ALPINE GLOBAL DYNAMIC DIVIDEND FUND
Form N-CSR
January 07, 2008

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 333-134096

Alpine Global Dynamic Dividend Fund
(Exact name of registrant as specified in charter)

2500 Westchester Avenue, Suite 215, Purchase, NY — 10577
(Address of principal executive offices) — (Zip code)

Alpine Woods Capital Investors, LLC
2500 Westchester Avenue, Suite 215
Purchase, New York, 10577
(Name and address of agent for service)

Registrant s telephone number, including area code: (914) 251-0880

Date of fiscal year end: October 31

Date of reporting period: May 1, 2007 October 31, 2007

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. ss. 3507.

Item 1. **Reports to Stockholders.**

INVESTOR INFORMATION 1(800) 617.7616 | www.alpinecef.com

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MANAGER COMMENTARY
October 31, 2007 (Unaudited)

Alpine Comments on the Current Investment Climate

This has been a challenging year as the tone of both investor sentiment and confidence have turned from minimum to maximum risk aversion. The prospects for our economy appears less certain at this stage of the business cycle than they have for several years, even though GDP growth ranges from stable to strong abroad. The economic coupling between our domestic economy and those abroad appears looser than during recent cycles. While trade is a major part of the global glue which connects economies, we see growing importance in investment capital transfers in this era of great global financial liquidity. Alpine s managers believe that the next year will initiate a period of transition from an uncertain world view toward events and more stable trends which could help re-price risk and enhance visibility of investment cash flows.

The subprime mortgage collapse has revealed structural weakness in parts of our financial system and unearthed poorly structured investment funds which were inappropriately sold by Wall Street. This has created a crisis of confidence in both the credit rating agencies and guarantors upon whom the market has relied for valuations. The market has lowered valuations of both issuers and holders of mortgage and asset backed securities. Banks, forced to hold these securities, are now stingy lenders. In turn, this has led to fears of a forced de-leveraging of the economy, if not a credit crunch, which might induce a recession. We are not convinced that a recession is imminent, but we recognize elevated risks.

The still vast global liquidity will continue to be focused on companies, industries, countries and regions where capital investment can generate attractive returns. The falling dollar has made American assets and products 10 to 30 percent cheaper for much of the world than they were a year ago. Thus, our exports have increased, as has tourism here. Barring a recession, the dollar may not be as weak in 2008 as in recent years, even though many countries are beginning to focus on more broadly diversifying their foreign exchange reserves away from the U.S. dollar. Nonetheless, the long-term trend of capital flowing from retirement funds and mature economies toward emerging regions with massive requirements for fixed investment in buildings, infrastructure and equipment to support and sustain business and employment growth will continue.

The major opportunity for U.S. investors participating in global investing has only been recognized over the past few years. The U.N. published a report on population trends and urbanization several months ago, forecasting that two-thirds of the world s population will be living in large cities by 2050. This compares with roughly half today. The bulk of this growth is projected for Asia and Latin America. Countries in these regions must do all that they can to provide for the growth of the middle class lest these megalopolises become slums and breeding grounds for political and social instability. This may competitively pressure wages relative to the U.S., but such competition will help contain global inflation. Enhanced productivity is another force which lowers inflation, and this can be stimulated by innovation, which has long been a driver of our economic growth. Globally, a growing emphasis on education from grade schools through advanced degrees suggests more innovation, as well as competition. Thus, Alpine foresees an expansion of innovation and entrepreneurial opportunities world wide for equity investors. This has underpinned Alpine s broadening the international scope of our investment programs since the start of our first international fund in 1989 and our plans for the future.

We are confident that innovation will also aid the structured finance markets. Restructuring by the strategists of Wall Street must provide more transparency of underlying cash flows, facilitating better pricing of assets and enhanced marketability. Now, the first step is to stabilize the underlying problems in the mortgage markets and permit the rating agencies to revisit their criteria for valuation. Resolution of the ideological divide between those who favor government intervention to soften and stretch out the fallout from this crisis, versus others who favor the dispassionate displacement of market adjustments, will be a key factor assessing the duration of this situation.

