

GLOBAL HIGH INCOME DOLLAR FUND INC  
Form N-CSR  
December 29, 2004

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: 811-07540  
-----

Global High Income Dollar Fund Inc.  
-----

(Exact name of registrant as specified in charter)

51 West 52nd Street, New York, New York 10019-6114  
-----

(Address of principal executive offices)

(Zip code)

Mark F. Kemper, Esq.  
UBS Global Asset Management (US) Inc.  
51 West 52nd Street  
New York, NY 10019-6114  
-----

(Name and address of agent for service)

Copy to:  
Jack W. Murphy, Esq.  
Dechert LLP  
1775 I Street, N.W.  
Washington, DC 20006-2401

Registrant's telephone number, including area code: 212-882 5000  
-----

Date of fiscal year end: October 31  
-----

Date of reporting period: October 31, 2004  
-----

ITEM 1. REPORTS TO STOCKHOLDERS.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

GLOBAL HIGH INCOME  
DOLLAR FUND INC.  
ANNUAL REPORT  
OCTOBER 31, 2004

GLOBAL HIGH INCOME DOLLAR FUND INC.

# Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

December 15, 2004

DEAR SHAREHOLDER,

We present you with the annual report for Global High Income Dollar Fund for the fiscal year ended October 31, 2004.

## PERFORMANCE

Over the one-year period, Global High Income Dollar Fund's (the "Fund") net asset value return was 15.12%, outperforming the 13.41% return of its peers, as measured by the Lipper Emerging Markets Debt Funds median. On a market price basis, the Fund returned 18.68% over the fiscal year, outperforming the median's return of 12.47% over the same timeframe. (For more on the Fund's performance, please refer to "Performance At A Glance" on page 5.)

The Fund's strong absolute and relative performance was largely the result of strong country and security allocation. The Fund did not use leverage during the reporting period as did some of its peers. Leverage tends to magnify a Fund's upside and downside returns.

## AN INTERVIEW WITH PORTFOLIO MANAGER UWE SCHILLHORN

### Q. HOW DID THE EMERGING DEBT MARKETS PERFORM OVER THE PERIOD?

A. Emerging markets debt, as measured by the JP Morgan Emerging Markets Bond Index--Global (EMBI--G), came in strong, returning 12.79% over the fiscal year. In comparison, government bonds in developed markets returned 4.69%, as measured by the Citigroup World Government Bond Index (WGBI), on a currency-hedged basis in US dollars.

The emerging debt markets experienced periods of volatility during the fiscal year, but ultimately generated strong results. As the reporting period began, solid economic growth in the US and abroad, improving credit trends and strong investor demand for higher yielding securities led to solid returns for emerging markets debt. However, as 2004 began, strengthening global economic growth quickly gave way to concerns over the increased likelihood of rising interest rates. This caused investors to become more risk averse, and demand for emerging markets debt fell sharply.

[SIDENOTE]

GLOBAL HIGH INCOME DOLLAR FUND INC.

### INVESTMENT GOALS:

Primarily, high level of current income; secondarily, capital appreciation.

### PORTFOLIO MANAGEMENT:

Portfolio Management Team, including Uwe Schillhorn

UBS Global Asset Management (US) Inc.

### COMMENCEMENT:

October 8, 1993

### NYSE SYMBOL:

GHI

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

### DIVIDEND PAYMENTS:

Monthly

1

The markets' weakness persisted through the second quarter of 2004, before a sharp rally took place during the final four months of the fiscal year. Rising oil and commodity prices helped drive positive growth prospects in developing countries. In addition, it appeared that interest rates would be raised at a measured pace. This, combined with a number of positive country-specific events and rising investor demand, caused emerging markets debt spreads to decline sharply (a spread is the difference in yield between debt obligations of different categories).

Q. WHAT WERE SOME OF THE PORTFOLIO POSITIONING STRATEGIES YOU EMPLOYED DURING THE FISCAL YEAR?

A. Throughout the period, we proactively adjusted the portfolio's exposure in Brazil. Early in the period we held an overweight position in the country, as the Lula administration successfully met the country's fiscal deficit targets and championed tax and social security reform. ("Overweight" or "underweight" refers to the Fund's degree of investment in a category of investments versus that of a benchmark index.) However, in January 2004, we shifted to an underweight position. While economic growth in Brazil was expected to continue, we felt this was already priced into the market, and that there was limited upside potential for its debt. Our underweight position proved beneficial as Brazil's bonds subsequently declined in price. We then moved to a market weight in Brazil after spreads widened, and we felt they were more in line with the country's economic fundamentals. This adjustment enhanced performance as growth and fiscal performance in Brazil strengthened as the year progressed. Spreads then declined even further in September 2004, at which time Standard & Poor's raised the country's credit rating from B+ to BB-.

Q. DID THE FUND'S DURATION POSITION AID PERFORMANCE OVER THE REPORTING PERIOD?

A. Overall, our US interest rate duration strategy enhanced results. During the first half of the reporting period, the Fund was generally neutral versus the benchmark. However, we were underweight the five-year portion of the yield curve and overweight 30-year securities. This enhanced portfolio performance, as shorter-term securities underperformed as yields rose (and prices fell) and the longer end of the yield curve outperformed. In the second half of the reporting period, the Fund moved to an underweight position in 30-year securities versus the benchmark. This did not have any significant consequences on relative performance.

2

Q. WERE THERE ANY STRATEGIES THAT DETRACTED FROM RESULTS?

A. While the Fund's overall country allocation position was a positive for performance over the fiscal year, there were a few strategies that detracted from results. For example, the Fund's underweight in Turkey was an overall negative for relative performance. We initially had no exposure to the country, as bond spreads were relatively low. However, spreads declined even further based on expectations that the country would gain membership in the European Economic Union (EEU). At that point, we believed spread levels were well past their intrinsic, or true, values. Spreads subsequently widened, and we took the opportunity to establish an approximate 5% allocation to the

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

country, which was nearly in line with the benchmark. However, we again moved to a meaningful underweight in Turkey after a strong rally occurred in conjunction with positive news about the country's potential membership in the EEU.

Oil-exporting countries performed well due to high oil prices. As a result, the Fund's underweight in Venezuela subsequently detracted from relative performance, although this was compensated for by an overweight in Ecuador.

### Q. HOW WERE YOU POSITIONED IN OTHER EMERGING MARKET COUNTRIES?

A. We continued to have overweights in countries with relatively high credit quality that we believe were attractively valued given their underlying economic fundamentals. Such countries included Russia, Serbia and Bulgaria. Our overweight in performing Argentine local debt enhanced results, as Argentine US dollar-denominated debt performed well on the back of strong fiscal performance and expectations of further improvements in the country's debt-restructuring plans.

We were mostly underweight in Mexico during the fiscal year. This did not have a material impact on performance, as Mexico did not outperform other emerging market countries in the same rating category.

### Q. WHAT IS YOUR OUTLOOK FOR THE GLOBAL ECONOMY AND EMERGING MARKETS DEBT IN THE COMING MONTHS?

A. It is widely expected that the Federal Reserve Board will have to continue to raise interest rates at a measured pace. We don't expect spreads to tighten significantly from their current levels, as we believe the improving macroeconomic picture for many emerging markets has already been priced into their bond prices. We expect growth in emerging markets to remain relatively high, but somewhat lower than over the last 12 months. Based on this outlook, the Fund currently is neutrally positioned in terms of credit exposure. Presently, our interest rate duration remains shorter than that of the benchmark.

3

We thank you for your continued support and welcome any comments or questions you may have. For additional information on the UBS funds,\* please contact your financial advisor or visit us at [www.ubs.com](http://www.ubs.com).

Sincerely,

/s/ Joseph A. Varnas

/s/ Uwe Schillhorn

JOSEPH A. VARNAS  
PRESIDENT  
Global High Income Dollar Fund Inc.  
MANAGING DIRECTOR  
UBS Global Asset Management (US) Inc.

UWE SCHILLHORN  
PORTFOLIO MANAGEMENT TEAM MEMBER  
Global High Income Dollar Fund Inc.  
DIRECTOR  
UBS Global Asset Management (US) Inc.

\* Mutual funds are sold by prospectus only. The prospectus contains more complete information regarding investment objectives, risks, charges and expenses, and should be read carefully before investing.

This letter is intended to assist shareholders in understanding how the Fund performed during the fiscal year ended October 31, 2004, and reflects our views at the time of its writing. Of course, these views may change in response to changing circumstances, and they do no guarantee the future performance of the

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

markets or the Fund. We encourage you to consult your financial advisor regarding your personal investment program.

4

### PERFORMANCE AT A GLANCE (UNAUDITED)

AVERAGE ANNUAL RETURNS FOR PERIODS ENDED 10/31/04

NET ASSET VALUE RETURNS*	6 MONTHS	1 YEAR	5 YEARS	10 YEARS
Global High Income Dollar Fund Inc.	13.05%	15.12%	15.70%	13.43%
Lipper Emerging Market Debt Funds median**	11.35	13.41	17.27	14.16
MARKET PRICE RETURNS*				
Global High Income Dollar Fund Inc.	18.49%	18.68%	22.80%	16.98%
Lipper Emerging Market Debt Funds median**	16.27	12.47	20.09	14.90

\* Past Performance does not predict future performance. The return and value of an investment will fluctuate, so that an investor's shares, when sold, may be worth more or less than their original cost. NAV return assumes, for illustration only, that dividends were reinvested at the net asset value on the distribution dates. Market returns assume that dividends are reinvested at prices according to the dividend reinvestment plan. NAV and market price returns for periods of one year or less have not been annualized. Returns do not reflect taxes paid on dividends/distributions or brokerage commissions and taxes paid on the sale of shares.

