               |
|   | 575 | Wok<br>Acquisition<br>Corporation,<br>Senior Notes,<br>10.25%,<br>06/30/20 (g)               | Caa1                             | 621               |
|   |     |  |                                  | 3,615             |
| <b>Personal Non-Durable Consumer Products<br/>1.19%</b> |     |  |                                  |                   |
|   | 160 | Avon Products,<br>Inc., Senior<br>Notes<br>4.60%,<br>03/15/20                                | Baa2                             | 161               |

|                                |              |  |                                   |                       |
|--------------------------------|--------------|--|-----------------------------------|-----------------------|
|                                | 195          | Avon Products, Inc., Senior Notes<br>5%, 03/15/23                  | Baa2                              | 193                   |
|                                | 425          | Boardriders S.A., Senior Notes,<br>8.875%,<br>12/15/17<br>(g)(EUR) | B2                                | 553                   |
|                                | 375          | Mead Products, Senior Notes,<br>6.75%,<br>04/30/20                 | B1                                | 376                   |
|                                | 225          | Spectrum Brands Escrow, Senior Notes,<br>6.375%,<br>11/15/20 (g)   | B3                                | 237                   |
|                                | 200          | Spectrum Brands Escrow, Senior Notes,<br>6.625%,<br>11/15/22 (g)   | B3                                | 212                   |
|                                | 275          | Spring Industries, Inc., Senior Notes,<br>6.25%,<br>06/01/21 (g)   | B2                                | 267                   |
|                                | 875          | Sun Products Corporation, Senior Notes,<br>7.75%,<br>03/15/21 (g)  | Caa1                              | 866                   |
|                                |              |  |                                   | 2,865                 |
| <b>Personal Transportation</b> | <b>1.55%</b> |  |                                   |                       |
|                                | 135          | American Airlines, Senior Notes,<br>4%, 01/15/27<br>(g)            | (e)                               | 128                   |
|                                | 140          | American Airlines, Senior Notes,<br>5.625%,<br>01/15/21 (g)        | (e)                               | 138                   |
| <b>Principal Amount/Units</b>  |              |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                             | 170          | Continental Airlines, Inc.,  | Baa2                              | \$ 197                |

|                                      |   |      |       |
|--------------------------------------|---|------|-------|
|                                      | Senior Notes,<br>7.25%,<br>05/10/21   |      |       |
| 100                                  | Continental<br>Airlines, Inc.,<br>Senior Notes,<br>9.25%,<br>11/10/18                     | Ba2  | 111   |
| 150                                  | Northwest<br>Airlines<br>7.575%,<br>09/01/20  | (e)  | 172   |
| 1,300                                | United Airlines,<br>Inc., Senior<br>Notes,<br>6.75%,<br>09/15/15 (g)                      | Ba2  | 1,341 |
| 525                                  | United<br>Continental<br>Holdings, Inc.,<br>Senior Notes,<br>6.375%,<br>06/01/18          | B2   | 515   |
| 145                                  | US Airways,<br>Inc., Senior<br>Notes,<br>4.625%,<br>12/03/26                              | Ba1  | 143   |
| 975                                  | US Airways<br>Group, Inc.,<br>Senior Notes<br>6.125%,<br>06/01/18                         | Caa2 | 921   |
| 65                                   | US Airways,<br>Inc., Senior<br>Notes,<br>6.75%,<br>12/03/22                               | B1   | 68    |
|                                      |   |      | 3,734 |
| <b>Printing and Publishing 1.06%</b> |   |      |       |
| 400                                  | Cengage<br>Learning<br>Acquisitions,<br>Inc.,<br>Senior Notes,<br>11.50%,<br>04/15/20 (g) | Caa2 | 296   |
| 100                                  | Dex Media Inc.,<br>Senior<br>Subordinated<br>Notes,                                       | Caa3 | 66    |

|                            |   |      |       |
|----------------------------|---|------|-------|
|                            | 14%, 01/29/17<br>(h)  |      |       |
|                            | Getty Images,<br>Inc., Senior<br>Notes,<br>7%, 10/15/20<br>(g)          | Caa1 | 825   |
| 850                        |   |      |       |
|                            | McGraw Hill<br>Global, Senior<br>Notes,<br>9.75%,<br>04/01/21 (g)       | B2   | 511   |
| 500                        |   |      |       |
|                            | Trader<br>Corporation,<br>Senior Notes,<br>9.875%,<br>08/15/18 (g)      | B3   | 868   |
| 875                        |   |      |       |
|                            |   |      | 2,566 |
| <b>Retail Stores 4.78%</b> |   |      |       |
|                            | CDR DB Sub,<br>Inc., Senior<br>Notes,<br>7.75%,<br>10/15/20 (g)         | Caa2 | 526   |
| 525                        |   |      |       |
|                            | Claire's Escrow<br>Corporation,<br>Senior Notes,<br>9%, 03/15/19<br>(g) | B2   | 1,073 |
| 975                        |   |      |       |
|                            | Claire's Stores,<br>Inc., Senior<br>Notes,<br>6.125%,<br>03/15/20 (g)   | B2   | 244   |
| 250                        |   |      |       |
|                            | Claire's Stores,<br>Inc., Senior<br>Notes,<br>7.75%,<br>06/01/20 (g)    | Caa2 | 849   |
| 875                        |   |      |       |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                                  |                   |
| \$ 250                                     |       | CST Brands,<br>Inc., Senior<br>Notes,<br>5%, 05/01/23<br>(g)                | Ba2                              | \$ 244            |
|  | 1,275 | Gymboree<br>Corporation,<br>Senior Notes,<br>9.125%,<br>12/01/18            | Caa2                             | 1,189             |
|  | 500   | Jo-Ann Stores<br>Holdings Inc.,<br>Senior Notes,<br>8.125%,<br>03/15/19 (g) | Caa1                             | 509               |
|  | 625   | Jo-Ann Stores<br>Holdings Inc.,<br>Senior Notes,<br>9.75%,<br>10/15/19 (g)  | Caa1                             | 650               |
|  | 550   | New Academy<br>Finance<br>Company LLC<br>8%, 06/15/18<br>(g)                | Caa1                             | 561               |
|  | 325   | New Look<br>Bondco I plc,<br>Senior Notes,<br>8.375%,<br>05/14/18 (g)       | B1                               | 317               |
|  | 400   | 99 Cents Only<br>Stores, Senior<br>Notes,<br>11%, 12/15/19                  | Caa1                             | 448               |
|  | 900   | JC Penney<br>Corporation,<br>Senior Notes,<br>7.65%,<br>08/15/16            | Caa2                             | 864               |
|  | 725   | JC Penney<br>Corporation,<br>Senior Notes,                                  | Caa2                             | 700               |



|                                   |       |  |   |                           |
|-----------------------------------|-------|--|---|---------------------------|
|                                   |       | 7.95%,<br>04/01/17   |   |                           |
|                                   |       | Penske<br>Automotive<br>Group, Inc.,<br>Senior<br>Subordinated<br>Notes,<br>5.75%,<br>10/01/22 | B2  | 408                       |
|                                   | 400   |  |   |                           |
|                                   |       | Radio Shack<br>Corporation,<br>Senior Notes<br>6.75%,<br>05/15/19                              | Caa2                                      | 89                        |
|                                   | 125   |  |   |                           |
|                                   |       | Rite Aid<br>Corporation,<br>Senior Notes,<br>6.75%,<br>06/15/21 (g)                            | Caa2                                      | 835                       |
|                                   | 850   |  |   |                           |
|                                   |       | Rite Aid<br>Corporation,<br>Senior Notes,<br>7.70%,<br>02/15/27                                | Caa2                                      | 643                       |
|                                   | 650   |  |   |                           |
|                                   |       | Rite Aid<br>Corporation,<br>Senior Notes,<br>9.25%,<br>03/15/20                                | Caa2                                      | 1,378                     |
|                                   | 1,250 |  |   | 11,527                    |
| <b>Telecommunications 13.01%</b>  |       |  |   |                           |
|                                   |       | Arqiva<br>Broadcasting,<br>Senior Notes,<br>9.50%,<br>03/31/20<br>(g)(GBP)                     | B3  | 1,219                     |
|                                   | 775   |  |   |                           |
|                                   |       | Century Link,<br>Inc., Senior<br>Notes,<br>5.625%,<br>04/01/20                                 | Ba2                                       | 1,318                     |
|                                   | 1,300 |  |   |                           |
| <b>Principal<br/>Amount/Units</b> |       |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
|                                   |       | Century Link, Inc.,<br>Senior Notes,<br>6.45%, 06/15/21  | Ba2                                       | \$ 391                    |
| \$                                | 375   |  |   |                           |
|                                   | 425   | Clearwire<br>Communications  | Caa3                                      | 489                       |