Our portfolios reflect a work in progress as we assess opportunities and risks in the marketplace today. Like prior periods of financial distress, a bottom will not be visible until after we pass it. So the current market psychology may overstate the risks to global capital market liquidity and misprice prospects for equity investors. This can create opportunity for investors focused on long-term trends and valuations.

Sam Lieber

President

Alpine Mutual Funds

We are pleased to report that the Alpine Global Dynamic Dividend Fund (AGD) completed its first full fiscal year successfully by outperforming the broad market averages, while also distributing a substantial dividend yield. Since our initial public offering on the New York Stock Exchange (NYSE) on July 26, 2006, we believe that AGD is on track to achieve the investment goals that we pledged to our investors. Our primary objective is high current dividend income, of which more than 50% qualifies for the reduced Federal income tax rates, while also focusing on long-term growth of capital. In fiscal 2007, 100% of the dividends paid by the fund were tax-qualified. Our goal is also to provide global diversification for our investors, with a targeted 60-80% of our holdings being international companies.

AGD began trading on July 26, 2006 at its IPO price $20 per share and closed on October 31, 2007 at $24.05, providing a total return since inception including dividends of 34.75%. This compares to the total return for the S&P 500 Index of 24.98% during that same time period. For the fiscal year ended October 31, 2007, AGD provided a total return of 23.44% versus the S&P 500 Index of 14.55%. AGD s price of $24.05 on October 31, 2007 represented a 2.7% premium above the closing NAV of $23.40. Since inception, AGD has traded at an average premium of 5.1% above its NAV, reflecting its strong dividend yield and total return potential.

AGD s NAV on July 26, 2006 was $19.06 per share and closed on October 31, 2007 at $23.40. In addition, the Fund distributed a total of $2.515 in dividend income to shareholder since inception and $2.215 for the fiscal year ended October 31, 2007. The total return of the growth in NAV plus dividends is 37.57% since inception and 27.64% for the twelve months ended October 31, 2007.

AGD Increased Its Monthly Dividend Payment by 6.25% in June 2007 to $0.17 Per Share.

AGD raised its monthly dividend distribution by 6.25% to $0.17 per share per month from $0.16 in June 2007. This represents an annualized dividend yield of 10.2% on the $20 IPO price and an 8.48% current dividend yield based on the closing price of AGD on October 31, 2007 of $24.05. The dividend was declared through December 2007 and reflects our confidence in the visibility of attractive dividend payouts. This marks the Fund s second dividend hike since inception, having increased its dividend in December 2006 from $0.15 to $0.16.

We Invest in International Markets that Offer Dividend Yields that are Much Higher than the S&P 500 Yield.

We believe that AGD is well positioned to take advantage of the attractive dividend opportunities that are available outside of the U.S. As of October 31, 2007, AGD had invested 74.2% of the market value of its portfolio in international companies and 23.5% of its value in domestic U.S. corporations, with the remaining 2.3% in cash and short term equivalents.

AGD is currently invested in equities based in 21 different coun-tries,the majority of which would be considered mature countries. However we do have a small exposure to some emerging market economies and we continue to look for interesting dividend and capital appreciation opportunities in countries like Brazil,Mexico,and Russia.Following the United States,our current top countries are Australia, Norway, Sweden, Switzerland, and Finland.The average dividend yield for the major indices in these five countries is currently 3.3% which is almost double the yield on the S&P 500 Index of 1.9%.

AGD s Unique Investment Approach Combines Three Sub Strategies Dividend Capture, Value, and Growth.

We believe AGD offers a unique and balanced approach to optimizing both tax-qualified dividend income and long- price of $24.05 term growth of capital while offering investors diversification through international equity exposure. We scan the globe looking for the best dividend opportunities for our investors, employing a multi-cap, multi-sector, and multi-style investment approach.