\*\* Lipper closed-end fund peer group data calculated by Lipper Inc.; used with permission. The Lipper median is the return of the fund that places in the middle of the Lipper Emerging Market Debt Funds peer group.

5

### PORTFOLIO STATISTICS

CHARACTERISTICS*	10/31/04	4/30/04	10/31/03
Net Asset Value	\$ 16.43	\$ 15.34	\$ 15.92
Market Price	\$ 18.31	\$ 16.26	\$ 17.07
12-Month Dividends/ Distributions	\$ 1.7443	\$ 1.7667	\$ 1.6840
Dividend/Distribution at Period-End	\$ 0.1488	\$ 0.1486	\$ 0.1461
Net Assets (mm)	\$ 319.4	\$ 298.2	\$ 309.5
CURRENCY EXPOSURE**	10/31/04	4/30/04	10/31/03
U.S. Dollar Denominated	98.3%	95.8%	98.2%
Foreign Denominated	1.7	4.2	1.8
TOTAL	100.0%	100.0%	100.0%

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

TOP 10 COUNTRIES (EXCLUDING U.S.)**					
	10/31/04		4/30/04		10/31/03
Brazil	22.4%	Brazil	21.4%	Brazil	20.0%
Russia	13.8	Russia	19.4	Russia	17.0
Mexico	10.1	Mexico	12.6	Mexico	14.4
Argentina	8.4	Argentina	4.9	Venezuela	5.0
Malaysia	4.4	Colombia	4.9	Trinidad & Tobago	3.2
Turkey	4.2	Venezuela	3.8	Panama	3.2
Philippines	3.6	Bulgaria	3.2	Malaysia	3.2
Colombia	3.5	Malaysia	3.2	Peru	2.7
Germany	3.1	Poland	2.4	Philippines	2.3
Ecuador	3.1	South Africa	2.3	Colombia	2.0
TOTAL	76.6%		78.1%		73.0%

CREDIT QUALITY**			
	10/31/04	4/30/04	10/31/03
A1/P1	--	--	8.7%
A	4.7%	13.4%	2.1
BBB	25.9	14.9	24.2
BB	41.3	34.9	28.2
B	8.6	26.7	22.4
CCC	9.3	7.0	8.9
Selective Default	--	0.9	1.9
Non-Rated	6.0	2.2	1.6
Cash Equivalents	3.2	--	--
Other assets			
less liabilities	1.0	--	--
Net Receivable	--	--	2.0
TOTAL	100.0%	100.0%	100.0%

\* Prices and other characteristics will vary over time.

\*\* Weightings represent percentages of net assets as of the dates indicated. The Fund's portfolio is actively managed and its composition will vary over time. Credit quality ratings shown are based on those assigned by Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and/or Moody's Investors Services, Inc. to individual portfolio holdings. Both are independent ratings agencies.

Past performance is no guarantee of future results. The value of an investment will fluctuate, so that an investor's shares, when sold, may be worth more or less than their original cost.

GLOBAL HIGH INCOME DOLLAR FUND INC.

Portfolio of Investments -- October 31, 2004

PRINCIPAL  
AMOUNT

MATURITY

INTEREST

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

(000)		DATES	RATES
FOREIGN DEBT SECURITIES--95.80%			
ARGENTINA--8.38%			
\$ 5,270	Banco de Galicia y Buenos Aires	01/01/14	3.000%+
21,940	Republic of Argentina (1)	08/03/12	1.980++
ARS 4,270	Republic of Argentina	01/03/10	2.000
\$ 3,950	Republic of Argentina	01/03/16	2.000
5,000	Republic of Argentina, PAR (1)	03/31/23	6.000
BAHAMAS--1.27%			
3,760	Odebrecht Overseas Ltd., 144A	02/25/09	11.500
BRAZIL--22.35%			
2,340	Braskem S.A., 144A	11/05/08	12.500
2,038	Federal Republic of Brazil	04/15/12	3.125++
1,200	Federal Republic of Brazil	01/20/34	8.250
1,520	Federal Republic of Brazil	10/14/19	8.875
8,270	Federal Republic of Brazil	04/15/24	8.875
320	Federal Republic of Brazil	05/15/27	10.125
3,430	Federal Republic of Brazil	03/12/08	11.500
37,814	Federal Republic of Brazil, C	04/15/14	8.000
3,512	Federal Republic of Brazil, DCB	04/15/12	3.125++
6,000	Federal Republic of Brazil, DISC	04/15/24	3.063++
6,650	Federal Republic of Brazil, PAR	04/15/24	6.000++
BULGARIA--0.96%			
2,450	Republic of Bulgaria	01/15/15	8.250
COLOMBIA--3.48%			
7,890	Republic of Colombia	04/09/11	9.750
1,840	Republic of Colombia	01/28/33	10.375
ECUADOR--3.12%			
6,280	Republic of Ecuador	08/15/30	8.000+
5,500	Republic of Ecuador, 144A	08/15/30	8.000+
EL SALVADOR--1.43%			
1,450	Republic of El Salvador	09/21/34	7.625
3,070	Republic of El Salvador	04/10/32	8.250

7

PRINCIPAL AMOUNT (000)		MATURITY DATES	INTEREST RATES
FOREIGN DEBT SECURITIES--(CONTINUED)			
GERMANY--3.11%			
\$ 8,500	Aries Vermögensverwaltungs, 144A	10/25/14	9.600%

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

INDONESIA--0.72%				
	2,988	Republic of Indonesia Loan Participation (Deutsche Bank AG, Singapore Branch) (2) (3)	12/14/19	2.760++
IVORY COAST--0.33%				
	5,700	Republic of Ivory Coast (3)	03/29/18	2.000++
MALAYSIA--4.39%				
	3,000	Petroliam Nasional Berhad	10/15/26	7.625
	4,784	Petroliam Nasional Berhad, 144A	10/15/26	7.625
	3,800	Petronas Capital Ltd.	05/22/22	7.875
MEXICO--10.03%				
	3,170	Conproca S.A. de C.V.	06/16/10	12.000
	752	PEMEX Finance Ltd.	05/15/07	8.020
	5,500	PEMEX Project Funding Master Trust	02/01/22	8.625
	3,000	PEMEX Project Funding Master Trust	10/13/10	9.125
	1,250	Petroleos Mexicanos	03/30/18	9.250
	3,317	United Mexican States	04/08/33	7.500
	10,574	United Mexican States	08/15/31	8.300
NETHERLANDS--1.64%				
EUR	606	ING Bank NV (3)	05/31/09	7.540*
	1,093	ING Bank NV (3)	05/31/10	7.730*
	2,136	ING Bank NV (3)	05/31/11	7.910*
	1,115	ING Bank NV (3)	05/31/13	8.040*
	781	ING Bank NV (3)	05/31/14	8.070*
	1,373	ING Bank NV (3)	05/31/12	8.080*
PANAMA--2.23%				
\$	3,920	Republic of Panama	09/30/27	8.875
	2,790	Republic of Panama	01/16/23	9.375

8

PRINCIPAL AMOUNT (000)			MATURITY DATES	INTEREST RATES
-----				
FOREIGN DEBT SECURITIES-- (CONTINUED)				
PERU--2.42%				
\$	1,610	Republic of Peru	05/03/16	8.375%
	1,100	Republic of Peru	02/06/15	9.875
	5,330	Republic of Peru, FLIRB	03/07/17	4.500++
PHILIPPINES--3.55%				
	7,160	Republic of Philippines	01/18/17	9.375
	3,935	Republic of Philippines	01/15/19	9.875



Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

RUSSIA--13.77%				
	8,060	Russian Federation	05/14/11	3.000
	13,180	Russian Federation	03/31/30	5.000+
	18,984	Russian Federation, 144A	03/31/30	5.000+
	4,624	Russian Federation, 144A	03/31/10	8.250
SOUTH AFRICA--1.81%				
	3,500	Republic of South Africa	04/25/12	7.375
	1,500	Republic of South Africa	05/19/09	9.125
TURKEY--4.20%				
TRL	4,900,000,000	Republic of Turkey	10/05/05	0.000*
\$	2,000	Republic of Turkey	10/06/05	5.960
	1,980	Republic of Turkey	03/15/15	7.250
	1,060	Republic of Turkey	02/14/34	8.000
	2,830	Republic of Turkey	06/30/11	9.000
	2,030	Republic of Turkey	01/15/14	9.500
UKRAINE--2.87%				
	3,600	Republic of Ukraine	06/11/13	7.250
	5,430	Republic of Ukraine	06/11/13	7.650
URUGUAY--1.05%				
	4,101	Republic of Uruguay	01/15/33	7.875
	36	Republic of Uruguay, PIK	01/15/33	7.875
VENEZUELA--2.69%				
	1,520	Republic of Venezuela	10/08/14	8.500

9

PRINCIPAL AMOUNT (000)		MATURITY DATES	INTEREST RATES
------------------------------	--	-------------------	-------------------

FOREIGN DEBT SECURITIES-- (CONCLUDED)

VENEZUELA-- (CONCLUDED)				
\$	3,980	Republic of Venezuela	09/15/27	9.250%
	2,900	Republic of Venezuela	01/13/34	9.375

Total Foreign Debt Securities (cost--\$279,492,557)

NUMBER OF  
RIGHTS  
(000)

RIGHTS--0.04%

MEXICO--0.04%

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

1,885 United Mexican States Value Recovery Rights,  
Series C, Expiration Date 06/30/05 (5)  
1,885 United Mexican States Value Recovery Rights,  
Series D, Expiration Date 06/30/06 (5)  
1,885 United Mexican States Value Recovery Rights,  
Series E, Expiration Date 06/30/07 (5)

VENEZUELA--0.00%

27 Venezuela Oil Indexed Payment Obligations,  
Expiration Date 4/15/20 (3) (4) (5)

Total Rights (cost--\$0)

NUMBER OF  
SHARES  
(000)

SHORT-TERM INVESTMENT\*\*--3.17%

UNITED STATES--3.17%

10,119 UBS Supplementary Trust U.S. Cash  
Management Prime Fund  
(cost--\$10,118,548)

1.8500

Total Investments (cost--\$289,611,105)--99.01%

Other assets in excess of liabilities--0.99%

Net Assets--100.00%

10

Note: The Portfolio of Investments is listed by the issuer's country of origin.

