NEW AMERICA HIGH INCOME FUND INC
Form N-CSRS
August 31, 2010

| OMB APPROVAL | |
|---|---|
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

# FORM N-CSR

## CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-5399

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

| 33 Broad Street Boston, MA | 02109 |
|---|---|
| (Address of principal executive offices) | (Zip code) |

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

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

Date of fiscal year end: 12/31

Date of reporting period: 1/1/10 - 6/30/10

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ( OMB ) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. Section 3507.

SEC 2569 (5-08)

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

Item 1 - Report to Shareholders

August 13, 2010

**Dear Fellow Shareholder,**

We are pleased to report to our shareholders on The New America High Income Fund's (the "Fund") results for the six months ended June 30, 2010. The Fund's net asset value per share (the "NAV") ended the period at $9.58. The Fund's total return, based on NAV, for the six months ended June 30, 2010 was 4.94%. The market price for the Fund's shares was $9.25 on June 30, 2010, representing a market price discount to NAV of -3.4%. The Fund continued to pay a monthly dividend of $.065 per share. The annualized dividend yield for a common stock purchase at year-end 2009 for the six months ended June 30, 2010 was approximately 8.6%. However, there is no certainty that the dividend will continue at the current level. The common stock dividend can be affected by portfolio results, the cost and amount of leverage, and market conditions, among other factors. The Fund's leverage, which is in the form of Auction Term Preferred Stock (the "ATP"), contributed approximately 27% of the common dividend. It is important to note that leverage is a two-edged sword. Leverage increases the total return to the common shareholders in favorable markets; however the reverse is true in poor markets.

**Total Returns for the Periods Ending June 30, 2010**

| | **1 Year** | **3 Years Cumulative** |
|---|---|---|
| New America High Income Fund (Stock Price and Dividends)* | 39.12% | 18.52% |
| New America High Income Fund (NAV and Dividends) | 34.67% | 22.11% |
| Lipper Closed-End Fund Leveraged High Yield Average | 34.38% | (8.62)% |
| Credit Suisse High Yield Index | 26.91% | 18.01% |
| Citigroup 10 Year Treasury Index | 8.29% | 30.81% |

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

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

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

*Market Review*

After delivering positive results for each of the first four months of 2010, the high yield market's momentum ended in May as several macroeconomic developments led to a quick shift in investor sentiment and an uptick in global market volatility. As measured by the Credit Suisse High Yield Index, May saw a 3.19% decline for the asset class. In June, high yield bonds again returned to positive territory, leaving the Credit Suisse Index up 4.69% for the first six months of 2010. Investors generally shed higher-risk assets, including high yield bonds, during May amid mounting sovereign fiscal concerns in Europe. The euro zone continued to be the center of attention for the global investment community, despite an announcement of the sizable European Union Stabilization Plan. The strength and sustainability of the U.S. economic recovery was also called into question, partly due to a slowdown in employment growth.

The J.P. Morgan Global High Yield Index's spread-to-worst, which is a measure of the differential in rates between high yield bonds and US Treasuries, widened by 141 basis points during May and June to end the period at 730 basis points over Treasuries. Despite the market's nearly 5% return, the average spread-to-worst for the J.P. Morgan Index was 72 basis points wider than where it started the year. U.S. Treasury securities attracted strong demand amid the widespread risk aversion witnessed in May, sending Treasury bond prices up and their yields down. The decline in Treasury rates accounted for a portion of the spread widening seen for high yield bonds. The average yield for J.P. Morgan Index ended the first half of the year at 9.04%, roughly five times higher than the five-year U.S. Treasury yield. This broad difference in absolute yields tempted market participants back to the high yield asset class. High yield bond prices bounced back in June as positive cash inflows resumed, although investors remained cautious and uncertain about prospects for the second half of 2010.

High yield investors may face a potentially challenging summer  a season traditionally characterized by light trading volumes. Second quarter earnings reports may provide some solace, but analysts and portfolio managers will closely examine companies' outlooks for the third and fourth quarters. A strong dose of pessimism seems to have suddenly replaced a guarded sense of optimism that propelled the high yield market higher over the last year and a half. The bearish sentiment seems a bit excessive in our view given the progress many high yield issuers have made to improve their balance sheets and restore their financial health.

*Strategy Review*

Throughout the first six months of this year, our investment team has made a number of important adjustments to the Fund's portfolio. First, we reduced or eliminated several higher-risk, leveraged buyout positions  notably First Data and Texas Utilities. We also pared back holdings in convertible securities, an area that delivered particularly strong performance over the past year. Proceeds from these sales were redeployed into more traditional BB and B rated bonds with yields between 9% and 10%. One important sector of focus was energy, which underperformed due to the tragic oil spill in the Gulf of Mexico. We sold several companies that will be adversely affected by a moratorium on drilling, but also established a position in convertible bonds for Transocean that are puttable in 2011. While there is tremendous uncertainty with respect to Transocean's share of responsibility for the tragedy in the Gulf, any legal claims will likely be decided well beyond this bond's put date. Our research has concluded the company has ample liquidity and access to capital to fund this potential maturity.

The Fund's major sector weightings remain concentrated in industries that have more defensive characteristics, such as wireless communications, financials, and health care. While the Fund's financials holdings took some hits in the second quarter, we are encouraged by the strong capitalizations and cash flow profiles of the companies we own. A number of these issuers even retain investment-grade credit ratings. For example, CIT, one of our largest positions, announced a $1.2 billion pay down of its high cost term loan at quarter end, funded by a small asset sale and excess cash from its balance sheet. Overall, we sense that most management teams remain committed to further balance sheet improvement in an uncertain economic climate.