|       |   |      |       |
|-------|---|------|-------|
|       | LLC,<br>Senior Notes,<br>12%, 12/01/17 (g)  |      |       |
|       | Cricket<br>Communications,<br>Inc.,<br>Senior Notes,<br>7.75%, 10/15/20           | Caa1 | 796   |
| 825   |   |      |       |
|       | Crown Castle<br>International<br>Corporation, Senior<br>Notes,<br>5.25%, 01/15/23 | B1   | 910   |
| 950   |   |      |       |
|       | Digicel Limited,<br>Senior Notes,<br>6%, 04/15/21 (g)                             | B1   | 597   |
| 625   |   |      |       |
|       | Digicel Limited,<br>Senior Notes,<br>8.25%, 09/30/20 (g)                          | Caa1 | 414   |
| 400   |   |      |       |
|       | Digicel Limited,<br>Senior Notes,<br>10.50%, 04/15/18<br>(g)                      | Caa1 | 477   |
| 450   |   |      |       |
|       | Earthlink Inc.,<br>Senior Notes,<br>7.375%, 06/01/20<br>(g)                       | Ba3  | 168   |
| 175   |   |      |       |
|       | Earthlink Inc.,<br>Senior Notes,<br>8.875%, 05/15/19                              | B3   | 316   |
| 325   |   |      |       |
|       | Eircom Finance<br>Ltd., Senior Notes,<br>9.25%, 05/15/20<br>(g)(EUR)              | Caa1 | 270   |
| 225   |   |      |       |
|       | Equinix, Inc.,<br>Senior Notes,<br>5.375%, 04/01/23                               | Ba3  | 588   |
| 600   |   |      |       |
|       | Equinix, Inc.,<br>Senior Notes,<br>7%, 07/15/21                                   | Ba3  | 1,085 |
| 1,000 |   |      |       |
|       | Hughes Satellite<br>Systems, Inc.,<br>Senior Notes,<br>6.50%, 06/15/19            | Ba3  | 829   |
| 775   |   |      |       |
|       | Hughes Satellite<br>Systems, Inc.,<br>Senior Notes,<br>7.625%, 06/15/21           | B3   | 825   |
| 775   |   |      |       |
|       | Intelsat Jackson<br>Holdings Ltd.,<br>Senior Notes,                               | B3   | 748   |
| 800   |   |      |       |

|       |   |       |
|-------|---|-------|
|       | 5.50%, 08/01/23 (g)                             |       |
|       | Intelsat<br>(Luxembourg) S.A.,<br>Senior Notes, |       |
| 425   | 6.75%, 06/01/18 (g) Caa2                        | 427   |
|       | Intelsat<br>(Luxembourg) S.A.,<br>Senior Notes, |       |
| 1,000 | 7.75%, 6/01/21 (g) Caa2                         | 1,007 |
|       | Intelsat<br>(Luxembourg) S.A.,<br>Senior Notes, |       |
| 500   | 8.125%, 06/01/23<br>(g) Caa2                    | 514   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal Amount/Units                     |       |   | Moody's Rating (Unaudited) | Value (Note 1) |
|--|-------|---|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                            |                |
| \$   | 200   | Interxion Holding, NV, Senior Notes, 6%, 07/15/20 (g)(EUR)              | B2                         | \$ 258         |
|  | 650   | Level 3 Financing, Inc., Senior Notes, 8.625%, 07/15/20                 | B3                         | 692            |
|  | 200   | Level 3 Communications, Inc., Senior Notes, 8.875%, 06/01/19            | Caa2                       | 209            |
|  | 675   | Matterhorn Mobile S.A., Senior Notes, 7.75%, 02/15/20 (g)(EUR)          | Caa1                       | 861            |
|  | 500   | Matterhorn Mobile S.A., Senior Notes, 9%, 04/15/19 (g)(EUR)             | (e)                        | 631            |
|  | 1,350 | MetroPCS Wireless, Senior Notes, 6.25%, 04/01/21 (g)                    | Ba3                        | 1,374          |
|  | 275   | Millicom International Cellular S.A., Senior Notes, 4.75%, 05/22/20 (g) | Ba2                        | 261            |
|  | 725   | NII Capital Corporation, Senior Notes, 7.625, 04/01/21                  | Caa2                       | 560            |
|  | 550   | NII International Telecom, Senior Notes, 7.875%, 08/15/19               | B2                         | 516            |

|                               |       |  |                                   |                       |
|-------------------------------|-------|--|-----------------------------------|-----------------------|
|                               |       | (g)<br>NII Capital Corporation,<br>Senior Notes,<br>8.875%, 12/15/19     | Caa2                              | 191                   |
|                               | 225   |  |                                   |                       |
|                               |       | NII Capital Corporation,<br>Senior Notes,<br>10%, 08/15/16               | Caa2                              | 511                   |
|                               | 525   |  |                                   |                       |
|                               |       | Sable International Finance Limited,<br>Senior Notes,<br>7.75%, 02/15/17 |                                   |                       |
|                               | 425   | (g)  | Ba2                               | 441                   |
|                               |       | Sable International Finance Limited,<br>Senior Notes,<br>8.75%, 02/01/20 |                                   |                       |
|                               | 200   | (g)  | Ba2                               | 219                   |
|                               |       | SBA Telecommunications, Inc.,<br>Senior Notes,<br>8.25%, 08/15/19        | B1                                | 509                   |
|                               | 471   |  |                                   |                       |
|                               |       | Softbank Corporation,<br>Senior Notes,<br>4.50%, 04/15/20                |                                   |                       |
|                               | 975   | (g)  | Baa3                              | 937                   |
|                               |       | Sprint Capital Corporation,<br>Senior Notes,<br>6.875%, 11/15/28         | B3                                | 1,299                 |
|                               | 1,350 |  |                                   |                       |
| <b>Principal Amount/Units</b> |       |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
|                               |       | Sprint Capital Corporation,<br>Senior Notes,<br>8.75%,<br>03/15/32       | B3                                | \$ 661                |
| \$                            | 600   |  |                                   |                       |
|                               |       | Sprint Nextel Corporation,<br>Senior Notes,<br>6%, 11/15/22              | B3                                | 782                   |
|                               | 800   |  |                                   |                       |
|                               | 2,225 | Sprint Nextel Corporation,<br>Senior Notes,<br>9%, 11/15/18              | Ba3                               | 2,598                 |