+ Reflects rate at October 31, 2004 on step coupon rate instruments.

++ Reflects rate at October 31, 2004 on variable rate instruments.

\* Reflects annualized yield at October 31, 2004 on zero coupon bonds.

\*\* Security is issued by a fund that is advised by a related entity of UBS  
Global Asset Management (US) Inc., Global High Income Dollar Fund Inc.'s  
advisor.

@ Interest rate reflects yield at October 31, 2004.

(1) Bond interest in default.

(2) Participation interest was acquired through the financial institution  
indicated parenthetically.

(3) Illiquid securities represent a value of \$8,601,515 or 2.69% of net  
assets.

(4) Security is being fair valued by a valuation committee under the direction  
of the Board of Directors. At October 31, 2004, the value of these  
securities amounted to \$0 or 0.00% of net assets.

(5) Rights do not currently accrue income. Quarterly income, if any, will vary  
based on several factors including oil exports, prices, and inflation.

ARS Argentina Peso

C Front-Loaded Interest Reduction with Capitalized Interest Bond

DCB Debt Conversion Bond

DISC Discount Bond

EUR Euro

FLIRB Front-Loaded Interest Reduction Bond

PAR Par Bond

PIK Payment in Kind

TRL Turkish Lira

144A Security exempt from registration under Rule 144A of the Securities Act of  
1933. These securities are considered liquid and may be resold in

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

transactions exempt from registration, normally to qualified institutional buyers. At October 31, 2004, the value of these securities amounted to \$51,150,849 or 16.02% of net assets.

11

### FUTURES CONTRACTS

NUMBER OF CONTRACTS	CONTRACTS TO RECEIVE	IN EXCHANGE FOR	EXPIRATION DATES	UNREAL APPRECIATION (DEPRECIATION)
110	U.S. Treasury Note 5 Year Futures	\$ 12,143,000	December 2004	\$ 10
	CONTRACTS TO DELIVER			
174	U.S. Long Bond 20 Year Futures (Chicago Board of Trade)	19,421,975	December 2004	(38) \$ (27)

### FORWARD FOREIGN CURRENCY CONTRACTS

	CONTRACTS TO DELIVER	IN EXCHANGE FOR	MATURITY DATE	UNREAL DEPRECIATION
Euro	3,900,000	USD 4,825,821	01/21/05	\$ (14)

### CURRENCY TYPE ABBREVIATIONS:

USD United States Dollar

### INDUSTRY DIVERSIFICATION AS A PERCENT OF NET ASSETS AS OF OCTOBER 31, 2004

Foreign Debt Securities

- International Corporate Bonds
  - Oil/Gas
  - Financial Services
  - Industrials
  - Minerals
- Total International Corporate Bonds
- Foreign Government Bonds
- Total Foreign Debt Securities
- Rights
- Short-Term Investment
- Total Investments
- Other assets in excess of liabilities
- Net Assets

# Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

See accompanying notes to financial statements

12

GLOBAL HIGH INCOME DOLLAR FUND INC.

Statement of Assets and Liabilities -- October 31, 2004

ASSETS:

Investments in securities of unaffiliated issuers, at value (cost--\$279,492,557)	\$	306,0
Investments in securities of a related entity, at value (cost--\$10,118,548)		10,1
Foreign currency, at value (cost--\$105)		1,9
Cash collateral for futures contracts		3,0
Interest receivable		2,5
Receivable for investments sold		323,7
Other assets		
Total assets		323,7

LIABILITIES:

Payable for investments purchased		3,5
Payable to investment advisor and administrator		3
Unrealized depreciation on forward foreign currency contracts		1
Variation margin payable		
Directors fees payable		
Accrued expenses and other liabilities		2
Total liabilities		4,4

NET ASSETS:

Capital stock--\$0.001 par value; 100,000,000 shares authorized; 19,439,667 shares issued and outstanding		268,2
Distributions in excess of net investment income		(2
Accumulated net realized gain from investment transactions		25,2
Net unrealized appreciation of investments, futures, forward foreign currency contracts, and other assets and liabilities denominated in foreign currencies		26,1
Net assets	\$	319,3
Net asset value per share	\$	

See accompanying notes to financial statements

13

Statement of Operations

FOR THE  
ENDE  
OCTOBER 31

INVESTMENT INCOME:

Interest income net of foreign withholding taxes of \$1,069 (includes \$73,218 from a related entity)	\$	23,4
Securities lending income--net		23,4

EXPENSES:

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

Investment advisory and administration fees	3,8
Custody and accounting fees	2
Professional fees	
Reports and notices to shareholders	
Transfer agency fees	
Directors' fees	
Other expenses	4,3
Net investment income	19,1
REALIZED AND UNREALIZED GAINS (LOSSES) FROM INVESTMENT ACTIVITIES:	
NET REALIZED GAIN (LOSS) FROM:	
Investment transactions	39,6
Foreign currency transactions	(3
Futures	1,1
NET CHANGE IN UNREALIZED APPRECIATION/DEPRECIATION OF:	
Investments	(15,5
Futures	(2
Other assets, liabilities and forward foreign currency contracts	
Net realized and unrealized gains from investment activities	24,6
Net increase in net assets resulting from operations	\$ 43,7

See accompanying notes to financial statements

14

Statement of Changes in Net Assets

	FOR THE YEARS ENDED OCTOBER 31,	
	2004	2003
FROM OPERATIONS:		
Net investment income	\$ 19,115,856	\$ 19,877,411
Net realized gain from investment transactions	39,638,312	12,426,980
Net realized gain from futures and foreign currency transactions	816,652	2,143,359
Net change in unrealized appreciation/depreciation of:		
Investments	(15,591,446)	33,037,627
Futures	(222,228)	(56,359)
Other assets, liabilities and forward foreign currency contracts	(5,537)	(144,666)
Net increase in net assets resulting from operations	43,751,609	67,284,352
DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income	(18,957,163)	(22,097,218)
Net realized gains	(14,951,448)	(10,316,523)
Return of capital	--	(322,658)
Total dividends and distributions to shareholders	(33,908,611)	(32,736,399)
Net increase in net assets	9,842,998	34,547,953
NET ASSETS:		
Beginning of year	309,516,418	274,968,465
End of year	\$ 319,359,416	\$ 309,516,418
Distributions in excess of net investment income	\$ (282,947)	\$ (711,053)

See accompanying notes to financial statements

15

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

GLOBAL HIGH INCOME DOLLAR FUND INC.

Notes to Financial Statements

### ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Global High Income Dollar Fund Inc. (the "Fund") was incorporated in Maryland on February 23, 1993 and is registered with the Securities and Exchange Commission as a closed-end, non-diversified management investment company whose shares trade on the New York Stock Exchange ("NYSE"). The Fund's primary investment objective is to achieve a high level of current income. As a secondary objective the Fund seeks capital appreciation, to the extent consistent with it's primary objective.

In the normal course of business the Fund enters into contracts that contain a variety of representations that provide general indemnification. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires Fund management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies:

VALUATION OF INVESTMENTS--The Fund calculates its net asset value based on the current market value, where available, for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing sources and broker-dealers. Independent pricing sources may use reported last sale prices, current market quotations or valuations from computerized "matrix" systems that derive values based on comparable securities. A matrix system incorporates parameters such as security quality, maturity and coupon, and/or research and evaluations by its staff, including review of broker-dealer market price quotations, if available, in determining the valuation of the portfolio securities. Securities traded in the over-the-counter ("OTC") market and listed on The Nasdaq Stock Market, Inc. ("Nasdaq") normally are valued at the NASDAQ Official Closing Price. Other OTC securities are valued at the last bid price available on the valuation date prior to valuation. Securities which are listed on U.S. and foreign stock exchanges normally are valued at the last sale price on the day the securities are valued or, lacking any sales on such day, at the last available bid price. In cases where securities are traded on more than one exchange, the securities are valued on the exchange designated as the primary market by UBS Global Asset Management (US) Inc. ("UBS Global AM"), the investment advisor and administrator of the Fund. UBS Global AM is an indirect wholly owned asset management subsidiary of UBS AG, an internationally diversified organization with headquarters in Zurich, Switzerland and operations in many areas of the financial services industry. If a market value is not available from an independent pricing source for a particular security, that security is valued at fair value as determined in good faith by or under the direction of the Fund's board of directors (the "Board").