*Outlook*

Even if U.S. economic growth slows in the second half of 2010, we feel the majority of high yield issuers have taken the necessary steps to improve liquidity, extend debt maturities, and rationalize cost structures. Clearly a number of extremely leveraged buyouts will ultimately face eventual restructurings of their bonds and loans, even in a robust growth scenario. We are confident that the Fund's portfolio has minimal exposure to these riskier companies. Our investment team is not currently subscribing to a "double dip" recession forecast, but we will closely monitor the effects of macroeconomic developments on the high yield market and incorporate this view in assessing the overall risk level for the Fund's portfolio. As always, we are committed to the disciplined investment approach and long-term perspective that have helped us generate attractive risk-adjusted performance in past market cycles.

Sincerely,

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

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

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

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

*The views expressed in this update are as of the date of this letter. These views and any portfolio holdings discussed in the update are subject to change at any time based on market or other conditions. The Fund and T. Rowe Price Associates, Inc. disclaim any duty to update these views, which may not be relied upon as investment advice. In addition, references to specific companies' securities should not be regarded as investment recommendations or indicative of the Fund's portfolio as a whole.*

The New America High Income Fund, Inc.

| **Industry Summary 6/30/2010 (Unaudited)** | **As a Percent of Total Investments** |
|---|---|
| Telecommunications | 12.67% |
| Finance | 10.66% |
| Oil and Gas | 7.59% |
| Broadcasting and Entertainment | 7.13% |
| Diversified/Conglomerate Service | 6.74% |
| Containers, Packaging and Glass | 4.88% |
| Healthcare, Education and Childcare | 4.76% |
| Retail Stores | 4.60% |
| Mining, Steel, Iron and Non-Precious Metals | 4.15% |
| Hotels, Motels, Inns and Gaming | 3.99% |
| Automobile | 3.74% |
| Diversified/Conglomerate Manufacturing | 2.86% |
| Building and Real Estate | 2.64% |
| Chemicals, Plastics and Rubber | 2.61% |
| Electronics | 2.37% |
| Beverage, Food and Tobacco | 2.32% |
| Insurance | 2.30% |
| Personal, Food and Miscellaneous Services | 1.99% |
| Printing and Publishing | 1.89% |
| Utilities | 1.83% |
| Aerospace and Defense | 1.29% |
| Leisure, Amusement and Entertainment | 1.18% |
| Personal Transportation | 1.01% |
| Groceries | 0.81% |
| Machinery | 0.73% |
| Cargo Transport | 0.67% |
| Ecological | 0.62% |
| Banking | 0.50% |
| Personal Non-Durable Consumer Products | 0.48% |
| Textiles and Leather | 0.37% |
| Farming and Agriculture | 0.27% |
| Furnishings, Housewares, Consumer Durable | 0.24% |
| Short-Term Investments | 0.11% |
| Total Investments | 100.00% |

| **Moody's Investors Service Ratings June 30, 2010 (Unaudited)** | **As a Percent of Total Investments** |
|---|---|
| Short Term P-1 | 0.11% |
| A3 | 0.53% |
| Baa2 | 0.36% |
| Baa3 | 1.13% |
| Total Baa | 1.49% |
| Ba1 | 4.11% |
| Ba2 | 5.91% |
| Ba3 | 8.41% |
| Total Ba | 18.43% |
| B1 | 13.69% |

| | |
|---|---|
| B2 | 11.82% |
| B3 | 19.27% |
| Total B | 44.78% |
| Caa1 | 16.11% |
| Caa2 | 7.51% |
| Caa3 | 3.55% |
| Total Caa | 27.17% |
| Ca | 0.60% |
| C | 0.52% |
| Unrated | 3.72% |
| Equity | 2.65% |
| Total Investments | 100.00% |

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited)** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES 128.77% (d)** | | | |
| **Aerospace and Defense 1.76%** | | | |
| $ 650 | BE Aerospace Inc., Senior Notes, 8.50%, 07/01/18 | Ba3 | $ 686 |
| 200 | Colt Defense LLC, Senior Notes, 8.75%, 11/15/17 (g) | B3 | 161 |
| 650 | GenCorp Inc., Senior Subordinated Notes, 9.50%, 08/15/13 | B1 | 658 |
| 625 | Moog, Inc., Senior Notes, 7.25%, 06/15/18 | Ba3 | 609 |
| 750 | Sequa Corporation, Senior Notes, 11.75%, 12/01/15 (g) | Caa2 | 743 |
| 200 | Spirit Aerosystems, Inc., Senior Notes, 7.50%, 10/01/17 | B2 | 196 |
| 825 | TransDigm Inc., Senior Subordinated Notes, 7.75%, 07/15/14 | B3 | 825 |
| | | | 3,878 |
| **Automobile 4.78%** | | | |
| 175 | Affinia Group, Inc., Senior Notes, 10.75%, 08/15/16 (g) | B1 | 190 |
| 150 | Affinia Group, Inc., Senior Subordinated Notes, 9%, 11/30/14 | B3 | 151 |
| 1,935 | Allison Transmission, Inc., Senior Notes, 11.25%, 11/01/15 (c)(g) | Caa2 | 2,026 |
| 1,550 | American Axle & Manufacturing, Inc., Senior Notes, 7.875%, 03/01/17 | Caa2 | 1,345 |
| 50 | American Axle & Manufacturing, Inc., Senior Notes, 9.25%, 01/15/17 (g) | B1 | 51 |
| 275 | ArvinMeritor, Inc., Senior Notes, 8.125%, 9/15/15 | Caa2 | 264 |
| 625 | Commercial Vehicle Group, Inc., 13%, 02/15/13 (c)(g) | (e) | 632 |
| 350 | Cooper Standard Automotive, Senior Notes, 8.50%, 05/01/18 (g) | B2 | 352 |
| 525 | General Motors Corporation, Senior Notes, 6.75%, 05/01/28 (a) | (e) | 150 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 825 | General Motors Corporation, Senior Notes, 8.25%, 07/15/23 (a) | (e) | $ 248 |