The Fund combines three research-driven investment strategies Dividend Capture, Value, and Growth to maximize the amount of distributed dividend income that is qualified for reduced Federal income tax rates and to identify companies globally with the potential for dividend increases and capital appreciation. In addition, AGD is different from many other closed-end funds in that it does not utilize any leverage, covered calls, or managed distribution to achieve its objectives. AGD provides our investors with 100% earned dividend income, of which the majority is qualified dividend income.

Our *Dividend Capture Strategy* Enhances the Qualified Dividend Income Generated by the Fund.

We run a portion of our portfolio with a dividend capture strategy, where we invest in high yielding stocks or in special situations where large cash balances are being returned to shareholders as one-time special dividends. These actions reflect strong corporate balance sheets and management s incentive to distribute excess retained cash as dividend income. We enhance the dividend return of this portfolio by electively rotating a portion of our high yielding holdings after the 61-day ownership period required to obtain the 15% dividend tax rate.

Another facet of our dividend capture strategy is our search for core, long term holdings in companies that historically generate consistent strong free cash flow and regular large dividend distributions, usually above 5%. One of our largest holdings, Macquarie Infrastructure Trust (MIC) with a 6.3% current yield is an example of this strategy. MIC owns and operates infrastructure businesses in the U.S. including airport services, parking facilities, and refined products bulk tank terminals. These businesses have high barriers to entry, long-term contracts and strong cash flow, and are growing through acquisition.

Several of our top 10 holdings as of October 31, 2007 were companies that announced special dividend payments associated with restructurings and/or excess cash, and we believe there is additional upside value to be realized following their dividend payments.

One example in the restructuring strategy is Man Group (EMG LN), an alternative asset manager based in the UK. Man paid a 10% special dividend in November following the sale of its stake in Man Financial (MF Global). We favor the asset management group within the financial sector as these companies are well positioned to continue to grow their assets and fees with an aging global demographic. Also, they generally have less exposure to the sub-prime and bridge loans that are hurting other financial companies.

Three of our other top holdings as of October 31, 2007 were industrial companies that are benefiting from strong global demand for their products and have been returning excess cash to shareholders. For example, Wartsila (WRTBV FH) is a Finnish manufacturer of power generation and marine propulsion equipment that paid a 4% special dividend payment in October 2006 based on the strong demand for its ship engines and the divestment of a unit. The company has excess cash on its balance sheet and we expect them to pay another special dividend in 2008.

Wartsila is benefiting from the strong global demand for infrastructure and power generation, as are two of our other top holdings, NKT Holding A/S and ABB Limited. NKT (NKT DC) is a conglomerate based in Denmark which is experiencing strong growth for its cables used for electrical transmission in the energy, telecom, and industrial sectors. ABB (ABBN VX), based in Switzerland, manufactures transmission and power systems. Due to strong demand in their end-markets, both of these companies have tripled earnings in the past three years and have strong order back logs that are growing. NKT has paid a special dividend each of the past four years and ABB has $2 per share in excess cash on its balance sheet that we expect will be paid out as a special dividend in 2008.

Our *Value/restructuring Strategy* Looks for Attractively Valued or Restructuring Dividend Payers.

Our second major strategy is what we call value with a catalyst or restructuring strategy , where our internal research points to under-valued or mis-priced equity opportunities for companies with attractive dividend yields. We also look for turnaround situations or depressed earnings where we believe there is a catalyst for an earnings recovery or a restructuring or major corporate action that is expected to add value. The key characteristic for this strategy is low valuations relative to historical averages and above average dividend yields for a combined objective of capital appreciation and high qualified dividend income.