16

All investments quoted in foreign currencies will be valued weekly in U.S. dollars on the basis of the foreign currency exchange rates.

Foreign currency exchange rates are generally determined prior to the close of

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

the NYSE. Occasionally, events affecting the value of foreign investments and such exchange rates occur between the time at which they are determined and the close of the NYSE, which will not be reflected in the computation of the Fund's net asset value. If events materially affecting the value of such securities or currency exchange rates occur during such time periods, the securities will be valued at their fair value as determined in good faith by or under the direction of the Board.

INVESTMENT TRANSACTIONS AND INVESTMENT INCOME--Investment transactions are recorded on the trade date. Realized gains and losses from investment and foreign exchange transactions are calculated using the identified cost method. Interest income is recorded on an accrual basis. Discounts are accreted and premiums are amortized as adjustments to interest income and the identified cost of investments.

FOREIGN CURRENCY TRANSLATION--The books and records of the Fund are maintained in U.S. dollars using the WM/Reuters closing spot rates as of 4:00 pm London time. For purposes of calculating the U.S. dollar equivalent value of a non-U.S. dollar denominated obligation, foreign currency amounts are translated into U.S. dollars on the following basis: (1) market value of investment securities and other assets and liabilities - at the exchange rates prevailing at the end of the Fund's fiscal period; and (2) purchases and sales of investment securities and income and expenses - at the rates of exchange prevailing on the respective dates of such transactions.

Although the net assets and the market value of the Fund's portfolio are presented at the foreign exchange rates at the end of the Fund's fiscal period, the Fund does not generally isolate the effect of fluctuations in foreign exchange rates from the effect of the changes in market prices of securities. However, the Fund does isolate the effect of fluctuations in foreign exchange rates when determining the gain or loss upon the sale or maturity of foreign currency-denominated securities pursuant to U.S. federal income tax regulations. Certain foreign exchange gains and losses included in realized and unrealized gains and losses are included in or are a reduction of ordinary income in accordance with U.S. federal income tax regulations.

FORWARD FOREIGN CURRENCY CONTRACTS--The Fund may enter into forward foreign currency exchange contracts ("forward contracts") in connection with planned purchases or sales of securities or to hedge the U.S. dollar value of portfolio securities denominated in a particular currency. The Fund may also use forward contracts to enhance income.

The Fund has no specific limitation on the percentage of assets which may be committed to such contracts. The Fund may enter into forward contracts or

17

maintain a net exposure to forward contracts only if (1) the consummation of the contracts would not obligate the Fund to deliver an amount of foreign currency in excess of the value of the position being hedged by such contracts or (2) the Fund identifies cash or liquid securities in an amount not less than the value of its total assets committed to the consummation of the forward contracts and not covered as provided in (1) above, as marked-to-market daily.

Risks may arise upon entering into forward contracts from the potential inability of counterparties to meet the terms of their forward contracts and from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Fluctuations in the value of forward contracts are recorded for book purposes as unrealized gains or losses by the Fund. Realized gains and losses include net

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

gains and losses recognized by the Fund on contracts which have been sold or matured.

FUTURES CONTRACTS--The Fund may use financial futures contracts for hedging purposes and to adjust exposure to U.S. and foreign fixed income markets in connection with a reallocation of the Fund's assets or to manage the average duration of the Fund. However, imperfect correlations between futures contracts and the related securities or markets, or market disruptions, do not normally permit full control of these risks at all times. Using financial futures contracts involves various market risks. The maximum amount at risk from the purchase of a futures contract is the contract value.

Upon entering into a financial futures contract, the Fund is required to pledge to a broker an amount of cash and/or liquid securities equal to a certain percentage of the contract amount. This amount is known as the "initial margin". Subsequent payments, known as "variation margin," are made or received by the Fund each day, depending on the daily fluctuations in the value of the underlying financial futures contracts. Such variation margin is recorded for financial statement purposes on a daily basis as an unrealized gain or loss on futures until the financial futures contract is closed, at which time the net gain or loss is reclassified to realized gain or loss on futures.

DIVIDENDS AND DISTRIBUTIONS--Dividends and distributions to shareholders are recorded on the ex-dividend date. The amount of dividends from net investment income and distributions from net realized capital gains and/or return of capital is determined in accordance with U.S. federal income tax regulations, which may differ from accounting principles generally accepted in the United States. These "book/tax" differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences do not require reclassification.

18

### CONCENTRATION OF RISK

Investing in securities of foreign issuers and currency transactions may involve certain considerations and risks not typically associated with investments in the United States. These risks include revaluation of currencies, adverse fluctuations in foreign currency values and possible adverse political, social and economic developments, including those particular to a specific industry, country or region, which could cause the securities and their markets to be less liquid and prices more volatile than those of comparable U.S. companies and U.S. government securities. These risks are greater with respect to securities of issuers located in emerging market countries in which the Fund invests. The ability of the issuers of debt securities held by the Fund to meet their obligations may be affected by economic and political developments particular to a specific industry, country or region.

### INVESTMENT ADVISOR AND ADMINISTRATOR AND OTHER TRANSACTIONS WITH RELATED ENTITIES

The Board has approved an investment advisory and administration contract ("Advisory Contract") with UBS Global AM, under which UBS Global AM serves as investment advisor and administrator of the Fund. In accordance with the Advisory Contract, the Fund pays UBS Global AM an investment advisory and administration fee, which is accrued weekly and paid monthly, at the annual rate of 1.25% of the Fund's average weekly net assets.

The Fund invests in shares of the UBS Supplementary Trust U.S. Cash Management Prime Fund ("Supplementary Trust"). Supplementary Trust is a business trust



## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

managed by UBS Global Asset Management (Americas) Inc., a related entity of UBS Global AM.

The Fund pays no management fees to Supplementary Trust. Distributions from the Supplementary Trust are reflected as interest income on the statement of operations.

Amounts relating to those investments for the year ended October 31, 2004 are summarized as follows:

FUND	PURCHASES	SALES PROCEEDS	INTEREST INCOME	VALUE	%
UBS Supplementary Trust U.S. Cash Management Prime Fund	\$ 168,413,127	\$ 158,294,579	\$ 73,218	\$ 10,118,548	

19

### SECURITIES LENDING

The Fund may lend securities up to 33 1/3% of its total assets to qualified broker-dealers or institutional investors. The loans are secured at all times by cash, cash equivalents or U.S. government securities in an amount at least equal to the market value of the securities loaned, plus accrued interest and dividends, determined on a daily basis and adjusted accordingly. The Fund will regain ownership of loaned securities to exercise certain beneficial rights; however, the Fund may bear the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower fail financially. The Fund receives compensation for lending its securities from interest or dividends earned on the cash, cash equivalents or U.S. government securities held as collateral, net of fee rebates paid to the borrower plus reasonable administrative and custody fees. UBS Securities LLC, an indirect wholly owned subsidiary of UBS AG, and other affiliated broker-dealers have been approved as borrowers under the Fund's securities lending program. At October 31, 2004, the Fund did not have any securities on loan. For the year ended October 31, 2004, the Fund earned \$251 for lending its securities and UBS Securities LLC earned \$84 in compensation as the Fund's lending agent. At October 31, 2004, the Fund did not owe UBS Securities LLC compensation as the Fund's lending agent.

### CAPITAL STOCK

There are 100,000,000 shares of \$0.001 par value common stock authorized and 19,439,667 shares outstanding at October 31, 2004. For the year ended October 31, 2004 and for the year ended October 31, 2003, the Fund did not repurchase any shares of common stock.

For the period September 17, 1998 (commencement of repurchase program) through February 28, 2001, the Fund repurchased 3,297,000 shares of common stock at an average market price per share of \$11.68 and a weighted average discount from net asset value of 14.88%. As of October 31, 2004, paid-in-capital has been reduced by the cost of \$38,698,693 of capital stock repurchased.

### PURCHASES AND SALES OF SECURITIES

For the year ended October 31, 2004, aggregate purchases and sales of portfolio

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

securities, excluding short-term securities, were \$416,335,661 and \$414,967,773, respectively.

### FEDERAL TAX STATUS

The Fund intends to distribute substantially all of its taxable income and to comply with the other requirements of the Internal Revenue Code applicable to regulated investment companies. Accordingly, no provision for federal income taxes is required. In addition, by distributing during each calendar year, substantially all of its net investment income, realized capital gains and certain other amounts, if any, the Fund intends not to be subject to a federal excise tax.

20

The tax character of distributions paid during the fiscal year ended October 31, 2004 and October 31, 2003, respectively were as follows:

DISTRIBUTIONS PAID FROM:	2004	2003
Net investment income	\$ 30,792,351	\$ 24,240,920
Net realized gains	3,116,260	8,172,821
Return of capital	--	322,658
	\$ 33,908,611	\$ 32,736,399

At October 31, 2004, the components of accumulated earnings on a tax basis were as follows:

Undistributed long-term capital gains	\$ 24,993,04
Unrealized appreciation	26,119,81
Total accumulated earnings	\$ 51,112,86

The difference between book-basis and tax-basis net unrealized appreciation of investments is attributable to premium amortization adjustments and wash sales.

During the current fiscal year, the Fund had no capital loss carry-forwards to offset current year gains.