| | | | |
|---|---|---|---|
| | Goodyear Tire & Rubber Company, Senior Notes, | | |
| 1,725 | 10.50%, 05/15/16 | B1 | 1,867 |
| | KAR Holdings, Inc., Senior Notes, | | |
| 400 | 8.75%, 05/01/14 | B3 | 401 |
| | KAR Holdings, Inc., Senior Subordinated Notes, | | |
| 1,000 | 10%, 05/01/15 | Caa1 | 1,020 |
| | Tenneco Automotive, Inc., Senior Subordinated Notes, | | |
| 400 | 8.125%, 11/15/15 | B2 | 403 |
| | Tenneco Automotive, Inc., Senior Subordinated Notes, | | |
| 275 | 8.625%, 11/15/14 | Caa1 | 277 |
| | UCI Holdco, Inc., Senior Notes, | | |
| 916 | 8.537%, 12/15/13 (c) | Caa3 | 888 |
| | United Components, Inc., Senior Subordinated Notes, | | |
| 275 | 9.375%, 06/15/13 | Caa2 | 276 |
| | | | 10,541 |
| **Banking .68%** | | | |
| | Citigroup Capital XXI, Enhanced Trust Securities, | | |
| 1,150 | 8.30%, 12/21/77 | Ba1 | 1,116 |
| | Royal Bank of Scotland Group plc, | | |
| 495 | 7.648%, 08/29/49 | Ba2 | 376 |
| | | | 1,492 |
| **Beverage, Food and Tobacco 2.93%** | | | |
| | Alliance One International , Inc., Senior Notes, | | |
| 600 | 10%, 07/15/16 (g) | B2 | 614 |
| | Alliance One International , Inc., Senior Notes, | | |
| 100 | 10%, 07/15/16 (g) | (e) | 102 |
| | CEDC Finance Corporation International, Senior Notes, | | |
| 325 | 9.125%, 12/01/16 (g) | B1 | 315 |
| | Constellation Brands, Inc., Senior Notes, | | |
| 75 | 8.375%, 12/15/14 | Ba3 | 80 |
| | Cott Beverages, Inc., Senior Notes, | | |
| 200 | 8.375%, 11/15/17 (g) | B3 | 203 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 309 | Dole Food Company, Inc., Senior Notes, 13.875%, 03/15/14 | B2 | $ 365 |
| 100 | JBS S.A., Senior Notes, 9.375%, 02/07/11 | B1 | 102 |
| 425 | JBS USA, LLC Senior Notes, 11.625%, 05/01/14 | B1 | 476 |
| 750 | Land O'Lakes, 7.45%, 03/15/28 7.45%, 03/15/28 (g) | Ba2 | 645 |
| 900 | Michael Foods, Inc., Senior Notes, 9.75%, 07/15/18 (g) | Caa1 | 924 |
| 200 | Pinnacle Foods Finance LLC, Senior Notes, 9.25%, 04/01/15 | Caa2 | 204 |
| 325 | Pinnacle Foods Finance LLC, Senior Notes, 9.25%, 04/01/15 (g) | Caa2 | 332 |
| 100 | Pinnacle Foods Finance LLC, Senior Subordinated Notes, 10.625%, 04/01/17 | Caa2 | 105 |
| 225 | Reddy Ice Holdings, Inc., Senior Notes, 10.50%, 11/01/12 | Caa1 | 225 |
| 600 | Reddy Ice Holdings, Inc., Senior Notes, 11.25%, 03/15/15 (g) | B1 | 618 |
| 375 | TreeHouse Foods, Inc., Senior Notes, 7.75%, 03/01/18 | Ba2 | 391 |
| 775 | US Food Service, Senior Notes, 10.25%, 06/30/15 (g) | (e) | 771 |
| | | | 6,472 |
| **Broadcasting and Entertainment** | **9.39%** | | |
| 650 | AMC Entertainment, Inc., Senior Notes, 8.75%, 06/01/19 | B1 | 653 |
| 500 | Belo Corporation, Senior Notes, 8%, 11/15/16 | Ba2 | 514 |
| 875 | Cablevision Systems Corporation, Senior Notes, 7.75%, 04/15/18 | B1 | 875 |
| 350 | Cablevision Systems Corporation, Senior Notes, 8%, 04/15/20 | B1 | 354 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 800 | Cequel Communications Holdings I, LLC, Senior Notes, 8.625%, 11/15/17 (g) | B3 | $ 796 |

| | | | |
|---|---|---|---|
| 325 | CCH II, LLC, Senior Notes, 13.50%, 11/30/16 | B2 | 379 |
| 825 | CCO Holdings, LLC, Senior Notes, 7.875%, 04/30/18 (g) | B2 | 827 |
| 400 | CCO Holdings, LLC, Senior Notes, 8.125%, 04/30/20 (g) | B2 | 407 |
| 450 | Cinemark, USA, Inc., Senior Notes, 8.625%, 06/15/19 | B3 | 452 |
| 600 | Clear Channel Communications, Inc., Senior Notes, 9.25%, 12/15/17 (g) | B2 | 603 |
| 1,150 | Clear Channel Communications, Inc., Senior Notes, 10.75%, 08/01/16 | Ca | 805 |
| 275 | CSC Holdings, Inc., Senior Notes, 8.50%, 06/15/15 | Ba3 | 285 |
| 190 | CW Media Holdings, Inc., Senior Notes, 13.50%, 08/15/15 (g) | Ca | 213 |
| 475 | Kabel Deutschland GmbH, Senior Notes, 10.625%, 07/01/14 | B2 | 489 |
| 75 | Lamar Media Corporation, Senior Subordinated Notes, 6.625%, 08/15/15 | B1 | 71 |
| 200 | Lamar Media Corporation, Senior Subordinated Notes, 7.875%, 04/15/18 (g) | B1 | 201 |
| 400 | Lamar Media Corporation, Senior Subordinated Notes, 9.75%, 04/01/14 | Ba3 | 436 |
| 350 | Lin Television Corporation, Senior Notes, 8.375%, 04/15/18 (g) | Ba3 | 350 |
| 575 | Lions Gate Entertainment, Inc., Senior Notes, 10.25%, 11/01/16 (g) | B1 | 571 |
| 400 | Mediacom Broadband LLC, Senior Notes, 8.50%, 10/15/15 | B3 | 383 |
| 350 | Netflix, Inc., Senior Notes, 8.50%, 11/15/17 | Ba2 | 362 |