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|                             |  |     |        |
|-----------------------------|--|-----|--------|
|                             | (g)  |     |        |
| 475                         | Sprint Nextel Corporation, Senior Notes, 11.50%, 11/15/21                  | B3  | 632    |
| 325                         | TW Telecom Holdings, Inc., Senior Notes, 5.375%, 10/01/22                  | B1  | 323    |
| 375                         | ViaSat, Inc., Senior Notes, 6.875%, 06/15/20                               | B2  | 394    |
| 305                         | Vimpelcom Holdings, Senior Notes, 5.20%, 02/13/19 (g)                      | Ba3 | 295    |
| 550                         | Vimpelcom Holdings, Senior Notes, 7.504%, 03/01/22 (g)                     | Ba3 | 569    |
| 300                         | Vimpelcom Holdings, Senior Notes, 7.748%, 02/02/21 (g)                     | Ba3 | 320    |
| 475                         | Wind Acquisition Holdings Finance S.A., Senior Notes, 6.50%, 04/30/20 (g)  | Ba3 | 470    |
| 1,450                       | Wind Acquisition Holdings Finance S.A., Senior Notes, 11.75%, 07/15/17 (g) | B3  | 1,508  |
|                             |  |     | 31,409 |
| <b>Textiles and Leather</b> | <b>.81%</b>  |     |        |
| 750                         | Hanesbrands, Inc., Senior Notes,   | Ba3 | 799    |

|     |  |     |       |
|-----|--|-----|-------|
|     | 6.375%,<br>12/15/20                                |     |       |
|     | Levi Strauss &<br>Co., Senior<br>Notes,            |     |       |
| 275 | 6.875%,<br>05/01/22                                | B1  | 298   |
|     | Levi Strauss &<br>Co., Senior<br>Notes,            |     |       |
| 200 | 7.625%,<br>05/15/20                                | B1  | 215   |
|     | PVH<br>Corporation,<br>Senior Notes,               |     |       |
| 450 | 4.50%,<br>12/15/22                                 | Ba3 | 426   |
|     | Wolverine<br>World Wide,<br>Inc.,<br>Senior Notes, |     |       |
| 200 | 6.125%,<br>10/15/20 (g)                            | B2  | 208   |
|     |  |     | 1,946 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2013 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       | Moody's<br>Rating<br>(Unaudited)   | Value<br>(Note 1) |
|--|-------|--|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                   |
| <b>Utilities 3.08%</b>                     |       |  |                   |
| \$   | 900   | Calpine Corporation, Senior Notes, 7.50%, 02/15/21 (g) B1                    | \$ 958            |
|  | 1,175 | GenOn Escrow Corporation, Senior Notes, 7.875%, 06/15/17 B2                  | 1,245             |
|  | 1,750 | GenOn Escrow Corporation, Senior Notes, 9.50%, 10/15/18 B2                   | 1,934             |
|  | 550   | Infinis Plc, Senior Notes, 7%, 02/15/19 (g)(GBP) Ba3                         | 824               |
|  | 700   | Israel Electric Corporation Limited, Senior Notes, 5.625%, 06/21/18 (g) Baa3 | 710               |
|  | 550   | NRG Energy, Inc., Senior Notes, 6.625%, 03/15/23 (g) B1                      | 547               |
|  | 275   | Sabine Pass Liquifaction LLC, Senior Notes, 5.625%, 04/15/23 (g) Ba3         | 259               |
|  | 700   | Sabine Pass LNG, L.P., Senior Notes, B1                                      | 705               |



|  |        |  |   |                           |
|--|--------|--|---|---------------------------|
|  |        | 6.50%,<br>11/01/20 (g)   |   |                           |
|  |        | Sabine Pass<br>LNG, L.P.,<br>Senior Notes,<br>7.50%,<br>11/30/16               | B1  | 242                       |
|  | 225    |  |   | 7,424                     |
|  |        | <b>Total<br/>Corporate<br/>Debt Securities</b><br>(Total cost of<br>\$332,462) |   | 334,995                   |
| <b>CONVERTIBLE DEBT SECURITIES .14%</b>    |        |  |   |                           |
| <b>(d)(i)</b>                              |        |  |   |                           |
| <b>Retail Stores .14%</b>                  |        |  |   |                           |
|  |        | Radio Shack<br>Corporation,<br>Senior Notes<br>2.50%,<br>08/01/13 (g)          | Caa2                                      | 343                       |
|  | 350    |  |   |                           |
|  |        | <b>Total<br/>Convertible<br/>Debt Securities</b><br>(Total cost of<br>\$328)   |   | 343                       |
| <b>Shares</b>                              |        |  |   |                           |
| <b>PREFERRED STOCK .94% (d)(i)</b>         |        |  |   |                           |
| <b>Automobile .35%</b>                     |        |  |   |                           |
|  |        | General<br>Motors<br>Company,<br>Convertible,<br>4.75%                         | (e)                                       | 838                       |
|  | 17,400 |  |   |                           |
|  |        |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Shares</b>                              |        |  |   |                           |
| <b>Broadcasting and Entertainment .15%</b> |        |  |   |                           |
|  |        | Spanish<br>Broadcasting<br>System, Inc.,<br>10.75% (a)                         | Caa3                                      | \$ 361                    |
|  | 495    |  |   |                           |
| <b>Containers, Packaging and Glass 0%</b>  |        |  |   |                           |
|  |        | Smurfit-Stone<br>Container<br>Corporation,<br>7%, (c)(f) ESC                   | (e)                                       |                           |
|  | 1,975  |  |   |                           |
| <b>Finance .44%</b>                        |        |  |   |                           |
|  |        | Ally Financial,<br>Inc., 7% (g)  | B3  | 1,069                     |
|  | 1,125  |  |   | 2,268                     |

|  |  |           |
|--|--|-----------|
|  | <b>Total Preferred Stock</b><br>(Total cost of \$2,129)                        |           |
|  | <b>TOTAL INVESTMENTS</b><br><b>139.84% (d)</b><br>(Total cost of \$334,919)    | 337,606   |
|  | <b>CASH AND OTHER ASSETS</b><br><b>LESS LIABILITIES</b><br><b>(39.84)% (d)</b> | (96,185)  |
|  | <b>NET ASSETS</b><br><b>100.00%</b>  | \$241,421 |

(a) Denotes income is not being accrued and/or issuer is in bankruptcy proceedings.

(b) Securities are step interest bonds. Interest on these bonds accrues based on the effective interest method which results in a constant rate of interest being recognized.

(c) Security is valued at fair value using methods determined by the Board of Directors. The total value of these securities at June 30, 2013 was \$0.

(d) Percentages indicated are based on total net assets to common shareholders of \$241,421.

(e) Not rated.

(f) Non-income producing.

(g) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers in transactions exempt from registration. Unless otherwise noted, 144A Securities are deemed to be liquid. See Note 1 of the Note to Schedule of Investments for valuation policy. Total market value of Rule 144A securities amounted to \$166,395 as of June 30, 2013.

(h) Pay-In-Kind

(i) All of the Fund's investments and other assets are pledged as collateral in accordance with the Bank Credit Agreement (Note 4).

(CAD) Canadian Dollar

(CHF) Swiss Franc

(EUR) Euro

(GBP) British Pound

ESC Escrow Cusip. Represents a beneficial interest to account for possible future payments by the company. Interest rate and maturity date are those of the original security.

The accompanying notes are an integral part of these financial statements.



