

ACM MANAGED DOLLAR INCOME FUND INC

Form N-30D

June 10, 2003

CLOSED END

ACM Managed Dollar Income Fund

Semi-Annual Report
March 31, 2003

[LOGO] ALLIANCEBERNSTEIN (SM)
Investment Research and Management

Investment Products Offered

- o Are Not FDIC Insured
- o May Lose Value
- o Are Not Bank Guaranteed

AllianceBernstein Investment Research and Management, Inc., the principal underwriter of the AllianceBernstein mutual funds and an affiliate of Alliance Capital Management L.P., the manager of the funds, is a member of the NASD.

LETTER TO SHAREHOLDERS
May 20, 2003

Dear Shareholder:

This report provides investment results, performance information and market outlook for ACM Managed Dollar Income Fund (the "Fund") for the semi-annual reporting period ended March 31, 2003.

Investment Objective and Policies

This closed-end fund is designed for investors who seek high current income and capital appreciation. To achieve this objective, it invests primarily in high-yielding, U.S. and non-U.S. fixed income securities, denominated in U.S. dollars, that we expect to benefit from improving economic and credit fundamentals.

Investment Results

The following table shows how the Fund performed over the past six- and 12-month periods ended March 31, 2003. For comparison, we have included a composite benchmark consisting of 65% of the J.P. Morgan Emerging Markets Bond Index Plus (JPM EMBI+), a standard measure of the performance of a basket of unmanaged emerging market debt securities, and 35% of the Credit Suisse First Boston High Yield (CSFBHY) Index, a standard measure of the performance of a basket of unmanaged U.S. high yield debt securities. We compare the Fund's performance to this composite benchmark because it more closely resembles the composition of the Fund's portfolio.

INVESTMENT RESULTS*

Periods Ended March 31, 2003

Returns

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	6 Months	12 Months
ACM Managed Dollar Income Fund (NAV)	31.45%	10.22%
J.P. Morgan Emerging Markets Bond Index Plus	23.26%	15.35%
Credit Suisse First Boston High Yield Index	13.23%	7.52%
Composite: 65%/35% (65% JPM EMBI+/35% CSFBHY)	19.75%	12.61%

* The Fund's investment results are for the periods shown and are based on the net asset value (NAV) of the Fund as of March 31, 2003. All fees and expenses related to the operation of the Fund have been deducted. Returns for the Fund include the reinvestment of any distributions paid during each period. Past performance is no guarantee of future results.

The unmanaged J.P. Morgan Emerging Markets Bond Index Plus is comprised of dollar-denominated restructured sovereign bonds; a large percentage of the index is made up of Brady bonds. The unmanaged Credit Suisse First Boston High Yield Index is a measure of lower-rated, fixed income, non-convertible U.S. dollar-denominated securities

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meeting certain criteria developed by Credit Suisse designed to enable the index to reflect the high yield market. The composite is from the inception of the JPM EMBI+, which was 12/31/93. The indices are unmanaged and reflect no fees or expenses. An investor cannot invest directly in an index, and its results are not indicative of any specific investment, including ACM Managed Dollar Income Fund.

Additional investment results appear on pages 6-8.

The Fund significantly outperformed its composite benchmark for the six-month period ended March 31, 2003. This was due to both the Fund's emerging market and high yield holdings. The Fund's use of leverage within these sectors further contributed to its outperformance. Within the Fund's emerging market securities, its country allocation and security selection in Brazilian and Russian debt were the primary reasons for outperformance. In addition, security selection within the Fund's Mexican position and the Fund's underweight position in Turkey also contributed positively to performance.

Brazil, the top performer for the period within the index, benefited from market friendly policies and a groundswell of support for the newly elected Lula administration. A deceleration in inflation and stabilizing currency have also helped support Brazilian debt. Additionally, the new administration has committed to both tax and social security reforms. Tax reform is needed to ensure that Brazil does not have to rely on distorting transaction taxes. Social security reform is also crucial, as it will allow the new administration, in the medium term, fiscal room to pursue its social aims. We actively traded Brazil during the period, and we currently have an optimistic outlook.

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In Russia, strong consumer spending, corporate investments, credit rating upgrades and rising financial reserves reinforced stability and growth, providing positive returns for the Fund. In addition, rising oil prices and export tariffs assured the country's good fiscal results. Booming retail sales, which were a result of strong growth in incomes, also contributed to the health of Russia's economy. Fiscal surplus is being used to build up financial reserves intended for budgetary expenditure to cushion periods of low energy prices. Most importantly, the latest Standard & Poor's credit rating upgrade from BB- to BB occurred on December 5, 2002, highlighting the Russian government's commitment to prudent fiscal policies and improved economic management.

Within the Fund's high yield industry allocation, the primary positive contributors to performance were its holdings in the cable and wireless telecommunications sectors. Both of these sectors were poor performers in the first half of the year, prior to rallying in the second half. The Fund was overweight in both of these sectors. Cablevision and Nextel Communications, Inc., cable and wireless telecommunication issuers, respectively, were among the Fund's largest holdings and strongest performers during the period under review.

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Additionally, the Fund benefited from its underweight position in the airline sector, which underperformed dramatically due to the bankruptcy filings by United Airlines and U.S. Airlines.

Market Overview

The U.S. recovery stalled during the semi-annual period as hopes of a more robust recovery faded due to economic and geopolitical uncertainty. Growth in the fourth quarter of 2002 slowed dramatically to 1.4%, despite the U.S. Federal Reserve's accommodative monetary policy. The initial estimate of growth for the first quarter of 2003, which was plagued with bad weather and market paralysis due to the war with Iraq, was a modest 1.6%. Consumer confidence dropped during the period, and energy prices rose, both of which have subsequently reversed since the end of the military conflict. Unemployment, a lagging indicator, remained weak as businesses postponed new hiring, awaiting clearer signals that the economy is recovering.

During the semi-annual period, both emerging market debt and high yield securities outperformed other sectors within the fixed income market. Significant inflows from investors into both emerging market debt and high yield derived from an aversion to equity securities as well as a desire for yield. Yields on government bonds reached record lows, driven downward by the U.S. Federal Reserve's accommodative monetary policy and recent geopolitical and economic uncertainty.

The emerging market debt sector, as measured by the JPM EMBI+, posted a positive return of 23.26% for the semi-annual period under review. The sector weathered a global economic slowdown as well as war without evidence of contagion. Any negative impact on the asset class from the Iraq conflict was localized to bordering Turkey. The Latin component within the index rebounded sharply on positive economic and political developments within that region. Latin countries outperformed non-Latin countries, returning 29.81% and 14.90%, respectively.

Brazil (68.88%), Ecuador (51.81%) and Colombia (31.36%) posted the best returns within the index. Ecuador has been helped by President Lucio Gutierrez's

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pledges to fight corruption, honor the country's debt commitments and seek new measures to alleviate the country's debt burden. A potential International Monetary Fund (IMF) agreement also boosted returns in Ecuador. In the non-Latin countries, Russia continued to post strong positive returns at 22.65%. Turkey posted a modest 6.98%, as geopolitical concerns and the war in bordering Iraq dampened returns. Turkey had initially failed to secure a multi-year support package from the U.S. after the Turkish parliament voted against a resolution allowing U.S. troops an access route to northern Iraq. Venezuela was the only country to post negative returns (-2.36%), which was due to the economic impact of recent strikes against President Chavez, weakness in the Bolivar and subsequent credit rating downgrades.

The high yield market, as represented by the CSFBHY Index, returned

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13.23% for the semi-annual period. High yield securities rebounded strongly as risk aversions to that sector moderated and spreads narrowed. Investors seeking higher yielding securities but averse to the slumping equity markets provided significant inflows of new cash into the high yield market. Key risks that paralyzed market activity had begun to diminish during the period. The U.S. Federal Reserve's November rate cut and the likelihood of further fiscal stimulus alleviated fears of a renewed recession. With the corporate governance crisis working its way through the financial, legislative and judicial systems, corporate managers were more focused on balance-sheet repair and improving profitability. Defaults in high yield began to decline, and the direction of the high yield market de-coupled from the equity market. During the period under review, telecommunications and utilities rallied, while the airline industry continued to fall victim to a downturn in the travel industry.

Outlook

The U.S. economy is in a transition phase given the recent end to the conflict in Iraq. Uncertainty, which existed in the marketplace due to the Iraq conflict, has abated, and investors are now more focused on economic fundamentals. The economic hangover from the conflict in Iraq and continued weak labor markets prompted us to lower our U.S. 2003 gross domestic product (GDP) growth outlook to 2.5%. The U.S. economy still lacks solid and broad-based growth. Although recent data releases have been somewhat contradictory, we believe the dissipation of geopolitical uncertainties will most likely result in the gradual strengthening of the U.S. economy as the year progresses. We expect both the high yield and emerging market sectors to benefit from an improving economy. Declining default rates, positive supply technicals and significant demand are all positive indicators for the high yield sector. Diversification of the Fund's high yield securities coupled with selective, well-researched holdings will be key.

Within the emerging market sector, the combination of accelerating demand and limited new supply of emerging market issuers will most likely support a broader rally. In the near-term, however, we expect emerging markets to experience continued volatility due to global political tensions.