We would categorize two of our top holdings in this strategy; Anglo Irish Bank and Diamond Offshore Drilling. Anglo Irish Bank (ANGL LN) has more than tripled its earnings since 2003 helped by its relationship-based lending model that it has been expanding into the UK and the U.S. In addition, we expect its cashflow-based, commercial real estate lending model to help gain market share during these current turbulent financial markets. Anglo Irish s stock has been hit along with the entire financial sector over the past several months and we believe it offers attractive long term value based on its strong earnings outlook, strong balance sheet, and a 2.6% dividend yield that has been growing each year.

Diamond Offshore Drilling (DO), based in Houston, Texas, is one of the largest operators of mid-deepwater rigs and it is seeing strong demand for its services as oil is getting harder to find and exploration is moving further out to sea. This is resulting in substantial increases on rates for its long term contracts and the expectation of a doubling of earnings in the next two to three years, which we believe is just starting to be reflected in its current valuation. DO is generating significant free cash flows and has been returning it to shareholders as regular special dividends, having paid out $4 in February 2007 and another $1.25 in October 2007. We would expect the continuation of large cash returns in 2008 as the company is committed to paying out about 80% of earnings as dividends.

Our *Growth and Income Strategy* Targets Capital Appreciation in Addition to Yield.

Our third strategy identifies core growth and income stocks that may have slightly lower but still attractive current dividend yields and predictable earnings streams plus a catalyst for capital appreciation and dividend increases. We would categorize three of our top ten holdings in this category, Nintendo, LVMH, and Transfield Services. Each company is forecasted to have strong earnings growth and is committed to returning excess cash to shareholders.

Nintendo (7974 JP), based in Japan, is a strong secular growth story that is benefiting from the success of its Wii game console in the traditional children s home-use video game sector as well as the untapped casual adult gamer market. The Wii has experienced very strong demand that has exceeded production capabilities and has resulted in strong earnings growth and a stock price that has more than doubled during 2007. In addition, Nintendo pays an attractive 2.8% dividend yield that has been growing at a 38% compound rate over the past 5 years. We expect that growth to continue.

LVMH Moet Hennesy Louis Vuitton (MC FP), based in France, provides a 1.7% divided yield and is well positioned as one of the world s leading providers of luxury goods products. Its elite range of luxury perfume, jewelry, champagne, Haute Couture and luggage is enjoying strong demand in emerging markets and existing mature markets. Luxury products are our preferred consumer exposure as their customer base is less sensitive than lower end consumers to current macro economic challenges associated with rising gasoline prices, short term interest rates, and the slowdown in housing.

Transfield Services (TSE AU), based in Australia, is another name in our portfolio that is benefiting from emerging market growth as it provides engineering and maintenance services to the Australian mining industry which is expanding due to strong global demand for commodities. In addition, Transfield also has an attractive 3% dividend yield that we expect to continue to grow based on very strong forecasted earnings growth over the next 2-3 years.

Outlook For 2008: We Remain Optimistic that Dividend Payers Should Outperform.

As we look out to 2008, we continue to be optimistic about the prospect for the dividend paying stocks in our portfolio. While we need to be selective in our investments given recent market uncertainties, we continue to be encouraged by the total return opportunities in our dividend paying markets, particularly internationally. We believe investments outside the U.S. look very attractive based on the outlook for stronger earnings growth, higher dividend payouts, and our outlook for a long term secular decline in the U.S. dollar. Within the domestic U.S. markets, we continue to find companies with strong and sustainable earnings growth and cash flow generation at attractive valuations, with many of our favorite U.S. names having large international exposure. Also, historically, dividend stocks have outperformed non-dividend payers in times of volatility, as there tends to be a flight to quality and investors look to lock in a portion of their equity returns through dividends.

The recent volatility in global equity markets has provided challenges and opportunities. While we have recently experienced short term challenges based primarily on uncertainty in the financial markets, as fundamental investors we also see longer term opportunities. Particularly, within our value strategy, we are looking to take advantage of recent declines in the equity markets to invest in still very strong companies with attractive dividend yields at more attractive valuations. While we do expect additional headline risks in the financial sector as we head into 2008, we still believe that global economic growth will remain solid and we continue to find very attractive global growth companies that are committed to returning cash to shareholders.