## The New America High Income Fund, Inc.

**Statement of Assets and Liabilities****June 30, 2013 (Unaudited)**

(Dollars in thousands, except shares and per share amounts)

**Assets:**

|  |           |
|--|-----------|
| INVESTMENTS IN SECURITIES, at value<br>(Identified<br>cost of \$334,919 see Schedule of Investments<br>and Note 1) | \$337,606 |
| CASH   | 270       |
| RECEIVABLES:   |           |
| Investment securities sold   | 2,651     |
| Interest and dividends   | 6,093     |
| PREPAID EXPENSES   | 40        |
| UNREALIZED GAIN ON CURRENCY AND<br>FORWARD CURRENCY EXCHANGE<br>CONTRACTS (Notes 1 and 8)                          | 280       |
| Total assets   | \$346,940 |

**Liabilities:**

|                                 |                  |
|---------------------------------|------------------|
| CREDIT AGREEMENT (Note 4)       | \$100,000        |
| PAYABLES:                       |                  |
| Investment securities purchased | 5,135            |
| Dividend on common stock        | 102              |
| Interest on loan (Note 4)       | 73               |
| ACCRUED EXPENSES (Note 3)       | 209              |
| Total liabilities               | \$105,519        |
| <b>Net Assets</b>               | <b>\$241,421</b> |

**Represented By:****COMMON STOCK:**

|   |          |
|---|----------|
| \$0.01 par value, 40,000,000 shares authorized,<br>23,368,918 shares issued and outstanding | \$ 234   |
| CAPITAL IN EXCESS OF PAR VALUE  | 268,431  |
| UNDISTRIBUTED NET INVESTMENT INCOME<br>(Note 2)   | 2,035    |
| ACCUMULATED NET REALIZED LOSS FROM<br>SECURITIES TRANSACTIONS (Note 2)                      | (32,246) |
| NET UNREALIZED APPRECIATION ON<br>INVESTMENTS AND FORWARD<br>CURRENCY EXCHANGE CONTRACTS    | 2,967    |

**Net Assets Applicable To Common Stock**

(Equivalent to \$10.33 per share, based on  
23,368,918 shares outstanding) \$241,421

**Statement of Operations****For the Six Months Ended****June 30, 2013 (Unaudited)** (Dollars in thousands)**Investment Income:** (Note 1)

|   |             |
|---|-------------|
| Interest income   | \$ 11,640   |
| Dividend income   | 96          |
| Other income  | 50          |
| Total investment income   | \$ 11,786   |
| <b>Expenses:</b>  |             |
| Cost of leverage:   |             |
| Interest expense (Note 4)   | \$ 523      |
| Loan fees (Note 4)  | 8           |
| Total cost of leverage  | \$ 531      |
| Professional services:  |             |
| Investment Advisor (Note 3)   | \$ 579      |
| Legal   | 163         |
| Custodian and transfer agent  | 141         |
| Audit   | 28          |
| Total professional services   | \$ 911      |
| Administrative:   |             |
| Directors   | \$ 284      |
| General administrative (Note 7)   | 252         |
| Insurance   | 71          |
| Shareholder communications  | 22          |
| Miscellaneous   | 14          |
| NYSE  | 13          |
| Total administrative  | \$ 656      |
| Total expenses  | \$ 2,098    |
| Net investment income   | \$ 9,688    |
| <b>Realized and Unrealized Gain (Loss) on Investment Activities:</b>                    |             |
| Realized gain on investments and currencies,<br>net                                     | \$ 7,857    |
| Change in net unrealized appreciation on<br>investments and other financial instruments | \$ (13,628) |
| Net loss on investments   | \$ (5,771)  |
| Net increase in net assets resulting<br>from operations                                 | \$ 3,917    |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Statements of Changes in Net Assets** (Dollars in thousands, except shares and per share amounts)

|   | <b>Six Months<br/>Ended<br/>June 30, 2013<br/>(Unaudited)</b> | <b>For the<br/>Year Ended<br/>December 31,<br/>2012</b> |
|---|---|---|
| <b>From Operations:</b>   |   |   |
| Net investment income   | \$ 9,688  | \$ 21,658   |
| Realized gain on investments and currencies, net  | 7,857   | 5,113   |
| Change in net unrealized appreciation on investments and other financial instruments  | (13,628)  | 16,887  |
| Distributions from net investment income related to preferred stock   |   | (168)   |
| Dividends to preferred stockholders   |   | (168)   |
| Net increase in net assets resulting from operations  | \$ 3,917  | \$ 43,490   |
| <b>From Fund Share Transactions:</b>  |   |   |
| Net asset value of 43,738 and 190,565 shares issued to common stockholders for reinvestment of dividends in 2013 and 2012               | 468   | 1,955   |
| <b>Distributions to Common Stockholders:</b>  |   |   |
| From net investment income (\$.33 and \$.97 per share in 2013 and 2012, respectively)   | \$ (7,595)  | \$ (22,470)   |
| Total net increase (decrease) in net assets   | \$ (3,210)  | \$ 22,975   |
| <b>Net Assets Applicable to Common Stock:</b>   |   |   |
| Beginning of period   | \$ 244,631  | \$ 221,656  |
| End of period (Including \$2,035 and \$249 of undistributed net investment income at June 30, 2013 and December 31, 2012, respectively) | \$ 241,421  | \$ 244,631  |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Financial Highlights****Selected Per Share Data and Ratios****For Each Share of Common Stock Outstanding Throughout the Period (b)**

|   | <b>For the<br/>Six Months<br/>Ended<br/>June 30, 2013<br/>(Unaudited)</b> | <b>2012</b>   | <b>For the Years Ended December 31,</b> |               |                | <b>2008</b>     |
|---|---|---------------|---|---------------|----------------|-----------------|
|   |   |               | <b>2011</b>                             | <b>2010</b>   | <b>2009</b>    |                 |
| <b>NET ASSET VALUE:</b>   |   |               |   |               |                |                 |
| Beginning of period   | \$ 10.49  | \$ 9.58       | \$ 10.17                                | \$ 9.44       | \$ 5.75        | \$ 9.70         |
| <b>NET INVESTMENT INCOME</b>  |   |               |   |               |                |                 |
|   | .41   | .93           | 1.03                                    | 1.06          | 1.06           | 1.10            |
| <b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND OTHER FINANCIAL INSTRUMENTS</b> |   |               |   |               |                |                 |
|   | (.24)   | .96           | (.57)                                   | .73           | 3.65           | (4.00)          |
| <b>DISTRIBUTIONS FROM NET INVESTMENT INCOME RELATED TO PREFERRED STOCK: (c)</b>               |   |               |   |               |                |                 |
|   |   | (.01)         | (.01)                                   | (.03)         | (.12)          | (.20)           |
| <b>TOTAL FROM INVESTMENT OPERATIONS</b>   | <b>.17</b>  | <b>1.88</b>   | <b>.45</b>                              | <b>1.76</b>   | <b>4.59</b>    | <b>(3.10)</b>   |
| <b>DISTRIBUTIONS TO COMMON SHAREHOLDERS:</b>  |   |               |   |               |                |                 |
| From net investment income  | (.33)   | (.97)         | (1.04)                                  | (1.03)        | (.90)          | (.85)           |
| <b>TOTAL DISTRIBUTIONS</b>  | <b>(.33)</b>  | <b>(.97)</b>  | <b>(1.04)</b>                           | <b>(1.03)</b> | <b>(.90)</b>   | <b>(.85)</b>    |
| <b>NET ASSET VALUE:</b>   |   |               |   |               |                |                 |
| End of period   | \$ 10.33  | \$ 10.49      | \$ 9.58                                 | \$ 10.17      | \$ 9.44        | \$ 5.75         |
| <b>PER SHARE MARKET VALUE:</b>  |   |               |   |               |                |                 |
| End of period   | \$ 10.06  | \$ 10.45      | \$ 10.21                                | \$ 9.96       | \$ 9.05        | \$ 4.50         |
| <b>TOTAL INVESTMENT</b>   | <b>(.67)%</b>   | <b>12.18%</b> | <b>13.61%</b>                           | <b>22.02%</b> | <b>126.88%</b> | <b>(40.53)%</b> |



RETURN†

† Total investment return is calculated assuming a purchase of common stock at the current market value on the first day and a sale at the current market value on the last day of each year reported. Dividends and distributions are assumed for purposes of this calculation to be reinvested at prices obtained under the dividend reinvestment plan. This calculation does not reflect brokerage commissions.

The accompanying notes are an integral part of these financial statements.