In Russia, we continue to maintain the Fund's overweight position. Signs of strong consumer and corporate spending suggest a very strong growth in incomes. We believe that retail sales will continue to grow and remain strong as public salaries and pensions are due to be raised by 20% in March. Exports continue to be strong even though import growth is contained by the appreciating euro. We believe the credit quality rating of Russia should increase in the near-term, and if that is possible, Russia will be upgraded to an investment grade rating within the next two years. Currently, we believe that Russia is capable of

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handling the decline in oil prices as crude oil and oil product exports continue to expand. Finally, strong foreign reserves will bode well for Russia as the economy continues to improve.

The integration of the U.S. and Mexican economies suggest that an im-

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provement in the U.S. economy would bode well for Mexico since it would increase demand for Mexican imports.

The current economic and financial landscape remains mixed. Therefore, we will continue to evaluate the Fund's position in Mexico.

Events in Brazil, especially the direction of policy initiatives set forth by newly elected President da Silva, will have a significant influence on market sentiment in 2003. We believe President da Silva will make significant strides toward economic reform, and we remain optimistic on the country's U.S. dollar denominated debt.

Thank you for your continued interest and investment in ACM Managed Dollar Income Fund. We look forward to reporting to you on market activity and the Fund's investment results in the coming periods.

Sincerely,

/s/ John D. Carifa

John D. Carifa
Chairman and President

/s/ Paul J. DeNoon

Paul J. DeNoon
Vice President

/s/ George D. Caffrey

George D. Caffrey
Vice President

[PHOTO] John D. Carifa

[PHOTO] Paul J. DeNoon

[PHOTO] George D. Caffrey

Paul J. DeNoon and George D. Caffrey, Portfolio Managers, have over 42 years of combined investment experience.

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PERFORMANCE UPDATE

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ACM MANAGED DOLLAR INCOME FUND (NAV)
 GROWTH OF A \$10,000 INVESTMENT
 10/31/93* TO 3/31/03

ACM Managed Dollar Income Fund (NAV): \$17,269
 Composite: \$23,611

	ACM Managed Dollar Income Fund (NAV)	Composite**
10/31/93*	\$10,000	\$10,000
3/31/94	\$ 9,493	\$ 9,109
3/31/95	\$ 8,526	\$ 8,757
3/31/96	\$11,966	\$11,948
3/31/97	\$15,963	\$15,156
3/31/98	\$19,379	\$17,687
3/31/99	\$13,866	\$15,977
3/31/00	\$19,972	\$19,010
3/31/01	\$21,517	\$20,253
3/31/02	\$25,007	\$20,968
3/31/03	\$17,269	\$23,611

This chart illustrates the total value of an assumed \$10,000 investment in ACM Managed Dollar Income Fund at net asset value (NAV) (from 10/31/93* to 3/31/03) as compared to the performance of an appropriate composite. The composite represents 65% of the J.P. Morgan Emerging Markets Bond Index Plus (JPM EMBI+) and 35% of the Credit Suisse First Boston High Yield (CSFBHY) Index. The composite is from the inception of the JPM EMBI+, which was 12/31/93. For the period 10/31/93 through 3/31/94, the J.P. Morgan Emerging Markets Bond Index was used in place of the JPM EMBI+. All other periods used the composite benchmark. The chart assumes the reinvestment of dividends and capital gains. Past performance is not indicative of future results, and is not representative of future gain or loss in capital value or dividend income.

** The unmanaged JPM EMBI+ is comprised of dollar-denominated restructured sovereign bonds; a large percentage of the index is made up of Brady bonds. The unmanaged CSFBHY Index is a measure of lower-rated, fixed-income, non-convertible U.S. dollar-denominated securities meeting certain criteria developed by Credit Suisse designed to enable the index to reflect the high yield market. The indices are unmanaged and reflect no fees or expenses. When comparing ACM Managed Dollar Income Fund to the composite shown above, you should note that no charges or expenses are reflected in the performance of the composite. An investor cannot invest directly in an index, and its results are not indicative of any specific investment, including ACM Managed Dollar Income Fund.

* Closest month-end after Fund's inception date of 10/22/93.

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PERFORMANCE UPDATE

ACM MANAGED DOLLAR INCOME FUND (NAV)
 HISTORY OF RETURNS
 YEARLY PERIODS ENDED 3/31

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ACM Managed Dollar Income Fund (NAV)
Composite*

ACM Managed Dollar Income Fund (NAV)--Yearly Periods Ended 3/31

	ACM Managed Dollar Income Fund (NAV)	Composite*
3/31/94**	-16.76%	N/A
3/31/95	-14.95%	-3.86%
3/31/96	49.08%	36.44%
3/31/97	35.04%	26.84%
3/31/98	26.28%	16.74%
3/31/99	-29.73%	-9.67%
3/31/00	20.25%	18.99%
3/31/01	-7.24%	6.54%
3/31/02	11.05%	3.53%
3/31/03	10.22%	12.61%

Past performance is no guarantee of future results. The Fund's investment results represent average annual returns and are based on the net asset value (NAV). All fees and expenses related to the operation of the Fund have been deducted. Returns for the Fund include the reinvestment of any distributions paid during each period.

* The composite represents 65% of the J.P. Morgan Emerging Markets Bond Index Plus (JPM EMBI+) and 35% of the Credit Suisse First Boston High Yield (CSFBHY) Index. The composite is from the inception of the JPM EMBI+, which was 12/31/93. The unmanaged JPM EMBI+ is comprised of dollar-denominated restructured sovereign bonds; a large percentage of the index is made up of Brady bonds. The unmanaged CSFBHY Index is a measure of lower-rated, fixed-income, non-convertible U.S. dollar-denominated securities meeting certain criteria developed by Credit Suisse designed to enable the index to reflect the high yield market. The indices are unmanaged and reflect no fees or expenses. An investor cannot invest directly in an index, and its results are not indicative of any specific investment, including ACM Managed Dollar Income Fund.

** The Fund's return for the period ended 3/31/94 is from the Fund's inception date of 10/22/93 through 3/31/94. The J.P. Morgan Emerging Markets Bond Index Plus was not available until 12/31/93. Therefore, returns for the benchmark are not available for the period ended 3/31/94.

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PORTFOLIO SUMMARY

March 31, 2003 (unaudited)

INCEPTION DATE

10/22/93

PORTFOLIO STATISTICS

Net Assets (\$mil): \$154.3

SECURITY TYPE

52.1%	Sovereign
35.7%	Corporate

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5.5%	Yankee Bonds	[PIE CHART OMITTED]
4.2%	Brady Bonds	
1.4%	Preferred Stock	
1.1%	Short-Term	

COUNTRY BREAKDOWN

38.2%	United States	
22.1%	Russia	
13.3%	Brazil	[PIE CHART OMITTED]
10.5%	Mexico	
2.4%	Philippines	
2.2%	Colombia	
1.7%	Venezuela	
1.4%	Peru	
1.3%	Luxembourg	
1.3%	Panama	
1.0%	Malaysia	
4.6%	Other	

All data as of March 31, 2003. The Fund's security type and country breakdowns are expressed as a percentage of total investments and may vary over time. "Other" represents less than 1.0% weightings in each of the following countries: Ecuador, Ukraine, Bulgaria, Turkey, Argentina, Bahamas, Belize, Costa Rica, El Salvador, France, the Netherlands and Singapore.

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PORTFOLIO OF INVESTMENTS March 31, 2003 (unaudited)

	Principal Amount (000)	U.S. \$ Value

SOVEREIGN DEBT OBLIGATIONS-76.5%		
Sovereign Debt Securities-70.8%		
Belize-0.6%		
Government of Belize		
9.50%, 8/15/12	\$ 850	\$ 859,506

Brazil-16.0%		
Banco Nacional de Desenvolvimento		
6.50%, 6/15/06(a)	875	844,375
Republic of Brazil		
8.875%, 4/15/24	3,550	2,319,037
11.00%, 8/17/40(b)	17,500	13,168,750
11.50%, 3/12/08	450	414,675
12.00%, 4/15/10	2,050	1,858,325
12.75%, 1/15/20	2,500	2,186,250
14.50%, 10/15/09	3,900	3,948,750

		24,740,162

Bulgaria-0.7%		

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Republic of Bulgaria		
8.25%, 1/15/15 (a)	994	1,123,220

Colombia-3.0%		
Republic of Colombia		
8.375%, 2/15/27	625	515,625
9.75%, 4/23/09	350	374,500
10.00%, 1/23/12	1,075	1,104,563
10.50%, 7/09/10	150	158,250
11.75%, 2/25/20	2,335	2,550,987

		4,703,925

Costa Rica-0.3%		
Republic of Costa Rica		
8.05%, 1/13/13 (a)	375	389,531

Ecuador-1.1%		
Republic of Ecuador		
6.00%, 8/15/30 (a) (c)	100	52,400
6.00%, 8/15/30 (c)	2,625	1,375,500
12.00%, 11/15/12	275	199,787

		1,627,687

El Salvador-0.6%		
Republic of El Salvador		
7.75%, 1/24/23 (a)	450	475,875
8.50%, 7/25/11 (a)	400	443,400