Companies are still sitting on very high levels of cash, which should place a floor on equity values. We would expect companies to look to use some of their excess cash to supplement slowing organic growth with strategic M&A in 2008. However, there should still be substantial amounts of excess cash to be returned to shareholders either in the form of share repurchases or increased dividend payouts. Companies in the S&P 500 index currently pay out approximately 37% of their earnings in the form of dividends versus a long term historical average of 54%. Given large cash positions, low payout ratios and lack of other uses of cash, we continue to believe that companies will increase their dividends in 2008 and beyond.

We continue to concentrate on global secular investment themes that we believe will outperform over the long term. For example, we remain bullish on global infrastructure and engineering companies as the rest of the world tries to catch up with the industrialized countries with regard to power plants, phones, roads, electricity, water treatment, sewage and airports. In addition, the industrialized nations of the world have neglected their aging infrastructure and are now rebuilding and reinvesting. Many of these projects are supported by governments that are long term in focus and less sensitive to short term economic swings. Some of our favorite stocks are the companies that will supply this growth for what we believe will be many years to come and at much higher prices than achieved in the past.

We also still like the long term secular story for the basic materials and energy sectors based on constrained supply and growing global demand. For example, we like the long term secular outlook for deepwater drillers as oil is getting harder to find and exploration is moving further out to sea. We will continue to be nimble in these volatile yet potentially highly profitable sectors. We would look for attractive entry and exit points while being aware of the impact of shorter term seasonal trading pattern. In addition, many of these companies are producing record amounts of free cash flow and we expect continued increases in regular and special dividend payouts.

We also favor the industrial and machinery companies that are supplying global growth and we are also benefiting from aerospace and defense spending. With our favorites being companies that have the majority of their revenue generated overseas and have booked strong backlogs with visibility on this revenue for several years out.We also participate in a variation on investing in commodity companies through increasing global trade.We look to participate in the increasing need for the movement of commodities globally through producers,financers,and operators in the shipping industry.

The aging demographics of many of the industrialized countries should result in great long term growth opportunities for dividend payers in the asset management and healthcare sectors. The aging population will need to save more and manage their assets more directly as countries and companies have cut back significantly on their pension promises. We believe this is positive for the asset managers around the globe. In addition, we like niche healthcare which is being stimulated by demographic trends and advances in biotechnology and yet there is more limited generic risk.

While we remain positive on the outlook for sustainable global economic growth in 2008, we also believe that a slowing U.S. economy and financial market turmoil makes it prudent to also have meaningful exposure in the telecom, utilities and consumer staples sectors. These sectors tend to be large dividend payers and more defensive in nature, with many of the consumer staple stocks having a substantial international revenue base. Within these groups, we continue to be selective and pick our holdings on a stock by stock basis where we see the best combination of earnings growth, valuation, and divide opportunity.

At this time, we remain cautious on the financial sector, as we believe there are still more potential write-downs on mortgage-related assets and downward earnings revisions. While risks are real, we also believe that the valuations reflect a lot of this uncertainty and that the long term prospects for many businesses remain strong. Our strategy during the fi-nancial markets turmoil has been to add to the higher quality financial stocks on dips, but overall we would not look to increase our weightings substantially until we believe that the downside risk is quantifiable and that the upside reward is meaningful. We believe we will likely get additional clarity on the quality of balance sheets and future earnings growth potential in the first half of 2008.

Another sector that we remain cautious on at this time is consumer discretionary. We remain disciplined and selective in our investments in this group, with our current focus being on the global high-end consumer and companies that are restructuring and providing some catalysts for earnings growth. We are generally cautious on consumer spending based on the turmoil in the housing markets and high energy prices, but this is balanced by overall employment levels which have remained strong. Similar to the financial sector, we are consistently looking at opportunities within the global consumer sector where stocks may have been oversold and could offer long term value at current prices.