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The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 825 | Nexstar Broadcasting, Inc., Senior Notes, 8.875%, 04/15/17 (g) | B3 | $ 833 |
| 500 | Regal Cinemas Corporation, Senior Notes, 8.625%, 07/15/19 | B2 | 501 |
| 700 | Sinclair Television Group, Inc., Senior Notes, 9.25%, 11/01/17 (g) | B2 | 709 |
| 2,000 | Sirius Satellite Radio, Inc., Senior Notes, 8.75%, 04/01/15 (g) | Caa1 | 1,990 |
| 250 | Sirius XM Radio, Inc., Senior Notes, 9.75%, 09/01/15 (g) | B1 | 266 |
| 2,215 | Univision Communications, Inc., Senior Notes, 9.75%, 03/15/15 (c)(g) | Caa2 | 1,849 |
| 1,075 | Univision Communications, Inc., Senior Notes, 12%, 07/01/14 (g) | B2 | 1,150 |
| 550 | UPC Germany GMBH, Senior Notes, 8.125%, 12/01/17 (g) | B1 | 540 |
| 250 | Videotron Ltee., Senior Notes, 6.375%, 12/15/15 | Ba2 | 248 |
| 75 | Videotron Ltee., Senior Notes, 9.125%, 04/15/18 | Ba2 | 82 |
| 275 | XM Satellite Radio, Inc., Senior Notes, 11.25%, 06/15/13 (g) | B2 | 294 |
| 1,350 | XM Satellite Radio, Inc., Senior Notes, 13%, 08/01/13 (g) | Caa2 | 1,472 |
| 650 | Ziggo Bond Company B.V., Senior Notes, 8%, 05/15/18 (g) EUR | B2 | 766 |
| | | | 20,726 |
| **Building and Real Estate 3.59%** | | | |
| 375 | Beazer Homes USA. Inc., Senior Notes, 6.50%, 11/15/13 | Caa2 | 346 |
| 250 | Beazer Homes USA. Inc., Senior Notes, 8.125%, 06/15/16 | Caa2 | 224 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 350 | Beazer Homes USA. Inc., Senior Notes, | Caa2 | $ 326 |

| | | | |
|---|---|---|---|
| | 9.125%, 06/15/18 | | |
| 250 | CB Richard Ellis Services, Inc., Senior Subordinated Notes, 11.625%, 06/15/17 | Ba3 | 280 |
| 1,375 | Gibraltar Industries, Inc., Senior Subordinated Notes, 8%, 12/01/15 | B3 | 1,341 |
| 500 | Host Marriott, L.P., Senior Notes, 6.75%, 06/01/16 | Ba1 | 495 |
| 950 | Icahn Enterprises L.P., Senior Notes, 7.75%, 01/15/16 (g) | Ba3 | 922 |
| 525 | K. Hovnanian Enterprises, Senior Notes, 10.625%, 10/15/16 | B1 | 525 |
| 675 | Mercer International, Inc., Senior Notes, 9.25%, 02/15/13 | Caa1 | 653 |
| 300 | Obrascon Huarte Lain S.A, Senior Notes, 7.375%, 04/28/15 (EUR) | Ba1 | 342 |
| 575 | Potlach Corporation, Senior Notes, 7.50%, 11/01/19 | Ba1 | 578 |
| 725 | Reliance Intermediate Holdings, L.P., Senior Notes, 9.50%, 12/15/19 (g) | Ba2 | 785 |
| 200 | Standard Pacific Corporation, Senior Notes, 8.375%, 05/15/18 | B3 | 190 |
| 400 | Standard Pacific Corporation, Senior Notes, 10.75%, 09/15/16 | B3 | 428 |
| 475 | USG Corporation, Senior Notes, 9.75%, 08/01/14 (g) | B2 | 487 |
| | | | 7,922 |
| **Cargo Transport .91%** | | | |
| 650 | American Railcar Industries, Inc., Senior Notes, 7.50%, 03/01/14 | Caa1 | 624 |
| 325 | Kansas City Southern de Mexico, S.A. de C.V., Senior Notes, 8%, 02/01/18 (g) | B2 | 333 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 130 | Kansas City Southern Railway Company, Senior Notes, 13%, 12/15/13 | B2 | $ 156 |
| 175 | Swift Transportation Company, LLC, Snior Notes, 8.186%, 05/15/15 (g) | Caa3 | 158 |
| 450 | United Maritime Group, LLC, Senior Notes, 11.75%, 06/15/15 (g) | B3 | 425 |
| 350 | Western Express, Inc., Senior Notes, 12.50%, 04/15/15 (g) | Caa1 | 321 |
| | | | 2,017 |
| **Chemicals, Plastics and Rubber 3.55%** | | | |
| 425 | Ashland, Inc., Senior Notes, 9.125%, 06/01/17 | Ba1 | 468 |
| 225 | Compass Minerals International, Inc., Senior Notes, 8%, 06/01/19 | B1 | 228 |
| 1,425 | Hexion Specialty Chemicals, Inc., Senior Notes, 8.875%, 02/01/18 | B3 | 1,286 |
| 350 | Huntsman International LLC, Senior Subordinated Notes, 5.50%, 06/30/16 (g) | B1 | 308 |
| 1,000 | Huntsman International LLC, Senior Subordinated Notes, 6.875%, 11/15/13 (g) EUR | B3 | 1,162 |
| 500 | Kerling, PLC, Senior Notes, 10.625%, 01/28/17 (g) EUR | B3 | 619 |
| 300 | Koppers Holdings Inc., Senior Notes, 7.875%, 12/01/19 | B1 | 302 |
| 850 | LBI Escrow Corporation, Senior Notes, 8%, 11/01/17 (g) | Ba3 | 875 |
| 900 | Momentive Performance Materials, Inc., Senior Notes, 9.75%, 12/01/14 | Caa2 | 846 |
| 700 | Momentive Performance Materials, Inc., Senior Notes, 11.50%, 12/01/16 | Caa3 | 618 |
| 550 | Solutia, Inc, Senior Notes, 7.875%, 03/15/20 | B2 | 549 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 550 | Solutia, Inc, Senior Notes, 8.75%, 11/01/17 | B2 | $ 568 |