		919,275

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	Principal Amount (000)	U.S. \$ Value

Mexico-11.9%		
United Mexican States		
11.375%, 9/15/16 (b)	\$13,375	\$ 18,343,812

Panama-0.7%		
Republic of Panama		
10.75%, 5/15/20	1,000	1,146,500

Peru-1.6%		
Republic of Peru		
9.125%, 1/15/08	875	946,094
9.125%, 2/21/12	1,400	1,477,000

		2,423,094

Philippines-3.3%		
Republic of Philippines		
9.875%, 1/15/19 (b)	2,300	2,219,500
10.625%, 3/16/25	2,950	2,942,625

		5,162,125

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Russia-29.3%		
Ministry Finance of Russia		
Series V		
3.00%, 5/14/08	650	555,750
Series VI		
3.00%, 5/14/06	3,600	3,357,000
Russian Federation		
5.00%, 3/31/30 (a) (b) (c)	47,500	41,375,587

		45,288,337

Turkey-0.7%		
Republic of Turkey		
11.75%, 6/15/10	1,175	1,057,500

Ukraine-1.0%		
Ukraine Government		
11.00%, 3/15/07	1,419	1,547,772

Total Sovereign Debt Securities		
(cost \$81,115,691)		109,332,446

Non-Collateralized Brady Bonds-5.7%		
Brazil-2.0%		
Republic of Brazil-DCB FRN		
2.625%, 4/15/12 (c)	625	414,062
8.00%, 4/15/14 (d)	3,386	2,683,704

		3,097,766

Panama-1.0%		
Republic of Panama PDI FRN		
2.25%, 7/17/16 (c)	1,833	1,502,804

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	Principal Amount (000)	U.S. \$ Value

Peru-0.3%		
Republic of Peru FLIRB VRN		
4.50%, 3/07/17 (c)	\$ 650	\$ 517,595

Venezuela-2.4%		
Republic of Venezuela DCB FRN		
Series DL		
2.3125%, 12/18/07 (c)	5,238	3,640,476

Total Non-Collateralized Brady Bonds		
(cost \$8,231,391)		8,758,641

Total Sovereign Debt Obligations		
(cost \$89,347,082)		118,091,087

U.S. CORPORATE DEBT OBLIGATIONS-48.6%		
Aerospace/Defense-0.6%		
K&F Industries, Inc.		
Series B		

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9.625%, 12/15/10	190	202,350
Hexcel Corp.		
9.875%, 10/01/08(a)	95	99,512
Sequa Corp.		
9.00%, 8/01/09	210	208,425
Transdigm, Inc.		
10.375%, 12/01/08	360	380,700

		890,987

Automotive-2.4%		
ArvinMeritor, Inc.		
8.75%, 3/01/12	325	333,125
AutoNation, Inc.		
9.00%, 8/01/08	615	651,900
Collins & Aikman Products Co.		
10.75%, 12/31/11	260	252,408
Cummins, Inc.		
9.50%, 12/01/10(a)	190	196,650
Dana Corp.		
10.125%, 3/15/10	575	590,812
Dura Operating Corp.		
Series D		
9.00%, 5/01/09	422	346,040
Lear Corp.		
Series B		
8.11%, 5/15/09	275	299,063
Stoneridge, Inc.		
11.50%, 5/01/12	40	40,800

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	Principal Amount (000)	U.S. \$ Value
TRW Automotive, Inc.		
9.375%, 2/15/13(a)	\$ 410	\$ 412,050
11.00%, 2/15/13(a)	255	255,637
United Auto Group, Inc.		
9.625%, 3/15/12	280	274,400

		3,652,885

Broadcasting & Media-1.7%		
Albritton Communications Co.		
7.75%, 12/15/12	415	424,337
Emmis Communications Corp.		
12.25%, 3/15/11(e)	285	245,100
Paxson Communications Corp.		
10.75%, 7/15/08	400	436,000
12.25%, 1/15/09(e)	215	173,075
PRIMEDIA, Inc.		
8.875%, 5/15/11	235	237,938
Radio One, Inc.		
8.875%, 7/01/11	260	284,050
Sinclair Broadcast Group, Inc.		
8.00%, 3/15/12	210	217,875
8.00%, 3/15/12(a)	60	62,250
8.75%, 12/15/11	285	304,237

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Young Broadcasting, Inc.		
8.50%, 12/15/08	195	207,187
10.00%, 3/01/11	90	95,850

		2,687,899

Building & Real Estate-2.1%		
Associated Materials, Inc.		
9.75%, 4/15/12	205	220,375
Beazer Homes USA, Inc.		
8.375%, 4/15/12	195	205,237
KB HOME		
7.75%, 2/01/10	410	420,250
LNR Property Corp.		
10.50%, 1/15/09	725	763,062
M.D.C Holdings, Inc.		
7.00%, 12/01/12	200	209,500
Meritage Corp.		
9.75%, 6/01/11	470	498,200
Schuler Homes, Inc.		
10.50%, 7/15/11	385	421,575
The Ryland Group, Inc.		
9.75%, 9/01/10	50	56,250
Werner Holdings Co., Inc.		
Series A		
10.00%, 11/15/07	200	203,000
William Lyon Homes, Inc.		
10.75%, 4/01/13	285	282,862

		3,280,311

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	Principal Amount (000)	U.S. \$ Value
Cable-2.6%		
CSC Holdings, Inc.		
7.625%, 7/15/18	\$ 425	\$ 413,312
Coaxial Communications of Central Ohio, Inc.		
10.00%, 8/15/06	210	210,787
DirectTV Holdings LLC		
8.375%, 3/15/13(a)	305	337,787
Echostar DBS Corp.		
9.375%, 2/01/09	785	839,950
Insight Midwest LP		
9.75%, 10/01/09(a)	620	643,250
Mediacom Broadband LLC		
11.00%, 7/15/13	650	729,625
PanAmSat Corp.		
8.50%, 2/01/12	835	864,225

		4,038,936

Chemicals-2.3%		
Airgas, Inc.		
9.125%, 10/01/11	275	304,562
Equistar Chemical Funding LP		

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10.125%, 9/01/08	670	649,900
FMC Corp.		
10.25%, 11/01/09(a)	270	298,350
Georgia Gulf Corp.		
10.375%, 11/01/07	500	542,500
Lyondell Chemical Co.		
Series A		
9.625%, 5/01/07	640	643,200
Series B		
10.875%, 5/01/09	475	444,125
Millennium America, Inc.		
9.25%, 6/15/08	120	130,200
Resolution Performance Products		
13.50%, 11/15/10	470	498,200

		3,511,037

Communications - Fixed-1.2%		
Alaska Communications Systems Holdings, Inc.		
9.375%, 5/15/09	35	30,975
FairPoint Communications, Inc.		
11.875%, 3/01/10(a)	165	174,075
Qwest Corp.		
8.875%, 3/15/12(a)	1,475	1,578,250

		1,783,300

Communications - Mobile-2.0%		
Dobson/Sygnnet Communications		
12.25%, 12/15/08	675	644,625
Iridium LLC Capital Corp.		
Series B		
14.00%, 7/15/05(f)	5,000	362,500

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	Principal Amount (000)	U.S. \$ Value

Nextel Communications, Inc.		
9.95%, 2/15/08	\$ 810	\$ 848,475
TeleCorp PCS, Inc.		
10.625%, 7/15/10	203	233,957
Tritel PCS, Inc.		
10.375%, 1/15/11	234	270,855
Triton PCS, Inc.		
8.75%, 11/15/11	205	174,250
11.00%, 5/01/08(e)	535	492,200

		3,026,862

Consumer Manufacturing-1.7%		
Applica, Inc.		
10.00%, 7/31/08	210	220,500
Central Garden & Pet Company		
9.125%, 2/01/13(a)	195	204,750
Collins & Aikman Floorcoverings, Inc.		
9.75%, 2/15/10	260	252,200

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Jostens, Inc.		
12.75%, 5/01/10	650	745,875
Playtex Products, Inc.		
9.375%, 6/01/11	265	288,850
Salton, Inc.		
12.25%, 4/15/08	285	287,850
Sealy Mattress Co.		
9.875%, 12/15/07	360	372,600
St. John Knits International, Inc.		
12.50%, 7/01/09	200	207,000

		2,579,625

Energy-4.6%		
Allegheny Energy, Inc.		
7.75%, 8/01/05	425	416,500
Chesapeake Energy Corp.		
7.75%, 1/15/15	310	320,850
9.00%, 8/15/12	210	228,900
CITGO Petroleum Corp.		
11.375%, 2/01/11(a)	1,630	1,715,575
Forest Oil Corp.		
8.00%, 12/15/11	250	261,250
Frontier Oil Corp.		
11.75%, 11/15/09	260	287,300
Grant Prideco, Inc.		
9.00%, 12/15/09(a)	600	643,500
Grey Wolf, Inc.		
8.875%, 7/01/07	265	274,937
Lomak Petroleum		
8.75%, 1/15/07	295	300,162
Northwest Pipelines Corp.		
8.125%, 3/01/10(a)	145	152,250
Pioneer Natural Resources Co.		
8.875%, 4/15/05	395	420,405