For federal income tax purposes, the tax cost of investments and components of net unrealized appreciation of investments at October 31, 2004 were as follows:

Tax cost of investments	\$ 290,077,42
Gross appreciation (investments having an excess of value over cost)	\$ 27,520,37
Gross depreciation (investments having an excess of cost over value)	(1,400,56
Net unrealized appreciation of investments	\$ 26,119,81

To reflect reclassifications arising from permanent "book/tax" differences for the year ended October 31, 2004, distributions in excess of net investment income was decreased by \$15,220,861 and accumulated net realized gain from investment activities was decreased by \$15,220,861. These differences are primarily due to tax treatment of foreign currency transactions, paydown gains

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

and losses, distribution reclasses and premium adjustments for certain debt obligations.

21

GLOBAL HIGH INCOME DOLLAR FUND INC.

### Financial Highlights

Selected data for a share of common stock outstanding throughout each year is presented below:

	FOR THE YEARS ENDED OCTOBER 31,				2
	2004	2003	2002+	2001	
NET ASSET VALUE,					
BEGINNING OF YEAR	\$ 15.92	\$ 14.14	\$ 14.16	\$ 14.42	\$
Net investment income	0.98	1.02	1.04	1.24	
Net realized and unrealized gains from investment activities	1.27	2.44	0.52	0.10	
Net increase from investment operations	2.25	3.46	1.56	1.34	
Dividends from net investment income	(0.97)	(1.13)	(1.31)	(1.15)	
Distributions from net realized gains from investment transactions	(0.77)	(0.53)	--	--	
Distributions from paid-in-capital	--	(0.02)	(0.27)	(0.46)	
Distributions in excess of net investment income	--	--	--	--	
Total dividends and distributions to shareholders	(1.74)	(1.68)	(1.58)	(1.61)	
Net increase in net asset value resulting from repurchase of common stock	--	--	--	0.01	
NET ASSET VALUE, END OF YEAR	\$ 16.43	\$ 15.92	\$ 14.14	\$ 14.16	\$
MARKET VALUE, END OF YEAR	\$ 18.31	\$ 17.07	\$ 13.87	\$ 12.98	\$
TOTAL INVESTMENT RETURN(1)	18.68%	36.52%	19.38%	15.80%	
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of year (000's)	\$ 319,359	\$ 309,516	\$ 274,968	\$ 275,205	\$
Expenses to average net assets	1.40%	1.43%	1.43%	1.41%	
Net investment income to average net assets	6.18%	6.66%	7.23%	8.46%	
Portfolio turnover rate	140%	53%	57%	51%	

22

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

- (1) Total investment return is calculated assuming a purchase of common stock at the current market price on the first day of each year reported and a sale at the current market price on the last day of each year reported, and assuming reinvestment of dividends and other distributions at prices obtained under the Fund's Dividend Reinvestment Plan. Total investment return does not reflect brokerage commissions or the deduction of taxes that a shareholder could pay on Fund distributions.
- + As required, effective as of November 1, 2001, the Fund has adopted the provisions of the AICPA Audit and Accounting Guide, Audits of Investment Companies, and began amortizing premium on debt securities for financial statement reporting purposes only. The effect of this change for the year ended October 31, 2002 was to decrease net investment income per share by \$0.02, increase net realized and unrealized gains from investment activities per share by \$0.02, and decrease the ratio of net investment income to average net assets from 7.35% to 7.23%. Per share ratios and supplemental data for years prior to November 1, 2001 have not been restated to reflect this change in presentation.

23

GLOBAL HIGH INCOME DOLLAR FUND INC.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Global High Income Dollar Fund Inc.

We have audited the accompanying statement of assets and liabilities of Global High Income Dollar Fund Inc. (the "Fund"), including the portfolio of investments, as of October 31, 2004, and the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended and financial highlights for each of the four years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The financial highlights for the year ended October 31, 2000 was audited by other auditors whose report dated December 27, 2000 expressed an unqualified opinion on those financial highlights.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights. Our procedures included confirmation of securities owned at October 31, 2004 by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above and audited by us, present fairly, in all material respects, the financial position of Global High Income Dollar Fund Inc. at October 31, 2004, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the four years in the period then ended, in conformity with U.S generally accepted accounting principles.

# Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

/s/ Ernst & young LLP

New York, New York  
December 15, 2004

24

GLOBAL HIGH INCOME DOLLAR FUND INC.

## Tax Information (unaudited)

Dividends received by tax-exempt recipients (e.g., IRAs and Keoghs) need not be reported as taxable income. Some retirement trusts (e.g., corporate, Keogh and 403(b)(7) plans) may need this information for their annual reporting.

Since the Fund's fiscal year is not the calendar year, another notification will be sent in respect of calendar year 2004. The second notification, which will reflect the amount to be used by calendar year taxpayers on their federal income tax returns, will be made in conjunction with Form 1099 DIV and will be mailed in January 2005. Shareholders are advised to consult their own tax advisors with respect to the tax consequences of their investment in the Fund.

25

GLOBAL HIGH INCOME DOLLAR FUND INC.

## General Information (unaudited)

### THE FUND

Global High Income Dollar Fund Inc. (the "Fund") is a non-diversified, closed-end management investment company whose shares trade on the New York Stock Exchange ("NYSE"). The Fund's primary investment objective is to achieve a high level of current income. As a secondary objective, the Fund seeks capital appreciation to the extent consistent with its primary objective. The Fund's investment advisor and administrator is UBS Global Asset Management (US) Inc. ("UBS Global AM"), an indirect wholly owned asset management subsidiary of UBS AG, which had over \$55.6 billion in assets under management as of October 31, 2004.

### SHAREHOLDER INFORMATION

The Fund's NYSE trading symbol is "GHI." Comparative net asset value and market price information about the fund is published weekly in THE WALL STREET JOURNAL, THE NEW YORK TIMES and BARRON'S, as well as in numerous other publications.

### QUARTERLY FORM N-Q PORTFOLIO SCHEDULE

The Fund will file its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at <http://www.sec.gov>. The Fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copies of Forms N-Q from the Fund upon request by calling 1-800-647-1568.

### PROXY VOTING POLICIES AND PROCEDURES

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

You may obtain a description of the Fund's proxy voting policies and procedures, and its proxy voting record without charge, upon request by contacting the Fund directly at 1-800-647-1568, online on the Fund's Web site: [www.ubs.com/ubsglobalam-proxy](http://www.ubs.com/ubsglobalam-proxy), or on the EDGAR Database on the SEC's website (<http://www.sec.gov>).

### DIVIDEND REINVESTMENT PLAN

The Fund's Board has established a Dividend Reinvestment Plan (the "Plan") under which all shareholders whose shares are registered in their own names, or in the name of UBS Financial Services Inc. or its nominee, will have all dividends and other distributions on their shares of common stock automatically reinvested in additional shares, unless such shareholders elect to receive cash. Shareholders who elect to hold their shares in the name of another broker or nominee should contact such broker or nominee to determine whether, or how, they may participate in the Plan. The ability of such shareholders to participate in the Plan may change if their shares are transferred into the name of another broker or nominee.

A shareholder may elect not to participate in the Plan or may terminate participation in the Plan at any time without penalty, and shareholders who have previously

26

terminated participation in the Plan may rejoin it at any time. Changes in elections must be made in writing to the Fund's transfer agent and should include the shareholder's name and address as they appear on that share certificate or in the transfer agent's records. An election to terminate participation in the Plan, until such election is changed, will be deemed an election by a shareholder to take all subsequent distributions in cash. An election will be effective only for distributions declared and having a record date at least ten days after the date on which the election is received.

Additional shares of common stock acquired under the Plan will be purchased in the open market, on the NYSE or otherwise, at prices that may be higher or lower than the net asset value per share at the time of the purchase. Investors should consider whether continued participation in the dividend reinvestment plan is appropriate for them when the Fund's market price exceeds its net asset value; a portion of a dividend may represent a return of capital, which would be reinvested in the Fund at a premium to net asset value. The number of shares of common stock purchased with each dividend will be equal to the result obtained by dividing the amount of the dividend payable to a particular shareholder by the average price per share (including applicable brokerage commissions) that the transfer agent was able to obtain in the open market. The Fund will not issue any new shares in connection with the Plan. There currently is no charge to participants for reinvesting dividends or other distributions. The transfer agent's fees for handling the reinvestment of distributions are paid by the Fund. However, each participant pays a pro rata share of brokerage commissions incurred with respect to the transfer agent's open market purchases of common stock in connection with the reinvestment of distributions. The automatic reinvestment of dividends and other distributions in shares of common stock does not relieve participants of any income tax that may be payable on such distributions.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund reserves the right to amend or terminate the Plan with respect to any dividend or other distribution if notice of the change is sent to Plan participants at least 30 days before the record date for such distribution. The Plan also may be amended or terminated by the transfer agent by at least 30 days' written notice to all Plan participants. Additional information regarding

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

the Plan may be obtained from, and all correspondence concerning the Plan should be directed to, the transfer agent at PFPC Inc., P.O. Box 43027 Providence, Rhode Island 02940-3027. For further information regarding the Plan, you may also contact the transfer agent directly at 1-800-331-1710.

### DISTRIBUTION POLICY

The Fund's Board adopted a managed distribution policy in December 1999, which means that the Fund will make regular monthly distributions at an annualized rate equal to 11% of the Fund's net asset value, as determined as of the last trading day during the first week of that month (usually a Friday unless the NYSE is closed

27

that Friday). Prior to December 20, 1999, the Fund's distributions varied based on the Fund's net investment income and realized capital gains or losses. The Fund's Board may terminate the managed distribution policy at any time; any such termination may have an adverse effect on the market price for the Fund's shares.