| | | | |
|---|---|---|---|
| | | | 7,829 |
| **Containers, Packaging and Glass** | **6.26%** | | |
| 350 | Ardagh Glass Group plc, Senior Notes, 7.125%, 06/15/17 (g) EUR | B3 | 391 |
| 350 | Ardagh Glass Finance plc, Senior Notes, 8.75%, 02/01/20 (g) EUR | B3 | 424 |
| 350 | Ardagh Glass Group plc, Senior Notes, 10.75%, 03/01/15 (c) EUR | Caa1 | 419 |
| 250 | Ball Corporation, Senior Notes, 7.125%, 09/01/16 | Ba1 | 261 |
| 425 | Ball Corporation, Senior Notes, 7.375%, 09/01/19 | Ba1 | 439 |
| 850 | Berry Plastics Corporation, Senior Notes, 8.25%, 11/15/15 | B1 | 837 |
| 250 | Berry Plastics Corporation, Senior Notes, 8.875%, 09/15/14 | Caa1 | 239 |
| 1,000 | Beverage Packing Holdings (Lux) II S.A., Senior Subordinated Notes, 9.50%,06/15/17 (g) EUR | Caa1 | 1,198 |
| 917 | Boise Cascade, LLC, Senior Subordinated Notes, Notes, 7.125%, 10/15/14 | Caa1 | 864 |
| 250 | Boise Paper Holdings LLC, Senior Notes, 8%, 04/01/20 (g) | B2 | 245 |
| 375 | Boise Paper Holdings LLC, Senior Notes, 9%, 11/01/17 (g) | B2 | 386 |
| 425 | Bway Holding Company, Senior Notes, 10%, 06/15/18 (g) | B3 | 443 |
| 375 | Cascades Inc., Senior Notes, 7.75%, 12/15/17 | Ba3 | 369 |
| 300 | Cascades, Inc., Senior Notes, 7.875%, 01/15/20 | Ba3 | 293 |
| 450 | Cellu Tissue Holdings, Inc., Senior Secured Notes, 11.50%, 06/01/14 | B1 | 487 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | | Moody's Rating (Unaudited) | Value (Note 1) | |
|---|---|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | | | |
| $ | 300 | Clearwater Paper Corporation, Senior Notes, 10.625%, 06/15/16 | Ba3 | $ | 331 |
| | 225 | Clondalkin Acquisition BV, Senior Notes, 2.537%, 12/15/13 (g) | B1 | | 192 |
| | 150 | Georgia-Pacific Corporation, Senior Notes, 7.70%, 06/15/15 | Ba3 | | 157 |
| | 100 | Graphic Packaging International, Inc., Senior Notes, 9.50%, 8/15/13 | B3 | | 102 |
| | 600 | Graphic Packaging International, Inc., Senior Notes, 9.50%, 06/15/17 | B3 | | 627 |
| | 350 | Greif Inc., Senior Notes, 7.75%, 08/01/19 | Ba2 | | 360 |
| | 425 | JSG Funding PLC, Subordinated Notes, 7.75%, 04/01/15 | B2 | | 419 |
| | 600 | Neenah Paper, Inc., Senior Notes, 7.375%, 11/15/14 | B1 | | 588 |
| | 850 | Plastipak Holdings, Inc., Senior Notes, 8.50% 12/15/15 (g) | B3 | | 846 |
| | 275 | Plastipak Holdings, Inc., Senior Notes, 10.625%, 08/15/19 (g) | B3 | | 305 |
| | 200 | Plastipak Holdings, Inc., Senior Notes, 10.625%, 08/15/19 (g) | (e) | | 221 |
| | 475 | Reynolds Group Issuer, Inc., Senior Notes, 7.75%, 10/15/16 (g) | B1 | | 477 |
| | 250 | Reynolds Group Issuer, Inc., Senior Notes, 8%, 12/15/16 (g) EUR | Caa1 | | 280 |
| | 775 | Reynolds Group Issuer, Inc., Senior Notes, 8.50%, 05/15/18 (g) | Caa1 | | 757 |
| | 825 | Solo Cup Company, Senior Notes, 10.50%, 11/01/13 | B2 | | 856 |
| | | | | | 13,813 |

| Principal Amount/Units | | | Moody's Rating (Unaudited) | Value (Note 1) | |
|---|---|---|---|---|---|
| **Diversified/Conglomerate Manufacturing 3.68%** | | | | | |
| $ | 500 | AGY Holding Corp., Senior Notes, 11%, 11/15/14 | B3 | $ | 425 |