14 o ACM MANAGED DOLLAR INCOME FUND

	Principal Amount (000)	U.S. \$ Value
Premco Refining Group, Inc.		
9.50%, 2/01/13(a)	\$ 270	\$ 291,600
Pride International, Inc.		
9.375%, 5/01/07	270	281,475
Southern Natural Gas Co.		
7.35%, 2/15/31	365	337,625
8.875%, 3/15/10(a)	290	307,400
Stone Energy Corp.		
8.25%, 12/15/11	350	364,000
Westport Resources Corp.		
8.25%, 11/01/11(a)	80	85,400
8.25%, 11/01/11	190	203,775
XTO Energy, Inc.		
7.50%, 4/15/12	250	270,000

		7,162,904

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Entertainment & Leisure-0.9%		
Cinemark USA, Inc.		
9.00%, 2/01/13(a)	265	282,887
Premier Parks		
9.75%, 6/15/07	165	160,875
10.00%, 4/01/08(e)	85	83,194
Six Flags, Inc.		
9.50%, 2/01/09	600	573,000
Universal City Development Partners		
11.75%, 4/01/10(a)	335	338,769

		1,438,725

Financial-2.2%		
iStar Financial, Inc.		
8.75%, 8/15/08	550	590,996
Markel Capital Trust I		
Series B		
8.71%, 1/01/46(g)	660	560,520
Nationwide CSN Trust		
9.875%, 2/15/25(a)	1,000	1,076,985
PXRE Capital Trust I		
8.185%, 2/01/27	510	408,000
Western Financial Bank		
9.625%, 5/15/12	420	421,050
Williams Scotsman, Inc.		
9.875%, 6/01/07	340	332,350

		3,389,901

Food/Beverage-1.2%		
B&G Foods, Inc.		
9.625%, 8/01/07	180	186,300
Dean Foods Co.		
8.15%, 8/01/07	200	214,235
Del Monte Food Co.		
8.625%, 12/15/12(a)	235	250,275
9.25%, 5/15/11	255	273,169

ACM MANAGED DOLLAR INCOME FUND o 15		
	Principal Amount (000)	U.S. \$ Value

DIMON, Inc.		
Series B		
9.625%, 10/15/11	\$175	\$ 192,500
Dole Food Company, Inc.		
7.25%, 5/01/09	255	266,475
8.875%, 3/15/11(a)	145	151,525
Swift & Co.		
10.125%, 10/01/09(a)	255	253,725

		1,788,204

Gaming-3.2%		
Ameristar Casinos, Inc.		
10.75%, 2/15/09	230	250,700

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Argosy Gaming Co. 9.00%, 9/01/11	235	250,863
Boyd Gaming Corp. 7.75%, 12/15/12(a)	255	258,188
Harrah's Operating Company, Inc. 7.875%, 12/15/05	230	246,675
Horseshoe Gaming Holding Corp. Series B 8.625%, 5/15/09	195	206,700
MGM Mirage, Inc. 8.375%, 2/01/11	575	618,125
Mandalay Resort Group 10.25%, 8/01/07	570	619,163
Mohegan Tribal Gaming 8.375%, 7/01/11	220	230,725
	140	148,050
Park Place Entertainment 7.875%, 3/15/10	295	301,638
	430	461,175
Riviera Holdings Corp. 11.00%, 6/15/10	210	182,175
Station Casinos, Inc. 8.375%, 2/15/08	235	252,038
Trump Holdings, Inc. 11.625%, 3/15/10(a)	310	298,375
Turning Stone Casino Resort Enterprise 9.125%, 12/15/10(a)	200	210,000
Venetian Casino Resort, LLC 11.00%, 6/15/10	360	378,450
		----- 4,913,040 -----
Healthcare-3.7%		
Advanced Medical Optics, Inc. 9.25%, 7/15/10	260	271,700
Alliance Imaging, Inc. 10.375%, 4/15/11	425	408,000
AmerisourceBergen Corp. 8.125%, 9/01/08	190	206,150

16 o ACM MANAGED DOLLAR INCOME FUND

	Principal Amount (000)	U.S. \$ Value
Concentra Operating Corp. 13.00%, 8/15/09	\$ 430	\$ 466,550
Extencicare Health Services 9.50%, 7/01/10	340	338,300
HCA, Inc. 7.875%, 2/01/11	1,655	1,855,465
Hanger Orthopedic Group, Inc. 10.375%, 2/15/09	350	376,250
Omnicare, Inc. 8.125%, 3/15/11	250	270,000
PacifiCare Health Systems, Inc. 10.75%, 06/01/09	455	495,950
Triad Hospitals, Inc.		

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Series B		
8.75%, 5/01/09	455	493,675
11.00%, 5/15/09	245	271,950
Ventas Realty LP		
9.00%, 5/01/12	235	252,625

		5,706,615

Hotels & Lodging-1.9%		
Extended Stay America, Inc.		
9.875%, 6/15/11	425	419,688
Felcor Lodging LP		
8.50%, 6/01/11	145	127,238
9.50%, 9/15/08	195	179,400
Host Marriott LP		
9.25%, 10/01/07	315	315,000
9.50%, 1/15/07	435	435,544
La Quinta Corp.		
8.875%, 3/15/11(a)	285	287,494
MeriStar Hospitality Corp.		
9.125%, 1/15/11	100	84,500
MeriStar Hospitality Operating Partnership, LP		
10.50%, 6/15/09	155	139,500
Starwood Hotels & Resorts Worldwide, Inc.		
7.875%, 5/01/12(a)	695	695,869
Vail Resorts, Inc.		
8.75%, 5/15/09	280	289,800

		2,974,033

Industrial-1.4%		
Flowserve Corp.		
12.25%, 8/15/10	370	412,550
H&E Equipment/Finance		
11.125%, 6/15/12	260	199,550
NMHG Holding Co.		
10.00%, 5/15/09	220	235,400
Rexnord Corp.		
10.125%, 12/15/12(a)	195	208,163

ACM MANAGED DOLLAR INCOME FUND o 17

	Principal Amount (000)	U.S. \$ Value
SPX Corp.		
7.50%, 1/01/13	\$ 395	\$ 421,663
Terex Corp.		
10.375%, 4/01/11	390	405,600
TriMas Corp.		
9.875%, 6/15/12(a)	105	106,575
9.875%, 6/15/12	255	258,825

		2,248,326

Metals/Mining-1.1%		
Earle M. Jorgenson Company		
9.75%, 6/01/12	230	238,050

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Peabody Energy Corp. 6.875%, 3/15/13(a)	410	417,175
Steel Dynamics, Inc. 9.50%, 3/15/09	225	230,625
United States Steel LLC 10.75%, 8/01/08	770	754,600
		----- 1,640,450 -----
Paper & Packaging-3.9%		
Anchor Glass Container Corp. 11.00%, 2/15/13(a)	330	343,200
Ball Corp. 6.875%, 12/15/12(a)	1,000	1,036,250
Berry Plastics Corp. 10.75%, 7/15/12	310	328,600
Crown Paper Co. 11.00%, 9/01/05(f)	5,000	0
Georgia-Pacific Corp. 9.375%, 2/01/13(a)	820	869,200
Graphic Packaging Corp. 8.625%, 2/15/12	190	194,750
Greif Bros. Corp. 8.875%, 8/01/12	270	282,825
Huntsman Packaging Corp. 13.00%, 6/01/10	195	178,425
Owens-Brockway Glass Container, Inc. 8.875%, 2/15/09	815	845,563
Plastipak Holdings, Inc. 10.75%, 9/01/11	285	296,400
Pliant Corp. 13.00%, 6/01/10	215	196,725
Russell-Stanley Holdings, Inc. 9.00%, 11/30/08(a) (g) (h)	748	560,780
Silgan Holdings, Inc. 9.00%, 6/01/09	200	208,000
Stone Container Corp. 9.25%, 2/01/08	535	588,500
9.75%, 2/01/11	42	46,725
		----- 5,975,943 -----

18 o ACM MANAGED DOLLAR INCOME FUND

	Principal Amount (000)	U.S. \$ Value
Publishing-1.8%		
American Media, Inc. 8.875%, 1/15/11(a)	\$105	\$ 113,925
10.25%, 5/01/09	500	542,500
Dex Media East LLC 9.875%, 11/15/09(a)	110	124,575
12.125%, 11/15/12(a)	320	374,400
Hollinger International Publishing, Inc. 9.00%, 12/15/10(a)	530	563,125
Houghton Mifflin Co. 8.25%, 2/01/11(a)	280	301,000

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9.875%, 2/01/13(a)	100	108,500
PEI Holdings, Inc.		
11.00%, 3/15/10(a)	205	215,763
RH Donnelley, Inc.		
8.875%, 12/15/10(a)	135	149,513
10.875%, 12/15/12(a)	255	292,613

		2,785,914

Retail-0.3%		
J.C. Penney Corporation, Inc.		
8.00%, 3/01/10	490	509,600

Service-2.8%		
Allied Waste North America		
8.50%, 12/01/08	150	158,438
8.875%, 4/01/08	645	686,119
10.00%, 8/01/09	815	849,638
Coinmach Corp.		
9.00%, 2/01/10	250	265,313
Corrections Corp. of America		
9.875%, 5/1/09	310	335,575
Iron Mountain, Inc.		
8.625%, 4/01/13	350	379,750
National Waterworks, Inc.		
10.50%, 12/01/12(a)	220	238,700
Service Corporation International		
6.50%, 3/15/08	240	231,000
7.70%, 4/15/09	650	641,875
Stewart Enterprises, Inc.		
10.75%, 7/01/08	310	341,387
United Rentals, Inc.		
10.75%, 4/15/08	205	213,200

		4,340,995

Supermarket & Drugstore-1.0%		
Pathmark Stores, Inc.		
8.75%, 2/01/12	310	299,150
Rite Aid Corp.		
11.25%, 7/01/08	815	810,925

ACM MANAGED DOLLAR INCOME FUND o 19

	Principal Amount (000)	U.S. \$ Value
Roundy's, Inc.		
Series B		
8.875%, 6/15/12	\$ 270	\$ 270,000
Stater Bros. Holdings, Inc.		
10.75%, 8/15/06	150	153,750

		1,533,825

Technology-1.6%		
Fairchild Semiconductor		
10.50%, 2/01/09	505	568,125
ON Semiconductor Corp.		