If the housing and equity market volatility spills over to the ever-resilient U.S. consumer or starts to impact employment levels, then we believe there is a higher risk of a general economic slowdown, which we will need to monitor as investors. However, we do believe in that scenario that the Fed would act to lower interest rates to support economic growth and the equity markets would likely react positively.

In summary, in a moderate growth environment and with fi-nancial market uncertainty, we believe investors will be drawn to high quality, internationally oriented, and potentially more defensive stocks. That should bode well for dividend payers and our fundamental strategy of searching globally in multi-caps and multi-sectors for investment opportunities. Positive fundamentals in many of our secular growth themes will be balanced with the risks of financial market turmoil, high oil prices, a potential economic slowdown in the U.S., and continued geopolitical uncertainties.

Our approach is to remain broadly diversified within the dividend-paying universe while actively looking for undervalued opportunities. We believe we will continue to be able to distribute attractive dividend payouts to our shareholders by capitalizing on our research driven approach to identifying attractive situations as well as through our active management of the portfolio.

Thank you for your participation and we look forward to a prosperous year in 2008.

Sincerely,

Jill K. Evans & Kevin Shacknofsky

Co-Portfolio Managers

PERFORMANCE *(1) as of October 31, 2007*

	Ending Value as of 10/31/07	One Month	Three Month	One Year	Since Inception (2)	Since Inception Annualized
Alpine Global Dynamic Dividend Fund I NAV	23.40	4.95%	6.78%	27.64%	37.57%(3)	28.70%(3)
Alpine Global Dynamic Dividend Fund I Market Price	24.05	4.02%	5.83%	23.44%	34.75%(3)	26.57%(3)
S&P 500		1.59%	6.97%	14.55%	24.98%	

(1) Performance information calculated after consideration of dividend reinvestment. All returns for periods of less than one year are not annualized.

(2) Commenced operations on July 26, 2006

(3) IPO price of $20 used in calculating performance information

Performance data quoted represents past performance. Past performance is no guarantee of future results and investment returns and principle value of the Fund will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. Call 1(800)617.7616 or visit www.alpinecef.com for current month end performance.

PORTFOLIO DISTRIBUTIONS *

* As a percentage of net assets

TOP TEN HOLDINGS *

Man Group PLC	2.2%

Macquarie Infrastructure Co. LLC	2.0%
Anglo Irish Bank Corp. PLC	1.8%
Diamond Offshore Drilling, Inc.	1.8%
NKT Holding AS	1.8%
Nintendo Co. Ltd.	1.8%
Wartsila Oyj.	1.8%
LVMH Moet Hennessy Louis Vuitton SA	1.7%
ABB Ltd.	1.7%
Transfield Services Ltd.	1.7%
Top 10 Holdings	**18.3%**

REGIONALALLOCATION *

* As a percentage of net assets, excluding any short-term investments

Top Five Countries

United States	23.5%
Australia	10.8%
Norway	9.3%
Sweden	9.0%
Switzerland	6.7%

NAV, MARKET PRICE, AND TOTAL RETURN [*Since Inception*]

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE STOCKHOLDERS AND BOARD OF TRUSTEES OF ALPINE GLOBAL DYNAMIC DIVIDEND FUND:

We have audited the accompanying statement of assets and liabilities, including the schedule of portfolio investments of Alpine Global Dynamic Dividend Fund (the Fund), as of October 31, 2007 and the related statement of operations for the year then ended, the statement of changes in net assets and the financial highlights the year then ended and for the period from July 26, 2006 (inception) to October 31, 2006. 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.