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## The New America High Income Fund, Inc.

**Financial Highlights****Selected Per Share Data and Ratios****For Each Share of Common Stock Outstanding Throughout the Period (b) Continued**

|  | <b>For the<br/>Six Months<br/>Ended<br/>June 30, 2013<br/>(Unaudited)</b> | <b>2012</b> | <b>For the Years Ended December 31,</b> |             |             | <b>2008</b> |
|--|---|-------------|---|-------------|-------------|-------------|
|  |   |             | <b>2011</b>                             | <b>2010</b> | <b>2009</b> |             |
| NET ASSETS, END OF PERIOD, APPLICABLE TO COMMON STOCK                    |   |             |   |             |             |             |
| (a)  | \$ 241,421  | \$244,631   | \$221,656                               | \$234,624   | \$217,224   | \$132,539   |
| NET ASSETS, END OF PERIOD, APPLICABLE TO PREFERRED STOCK                 |   |             |   |             |             |             |
| (a)(c)   |   |             | \$ 85,425                               | \$ 85,425   | \$ 85,425   | \$ 85,425   |
| TOTAL NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK, END OF PERIOD |   |             |   |             |             |             |
| (a)(c)   | \$ 241,421  | \$244,631   | \$307,081                               | \$320,049   | \$302,649   | \$217,964   |
| EXPENSE RATIOS:  |   |             |   |             |             |             |
| Ratio of interest expense to average net assets*                         | .42%**  | .06%        |   |             |             |             |
|  | .01%**  | .04%        | .04%                                    | .05%        | .04%        | .15%        |

|  |         |       |        |        |        |        |
|--|---------|-------|--------|--------|--------|--------|
| Ratio of preferred and other leverage expenses to average net assets*                  |         |       |        |        |        |        |
| Ratio of operating expenses to average net assets*                                     | 1.25%** | 1.38% | 1.42%  | 1.92%  | 1.55%  | 1.30%  |
| RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS*   | 1.68%** | 1.48% | 1.46%  | 1.97%  | 1.59%  | 1.45%  |
| RATIO OF NET INVESTMENT INCOME TO AVERAGE NET ASSETS*                                  | 7.78%** | 9.07% | 10.10% | 10.66% | 13.59% | 13.13% |
| RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK |         | 1.13% | 1.07%  | 1.43%  | 1.07%  | .92%   |
| (c) RATIO OF NET INVESTMENT INCOME   |         | 6.94% | 7.41%  | 7.76%  | 9.20%  | 8.31%  |

TO  
 AVERAGE  
 NET  
 ASSETS  
 APPLICABLE  
 TO  
 COMMON  
 AND  
 PREFERRED  
 STOCK

|                                      |        |        |        |        |        |        |
|--------------------------------------|--------|--------|--------|--------|--------|--------|
| (c)<br>PORTFOLIO<br>TURNOVER<br>RATE | 35.47% | 69.91% | 58.91% | 79.02% | 81.05% | 57.08% |
|--------------------------------------|--------|--------|--------|--------|--------|--------|

(a) Dollars in thousands.

(b) The per share data for 2008 has been adjusted to reflect a 1 for 5 reverse stock split in 2009.

(c) In November 2012, the preferred stock was redeemed. See Note 5 to the financial statements.

\* Ratios calculated on the basis of expenses and net investment income applicable to the common shares relative to the average net assets of the common stockholders only.

\*\* Annualized

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

Information Regarding  
Senior Securities

|   | June 30,<br>2013<br>(Unaudited) | 2012         | 2011         | As of December 31, |              |              | 2008         |
|---|---------------------------------|--------------|--------------|--------------------|--------------|--------------|--------------|
|   |                                 |              |              | 2010               | 2009         |              |              |
| TOTAL AMOUNT OUTSTANDING:                   |                                 |              |              |                    |              |              |              |
| Preferred Stock                             |                                 |              | \$85,425,000 | \$85,425,000       | \$85,425,000 | \$85,425,000 | \$85,425,000 |
| Credit Agreement                            | \$100,000,000                   | \$85,425,000 |              |                    |              |              |              |
| ASSET COVERAGE:                             |                                 |              |              |                    |              |              |              |
| Per Preferred Stock Share                   |                                 |              |              |                    |              |              |              |
| (1) \$                                      | \$                              | \$           | 89,869       | \$ 93,664          | \$ 88,572    | \$           | 63,788       |
| Per \$1,000 borrowed under Credit Agreement |                                 |              |              |                    |              |              |              |
| (2) \$                                      | 3,414                           | \$ 3,864     |              |                    |              |              |              |
| Credit Agreement Asset Coverage             |                                 |              |              |                    |              |              |              |
| (3)   | 341%                            | 386%         |              |                    |              |              |              |
| INVOLUNTARY LIQUIDATION PREFERENCE:         |                                 |              |              |                    |              |              |              |
| Per Preferred Stock Share                   |                                 |              |              |                    |              |              |              |
| (4)(5) \$                                   | \$                              | \$           | 25,000       | \$ 25,000          | \$ 25,000    | \$           | 25,000       |
| LIQUIDATION VALUE:                          |                                 |              |              |                    |              |              |              |
| Per Preferred Stock Share                   |                                 |              |              |                    |              |              |              |
| (4)(5) \$                                   | \$                              | \$           | 25,000       | \$ 25,000          | \$ 25,000    | \$           | 25,000       |

(1) Calculated by subtracting the Fund's total liabilities from the Fund's total assets and dividing such amount by the number of preferred shares outstanding.

(2) Calculated by subtracting the Fund's total liabilities excluding the amount borrowed under the credit facility, from the Fund's total assets and dividing such amount by the amount borrowed under the credit facility, (per \$1,000 of amount borrowed).

(3) Calculated by subtracting the Fund's total liabilities excluding the amount borrowed under the credit facility, from the Fund's total assets and dividing such amount by the amount borrowed under the credit facility.

(4) Plus accumulated and unpaid dividends.

(5) In January 2008, the Fund repurchased 600 shares of preferred stock at a price of \$25,000 per share. In October 2008, the Fund accepted an unsolicited offer to buy back and retire 1,183 shares of preferred stock at a price of \$16,250 per share. The Fund realized a gain of \$10,351,000 on this transaction. In November 2012, the Fund redeemed all outstanding shares of its preferred stock at the liquidation preference per share of \$25,000. See Note 5 to the financial statements.

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Statement of Cash Flows**

|   | <b>For the<br/>Six Months<br/>Ended<br/>June 30, 2013<br/>(Unaudited)</b> |
|---|---|
| <b>Cash Flows From Operating Activities:</b> (Dollars in thousands)   |   |
| Purchases of portfolio securities   | \$ (448,001)  |
| Sales and maturities of portfolio securities  | 430,033   |
| Interest and dividends received   | 11,486  |
| Other income  | 50  |
| Operating expenses paid   | (2,259)   |
| Net cash used by operating activities   | \$ (8,691)  |
| <b>Cash Flows From Financing Activities:</b>  |   |
| Credit facility borrowings  | 14,575  |
| Common stock dividends  | (12,980)  |
| Net cash provided by financing activities   | \$ 1,595  |
| <b>Net Decrease in Cash</b>   | <b>\$ (7,096)</b>   |
| <b>Cash at Beginning of Period</b>  | <b>7,366</b>  |
| <b>Cash at End of Period</b>  | <b>\$ 270</b>   |
| <b>Reconciliation of Net Increase in Net Assets Resulting from Operations to Net Cash Used by Operating Activities:</b> |   |
| Purchases of portfolio securities   | \$ (448,001)  |
| Sales and maturities of portfolio securities  | 430,033   |
| Net increase in net assets resulting from operations  | 3,917   |
| Amortization of interest  | 155   |
| Net realized gain on investments and currencies   | (7,857)   |
| Change in net unrealized appreciation on investments and other financial instruments                                    | 13,628  |
| Increase in interest and dividend receivable  | (405)   |
| Decrease in prepaid expenses  | 59  |
| Decrease in accrued expenses and other payables   | (220)   |
| Net cash used by operating activities   | \$ (8,691)  |
| <b>Supplemental Disclosure of Cash Flow Information:</b>  |   |
| Non-cash financing activities not included herein consist of reinvestment of dividend distributions                     | \$ 468  |

The accompanying notes are an integral part of these financial statements.