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12.00%, 3/15/10(a)	635	673,100
Sanmina-SCI Corp.		
10.375%, 1/15/10(a)	80	86,800
Unisys Corp.		
6.875%, 3/15/10	1,000	1,015,000
7.875%, 4/01/08	185	193,325

		2,536,350

Utilities - Electric & Gas-0.4%		
AES Corporation		
10.00%, 7/15/05(a)	290	295,800
Xcel Energy, Inc.		
7.00%, 12/01/10	305	326,350

		622,150

Total U.S. Corporate Debt Obligations		
(cost \$84,909,956)		75,018,817

NON-U.S. CORPORATE DEBT OBLIGATIONS-7.5%		
Argentina-0.3%		
Supercanal Holdings, SA		
10.75%, 11/07/02(f)(g)	3,478	417,315

Bahamas-0.2%		
Sun International Hotels, Ltd.		
8.875%, 8/15/11	245	252,963

France-0.3%		
Crown Euro Holdings		
9.50%, 3/01/11(a)	430	431,613

Luxembourg-1.7%		
Mobile Telesystems Finance S.A.		
10.95%, 12/21/04	2,130	2,244,488
Tyco Int'l Group S.A.		
6.75%, 2/15/11	435	417,600

		2,662,088

Malaysia-1.3%		
Petronas Capital, Ltd.		
7.875%, 5/22/22(a)	1,925	2,066,942

20 o ACM MANAGED DOLLAR INCOME FUND

	Shares or Principal Amount (000)	U.S. \$ Value

Mexico-2.4%		
Innova S. de R.L.		
12.875%, 4/01/07	\$ 4,275	\$ 3,787,650

Netherlands-0.3%		
Hurricane Finance BV		
9.625%, 2/12/10(a)	400	414,500

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Russia-0.8%		
AO Siberian Oil Company		
11.50%, 2/13/07	300	334,800
Gazprom OAO		
9.625%, 3/01/13(a)	500	516,250
Tyumen Oil Company		
11.00%, 11/06/07(a)	300	338,625

		1,189,675

Singapore-0.2%		
Flextronics International, Ltd.		
9.875%, 7/01/10	265	295,144

Total Non-U.S. Corporate Debt Obligations		
(cost \$14,246,815)		11,517,890

CONVERTIBLE PREFERRED STOCK-0.0%		
PSINet, Inc.		
7.00% (a) (f)	15,000	1,050
United States Steel Corp.		
7.00%	2,300	95,864

Total Convertible Preferred Stock		
(cost \$715,000)		96,914

NON-CONVERTIBLE PREFERRED STOCK-1.8%		
Broadwing Communications, Inc.		
Series B		
12.50%	880	81,400
CSC Holdings, Inc.		
Series M		
11.125%	14,400	1,476,000
Nextel Communications		
Series E		
11.125% (i)	2	2,120
Sinclair Capital		
11.625%	850	90,313
Sovereign Real Estate Investment Trust		
12.00% (a)	870	1,148,400

Total Non-Convertible Preferred Stock		
(cost \$2,862,058)		2,798,233

ACM MANAGED DOLLAR INCOME FUND o 21

	Shares or Principal Amount (000)	U.S. \$ Value

COMMON STOCK, WARRANTS & RIGHTS-0.0%		
Jostens, Inc. Cl. E		
Warrants, expiring 5/01/10 (j) (k)	655	\$ 21,124
Republic of Venezuela		
Warrants, expiring 4/15/20 (j)	7,140	0
Russell-Stanley Holdings, Inc.		

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Common Stock(j) (1)	100,000	0
United Mexican States Recovery Rights(j)	3,538,000	15,921

Total Common Stock, Warrants & Rights (cost \$13,100)		37,045

SHORT-TERM INVESTMENT-1.6%		
Time Deposit-1.6%		
Societe Generale		
1.38%, 4/01/03		
(cost \$2,400,000)	\$ 2,400	2,400,000

Total Investments-136.0%		
(cost \$194,494,011)		209,959,986
Other assets less liabilities*-(36.0)%		(55,613,389)

Net Assets-100.0%		\$154,346,597

***SECURITY LENDING INFORMATION**

Includes cash collateral received of \$2,838,330 for securities on loan as of March 31, 2003 (see Note G). The lending agent invested the cash collateral in a short-term investment as follows:

	Current Yield	Shares	U.S. \$ Value	Percent of Net Assets
	-----	-----	-----	-----
UBS Private Money Market Fund LLC	1.29%	2,838,330	\$2,838,330	1.8%

CALL OPTIONS WRITTEN(j) (See Note C)

	Contracts(m) (000)	U.S. \$ Value
	-----	-----
Federal Republic of Brazil		
C-Bonds		
8.00%, 4/15/14		
Expiring April '03 @ \$76.87	13,545	\$ (35,218)
Expiring April '03 @ \$77.68	11,083	(19,949)

(premiums received \$29,492)		\$ (55,167)

22 o ACM MANAGED DOLLAR INCOME FUND

CREDIT DEFAULT SWAP CONTRACTS (See Note C)

	Notional Amount (000)	Interest Rate	Termination Date	Unrealized Appreciation (Depreciation)
	-----	-----	-----	-----
Buy Contracts:				
Deutsche Bank A.G London				
Federal Republic of Brazil				
12.25%, 3/06/30	\$ 600	17.00%	2/06/05	\$ (65,460)
Salomon Brothers				
International Limited				

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Republic of Venezuela 2.3125%, 12/18/07 Salomon Brothers International Limited	60	21.00	2/11/04	443
Republic of Venezuela 2.3125%, 12/18/07 Salomon Brothers International Limited	60	21.25	2/11/05	678
Republic of Venezuela 2.3125%, 12/18/07 Salomon Brothers International Limited	60	20.50	2/11/06	1,304
Republic of Venezuela 2.3125%, 12/18/07 Salomon Brothers International Limited	60	20.00	2/11/07	1,272
Republic of Venezuela 2.3125%, 12/18/07 Sale Contracts: Deutsche Bank A.G London Federal Republic of Brazil 12.25%, 3/06/30	600	17.85	2/06/08	83,760
Deutsche Bank A.G London Federal Republic of Brazil 12.25%, 3/06/30	1,500	14.50	3/08/08	46,950
				----- \$ 70,340 -----

REVERSE REPURCHASE AGREEMENTS (See Note C)

Broker	Interest Rate	Maturity	Amount
-----	-----	-----	-----
Deutsche Banc	1.35%	12/31/03	\$ 35,281,643
JP Morgan Chase	0.75	12/31/03	1,982,516
JP Morgan Chase	1.30	12/31/03	13,015,002
Lehman Brothers	1.30	12/31/03	10,738,764
			----- \$ 61,017,925 -----

ACM MANAGED DOLLAR INCOME FUND o 23

(a) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2003, the market value of these securities aggregated \$68,263,303 or 44.2% of net assets.

(b) Positions, or portions thereof, with an aggregate market value of \$66,138,750 have been segregated to collateralize reverse repurchase agreements.

(c) Coupon changes periodically based upon a predetermined schedule. Stated interest rate in effect at March 31, 2003.

(d) Position, or portion thereof, with an aggregate market value of \$2,683,704 has been segregated to collateralize the call options written.

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(e) Indicates a security that has a zero coupon that remains in effect until a predetermined date at which time the stated coupon rate becomes effective until final maturity.

(f) Security is in default and is non-income producing.

(g) Illiquid security, valued at fair market value. (See Note A.)

(h) Coupon is paid-in-kind.

(i) Paid-in-kind preferred stock payments.

(j) Non-income producing security.

(k) Each warrant entitles the holder to purchase 1.889 shares of common stock at \$.01 per share. The warrants are exercisable until May 1, 2010.

(l) Common stock, par value is \$0.01 per share.

(m) One contract relates to principal amount of \$1.

Glossary of Terms:

DCB	-	Debt Conversion Bond
FLIRB	-	Front Loaded Interest Reduction Bond
FRN	-	Floating Rate Note
PDI	-	Past Due Interest
VRN	-	Variable Rate Note

See notes to financial statements.