To the extent that the Fund's taxable income in any fiscal year exceeds the aggregate amount distributed based on a fixed percentage of its net asset value, the Fund would make an additional distribution in the amount of that excess near the end of the fiscal year. To the extent that the aggregate amount distributed by the Fund (based on a fixed percentage of its net asset value) exceeds its current and accumulated earnings and profits, the amount of that excess would constitute a return of capital or net realized capital gains for tax purposes.

Monthly distributions based on a fixed percentage of the Fund's net asset value may require the Fund to make multiple distributions of long-term capital gains during a single fiscal year. The Fund has received exemptive relief from the Securities and Exchange Commission that enables it to do so. The Fund's Board will annually reassess the annualized percentage of net assets at which the Fund's monthly distributions will be made.

28

(This page intentionally left blank).

29

GLOBAL HIGH INCOME DOLLAR FUND INC.

Supplemental Information (unaudited)

### BOARD OF DIRECTORS & OFFICERS

The Fund is governed by a Board of Directors which oversees the Fund's operations. Each director serves until the next annual meeting of shareholders or until his or her successor is elected and qualified, or until he or she resigns or is otherwise removed. Officers are appointed by the directors and serve at the pleasure of the Board. The table below shows, for each director and officer, his or her name, address and age, the position held with the Fund, the length of time served as a director and officer of the Fund, the director's or officer's principal occupations during the last five years, the number of funds in the UBS fund complex overseen by the director or for which a person served as an officer, and other directorships held by the director.

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

INTERESTED DIRECTORS

NAME, ADDRESS, AND AGE	POSITION(S) HELD WITH FUND	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
Margo N. Alexander*+++;57	Director	Since 1996	Mrs. Alexander is retired. She was an executive vice president of UBS Financial Services Inc. (March 1984 to December 2002). She was chief executive officer (from January 1995 to October 2000), a director (from January 1995 to September 2001) and chairman (from March 1999 to September 2001) of UBS Global AM (formerly known as Mitchell Hutchins Asset Management Inc.)

30

NAME, ADDRESS, AND AGE	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY DIRECTOR	OTHER DIRECTORSHIPS HELD BY DIRECTOR
Margo N. Alexander*+++; 57	Mrs. Alexander is a director or trustee of 16 investment companies (consisting of 33 portfolios) for which UBS Global AM or one of its affiliates serves as investment advisor, sub-advisor or manager.	None

31

INDEPENDENT DIRECTORS

NAME, ADDRESS, AND AGE	POSITION(S) HELD WITH FUND	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
Richard Q. Armstrong; 69 c/o Willkie Farr & Gallagher LLP 787 Seventh Avenue New York, NY 10019-6099	Director and Chairman of the Board of Directors	Since 1995	Mr. Armstrong is chairman and principal of R.Q.A. Enterprises (management consulting firm) (since April 1991 and principal occupation since March 1995).



Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

<p>David J. Beaubien; 70 84 Doane Road Ware, MA 01082</p>	<p>Director</p>	<p>Since 2001</p>	<p>Mr. Beaubien is retired (since 2003). He was chairman of Yankee Environmental Systems, Inc., a manufacturer of meteorological measuring systems (since 1991).</p>
<p>Richard R. Burt; 57 1275 Pennsylvania Ave., N.W. Washington, D.C. 20004</p>	<p>Director</p>	<p>Since 1995</p>	<p>Mr. Burt is chairman of Diligence LLC (international information and security firm) and IEP Advisors (international investments and consulting firm).</p>
<p>Meyer Feldberg; 62 Columbia Business School 33 West 60th Street 7th Floor New York, New York 10023-7905</p>	<p>Director</p>	<p>Since 1996</p>	<p>Professor Feldberg is Dean Emeritus and Sanford Bernstein Professor of Leadership and Ethics at Columbia Business School. Prior to July 2004, he was Dean and Professor of Management of the Graduate School of Business at Columbia University (since 1989).</p>

32

NAME, ADDRESS, AND AGE	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY DIRECTOR	OTHER DIRECTORS HELD BY DIRECTOR
<p>Richard Q. Armstrong; 69 c/o Willkie Farr &amp; Gallagher LLP 787 Seventh Avenue New York, NY 10019-6099</p>	<p>Mr. Armstrong is a director or trustee of 16 investment companies (consisting of 33 portfolios) for which UBS Global AM or one of its affiliates serves as investment advisor, sub-advisor or manager.</p>	<p>None</p>
<p>David J. Beaubien; 70 84 Doane Road Ware, MA 01082</p>	<p>Mr. Beaubien is a director or trustee of 16 investment companies (consisting of 33 portfolios) for which UBS Global AM or one of its affiliates serves as investment advisor, sub-advisor or manager.</p>	<p>Mr. Beaubien is also a director of Electronics, Inc., a manufacturer of electronic assemblies.</p>
<p>Richard R. Burt; 57 1275 Pennsylvania Ave., N.W. Washington, D.C. 20004</p>	<p>Mr. Burt is a director or trustee of 16 investment companies (consisting of 33 portfolios) for which UBS Global AM or one of its affiliates serves as investment advisor, sub-advisor or manager.</p>	<p>Mr. Burt is also a director of International, Inc. (publishing), Technologies, Ltd. (software information technologies), European Fund, Inc., The Inc., IGT, Inc. (providing gaming and wagering industry), and finishes steel products and a director or trustee of Scudder Mutual Funds Family (of 47 portfolios).</p>
<p>Meyer Feldberg; 62 Columbia Business School</p>	<p>Professor Feldberg is a director or trustee of 30 investment companies</p>	<p>Professor Feldberg is also a director of Primedia Inc. (publishing)</p>

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

33 West 60th Street  
7th Floor  
New York, New York  
10023-7905

(consisting of 47 portfolios) for which UBS Global AM or one of its affiliates serves as investment advisor, sub-advisor or manager.

Department Stores, Inc. (department stores), Revlon (cosmetics), Select Medical (healthcare services) and Johnson & Johnson (producer of paper).

33

NAME, ADDRESS, AND AGE	POSITION(S) HELD WITH FUND	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
Carl W. Schafer; 68 66 Witherspoon Street #1100 Princeton, NJ 08542	Director	Since 1996	Mr. Schafer is president of the Atlantic Foundation (charitable foundation) (since 1990).
William D. White; 70 P.O. Box 199 Upper Black Eddy, PA 18972	Director	Since 2001	Mr. White is retired (since 1994).

34

NAME, ADDRESS, AND AGE	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY DIRECTOR	OTHER DIRECTORS HELD BY DIRECTOR
Carl W. Schafer; 68 66 Witherspoon Street #1100 Princeton, NJ 08542	Mr. Schafer is a director or trustee of 16 investment companies (consisting of 33 portfolios) for which UBS Global AM or one of its affiliates serves as investment advisor, sub-advisor or manager.	Mr. Schafer is also a director of Ready, Inc. (temporary employee), Guardian Life Insurance Company of America (consisting of 25 portfolios), Harding, Loevner Funds (consisting of 2 portfolios), E.I.I. Real Estate Trust (investment company) (2 portfolios) and Frontiers Corporation.
William D. White; 70 P.O. Box 199 Upper Black Eddy, PA 18972	Mr. White is a director or trustee of 16 investment companies (consisting of 33 portfolios) for which UBS Global AM or one of its affiliates serves as investment advisor, sub-advisor or manager.	None

35

OFFICERS

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

NAME, ADDRESS, AND AGE	POSITION(S) HELD WITH THE FUND	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL DURATION NUMBER FUND COM SERVED
W. Douglas Beck*; 37	Vice President	Since 2003	Mr. Beck is an executive in product management (from March 2002). From March 2002 to present he has held various positions, his most recent being first vice president and general manager of the management advisory services group (consisting of 75 investment advisors) at Global AM or one of its investment advisory
James Capezzuto*; 41	Vice President and Assistant Secretary	Since 2004	Mr. Capezzuto is director of legal counsel at UBS Global Asset Management, joining UBS Global Asset Management as vice president, senior advisor to the president, America (from 2003 to present) and general counsel at UBS Global Asset Management and prior to that as senior legal counsel at Deutsche Bank (from 1996-2002.) Mr. Capezzuto has worked for and as an advisor and assistant secretary to several public companies (consisting of 15 companies) which UBS Global Asset Management serves as investment advisor and general manager.
Thomas Disbrow*; 38	Vice President and Treasurer	Since 2000 (Vice President) Since 2004 (Treasurer)	Mr. Disbrow is a director of mutual fund finance at UBS Global Asset Management. Prior to November 2004 he was president and treasurer of Zweig/Glaser Advisors, a public company (consisting of 15 investment companies) which UBS Global Asset Management serves as investment advisor and general manager for its affiliates serving as sub-advisor or manager.