The New America High Income Fund, Inc.

**Notes to Financial Statements**  
**June 30, 2013 (Unaudited)**

**(1) Significant Accounting and Other Policies**

The New America High Income Fund, Inc. (the Fund) was organized as a corporation in the state of Maryland on November 19, 1987 and is registered with the Securities and Exchange Commission as a diversified, closed-end investment company under the Investment Company Act of 1940. The Fund commenced operations on February 26, 1988. The investment objective of the Fund is to provide high current income while seeking to preserve stockholders' capital through investment in a professionally managed, diversified portfolio of "high yield" fixed-income securities.

The Fund invests primarily in fixed maturity corporate debt securities that are rated less than investment grade. Risk of loss upon default by the issuer is significantly greater with respect to such securities compared to investment grade securities because these securities are generally unsecured and are often subordinated to other creditors of the issuer and because these issuers usually have high levels of indebtedness and are more sensitive to adverse economic conditions, such as a recession, than are investment grade issuers. In some cases, the collection of principal and timely receipt of interest is dependent upon the issuer attaining improved operating results, selling assets or obtaining additional financing.

The Fund may focus its investments in certain industries, subjecting it to greater risk than a Fund that is more diversified. See the schedule of investments for information on individual securities as well as industry diversification and credit quality ratings.

The Fund's financial statements have been prepared in conformity with accounting principles generally accepted in the United States for investment companies that require the management of the Fund to, among other things, make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts

of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

The following is a summary of significant accounting policies consistently followed by the Fund, which are in conformity with those generally accepted in the investment company industry.

(a) *Valuation of Investments* Investments for which market quotations are readily available are stated at market value, which is determined by using the most recently quoted bid price provided by an independent pricing service or principal market maker. Independent pricing services provide market quotations based primarily on quotations from dealers and brokers, market transactions, accessing data from quotations services, offering sheets obtained from dealers and various relationships between securities. Investments whose primary market is on an exchange are valued at the last sale price on the day of valuation. Short-term investments with original maturities of 60 days or less are stated at amortized cost, which approximates market value. Following procedures approved by the Board of Directors, investments for which market quotations are not yet available (primarily fixed-income corporate bonds and notes) are stated at fair value on the basis of subjective valuations furnished by one or more securities dealers and brokers. Other investments, for which market quotations are not readily available are valued in good faith at

fair value using methods approved by the Board of Directors. Fair value measurement is further discussed in section (f) of this footnote.

(b) *Foreign Currency* Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U. S. dollar amounts on the respective dates of such transactions.

The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2013 (Unaudited)**

arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transaction, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

(c) *Foreign Currency Forward Exchange Contracts* The Fund may enter into foreign currency forward exchange contracts to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities. When entering into a forward currency contract, the Fund agrees to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. 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 the statement of assets and liabilities. Realized and unrealized gains and losses are included in the statement of operations. These instruments involve market risk, credit risk or both kinds of risks, in excess of the amount recognized in the statement of assets and liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates.

(d) *Securities Transactions and Net Investment Income* Securities transactions are recorded on trade date. Realized gains or losses on sales of securities are

calculated on the identified cost basis. Interest income is accrued on a daily basis. Discount on short-term investments is amortized to investment income. Premiums or discounts on corporate debt securities are amortized based on the interest method for financial reporting purposes. All income on original issue discount and step interest bonds is accrued based on the effective interest method. The Fund does not amortize market premiums or discounts for tax purposes. Dividend payments received in the form of additional securities are recorded on the ex-dividend date in an amount equal to the value of the security on such date.

(e) *Federal Income Taxes* It is the Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders each year. Accordingly, no federal income tax provision is required.

(f) *Fair Value Measurement* The Fund applies ASC 820 "Fair Value Measurements and Disclosures". This standard establishes the definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements.

The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

The New America High Income Fund, Inc.

**Notes to Financial Statements    Continued**  
**June 30, 2013 (Unaudited)**

Level 3 Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

A description of the valuation techniques applied to the Fund's major asset and liability categories is as follows.

Debt securities (corporate, convertible & bank debt). The fair value of debt securities is provided by independent pricing services using quotations from dealers and brokers, market transactions, data from quotations services, offering sheets and various relationships between securities. While most corporate bonds are categorized in level 2 of the fair value hierarchy, there may

be instances where less observable inputs necessitate a level 3 categorization.

Equity securities (preferred and common stock). Equity securities for which the primary market is on an exchange will be valued at the last sale price on the day of valuation and are categorized in level 1 of the fair value hierarchy. Other equity securities traded in inactive markets or valued by independent pricing services using methods similar to debt securities are categorized in level 2. The fair value of equity securities in which observable inputs are unavailable are categorized in level 3.

Short-term investments. Short-term investments are valued using amortized cost, which approximates fair value. To the extent the inputs are observable and timely the values would be categorized in level 2 of the fair value hierarchy.

Forwards are valued at the unrealized gain or loss on the contract as measured by the difference between the forward exchange rates at the date of entry into the contract and the forward rates at the reporting date. Forwards are categorized in level 2 of the fair value hierarchy.

The following is a summary of the inputs used as of June 30, 2013 in valuing the Fund's investments:

|                                 | <b>Level 1<br/>Quoted<br/>Prices<br/><br/>(000's)</b> | <b>Level 2<br/>Significant<br/>Observable<br/>Inputs<br/><br/>(000's)</b> | <b>Level 3<br/>Significant<br/>Unobservable<br/>Inputs<br/><br/>(000's)</b> | <b>Total Value<br/><br/>(000's)</b> |
|---------------------------------|---|---|---|-------------------------------------|
| <b>Investments</b>              |   |   |   |                                     |
| Debt Securities*                | \$  | \$ 335,338  | \$  | \$ 335,338                          |
| Preferred Stock                 |   |   |   |                                     |
| Automobile                      | 838   |   |   | 838                                 |
| Broadcasting and Entertainment  |   | 361   |   | 361                                 |
| Containers, Packaging and Glass |   |   |   |                                     |

## The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2013 (Unaudited)**

|  | <b>Level 1<br/>Quoted<br/>Prices<br/>(000's)</b> | <b>Level 2<br/>Significant<br/>Observable<br/>Inputs<br/>(000's)</b> | <b>Level 3<br/>Significant<br/>Unobservable<br/>Inputs<br/>(000's)</b> | <b>Total Value<br/>(000's)</b> |
|--|--|--|--|--------------------------------|
| Finance                                      | \$   | \$ 1,069   | \$   | \$ 1,069                       |
| <b>Total<br/>Investments</b>                 | <b>\$ 838</b>                                    | <b>\$ 336,768</b>  | <b>\$</b>  | <b>\$ 337,606</b>              |
| Forward<br>Currency<br>Exchange<br>Contracts | \$   | \$ 277   | \$   | \$ 277                         |

\* Debt Securities All are level 2. Type of debt and industries are shown on the Schedule of Investments.

The Fund owns one Level 3 security with a value of zero at June 30, 2013. The value was determined by the Valuation Committee of the Fund's investment Advisor, T. Rowe Price, under procedures approved by the Board of Directors. The techniques used to arrive at this valuation have taken into account litigation involving the security with no settlement expected for the foreseeable future. The security is not trading and there is no guarantee that holders will receive any distribution. The security will continue to be valued at zero until trading commences, the occurrence of company-specific or industry events, or other market factors suggest the value should be changed.