24 o ACM MANAGED DOLLAR INCOME FUND

STATEMENT OF ASSETS & LIABILITIES

March 31, 2003 (unaudited)

Assets

Investments in securities, at value (cost \$194,494,011)	\$209,959,986 (a)
Interest receivable	4,783,087
Collateral held for securities loaned	2,838,330
Receivable for investment securities sold	1,280,912
Net unrealized appreciation on credit default swap contracts	70,340
Dividend receivable	40,050
Other assets	10,573

Total assets	218,983,278

Liabilities

Outstanding options written, at value (premiums received \$29,492)	55,167
Due to custodian	57,521
Reverse repurchase agreements	61,017,925
Payable for collateral received on securities loaned	2,838,330
Payable for investment securities purchased	390,837
Advisory fee payable	96,398
Administrative fee payable	19,278
Accrued expenses and other liabilities	161,225

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Total liabilities	64,636,681
Net Assets	\$154,346,597
Composition of Net Assets	
Common stock, at par	\$ 224,498
Additional paid-in capital	295,418,146
Undistributed net investment income	15,937
Accumulated net realized loss on investment transactions	(156,822,624)
Net unrealized appreciation of investments	15,510,640
	\$154,346,597
Net Asset Value Per Share (based on 22,449,815 shares outstanding)	\$6.88

(a) Includes securities on loan with a value of \$2,712,930 (See Note G).

See notes to financial statements.

ACM MANAGED DOLLAR INCOME FUND o 25

STATEMENT OF OPERATIONS

Six Months Ended March 31, 2003 (unaudited)

Investment Income		
Interest	\$10,397,786	
Dividends	150,335	\$10,548,121
Expenses		
Advisory fee	524,980	
Administrative fee	104,998	
Printing	61,240	
Audit and legal	50,044	
Custodian	42,570	
Transfer agency	24,425	
Directors' fees	15,981	
Registration fees	12,201	
Miscellaneous	20,289	
Total expenses before interest expense	856,728	
Interest expense	408,877	
Total expenses		1,265,605
Net investment income		9,282,516
Realized and Unrealized Gain (Loss) on Investment Transactions		
Net realized gain (loss) on:		
Investment transactions		(6,603,194)
Written options		20,952
Net change in unrealized appreciation/depreciation of:		
Investments		35,328,155

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Written options	(25,675)

Net gain on investment transactions	28,720,238

Net Increase in Net Assets from Operations	\$38,002,754

See notes to financial statements.

26 o ACM MANAGED DOLLAR INCOME FUND

STATEMENT OF CHANGES
IN NET ASSETS

	Six Months Ended March 31, 2003 (unaudited)	Year Ended September 30, 2002
	-----	-----
Increase (Decrease) in Net Assets from Operations		
Net investment income	\$ 9,282,516	\$ 18,676,310
Net realized loss on investment transactions	(6,582,242)	(30,457,612)
Net change in unrealized appreciation/depreciation of investments	35,302,480	14,551,799
	-----	-----
Net increase in net assets from operations	38,002,754	2,770,497
Dividends and Distributions to Shareholders from		
Net investment income	(9,070,304)	(18,835,190)
Tax return of capital	-0-	(730,704)
Common Stock Transactions		
Reinvestment of dividends resulting in the issuance of Common Stock	579,661	1,520,333
	-----	-----
Total increase (decrease)	29,512,111	(15,275,064)
Net Assets		
Beginning of period	124,834,486	140,109,550
	-----	-----
End of period	\$154,346,597	\$124,834,486
	-----	-----

See notes to financial statements.

ACM MANAGED DOLLAR INCOME FUND o 27

STATEMENT OF CASH FLOWS
Six Months Ended March 31, 2003 (unaudited)

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Increase (Decrease) in Cash from Operating Activities:	
Interest and dividends received	\$ 8,990,835
Interest expense paid	(433,065)
Operating expenses paid	(850,624)

Net increase in cash from operating activities	\$ 7,707,146
Investing Activities:	
Purchases of long-term investments	(76,342,381)
Proceeds from disposition of long-term investments	70,529,005
Purchases of short-term investments, net	(1,396,330)
Cash collateral received on securities loaned	2,838,330
Net premium received on option transactions	50,444

Net decrease in cash from investing activities	(4,320,932)
Financing Activities:*	
Cash dividends paid	(8,490,643)
Due to custodian	57,521
Proceeds from reverse repurchase agreements	5,046,667

Net decrease in cash from financing activities	(3,386,455)

Net decrease in cash	(241)
Cash at beginning of period	241

Cash at end of period	\$ -0-

Reconciliation of Net Increase in Net Assets from Operations to Net Increase in Cash from Operating Activities:	
Net increase in net assets from operations	\$ 38,002,754
Adjustments:	
Increase in dividends and interest receivable	\$ (287,199)
Accretion of bond discount and amortization of bond premium	(1,270,087)
Increase in accrued expenses and other liabilities	6,104
Decrease in interest payable	(24,188)
Net realized loss on investment transactions	6,582,242
Net change in unrealized appreciation/depreciation of investments	(35,302,480)

Total adjustments	(30,295,608)

Net Increase in Cash from Operating Activities	\$ 7,707,146

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* Non-cash financing activities not included herein consist of reinvestment of dividends and distributions.

See notes to financial statements.

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NOTES TO FINANCIAL STATEMENTS
March 31, 2003 (unaudited)

NOTE A

Significant Accounting Policies

ACM Managed Dollar Income Fund, Inc. (the "Fund") was incorporated under the laws of the State of Maryland on August 10, 1993 and is registered under the Investment Company Act of 1940 as a non-diversified, closed-end management investment company. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States which requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and amounts of income and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund.

1. Security Valuation

Portfolio securities traded on a national securities exchange or on a foreign securities exchange (other than foreign securities exchanges whose operations are similar to those of the United States over-the-counter market) are generally valued at the last reported sale price or, if there was no sale on such day, the last bid price quoted on such day. If no bid prices are quoted, then the security is valued at the mean of the bid and asked prices as obtained on that day from one or more dealers regularly making a market in that security. Securities traded on the over-the-counter market, and securities listed on a foreign securities exchange whose operations are similar to the United States over-the-counter market and securities listed on a national securities exchange whose primary market is believed to be over-the-counter are valued at the mean of the closing bid and asked price provided by two or more dealers regularly making a market in such securities. U.S. government securities and other debt securities which mature in 60 days or less are valued at amortized cost unless this method does not represent fair value. Securities for which market quotations are not readily available are valued at fair value as determined in good faith by, or in accordance with procedures approved by, the Board of Directors. Fixed income securities may be valued on the basis of prices provided by a pricing service when such prices are believed to reflect the fair market value of such securities. Listed put and call options purchased by the Fund are valued at the last sale price. If there has been no sale on that day, such securities will be valued at the closing bid prices on that day.

2. Taxes

It is the Fund's policy to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its investment company taxable income and net realized gains, if applicable, to shareholders. Therefore, no provisions for federal income or excise taxes are required.

3. Investment Income and Investment Transactions

Interest income is accrued daily. Dividend income is recorded on the ex-dividend date. Investment transactions are accounted for on the date the

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investments are

ACM MANAGED DOLLAR INCOME FUND o 29

purchased or sold. Investment gains and losses are determined on the identified cost basis. The Fund accretes discounts as adjustments to interest income. Additionally, the Fund amortizes premium on debt securities as adjustments to interest income for financial statement reporting purposes only.

4. Dividends and Distributions

Dividends and distributions to shareholders are recorded on the ex-dividend date. Income and capital gains distributions are determined in accordance with federal tax regulations and may differ from those determined in conformity with accounting principles generally accepted in the United States. To the extent these differences are permanent, such amounts are reclassified within the capital accounts based on their federal tax basis treatment; temporary differences do not require such reclassification.

5. Repurchase Agreements

The Fund's custodian or designated subcustodian will take control of securities as collateral under repurchase agreements and determine on a daily basis that the value of such securities are sufficient to cover the value of the repurchase agreements. If the seller defaults and the value of collateral declines, or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of collateral by the Fund may be delayed or limited.

NOTE B

Advisory and Administrative Fees

Under the terms of the Investment Advisory Agreement, the Fund pays Alliance Capital Management, L.P. (the "Adviser") an advisory fee at an annual rate of .75 of 1% of the average adjusted weekly net assets of the Fund. Such fee is accrued daily and paid monthly.

Under the terms of a Shareholder Inquiry Agency Agreement with Alliance Global Investor Services, Inc. (AGIS), an affiliate of the Adviser, the Fund reimburses AGIS for costs relating to servicing phone inquiries for the Fund. The Fund reimbursed AGIS \$1,130 during the six months ended March 31, 2003.

Under the terms of an Administration Agreement, the Fund pays Princeton Administrators, L.P (the "Administrator") a fee at an annual rate of .15 of 1% of the Fund's average adjusted weekly net assets of the Fund. Such fee is accrued daily and paid monthly. The Administrator prepares financial and regulatory reports for the Fund and provides clerical and other services.