| | | | |
|---|---|---|---|
| 400 | Altra Holdings, Inc., Senior Notes, 8.125%, 12/01/16 (g) | B1 | 397 |
| 675 | AMH Holdings, LLC, Senior Discount Notes, 11.25%, 03/01/14 | Caa2 | 692 |
| 375 | Amsted Industries, Inc., Senior Notes, 8.125%, 03/15/18 (g) | B1 | 375 |
| 780 | Cemex Finance LLC, Senior Notes, 9.50%, 12/14/16 (g) | (e) | 753 |
| 200 | CPM Holdings, Inc., Senior Notes, 10.625%, 09/01/14 (g) | B2 | 211 |
| 450 | Coleman Cable, Inc., Senior Notes, 9%, 02/15/18 (g) | B3 | 430 |
| 750 | Columbus McKinnon Corporation, Senior Subordinated Notes, 8.875%, 11/01/13 | B1 | 756 |
| 500 | Goodman Global, Inc., Senior Notes, 13.50%, 02/15/16 | (e) | 552 |
| 500 | Hawk Corporation, Senior Notes, 8.75%, 11/01/14 | B3 | 500 |
| 350 | Manitowoc Company, Inc., Senior Notes, 7.125%, 11/01/13 | Caa1 | 346 |
| 175 | Manitowoc Company, Inc., Senior Notes, 9.50%, 02/15/18 | Caa1 | 175 |
| 775 | Ply Gem Industries, Inc., Senior Notes, 11.75%, 06/15/13 | Caa1 | 808 |
| 1,425 | RBS Global, Inc., Senior Notes, 8.50%, 05/01/18 (g) | Caa1 | 1,375 |
| 50 | Terex Corporation, Senior Notes, 10.875%, 06/01/16 | B2 | 54 |
| 300 | Terex Corporation, Senior Subordinated Notes, 8%, 11/15/17 | Caa1 | 277 |
| | | | 8,126 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| **Diversified/Conglomerate Service 9.17%** | | | |
| $ 475 | Anixter Inc., Senior Notes, 10%, 03/15/14 | Ba2 | $ 516 |
| 525 | Avis Budget Car Rental LLC, Senior Notes, 7.625%, 05/15/14 | B3 | 505 |
| 450 | Avis Budget Car Rental LLC, Senior Notes, 9.625%, 03/15/18 (g) | B3 | 451 |
| 675 | Dycom Investments, Inc., Senior Subordinated Notes, 8.125%, 10/15/15 | Ba3 | 665 |
| 300 | EC Finance plc, Senior Notes, 9.75%, 08/01/17 (g) EUR | B2 | 359 |
| 1,025 | Edgen Murray Corporation, Senir Notes, 12.25%, 01/15/15 (g) | Caa2 | 902 |
| 525 | Education Management LLC, Senior Notes, 8.75%, 06/01/14 | B2 | 524 |
| 81 | Education Management LLC, Senior Subordinated Notes, 10.25%, 06/01/16 | B3 | 86 |
| 254 | Europcar Groupe S.A., 8.125%, 05/15/14 (g) EUR | Caa1 | 275 |
| 600 | Europcar Groupe S.A., Senior Subordinated Notes, 4.183%, 05/15/13 (g) EUR | B3 | 631 |
| 875 | First Data Corporation, Senior Notes, 9.875%, 09/24/15 | Caa1 | 663 |
| 425 | First Data Corporation, Senior Notes, 9.875%, 09/24/15 | Caa1 | 322 |
| 592 | First Data Corporation, Senior Notes, 10.55%, 09/24/15 (c) | Caa1 | 431 |
| 400 | Garda World Security Corporation, Senior Notes, 9.75%, 03/15/17 (g) | B3 | 417 |
| 425 | GEO Group, Inc., Senior Notes, 7.75%, 10/15/17 (g) | B1 | 427 |
| 675 | Hertz Corporation, Senior Notes, 8.875%, 01/01/14 | B2 | 683 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 725 | Hertz Corporation, Senior Subordinated Notes, 10.50%, 01/01/16 | B3 | $ 752 |

| | | | |
|---|---|---|---|
| 400 | Hertz Holdings Netherlands BV, Senior Notes, 8.50%, 07/31/15 (g) EUR | B1 | 489 |
| 825 | iPayment, Inc., Senior Notes, 9.75%, 05/15/14 | Caa1 | 745 |
| 1,003 | iPayment, Inc., Senior Subordinated Notes, 12.75%, 07/15/14 (c)(g) | (e) | 883 |
| 725 | Iron Mountain Inc., Senior Subordianted Notes, 7.75%, 01/15/15 | B2 | 733 |
| 325 | Kratos Defense and Security Solutions, Inc., Senior Notes, 10%, 06/01/17 (g) | B3 | 332 |
| 350 | Maxim Crane Works, L.P., Senior Notes, 12.25%, 04/15/15 (g) | Caa1 | 343 |
| 975 | Mobile Mini, Inc. Senior Notes, 6.875%, 05/01/15 | B2 | 909 |
| 925 | Mobile Services Group, Inc. Senior Notes, 9.75%, 08/01/14 | B2 | 946 |
| 525 | Novasep Holding, Senior Notes, 9.75%, 12/15/16 (g) | B3 | 525 |
| 1,075 | Open Solutions, Inc., Senior Subordinated Notes, 9.75%, 02/01/15 (g) | Caa2 | 806 |
| 850 | Realogy Corporation, Senior Notes, 10.50%, 04/15/14 | Ca | 720 |
| 550 | RSC Equipment, Inc., Senior Notes, 10%, 07/15/17 (g) | B1 | 591 |
| 1,000 | Servicemaster Company, Senior Notes, 10.75%, 07/15/15 (g) | B3 | 1,040 |
| 925 | Sunstate Equipment Co, LLC, Senior Secured Notes, 10.50%, 04/01/13 (g) | Caa2 | 795 |
| 250 | Travelport LLC, Senior Notes, 11.875%, 09/01/16 | Caa1 | 258 |
| 1,400 | United Rentals North America, Inc., Senior Notes, 10.875%, 06/15/16 | B3 | 1,498 |
| | | | 20,222 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| **Ecological .84%** | | | |
| $ 425 | Aquilex Holdings LLC, Senior Notes, 11.125%, 12/15/16 (g) | B3 | $ 424 |
| 625 | Casella Waste Systems, Inc., Senior Subordinated Notes, 9.75%, 02/01/13 | Caa1 | 631 |
| 800 | WCA Waste Corporation, Senior Notes, 9.25%, 06/15/14 | B3 | 799 |
| | | | 1,854 |
| **Electronics 1.07%** | | | |
| 175 | Advanced Micro Devices, Inc., Senior Notes, 8.125%, 12/15/17 (g) | Ba3 | 174 |
| 250 | Aspect Software, Inc., Senior Notes, 10.625%, 05/15/17 (g) | Caa1 | 251 |
| 350 | Freescale Semiconductor, Inc., Senior Notes, 10.125%, 03/15/18 (g) | B2 | 358 |
| 575 | Jabil Circuit, Inc., Senior Notes, 7.75%, 07/15/16 | Ba1 | 601 |
| 375 | JDA Software Group, Inc., Senior Notes, 8%, 12/15/14 (g) | B1 | 379 |
| 225 | Seagate Technology International, Inc., Senior Notes, 10%, 05/01/14 (g) | Baa3 | 254 |
| 325 | Sungard Data Systems Inc., Senior Notes, 10.625%, 05/15/15 | Caa1 | 348 |
| | | | 2,365 |
| **Finance 13.20%** | | | |
| 1,675 | Ally Financial Inc., Senior Notes, 8%, 11/01/31 | B3 | 1,558 |
| 1,375 | Ally Financial Inc., Senior Notes, 8.30%, 02/12/15 (g) | B3 | 1,392 |
| 1,050 | American General Finance Corporation, Senior Notes, 6.90%, 12/15/17 | B2 | 841 |
| 1,630 | BAC Capital Trust VI, Senior Preferred Stock, 5.625%, 03/08/35 | Baa3 | 1,344 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 7,025 | CIT Group, Inc., Senior Notes, 7%, 05/01/17 | B3 | $ 6,358 |