The following is a reconciliation of Fund investments using Level 3 inputs for the period:

|  | <b>Equity<br/>Securities</b> |
|--|------------------------------|
| Balance, December 31, 2012                       | \$                           |
| Sales  |                              |
| Change in unrealized appreciation (depreciation) |                              |
| Realized gain (loss)                             |                              |
| Transfers to Level 3 from Level 2                |                              |
| Balance, June 30, 2013                           | \$                           |

Level 1 and Level 2 assets are evaluated on a quarterly basis for changes in listings or delistings on national exchanges.

Transfers between levels are recognized at the value at the end of the reporting period. During the six months ended June 30, 2013, the Fund recognized no transfers to Level 1 from Level 2.

**(2) Tax Matters and Distributions**

At June 30, 2013, the total cost of securities (including temporary cash investments) for federal income tax purposes was approximately \$335,184,000. Aggregate gross unrealized gain on securities in which there was an excess of value over tax cost was approximately \$8,408,000. Aggregate gross unrealized loss on securities in which there was an excess of tax cost over value was approximately \$5,986,000. Net unrealized gain on investments for tax purposes at June 30, 2013 was approximately \$2,422,000.

At December 31, 2012, the Fund had approximate capital loss carryovers available to offset future capital gains, if any, to the extent provided by regulations:

| <b>Carryover Available</b> | <b>Expiration Date</b> |
|----------------------------|------------------------|
| \$ 13,487,000              | December 31, 2016      |
| 26,830,000                 | December 31, 2017      |
| <b>\$ 40,317,000</b>       |                        |

It is the policy of the Fund to reduce future distributions of realized gains to shareholders to the extent of the unexpired capital loss carry forward.

The tax character of distributions paid to common and preferred shareholders of approximately \$22,638,000 and \$24,188,000 in 2012 and 2011, respectively, was from ordinary income.



## The New America High Income Fund, Inc.

**Notes to Financial Statements    Continued**  
**June 30, 2013 (Unaudited)**

As of December 31, 2012, the components of distributable earnings on a tax basis were approximately:

|                               |                |
|-------------------------------|----------------|
| Undistributed Ordinary income | \$ 174,000     |
| Unrealized Gain               | 16,577,000     |
| Capital Losses Carry Forward  | (40,317,000)   |
|                               | \$(23,566,000) |

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to market discount adjustments, wash sales and post-October losses. The Fund has recorded several reclassifications in the capital accounts to present undistributed net investment income and accumulated net realized losses on a tax basis. These reclassifications have no impact on the net asset value of the Fund. For the year ended December 31, 2012, permanent differences between book and tax accounting have been reclassified as follows:

Increase (decrease) in:

|  |             |
|--|-------------|
| Undistributed net investment income                        | \$ 41,000   |
| Accumulated net realized loss from securities transactions | \$ (36,000) |
| Capital in excess of par value                             | \$ (5,000)  |

Distributions on common stock are declared based upon annual projections of the Fund's investment company taxable income. The Fund records all dividends and distributions payable to shareholders on the ex-dividend date and declares and distributes income dividends monthly.

The Fund is required to amortize market discounts and premiums for financial reporting purposes. This results in additional interest income in some years and decreased interest income in others for financial reporting purposes only. The Fund does not amortize market discounts or premiums for tax purposes. Therefore, the additional or decreased interest income for financial

reporting purposes does not result in additional or decreased common stock dividend income.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years 2009-2011, or expected to be taken in the Fund's 2012 tax returns. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

**(3) Investment Advisory Agreement**

T. Rowe Price Associates, Inc. (T. Rowe Price), the Fund's Investment Advisor, earned approximately \$579,000 in management fees during the six months ended June 30, 2013. Management fees paid by the Fund to T. Rowe Price were calculated at 0.50% on the first \$50,000,000 of the Fund's average weekly net assets, 0.40% on the next \$50 million and 0.30% on average weekly net assets in excess of \$100 million. T. Rowe Price's fee is calculated based on assets attributable to the Fund's common stock and senior securities. At June 30, 2013, the fee payable to T. Rowe Price was approximately \$96,000, which was

included in accrued expenses on the accompanying statement of assets and liabilities.

**(4) Bank Credit Agreement**

On October 10, 2012 the Fund entered into a credit agreement with The Bank of Nova Scotia pursuant to which the Fund may borrow up to an aggregate amount of \$100,000,000. On November 8, 2012 the Fund borrowed \$85,425,000 through this credit facility to finance the scheduled redemption of all outstanding shares of its auction term preferred stock. On May 14, 2013 the

## The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2013 (Unaudited)**

Fund borrowed an additional \$14,575,000. The credit facility provides for an initial term of one year and may be extended with respect to amounts outstanding at the end of the initial term for an additional year at the option of the Fund. Amounts borrowed under the credit facility will bear interest at an adjustable rate based on a margin above LIBOR. The rate paid on these borrowings is approximately 1.093% and will be in effect until July 8, 2013 at which time the rate will be reset. For the six months ended June 30, 2013 the weighted average rate on the loan was approximately 1.168% and the maximum amount borrowed during the period was \$100,000,000. On June 30, 2013 the total amount outstanding on the loan was \$100,000,000.

The Fund pays a commitment fee to The Bank of Nova Scotia at a rate of .15% per annum for any unused portion of borrowings not to exceed \$100,000,000. For the six months ended June 30, 2013 the Fund paid approximately \$8,000 for this commitment.

The Fund has granted to The Bank of Nova Scotia a security interest in the investments and other assets of the Fund in accordance with the Credit Agreement.

**(5) Auction Term Preferred Stock (ATP)**

The Fund announced that on November 9, 2012 it consummated, as provided under the terms of its charter, the scheduled redemption of all outstanding shares of its ATP at the liquidation preference per share of \$25,000, plus all accrued and unpaid dividends to the date of redemption. As discussed in footnote 4, the aggregate amount of the redemption was financed through a credit facility with The Bank of Nova Scotia.

**(6) Purchases and Sales of Securities**

Purchases and proceeds of sales or maturities of long-term securities during the six months ended June 30, 2013 were approximately:

|                                 |                |
|---------------------------------|----------------|
| Cost of purchases               | \$ 138,391,000 |
| Proceeds of sales or maturities | \$ 118,202,000 |

**(7) Related Party Transactions**

The Fund paid approximately \$147,000 during the six months ended June 30, 2013 to two officers of the Fund for the provision of certain administrative services.

**(8) Derivative Contracts** (Currency Amounts in Thousands)

**Forward Currency Exchange Contracts** As of June 30, 2013 the Fund had forward currency exchange contracts outstanding as follows:

| Counterparty      | Settlement Date | Receive | Deliver | Unrealized Appreciation (Depreciation) |
|-------------------|-----------------|---------|---------|--|
| State Street Bank | 7/10/13         | USD 162 | GBP 106 | \$ 1                                   |

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|                           |         |           |           |      |
|---------------------------|---------|-----------|-----------|------|
| Royal Bank of<br>Scotland | 7/10/13 | USD 1,811 | GBP 1,188 | 4    |
| Royal Bank of<br>Scotland | 7/10/13 | USD 447   | GBP 292   | 4    |
| Citibank                  | 7/10/13 | USD 207   | GBP 136   |      |
| State Street Bank         | 7/10/13 | USD 244   | GBP 160   | 1    |
| UBS AG                    | 7/10/13 | USD 127   | GBP 82    | 2    |
| State Street Bank         | 7/10/13 | USD 681   | GBP 437   | 16   |
| State Street Bank         | 7/10/13 | USD 276   | GBP 182   |      |
| State Street Bank         | 7/10/13 | USD 459   | GBP 303   | (2)  |
| JPMorgan Chase            | 7/10/13 | USD 152   | GBP 100   |      |
| Barclays Capital          | 7/10/13 | GBP 426   | USD 662   | (14) |
| Morgan Stanley            | 8/12/13 | USD 496   | CHF 480   | (12) |
| State Street Bank         | 8/12/13 | CHF 29    | USD 31    | (1)  |