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 are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2007, by correspondence with the custodian and brokers; where replies where not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Alpine Global Dynamic Dividend as of October 31, 2007, the results of its operations for the year then ended, the changes in its net assets and the financial highlights for the year ended October 31, 2007 and for the period from July 26, 2006 to October 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

Milwaukee, WI

December 21, 2007

SCHEDULE OF PORTFOLIO INVESTMENTS
October 31, 2007

Description	Shares		Value (Note 1)
COMMON STOCKS (97.7%)			
Australia (10.8%)			
ABC Learning Centres Ltd.	800,000	$	4,895,450
Babcock & Brown Wind Partners	4,500,000		7,712,010
Boart Longyear Group *	1,807,656		4,293,320
Cochlear Ltd.	50,000		3,192,381
Kagara Zinc Ltd.	700,000		4,335,677
Macquarie Bank Ltd.	43,000		3,366,227
Macquarie Capital Alliance Group *	956,474		3,296,190
Macquarie Media Group Ltd.	1,250,000		5,320,635
Monadelphous Group Ltd.	280,000		4,391,748
Ramsay Health Care Ltd.	400,000		3,956,597
Transfield Services Ltd.	640,000		9,346,808
Zinifex Ltd.	378,477		5,869,363
			59,976,406
Austria (0.7%)			
Wienerberger AG	65,000		4,048,671
Brazil (0.4%)			
Bovespa Holding SA *	110,000		2,094,300
Denmark (3.0%)			
FLSmidth & Co. AS	60,000		6,506,846
NKT Holding AS	90,850		9,905,419
Finland (6.5%)			
Konecranes Oyj.	156,000		6,982,545
Nokian Renkaat Oyj.	150,000		5,649,308
Ramirent Oyj	285,000		6,324,618
Rautaruukki Oyj.	80,000		4,577,388
Stockmann Oyj.	55,060		2,747,617
Wartsila Oyj.	120,200		9,820,062
			36,101,538
France (3.0%)			
LVMH Moet Hennessy Louis Vuitton SA	75,000		9,655,972
Total SA	90,000		7,255,015
			16,910,987
Germany (4.4%)			
AWD Holding AG	99,255		3,306,822
Balda AG *	410,000		4,406,750
Fielmann AG	52,500		3,600,891
Fresenius Medical Care AG & Co.	150,000		7,874,267
Tognum AG *	150,000		5,390,744
			24,579,474
Hong Kong (0.1%)			
Alibaba.com Ltd. *	244,500		425,889
Ireland (2.7%)			
Anglo Irish Bank Corp. PLC	600,000	$	10,047,078
C&C Group PLC 3	50,000		2,813,790
FBD Holdings PLC	53,000		1,878,243
			14,739,111

Italy (0.9%)		
Azimut Holding S.p.A.	300,000	5,149,562
Japan (1.8%)		
Nintendo Co. Ltd.	15,800	9,847,181
Mexico (1.7%)		
America Movil SAB de C.V. [1]	140,000	9,154,600
Netherlands (2.6%)		
Arcadis NV	76,500	6,219,954
Beter Bed Holdings NV	179,500	5,330,267
Imtech NV	100,000	3,094,083
		14,644,304
Norway (9.3%)		
ABG Sundal Collier ASA	1,670,000	4,636,469
Acta Holding ASA	1,929,200	7,656,697
AkerYardsASA	211,500	3,497,545
BWG Homes ASA	358,400	2,530,998
Dockwise Ltd. *	663,500	2,818,775
Electromagnetic GeoServices AS *	185,000	2,947,287
Fred Olsen Energy ASA	70,000	3,560,781
Kongsberg Automotive ASA	411,350	2,912,592
ProSafe SE	450,000	7,982,411
Songa Offshore ASA *	250,000	2,888,127
StatoilHydro ASA	150,000	5,075,650
Tandberg ASA	200,000	5,086,830
		51,594,162
Russia (1.5%)		
MobileTeleSystemsOJSC [1]	40,000	3,320,000
Vimpel-Communications OJSC (1)	150,000	4,960,500
		8,280,500
South Korea (1.2%)		
Hanmi Semiconductor Co. Ltd.	80,000	1,030,310
Macquarie Korea		
Infrastructure Fund [2]	800,000	5,600,000
		6,630,310
Spain (1.6%)		
Cintra Concesiones de Infraestructuras de Transporte SA	100,000	1,746,940
Inditex SA	100,000	7,438,256
		9,185,196