| | | | |
|---|---|---|---|
| 1,200 | Discover Financial Services, Senior Notes, 10.25%, 07/15/19 | Ba1 | 1,424 |
| 900 | E*Trade Financial Corporation, Senior Notes, 7.375%, 09/15/13 | B3 | 792 |
| 475 | E*Trade Financial Corporation, Senior Notes, 7.875%%, 12/01/15 | B3 | 420 |
| 2,198 | E*Trade Financial Corporation, Senior Notes, 12.50%, 11/30/17 (c) | (e) | 2,357 |
| 900 | Ford Motor Credit Company LLC, Senior Notes, 8.125%, 01/15/20 | Ba3 | 918 |
| 250 | Ford Motor Credit Company LLC, Senior Notes, 8.70%, 10/01/14 | Ba3 | 260 |
| 900 | Ford Motor Credit Company LLC, Senior Notes, 12%, 05/15/15 | Ba3 | 1,044 |
| 650 | Fresenius US Financial II Inc., Senior Notes, 9%, 07/15/15 (g) | Ba1 | 705 |
| 375 | International Lease Finance Corporation, Senior Notes, 5.65%, 06/01/14 | B1 | 333 |
| 1,475 | International Lease Finance Corporation, Senior Notes, 8.625%, 09/15/15 (g) | B1 | 1,401 |
| 1,000 | Janus Capital Group, Inc., Senior Notes, 6.95%, 06/15/17 | Baa3 | 1,004 |
| 2,375 | Nuveen Investments, Inc., Senior Notes, 5.50%, 09/15/15 | Caa3 | 1,662 |
| 1,050 | Nuveen Investments, Inc., Senior Notes, 10.50%, 11/15/15 | Caa3 | 919 |
| 450 | Penson Worldwide, Inc., Senior Notes, 12.50%, 05/15/17 (g) | B1 | 446 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 575 | Provident Funding Associates, L.P., Senior Notes, 10.25%, 04/15/17 (g) | Ba3 | $ 581 |
| 1,575 | Residential Capital LLC, Senior Notes, 9.625%, 05/15/15 | C | 1,559 |
| 1,950 | SLM Corporation, Senior Medium Term Notes, 8.45%, 06/15/18 | Ba1 | 1,812 |
| | | | 29,130 |
| **Farming and Agriculture .37%** | | | |
| 800 | CF Industries Inc., Senior Notes, 6.875%, 05/01/18 | B1 | 812 |
| **Furnishings, Housewares, Consumer Durable .30%** | | | |
| 650 | Sealy Mattress Company, Senior Subordinated Notes, 8.25%, 06/15/14 | Caa1 | 652 |
| **Groceries .78%** | | | |
| 725 | Great Atlantic and Pacific Tea Company, Inc., Senior Notes, 11.375%, 08/01/15 (g) | Caa1 | 613 |
| 600 | Ingles Markets, Inc., Senior Notes, 8.875%, 05/15/17 | B1 | 612 |
| 500 | Susser Holdings LLC, Senior Notes, 8.50%, 05/15/16 (g) | B2 | 500 |
| | | | 1,725 |
| **Healthcare, Education and Childcare 6.47%** | | | |
| 450 | Accellent, Inc. Senior Notes, 8.375%, 02/01/17 (g) | B1 | 441 |
| 375 | Accellent, Inc.. Senior Subordinated Notes, 10.50%, 12/01/13 | Caa2 | 369 |
| 1,500 | Biomet, Inc., Senior Notes, 10.375%, 10/15/17 | B3 | 1,605 |
| 475 | Biomet, Inc., Senior Subordinated Notes, 11.625%, 10/15/17 | Caa1 | 515 |
| 425 | Bio-Rad Laboratories, Inc., Senior Subordinated Notes, 8%, 09/15/16 | Ba2 | 445 |
| 125 | BioScrip, Inc., Senior Notes, 10.25%, 10/01/15 (g) | B3 | 124 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 525 | Capella Healthcare Inc., Senior Notes, 9.25%, 07/01/17 (g) | B3 | $ 529 |
| 500 | | B3 | 518 |