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NOTE C

Investment Transactions

Purchases and sales of investment securities (excluding short-term investments, U.S. government and government agency obligations) aggregated \$74,620,513 and \$69,326,042, respectively, for the six months ended March 31, 2003. There were no purchases or sales of U.S. government or government agency obligations for the six months ended March 31, 2003.

At March 31, 2003, the cost of investments for federal income tax purposes was

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substantially the same as the cost for financial reporting purposes. Accordingly, gross unrealized appreciation of investments was \$33,817,084 and gross unrealized depreciation of investments was \$18,351,109, resulting in net unrealized appreciation of \$15,465,975, excluding swap contracts and written options.

1. Options Transactions

For hedging and investment purposes, the Fund purchases and writes (sells) put and call options on U.S. and foreign government securities that are traded on U.S. and foreign securities exchanges and over-the-counter markets.

The risk associated with purchasing an option is that the Fund pays a premium whether or not the option is exercised. Additionally, the Fund bears the risk of loss of the premium and change in market value should the counterparty not perform under the contract. Put and call options purchased are accounted for in the same manner as portfolio securities. The cost of securities acquired through the exercise of call options is increased by premiums paid. The proceeds from securities sold through the exercise of put options are decreased by the premiums paid.

When the Fund writes an option, the premium received by the Fund is recorded as a liability and is subsequently adjusted to the current market value of the option written. Premiums received from writing options which expire unexercised are recorded by the Fund on the expiration date as realized gains from options written. The difference between the premium received and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or if the premium received is less than the amount paid for the closing purchase transaction, as a realized loss. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether the Fund has realized a gain or loss. If a put option is exercised, the premium received reduces the cost basis of the security purchased by the Fund. In writing an option, the Fund bears the market risk of an unfavorable change in the price of the security underlying the written option. Exercise of an option written by the Fund could result in the Fund selling or buying a security at a price different from the current market value.

ACM MANAGED DOLLAR INCOME FUND o 31

Transactions in call options written for the six months ended March 31, 2003 are as follows:

	Number of Contracts	Premiums Received
	-----	-----
Options outstanding at September 30, 2002	-0-	\$ -0-
Options written	31,628,000	41,392
Options terminated in closing purchase transactions	(7,000,000)	(11,900)
	-----	-----
Options outstanding at March 31, 2003	24,628,000	\$ 29,492
	-----	-----

2. Swap Agreements

The Fund may enter into swaps on sovereign debt obligations to hedge its exposure to interest rate and credit risk or for investment purposes. A swap is an agreement that obligates two parties to exchange a series of cash flows at

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specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the net interest payment to be received by the Fund, and/or the termination value at the end of the contract. Therefore the Fund considers the creditworthiness of each counterparty to a swap contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in interest rates or in the value of the underlying securities.

The Fund records a net receivable or payable on a daily basis for the net interest income or expense expected to be received or paid in the interest period. Net interest received or paid on these contracts is recorded as interest income (or as an offset to interest income). Fluctuations in the value of swap contracts are recorded for financial statement purposes as a component of net change in unrealized appreciation/depreciation of investments.

The Fund may enter into credit default swaps. A sell/(buy) contract in a credit default swap provides upon the occurrence of a credit event, as defined in the swap agreement, the Fund will buy/(sell) from/(to) the Counterparty at par and take/(deliver) the principal amount (the "Notional Amount") of the referenced obligation. During the term of the swap agreement, the Fund receives/(pays) semi-annual fixed interest payments from/(to) the respective Counterparty, calculated at the agreed upon interest rate applied to the Notional Amount.

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Credit default swaps may involve greater risks than if a Fund had invested in the reference obligation directly. Credit default swaps are subject to general market risk, liquidity risk and credit risk. If the Fund is a buyer and no credit event occurs, it will lose its investment. In addition, the value of the reference obligation received by the Fund as a seller if a credit event occurs, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the Fund.

3. Reverse Repurchase Agreements

Under a reverse repurchase agreement, the Fund sells securities and agrees to repurchase them at a mutually agreed upon date and price. At the time the Fund enters into a reverse repurchase agreement, it will establish a segregated account with the custodian containing liquid assets having a value at least equal to the repurchase price.

For the six months ended March 31, 2003, the average amount of reverse repurchase agreements outstanding was \$59,629,759 and the daily weighted average interest rate was 1.36%.

NOTE D

Distributions To Common Shareholders

The tax character of distributions to be paid for the year ending September 30, 2003 will be determined at the end of the current fiscal year. The tax character of the distributions paid during the fiscal years ended September 30, 2002 and September 30, 2001 were as follows:

2002	2001
-----	-----

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Distributions paid from:		
Ordinary income	\$(18,835,190)	\$(21,047,520)
	-----	-----
Total taxable distributions	(18,835,190)	(21,047,520)
Tax return of capital	(730,704)	(1,562,731)
	-----	-----
Total distributions paid	\$(19,565,894)	\$(22,610,251)
	-----	-----

ACM MANAGED DOLLAR INCOME FUND o 33

As of September 30, 2002, the components of accumulated earnings/(deficit) on a tax basis were as follows:

Accumulated capital and other losses	\$(148,948,995) (a)
Unrealized appreciation/(depreciation)	(21,279,502) (b)

Total accumulated earnings/(deficit)	\$(170,228,497)
	=====

(a) On September 30, 2002, the Fund had a net capital loss carryforward of \$126,240,223 of which \$57,455,739 expires in the year 2007, \$24,635,181 expires in the year 2008, \$10,899,598 expires in the year 2009 and \$33,249,705 expires in 2010. To the extent future capital gains are offset by capital loss carryforward, such gains will not be distributed. Net capital losses incurred after October 31, and within the taxable year are deemed to arise on the first business day of the Fund's next taxable year. For the year ended September 30, 2002, the Fund deferred to October 1, 2002, post October capital losses of \$22,708,772.

(b) The difference between book-basis and tax-basis unrealized appreciation/(depreciation) is attributable primarily to the tax deferral of losses on wash sales and the difference between book and tax amortization methods for premium and market discount.

NOTE E

Common Stock

There are 300,000,000 shares of \$.01 par value capital stock authorized, of which 22,449,815 shares were outstanding at March 31, 2003. During the six months ended March 31, 2003 and the year ended September 30, 2002, the Fund issued 92,008 and 223,517 shares, respectively, in connection with the Fund's dividend reinvestment plan.

NOTE F

Concentration of Risk

Investing in securities of foreign companies and foreign governments involves special risks, which include the possibility of future political and economic development, which could adversely affect the value of such securities. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of comparable U.S. companies and the United States Government. The Fund invests in the sovereign debt obligations of countries that are considered emerging market countries at the time of purchase. Therefore, the Fund is susceptible to governmental factors and economic and debt restructuring developments adversely affecting the economies of these emerging market countries. In addition, these debt obligations may be less liquid and subject to greater volatility than debt obligations of more developed countries.

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NOTE G

Securities Lending

The Fund has entered into a securities lending agreement with AG Edwards & Sons, Inc. (the "Lending Agent"). Under the terms of the agreement, the Lending Agent, on behalf of the Fund, administers the lending of portfolio securities to certain broker-dealers. In return, the Fund receives fee income from the lending transactions or it retains a portion of interest on the investment of any cash re-

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ceived as collateral. The Fund also continues to receive dividends or interest on the securities loaned. Unrealized gain or loss on the value of the securities loaned that may occur during the term of the loan will be reflected in the accounts of the Fund. All loans are continuously secured by collateral exceeding the value of the securities loaned. All collateral consists of either cash or U.S. Government securities. The Lending Agent may invest the cash collateral received in accordance with the investment restrictions of the Fund in one or more of the following investments: U.S. Government or U.S. Government agency obligations, bank obligations, corporate debt obligations, asset-backed securities, structured products, repurchase agreements and an eligible money market fund. The Lending Agent will indemnify the Fund for any loss resulting from a borrower's failure to return a loaned security when due. As of March 31, 2003, the Fund had loaned securities with a value of \$2,712,930 and received cash collateral of \$2,838,330, which was invested in a money market fund as included in the footnotes to the accompanying portfolio of investments. For the period ended March 31, 2003, the Fund earned fee income of \$4,350 which is included in interest income in the accompanying statement of operations.