## The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2013 (Unaudited)**

| <b>Counterparty</b>  | <b>Settlement Date</b> | <b>Receive</b> | <b>Deliver</b> | <b>Unrealized Appreciation (Depreciation)</b> |
|--|------------------------|----------------|----------------|---|
| State Street Bank  | 9/12/13                | USD 15,183     | EUR 11,455     | \$ 268  |
| Merrill Lynch  | 9/12/13                | USD 281        | EUR 211        | 6   |
| Goldman Sachs  | 9/12/13                | USD 187        | EUR 140        | 5   |
| State Street Bank  | 9/12/13                | USD 122        | EUR 92         | 2   |
| Barclays Capital   | 9/12/13                | USD 131        | EUR 100        | 1   |
| State Street Bank  | 9/12/13                | USD 384        | EUR 295        | 1   |
| State Street Bank  | 9/12/13                | EUR 128        | USD 172        | (5)   |
| <b>Net unrealized gain on open forward currency exchange contracts</b> |                        |                |                | <b>\$ 277</b>                                 |

**Fair Value of Derivative Instruments** The fair value of derivative instruments as of June 30, 2013 was as follows:

| <b>Asset Derivatives</b>   |   |                   |
|----------------------------|---|-------------------|
| <b>June 30, 2013</b>       |   |                   |
|                            | <b>Statement of Assets and Liabilities Location</b>                 | <b>Fair Value</b> |
| Forward currency contracts | Unrealized gain on currency and forward currency exchange contracts | \$ 277            |

The effect of derivative instruments that are included on the Statement of Operations for the six months ended June 30, 2013 was as follows:

**Amount of Realized Loss on Derivatives**

|                            |  |          |
|----------------------------|--|----------|
| Forward currency contracts | Realized gain on investments and currencies, net | \$ (255) |
|----------------------------|--|----------|

**Change in Unrealized Depreciation on Derivatives**

|                            |  |        |
|----------------------------|--|--------|
| Forward currency contracts | Change in net unrealized appreciation on investments and other financial instruments | \$ 507 |
|----------------------------|--|--------|

**(9) Subsequent Events**

The Fund has evaluated the need for additional disclosures and/or adjustments resulting from subsequent events through the date the financial statements were issued. Based on this evaluation, no adjustments

were required to the financial statements as of June 30, 2013.



The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**Supplemental Information (Unaudited)**

**Availability of Portfolio Holdings**

The Fund provides a complete schedule of its portfolio holdings quarterly. The lists of holdings as of the end of the second and fourth quarters appear in the Fund's semi-annual and annual reports to shareholders, respectively. The schedules of portfolio holdings as of the end of the first and third quarters are filed with the Securities and Exchange Commission (the "SEC") on Form N-Q (the "Forms") within 60 days of the end of the first and third quarters. Shareholders can look up the Forms on the SEC's web site at [www.sec.gov](http://www.sec.gov). The Forms may also be reviewed and copied at the SEC's public reference room in Washington, D.C. You may call the SEC at 1-800-SEC-0330 for information about the SEC's web site and their public reference room. In addition, the Forms may be reviewed on the Fund's web site at [www.newamerica-hyb.com](http://www.newamerica-hyb.com).

**Compliance with CFTC Regulation of Transactions in Commodity Interests**

The Fund does not currently intend to engage in transactions in commodity interests such as futures contracts, options on futures contracts, and swaps. However, the Fund may in the future enter into interest rate transactions, such as swaps, caps, collars and floors for the purpose or with the effect of hedging its portfolio and/or its payment obligations with respect to senior securities. In addition, the Fund has reserved the right, subject to the approval of the Board of Directors, to purchase and sell financial futures contracts and options on such futures contracts for the purpose of hedging its portfolio securities (or portfolio securities which it expects to acquire) against anticipated changes in prevailing interest rates. To the extent it engages in transactions in commodity interests, the Fund expects their use to be limited such that its investment adviser is able to claim the exclusion from the definition of the term "commodity pool operator" available under Regulation 4.5 of the Commodity Futures Trading Commission under the Commodity Exchange Act, and is therefore not subject to regulation as a pool operator under the Commodity Exchange Act with respect to its management of the Fund.

**Common Stock Transactions**

The Fund may purchase shares of its Common Stock in the open market when the Common Stock trades at a discount to net asset value or at other times if the Fund determines such purchases are advisable. There can be no assurance that the Fund will take such action in the event of a market discount to net asset value or that Fund purchases will reduce a discount.



The New America High Income Fund, Inc.

**Directors**

Robert F. Birch  
Joseph L. Bower  
Bernard J. Korman  
Marguerite A. Piret

**Officer**

Ellen E. Terry President, Treasurer, Secretary

**Investment Advisor**

T. Rowe Price Associates, Inc.  
100 E. Pratt Street  
Baltimore, Maryland 21202

**Administrator**

The New America High Income Fund, Inc.  
33 Broad Street  
Boston, MA 02109  
(617) 263-6400

**Custodian**

State Street Corporation  
One Lincoln Street  
Boston, MA 02111

**Transfer Agent**

American Stock Transfer & Trust Company  
59 Maiden Lane  
New York, NY 10038  
(866) 624-4105  
Web site: [www.amstock.com](http://www.amstock.com)

Listed: NYSE  
Symbol: HYB  
Web site: [www.newamerica-hyb.com](http://www.newamerica-hyb.com)

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American Stock Transfer & Trust Company  
59 Maiden Lane  
New York, NY 10038

**The New  
America  
High Income  
Fund, Inc.**

**Semi-Annual**

**Report**

**June 30, 2013**

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Item 2 - Code of Ethics - Not required in semi-annual filing.

Item 3 - Audit Committee Financial Experts - Not required in a semi-annual filing.

Item 4 - Principal Accountant Fees and Services - Not required in semi-annual filing.

Item 5 - Audit Committee of Listed Registrant - Not required in semi-annual filing.

Item 6 - Schedule of Investments - Included as part of the report to shareholders filed under Item 1 of this Form.

Item 7 - Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies - Not required in semi-annual filing.

Item 8 - Portfolio Managers of Closed-End Management Investment Companies - Not required in semi-annual filing.

Item 9 - Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers - Not applicable.

Item 10 - Submission of Matters to a Vote of Security Holders - Not applicable.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The Fund's principal executive officer and principal financial officer concluded that the Fund disclosure controls and procedures (as defined in Rule 30a-3(c) under the 1940 Act) provide reasonable assurances that information required to be disclosed by the Fund on Form N-CSR is recorded, processed, summarized and reported within the required time periods and that information required to be disclosed by the Fund in the reports that it files or submits on Form N-CSR is accumulated and communicated to the Fund's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure, based on their evaluation of the disclosure controls and procedures as of a date within 90 days of the filing date of this report.

(b) There was no change in the Fund's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the Fund's second fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Fund's internal control over financial reporting.

ITEM 12. EXHIBITS.

- (a)(1) Not Applicable.
- (a)(2) The certifications required by Rule 30a-2(a) under the 1940 Act.
- (a)(3) Not Applicable.
- (b) The certifications required by Rule 30a-2(b) under the 1940 Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

The New America High Income Fund, Inc.

By: /s/ Ellen E. Terry  
Name: Ellen E. Terry  
Title: President  
Date: September 3, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Ellen E. Terry  
Name: Ellen E. Terry  
Title: President and Treasurer  
Date: September 3, 2013