36

NAME, ADDRESS, AND AGE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL DURATION NUMBER FUND COM SERVED
Mark F. Kemper+++; 46	Vice President and Secretary	Since 2004	Mr. Kemper is general manager of UBS Global Asset Management--

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

2004). Mr. Kemper of UBS Global AM A general counsel fr has been secretary since 1999 and ass Asset Management T Mr. Kemper is secr 2004). Mr. Kemper secretary of 20 in of 75 portfolios) (Americas) or one investment advisor

Joanne M. Kilkeary\*;  
36

Vice President and  
Assistant Treasurer

Since 2004

Ms. Kilkeary is an senior manager of department of UBS vice president and investment compani portfolios) for wh its affiliates ser sub-advisor or man

Joseph T. Malone\*;  
37

Vice President and  
Assistant Treasurer

Since 2004

Mr. Malone is a di mutual fund financ From August 2000 t controller at AEA to August 2000, Mr the investment man PricewaterhouseCoo president and assi companies (consist president, treasur officer of four in of 42 portfolios) of its affiliates sub-advisor or man

37

NAME, ADDRESS, AND AGE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINC DURI NUMBE FUND COM SE
Joseph McGill*; 42	Vice President and Chief Compliance Officer	Since 2004	Mr. McGill is an e compliance officer 2003). Prior to jo Assistant General Investment Managem Mr. McGill is a vi officer of 20 inve of 75 portfolios) of its affiliates sub-advisor or man
John Penicook+++;	Vice President	Since 2002	Mr. Penicook is a

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

46

head of fixed income  
Inc. and UBS Global  
president of three  
(consisting of three  
Global AM or one of  
investment advisor

Uwe Schillhorn+++;  
40

Vice President

Since 2004

Mr. Schillhorn is  
head of emerging m  
UBS Global AM. Mr.  
president of two i  
(consisting of two  
Global AM or one of  
investment advisor

38

NAME, ADDRESS, AND AGE	POSITION(S) HELD WITH THE FUND	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL DURI NUMBE FUND COM SE
Joseph A. Varnas*; 37	President	Since 2003	Mr. Varnas is a ma 2003), global head operations (since management--Americ Global AM. He was AM from November 2 2001, he was manag Investment Consult Services Inc. Mr.V the Global Securit at Merrill Lynch f president of 20 in 75 portfolios) for its affiliates ser sub-advisor or man
Keith A. Weller*; 43	Vice President and Assistant Secretary	Since 1995	Mr. Weller is a di counsel of UBS Glo president and assi companies (consist UBS Global AM or o investment advisor

\* This person's business address is 51 West 52nd Street, New York, New York 10019-6114.

+ Each Director serves until the next annual meeting of shareholders or until his or her successor is elected and qualified, or until he or she resigns or is otherwise removed. Each Director who has attained the age of seventy-two (72) years will be subject to retirement on the last day of the month in which he or she attains such age. Officers of the Fund are appointed by the Directors and serve at the pleasure of the Board.

++ Mrs.Alexander is an "interested person" of the Fund as defined in the 1940

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

Act by virtue of her former positions with UBS Global AM and/or its affiliates.

+++ This person's business address is One North Wacker Drive, Chicago, IL 60606.

39

GLOBAL HIGH INCOME DOLLAR FUND INC.

New York Stock Exchange Certifications (unaudited)

Global High Income Dollar Fund Inc. (the "Fund") is listed on the New York Stock Exchange ("NYSE"). As a result, it is subject to certain corporate governance rules and related interpretations issued by the exchange. Pursuant to those requirements, the Fund must include information in this report regarding certain certifications. The Fund's president and treasurer have filed certifications with the SEC regarding the quality of the Fund's public disclosure. Those certifications were made pursuant to Section 302 of the Sarbanes-Oxley Act ("Section 302 Certifications"). The Section 302 Certifications were filed as exhibits to the Fund's annual report on Form N-CSR, which included a copy of this annual report along with other information about the Fund. After the Fund's 2004 annual meeting of shareholders, it filed a certification with the NYSE stating that its president was unaware of any violation of the NYSE's Corporate Governance listing standards.

40

### DIRECTORS

Richard Q. Armstrong  
CHAIRMAN  
Margo N. Alexander  
David J. Beaubien  
Richard R. Burt  
Meyer Feldberg  
Carl W. Schafer  
William D. White

### PRINCIPAL OFFICERS

Joseph A. Varnas  
PRESIDENT

Mark F. Kemper  
VICE PRESIDENT AND SECRETARY

Thomas Disbrow  
VICE PRESIDENT AND TREASURER

W. Douglas Beck  
VICE PRESIDENT

John Penicook  
VICE PRESIDENT

### INVESTMENT ADVISOR AND ADMINISTRATOR

UBS Global Asset Management (US) Inc.  
51 West 52nd Street  
New York, New York 10019-6114

# Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

NOTICE IS HEREBY GIVEN IN ACCORDANCE WITH SECTION 23(c) OF THE INVESTMENT COMPANY ACT OF 1940 THAT FROM TIME TO TIME THE FUND MAY PURCHASE SHARES OF ITS COMMON STOCK IN THE OPEN MARKET AT MARKET PRICES.

THIS REPORT IS SENT TO THE SHAREHOLDERS OF THE FUND FOR THEIR INFORMATION. IT IS NOT A PROSPECTUS, CIRCULAR OR REPRESENTATION INTENDED FOR THE USE IN THE PURCHASE OR SALE OF SHARES OF THE FUND OR OF ANY SECURITIES MENTIONED IN THIS REPORT.

(C)2004 UBS Global Asset Management (US) Inc. All rights reserved.

[UBS LOGO]

UBS GLOBAL ASSET MANAGEMENT (US) INC.  
51 West 52nd Street  
New York, New York 10019

Presorted  
Standard  
US Postage  
PAID  
Smithtown, NY  
Permit 700

## ITEM 2. CODE OF ETHICS.

The registrant has adopted a code of ethics that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions pursuant to Section 406 of the Sarbanes-Oxley Act of 2002. (The registrant has designated the code of ethics adopted pursuant to Sarbanes-Oxley as a "Code of Conduct" to lessen the risk of confusion with its separate code of ethics adopted pursuant to Rule 17j-1 under the Investment Company Act of 1940, as amended.)

## ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The registrant's Board has determined that the following person serving on the registrant's Audit Committee is an "audit committee financial expert" as defined in item 3 of Form N-CSR: Richard Q. Armstrong. Mr. Armstrong is independent as defined in item 3 of Form N-CSR.

## ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

### (a) AUDIT FEES:

For the fiscal years ended October 31, 2004 and October 31, 2003, the aggregate Ernst & Young LLP (E&Y) audit fees for professional services rendered to the registrant were approximately \$46,100 and \$41,900, respectively.

Fees included in the audit fees category are those associated with the annual audits of financial statements and services that are normally provided in connection with statutory and regulatory filings.

### (b) AUDIT-RELATED FEES:

In each of the fiscal years ended October 31, 2004 and October 31, 2003, the aggregate audit-related fees billed by E&Y for services rendered to the registrant that are reasonably related to the performance of the audits of the financial statements, but not reported as audit fees, were approximately \$3,500 and \$4,617, respectively, which includes amounts related to non-audit services prior to May 6, 2003 that would have been subject to

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

pre-approval if the SEC rules relating to the pre-approval of non-audit services had been in effect at that time.

Fees included in the audit-related category are those associated with (1) the reading and providing of comments on the 2004 and 2003 semiannual financial statements, (2) review of portions of the registrant's semiannual 2003 Form N-SAR filing and (3) review of the consolidated 2003 and 2002 report on UBS Funds' profitability of UBS Global Asset Management (US) Inc. ("UBS Global AM") to assist the board members in their annual advisory/administration contract reviews.

There were no audit-related fees required to be approved pursuant to paragraph (c) (7) (ii) of Rule 2-01 of Regulation S-X during the fiscal years indicated above.

(c) TAX FEES:

In each of the fiscal years ended October 31, 2004 and October 31, 2003, the aggregate tax fees billed by E&Y for professional services rendered to the registrant were approximately \$9,200 and \$10,200, respectively, which includes amounts related to tax services prior to May 6, 2003 that would have been subject to pre-approval if the SEC rules relating to the pre-approval of non-audit services had been in effect at that time.

Fees included in the tax fees category comprise all services performed by professional staff in the independent accountant's tax division except those services related to the audits. This category comprises fees for tax return preparation and review of excise tax calculations.

There were no tax fees required to be approved pursuant to paragraph (c) (7) (ii) of Rule 2-01 of Regulation S-X during the fiscal years indicated above.

(d) ALL OTHER FEES:

In each of the fiscal years ended October 31, 2004 and October 31, 2003, there were no fees billed by E&Y for products and services, other than the services reported in Item 4(a)-(c) above, rendered to the registrant.

Fees included in the all other fees category would consist of services related to internal control reviews, strategy and other consulting, financial information systems design and implementation, consulting on other information systems, and other tax services unrelated to the registrant.

There were no "all other fees" required to be approved pursuant to paragraph (c) (7) (ii) of Rule 2-01 of Regulation S-X during the fiscal years indicated above.

(e) (1) AUDIT COMMITTEE PRE-APPROVAL POLICIES AND PROCEDURES:

The registrant's Audit Committee ("audit committee") has adopted an "Audit Committee Charter (Amended and Restated as of May 12, 2004)" (the "charter"). The charter contains the audit committee's pre-approval policies and procedures. Reproduced below is an excerpt from the charter regarding pre-approval policies and procedures:

The [audit ]Committee shall:



...