Description	Shares		Value (Note 1)
Sweden (9.0%)			
Alfa Laval AB	45,000	$	3,563,417
Hennes & Mauritz AB	85,000		5,660,377
Intrum Justitia AB	477,200		7,625,223
JM AB	359,949		7,975,822
Kungsleden AB	293,200		4,177,329
NCC AB	236,900		5,892,617
Skanska AB	350,000		6,915,091
Teleca AB *	417,800		1,026,075
Unibet Group PLC	213,200		6,880,613
			49,716,564
Switzerland (6.7%)			
ABB Ltd.	320,000		9,624,310
Julius Baer Holding AG	60,000		5,189,917
Nestle SA	20,000		9,228,246
Nobel Biocare Holding AG	25,500		7,418,422
SGS SA	4,200		5,503,798
			36,964,693
United Kingdom (6.3%)			
Absolute Capital Management Holdings Ltd.	1,465,000		2,319,667
Kesa Electricals PLC	300,000		1,980,538
Laird Group PLC	350,000		4,621,255
Man Group PLC	1,010,000		12,348,575
N Brown Group PLC	1		6
New Star Asset Management Group Ltd.	260,000		1,919,198
Premier Foods PLC	800,000		3,751,065
Serco Group PLC	500,000		4,686,233
Xstrata PLC	50,000		3,583,681
			35,210,218
United States (23.5%)			
Aircastle Ltd.	230,800		7,457,148
Allegheny Technologies, Inc.	30,000		3,065,100
Altria Group, Inc.	27,000		1,969,110
B&G Foods, Inc.	511,600		6,118,736
Carnival Corp.	86,000		4,126,280
Diamond Offshore Drilling, Inc.	88,000		9,964,240
Exxon Mobil Corp.	35,000		3,219,650
Fluor Corp.	30,000		4,740,000
Fortress Investment Group LLC - Class A	50,000		1,102,500
Freeport-McMoRan Copper & Gold, Inc. - Class B	20,000		2,353,600
GateHouse Media, Inc.	784,300		9,011,607
General Electric Co.	100,000		4,116,000
Goldman Sachs Group, Inc.	21,500		5,330,280
Healthcare Services Group, Inc.	292,350		6,420,006
Hess Corp.	60,000		4,296,600
Intel Corp.	130,000		3,497,000
ITC Holdings Corp.	75,000		4,293,000
ITT Corp.	40,000		2,676,800
Macquarie Infrastructure Co. LLC	269,000		11,233,440
Meridian Bioscience, Inc.	75,000		2,481,750
National CineMedia, Inc.	195,000		5,249,400

Description	Shares

	Maturity Date			Value (Note 1)
United States (continued)				
Nu Skin Enterprises, Inc.		160,000	$	2,763,200
Pharmaceutical Product Development, Inc.		100,000		4,224,000
Principal Financial Group, Inc.		80,100		5,420,367
Regal Entertainment Group		225,000		5,078,250
Ship Finance International Ltd.		33,100		906,278
Textron, Inc.		68,000		4,706,280
United Technologies Corp.		62,000		4,748,580
				130,569,202
TOTAL COMMON STOCKS (IDENTIFIED COST $480,146,151)				542,235,133
EQUITY - LINKED STRUCTURED NOTES (1.2%)				
United States (1.2%)				
Morgan Stanley & Co., Inc. - Fortress Investment Group LLC - Class A*	09/10/08	292,600	$	6,451,830
TOTAL EQUITY - LINKED STRUCTURED NOTES (IDENTIFIED COST $6,355,272)				6,451,830

Description	Shares	Value (Note 1)
MASTER LIMITED PARTNERSHIPS (0.5%)		
United States (0.5%)		
The Blackstone Group LP *	104,000	