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FINANCIAL HIGHLIGHTS

Selected Data For A Share Of Common Stock Outstanding Throughout Each Period

	Six Months Ended March 31, 2003 (unaudited)	----- 2002 (a)	----- 2001	----- Year Ended Septem 2000
Net asset value, beginning of period	\$ 5.58	\$ 6.33	\$ 8.09	\$ 8.39
Income From Investment Operations				
Net investment income (b)	.41	.84	.98	1.08
Net realized and unrealized gain (loss) on investment transactions	1.29	(.71)	(1.72)	(.22)
Net increase (decrease) in net asset value from operations	1.70	.13	(.74)	.86

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	-----	-----	-----	-----
Less: Dividends and Distributions				
Dividends from net investment income	(.40)	(.85)	(.95)	(1.02)
Distributions in excess of net investment income	-0-	-0-	-0-	-0-
Distribution in excess of net realized gain on investments	-0-	-0-	-0-	-0-
Tax return of capital	-0-	(.03)	(.07)	(.14)
	-----	-----	-----	-----
Total dividends and distributions	(.40)	(.88)	(1.02)	(1.16)
	-----	-----	-----	-----
Net asset value, end of period	\$ 6.88	\$ 5.58	\$ 6.33	\$ 8.09
	-----	-----	-----	-----
Market value, end of period	\$ 7.60	\$ 6.29	\$ 7.62	\$ 8.50
	-----	-----	-----	-----
Total Return				
Total investment return based on:(c)				
Market value	28.82%	(6.14)%	3.02%	(5.41)%
Net asset value	31.45%	.23%	(10.08)%	9.99%
Ratios/Supplemental Data				
Net assets, end of period (000's omitted)	\$154,347	\$124,834	\$140,110	\$179,653
Ratios to average net assets of:				
Expenses	1.81%(d)	2.12%	2.75%	2.70%
Expenses, excluding interest expense(e)	1.23%(d)	1.15%	1.13%	1.09%
Net investment income	13.30%(d)	10.81%	9.90%	9.55%
Portfolio turnover rate	36%	63%	129%	134%

See footnote summary on page 37.

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(a) As required, effective October 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 September 30, 2002 was to decrease net investment income per share by \$0.01, decrease net realized and unrealized loss on investment by \$0.01 and decrease the ratio of net investment income to average net assets from 10.91% to 10.81%. Per share, ratios and supplemental data for periods prior to October 1, 2001 have not been restated to reflect this change in presentation.

(b) Based on average shares outstanding.

(c) Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total investment return based on

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net asset value will be higher than total investment return based on market value in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. Total investment return calculated for a period of less than one year is not annualized.

(d) Annualized.

(e) Net interest expense of .58%, .97%, 1.62%, 1.61%, 1.35% and 1.53%, respectively, on borrowings.

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ADDITIONAL INFORMATION (unaudited)

Supplemental Proxy Information

A special meeting of Shareholders of ACM Managed Dollar Income Fund, Inc. was held on March 20, 2003. A description of the proposal and number of shares voted at the meeting are as follows:

		Voted For	Abstain/ Authority Withheld

1. To elect Class Two directors: (term expires in 2006)			
	John D. Carifa	18,265,386	481,181
	Ruth Block	18,258,148	488,419

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GLOSSARY OF INVESTMENT TERMS

benchmark

A standard by which a fund's performance can be measured. A benchmark is usually an unmanaged index, such as the Standard & Poor's 500 Stock Index or the Lehman Brothers Aggregate Bond Index.

bond

Bonds are issued by governments or corporations when they need to raise cash. Bonds are sold, or issued, to investors and have a maturity date, which is the date the issuer is obligated to repay the investor for the principal, or face amount, of the bond. Bonds also pay interest until maturity. Bonds are also called fixed-income securities.

credit rating

Credit ratings are issued by independent organizations, such as the Standard & Poor's Ratings group or Moody's Investors Service. These groups attempt to assess the likelihood that the issuer of the bond will be able to make timely payments of principal and interest on the bond, based on such factors as the

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issuer's financial condition and any collateral securing these obligations. Ratings typically range from AAA, which is the highest rating, to D, which is the lowest rating.

index

A compilation of securities of similar types of companies that is used to measure the investment performance of securities within that specific market. An index is often used as a benchmark for a mutual fund. An investor cannot invest directly in an index.

sector

A group of securities that are similar with respect to maturity, type, rating, industry and/or coupon. Refers to a distinct part of the economy, for example, the technology sector.

yield

The rate of return on an asset, usually referring to dividend or interest payments, expressed as a percentage of current market price.

ACM MANAGED DOLLAR INCOME FUND o 39

ALLIANCE CAPITAL MANAGEMENT L.P.

Alliance Capital Management L.P. is a leading global investment management firm with approximately \$386 billion in assets under management. In recognition of our far-reaching investment capabilities, Alliance Capital Management L.P. has been selected by employee benefit plans for 43 of the FORTUNE 100 companies and public retirement funds in 42 states as well as by hundreds of foundations, endowments and foreign institutions. By sharing this institutional money management experience with millions of mutual fund investors as well, Alliance Capital Management L.P. stands out as a "manager of choice" for thousands of investment professionals around the world.

At Alliance Capital Management L.P., we place a premium on investment research. We carefully select securities based on our proprietary research, conducted by over 570 investment professionals in 36 cities and 19 countries. Our commitment to this process means that our mutual fund shareholders have their portfolios managed by the same experienced analysts and portfolio managers who manage the pension funds of some of America's largest institutional investors.

All information on Alliance Capital is as of 3/31/03.

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BOARD OF DIRECTORS

John D. Carifa, Chairman and President
Ruth Block(1)
David H. Dievler(1)
John H. Dobkin(1)
William H. Foulk, Jr.(1)
Dr. James M. Hester(1)
Clifford L. Michel(1)

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Donald J. Robinson(1)

OFFICERS

Kathleen A. Corbet, Senior Vice President
Paul J. DeNoon, Vice President
George D. Caffrey, Vice President
Edmund P. Bergan, Jr., Secretary
Mark D. Gersten, Treasurer & Chief Financial Officer
Vincent S. Noto, Controller

Administrator
Princeton Administrators, L.P.
P.O.Box 9095
Princeton, NJ 08543-9095

Custodian
State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110

Dividend Paying Agent, Transfer Agent And Registrar
Equiserve Trust Company, N.A.
P.O. Box 43011
Providence, RI 02940-3011

Legal Counsel
Seward & Kissel LLP
One Battery Park Plaza
New York, NY 10004

Independent Auditors
Ernst & Young LLP
5 Times Square
New York, NY 10036

(1) Member of the Audit Committee

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that the Fund may purchase at market prices from time to time shares of its Common Stock in the open market.

This report, including the financial statements therein, is transmitted to the shareholders of ACM Managed Dollar Income Fund for their information. This is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report.

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ALLIANCEBERNSTEIN FAMILY OF FUNDS

U.S. Growth Funds
Growth Fund
Growth & Income Fund
Health Care Fund
Mid-Cap Growth Fund

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Premier Growth Fund
Quasar Fund
Technology Fund

Value Funds
Disciplined Value Fund
Global Value Fund
International Value Fund
Real Estate Investment Fund
Small CapValue Fund
Utility Income Fund
Value Fund

Blended Style Series
U.S. Large Cap Portfolio

Global & International Stock Funds
All-Asia Investment Fund
Global Small Cap Fund
Greater China '97 Fund
International Premier Growth Fund
New Europe Fund
Worldwide Privatization Fund

Select Investor Series
Biotechnology Portfolio
Premier Portfolio
Small Cap Growth Portfolio
Technology Portfolio

Taxable Bond Funds
Americas Government Income Trust
Corporate Bond Portfolio
Emerging Market Debt Fund
Global Strategic Income Trust
High Yield Fund

Taxable Bond Funds (continued)
Multi-Market Strategy Trust
Quality Bond Portfolio
U.S. Government Portfolio

Tax-Exempt Bond Funds
National
Intermediate Diversified
Insured National
Arizona
California
Intermediate California
Insured California
Florida
Massachusetts
Michigan
Minnesota
New Jersey
New York
Intermediate New York
Ohio
Pennsylvania
Virginia

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Asset Allocation Funds
Balanced Shares
Conservative Investors Fund
Growth Investors Fund

Closed-End Funds
All-Market Advantage Fund
ACM Income Fund
ACM Government Opportunity Fund
ACM Managed Dollar Income Fund
ACM Managed Income Fund
ACM Municipal Securities Income Fund
California Municipal Income Fund
National Municipal Income Fund
New York Municipal Income Fund
The Spain Fund
World Dollar Government Fund
World Dollar Government Fund II

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SUMMARY OF GENERAL INFORMATION

Shareholder Information

The daily net asset value of the Fund's shares is available from the Fund's Transfer Agent by calling (800) 426-5523. The Fund also distributes its daily net asset value to various financial publications or independent organizations such as Lipper Analytical Services, Inc., Morningstar, Inc. and Bloomberg. Daily market prices for the Fund's shares are published in the New York Stock Exchange Composite Transaction section of newspapers each day. The Fund's NYSE trading symbol is "ADF." Weekly comparative net asset value (NAV) and market price information about the Fund is published each Monday in The Wall Street Journal, each Sunday in The New York Times and each Saturday in Barron's and other newspapers in a table called "Closed-End Funds."

Dividend Reinvestment Plan

Pursuant to the Fund's Dividend Reinvestment Plan shareholders whose shares are registered in their own names may elect to have all distributions reinvested automatically in additional shares of the Fund by Equiserve Trust Company, N.A., as agent under the Plan. Shareholders whose shares are held in the name of a broker or nominee should contact the broker or nominee for details. All distributions to investors who elect not to participate in the Plan will be paid by check mailed directly to the record holder by or under the direction of Equiserve Trust Company, N.A. For questions concerning Shareholder account information, or if you would like a brochure describing the Dividend Reinvestment Plan, please call Equiserve Trust Company, N.A. at (800) 219-4218.

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NOTES

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1345 Avenue of the Americas
New York, NY 10105

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