2. Pre-approve (a) all audit and permissible non-audit services<sup>(1)</sup> to be provided to the Fund and (b) all permissible non-audit services to be provided by the Fund's independent auditors to UBS Global [AM] and any Covered Service Providers, if the engagement relates directly to the operations and financial reporting of the Fund. In carrying out this responsibility, the Committee shall seek periodically from UBS Global [AM] and from the independent auditors a list of such audit and permissible non-audit services that can be expected to be rendered to the Fund, UBS Global [AM] or any Covered Service Providers by the Fund's independent auditors, and an estimate of the fees sought to be paid in connection with such services. The Committee may delegate its responsibility to pre-approve any such audit and permissible non-audit services to a sub-committee consisting of the Chairperson of the

Committee and two other members of the Committee as the Chairperson, from time to time, may determine and appoint, and such sub-committee shall report to the Committee, at its next regularly scheduled meeting after the sub-committee's meeting, its decision(s). From year to year, the Committee shall report to the Board whether this system of pre-approval has been effective and efficient or whether this Charter should be amended to allow for pre-approval pursuant to such policies and procedures as the Committee shall approve, including the delegation of some or all of the Committee's pre-approval responsibilities to other persons (other than UBS Global [AM] or the Fund's officers).

-----

(1) The Committee will not approve non-audit services that the Committee believes may taint the independence of the auditors. Currently, permissible non-audit services include any professional services (including tax services) that are not prohibited services as described below, provided to the Fund by the independent auditors, other than those provided to the Fund in connection with an audit or a review of the financial statements of the Fund. Permissible non-audit services may NOT include: (i) bookkeeping or other services related to the accounting records or financial statements of the Fund; (ii) financial information systems design and implementation; (iii) appraisal or valuation services, fairness opinions or contribution-in-kind reports; (iv) actuarial services; (v) internal audit outsourcing

services; (vi) management functions or human resources; (vii) broker or dealer, investment adviser or investment banking services; (viii) legal services and expert services unrelated to the audit; and (ix) any other service the Public Company Accounting Oversight Board determines, by regulation, is impermissible.

Pre-approval by the Committee of any permissible non-audit services is not required so long as: (i) the aggregate amount of all such permissible non-audit services provided to the Fund, UBS Global [AM] and any service providers controlling, controlled by or under common control with UBS Global [AM] that provide ongoing services to the Fund ("Covered Service Providers") constitutes not more than 5% of the total amount of revenues paid to the independent auditors (during the fiscal year in which the permissible non-audit services are provided) by (a) the Fund, (b) its investment adviser and (c) any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the Fund during the fiscal year in which the services are provided that would have to be approved by the Committee; (ii) the permissible non-audit services were not recognized by the Fund at the time of the engagement to be non-audit services; and (iii) such services are promptly brought to the attention of the Committee and approved by the Committee (or its delegate(s)) prior to the completion of the audit.

- (e) (2) Services approved pursuant to paragraph (c) (7) (i) (C) of Rule 2-01 of Regulation S-X:

AUDIT-RELATED FEES: There were no amounts that were approved by the audit committee pursuant to the de minimis exception for the fiscal years ended October 31, 2004 and October 31, 2003 on behalf of the registrant.

There were no amounts that were required to be approved by the audit committee pursuant to the de minimis exception for the fiscal years ended October 31, 2004 and October 31, 2003 on behalf of the registrant's service providers that relate directly to the operations and financial reporting of the registrant.

TAX FEES: There were no amounts that were approved by the audit committee pursuant to the de minimis exception for the fiscal years ended October 31, 2004 and October 31, 2003 on behalf of the registrant.

There were no amounts that were required to be approved by the audit committee pursuant to the de minimis

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

exception for the fiscal years ended October 31, 2004 and October 31, 2003 on behalf of the registrant's service providers that relate directly to the operations and financial reporting of the registrant.

ALL OTHER FEES: There were no amounts that were approved by the audit committee pursuant to the de minimis exception for the fiscal years ended October 31, 2004 and October 31, 2003 on behalf of the registrant.

There were no amounts that were required to be approved by the audit committee pursuant to the de minimis exception for the fiscal years ended October 31, 2004 and October 31, 2003 on behalf of the registrant's service providers that relate directly to the operations and financial reporting of the registrant.

- (f) According to E&Y, for the fiscal year ended October 31, 2004, the percentage of hours spent on the audit of the registrant's financial statements for the most recent fiscal year that were attributed to work performed by persons who are not full-time, permanent employees of E&Y was 0%.
- (g) For the fiscal years ended October 31, 2004 and October 31, 2003, the aggregate fees billed by E&Y of \$3,468,898 and \$3,391,944, respectively, for non-audit services rendered on behalf of the registrant ("covered"), its investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) and any entity controlling, controlled by, or under common control with the adviser ("non-covered") that provides ongoing services to the registrant for each of the last two fiscal years of the registrant is shown in the table below:

	2004	2003
Covered Services	\$ 12,700	\$ 14,817
Non-Covered Services	3,456,198	3,377,127

- (h) The registrant's audit committee was not required to consider whether the provision of non-audit services that were rendered to the registrant's investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

### ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

The registrant has a separately designated standing audit committee (the "Audit Committee") established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. The Audit Committee is comprised of the following board members: Mr. Armstrong, Mr. Beaubien, Mr. Burt, Mr. Feldberg and Mr. White.

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

### 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.

The registrant's Board of Directors believes that the voting of proxies on securities held by the registrant is an important element of the overall investment process. As such, the Board has delegated the responsibility to vote such proxies to the registrant's advisor. Following is a summary of the proxy voting policy of the advisor.

#### CORPORATE GOVERNANCE PHILOSOPHY, VOTING GUIDELINES AND POLICY SUMMARY

The proxy voting policy of UBS Global AM is based on its belief that voting rights have economic value and must be treated accordingly. Generally, UBS Global AM expects the boards of directors of companies issuing securities held by its clients to act as stewards of the financial assets of the company, to exercise good judgment and practice diligent oversight with the management of the company. While there is no absolute set of rules that determines appropriate corporate governance under all circumstances and no set of rules will guarantee ethical behavior, there are certain benchmarks, which, if substantial progress is made toward, give evidence of good corporate governance. UBS Global AM may delegate to an independent proxy voting and research service the authority to exercise the voting rights associated with certain client holdings. Any such delegation shall be made with the direction that the votes be exercised in accordance with UBS Global AM's proxy voting policy.

When UBS Global AM's view of a company's management is favorable, UBS Global AM generally supports current management initiatives. When UBS Global AM's view is that changes to the management structure would probably increase shareholder value, UBS Global AM may not support existing management proposals. In general, UBS Global AM (1) opposes proposals which act to entrench management; (2) believes that boards should be independent of company management and composed of persons with requisite skills, knowledge and experience; (3) opposes structures which impose financial constraints on changes in control; (4) believes remuneration should be commensurate with responsibilities and performance; and (5) believes that appropriate steps should be taken to ensure the independence of auditors.

UBS Global AM has implemented procedures designed to identify whether it has a conflict of interest in voting a particular proxy proposal, which may arise as a result of its or its affiliates' client relationships, marketing efforts or banking and broker/dealer activities. To address such conflicts, UBS Global AM has imposed information barriers between it and its affiliates who conduct banking, investment banking and broker/dealer activities and has implemented procedures to prevent business, sales and marketing issues from influencing our proxy votes. Whenever UBS Global AM is aware of a conflict with respect to a particular proxy, its appropriate local corporate governance committee is required to review and agree to the manner in which such proxy is voted.

### ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Form N-CSR disclosure requirement not yet effective with respect to the registrant.

### ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT

## Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

### COMPANY AND AFFILIATED PURCHASERS.

There were no purchases made by or on behalf of the registrant or any "affiliated purchaser," as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934, as amended, of shares of the registrant's equity securities made in the period covered by this report.

### ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

The registrant's Board has established a Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee will consider nominees recommended by shareholders if a vacancy occurs among those board members who are not "interested persons" as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended. In order to recommend a nominee, a shareholder should send a letter to the chairperson of the Nominating and Corporate Governance Committee, Professor Meyer Feldberg, care of the Secretary of the registrant at UBS Global Asset Management (US) Inc., 51 West 52nd Street, New York, New York 10019-6114, and indicate on the envelope "Nominating and Corporate Governance Committee." The shareholder's letter should state the nominee's name and should include the nominee's resume or curriculum vitae, and must be accompanied by a written consent of the individual to stand for election if nominated for the Board and to serve if elected by shareholders.

### ITEM 11. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended) are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.
- (b) The registrant's principal executive officer and principal financial officer are aware of no changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal half-year that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

### ITEM 12. EXHIBITS.

- (a) (1) Code of Ethics as required pursuant to Section 406 of the Sarbanes-Oxley Act of 2002 (and designated by registrant as a "Code of Conduct") is incorporated by reference herein from Exhibit EX-99 CODE ETH to the registrant's Report on Form N-CSR filed December 30, 2003 (Accession Number: 0001206774-03-000909) (SEC File No. 811-07540).
- (a) (2) Certifications of principal executive officer and principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 is attached hereto as Exhibit EX-99.CERT.
- (b) Certifications of principal executive officer and principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 is attached hereto as Exhibit EX-99.906CERT.

SIGNATURES

Edgar Filing: GLOBAL HIGH INCOME DOLLAR FUND INC - Form N-CSR

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.

Global High Income Dollar Fund Inc.

By: /s/ Joseph A. Varnas  
-----  
Joseph A. Varnas  
President

Date: December 29, 2004  
-----

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/ Joseph A. Varnas  
-----  
Joseph A. Varnas  
President

Date: December 29, 2004  
-----

By: /s/ Thomas Disbrow  
-----  
Thomas Disbrow  
Treasurer

Date: December 29, 2004  
-----