| | | | |
|---|---|---|---|
| | CHS/Community Health Systems, Inc., Senior Notes, 8.875%, 07/15/15 | | |
| 550 | HCA, Inc., Senior Notes, 8.50%, 04/15/19 | Ba3 | 586 |
| 1,500 | HCA, Inc., Senior Secured Notes, 9.625%, 11/15/16 | B2 | 1,605 |
| 150 | HCA, Inc., Senior Secured Notes, 9.875%, 02/15/17 | B2 | 161 |
| 355 | Healthsouth Corporation, Senior Notes, 10.75%, 06/15/16 | Caa1 | 383 |
| 350 | Mylan Inc., Senior Notes, 7.625%, 07/15/17 (g) | B1 | 357 |
| 425 | OnCure Holdings, Inc., Senior Notes, 11.75%, 05/15/17 (g) | B2 | 408 |
| 525 | Radiation Therapy Services, Inc., Senior Subordinated Notes, 9.875%, 04/15/17 (g) | Caa1 | 512 |
| 768 | Symbion, Inc., Senior Notes, 11.00%, 08/23/15 (c) | Caa2 | 671 |
| 850 | Talecris Biotherapeutics Holding Corporation, Senior Notes, 7.75%, 11/15/16 (g) | B1 | 901 |
| 425 | Tenet Healthcare Corporation, Senior Notes, 9.875%, 07/01/14 | Caa1 | 438 |
| 875 | United Surgical Partners International, Inc., Senior Subordinated Notes, 8.875%, 05/01/17 | Caa1 | 875 |
| 450 | Universal Hospital Services, Inc., Senior Secured Notes, 4.134%, 06/01/15 | B3 | 378 |
| 200 | Universal Hospital Services, Inc., Senior Secured Notes, 8.50%, 06/01/15 | B3 | 197 |
| 275 | US Oncology, Inc., Senior Notes, 9.125%, 08/15/17 | Ba3 | 282 |
| 811 | US Oncology, Inc., Senior Subordinated Notes, 6.643%, 03/15/12 (c) | Caa1 | 754 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 175 | US Oncology, Inc., Senior Subordinated Notes, 10.75%, 08/15/14 | B3 | $ 180 |
| 750 | Vanguard Health Holding Company II, LLC, Senior Notes, 8%, 02/01/18 (g) | B3 | 722 |
| 285 | Valeant Pharmaceuticals, International, Senior Notes, 8.375%, 06/15/16 | Ba3 | 322 |
| | | | 14,278 |
| **Hotels, Motels, Inns and Gaming** | **4.89%** | | |
| 800 | Ameristar Casinos, Inc., Senior Notes, 9.25%, 06/01/14 | B2 | 838 |
| 500 | Cirsa Funding Luxembourg S.A., Senior Notes, 8.75%, 05/15/18 (g) EUR | B3 | 564 |
| 1,875 | Harrah's Escrow Corporation, Senior Notes, 11.25%, 06/01/17 | Caa1 | 1,964 |
| 975 | Harrah's Operating Company, Senior Notes, 10%, 12/15/18 | (e) | 795 |
| 525 | MGM Mirage, Senior Notes, 9%, 03/15/20 (g) | B1 | 535 |
| 375 | MGM Mirage, Senior Notes, 10.375%, 05/15/14 | B1 | 405 |
| 775 | MGM Mirage, Senior Notes, 11.125%, 11/15/17 | B1 | 853 |
| 1,000 | MGM Mirage, Senior Notes, 11.375%, 03/01/18 (g) | Caa1 | 925 |
| 400 | MGM Mirage, Senior Notes, 13%, 11/15/13 | B1 | 460 |
| 475 | Pinnacle Entertainment, Inc., Senior Subordinated Notes, 8.625%, 08/01/17 (g) | B1 | 485 |
| 300 | Pinnacle Entertainment, Inc., Senior Subordinated Notes, 8.75%, 05/15/20 (g) | Caa1 | 281 |
| 1,300 | Pokagon Gaming Authority, Senior Notes, 10.375%, 06/15/14 (g) | B2 | 1,339 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 725 | Shingle Springs Tribal Gaming Authority, Senior Secured Notes, 9.375%, 06/15/15 (g) | Caa2 | $ 587 |

| | | | |
|---|---|---|---|
| 750 | Wynn Las Vegas LLC, Senior Notes, 7.875%, 11/01/17 (g) | Ba2 | 750 |
| | | | 10,781 |
| **Insurance 3.12%** | | | |
| 1,375 | American International Group, Inc., Junior Subordinated Notes, 8.175%, 05/15/68 | Ba2 | 1,086 |
| 1,550 | American International Group, Inc., Senior Notes, 8.25%, 08/15/18 | A3 | 1,575 |
| 575 | Centene Corporation, Senior Notes, 7.25%, 04/01/14 | Ba2 | 576 |
| 750 | Genworth Financial, Inc., Senior Notes, 8.625%, 12/15/16 | Baa3 | 798 |
| 875 | Hub International Limited, Senior Notes, 9%, 12/15/14 (g) | B3 | 829 |
| 1,775 | Hub International Limited, Senior Subordinated Notes, 10.25%, 06/15/15 (g) | Caa1 | 1,629 |
| 425 | USI Holdings Corporation, Senior Subordinated Notes, 9.75%, 05/15/15 (g) | Caa1 | 390 |
| | | | 6,883 |
| **Leisure, Amusement and Entertainment 1.61%** | | | |
| 175 | Easton Bell Sports Inc., Senior Notes, 9.75%, 12/01/16 (g) | B3 | 180 |
| 1,275 | Manchester United Finance plc, Senior Notes, 8.375% 02/01/17 (g) | (e) | 1,218 |
| 450 | Speedway Motorsports, Inc., Senior Notes, 8.75%, 06/01/16 | Ba1 | 474 |
| 775 | Ticketmaster, Senior Notes, 10.75%, 08/01/16 | B1 | 831 |
| 575 | Universal City Development Partners, Ltd., Senior Notes, 8.875%, 11/15/15 (g) | B3 | 579 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 250 | Universal City Development Partners, Ltd., Senior Notes, 10.875%, 11/15/16 (g) | B3 | $ 259 |
| | | | 3,541 |
| **Machinery .99%** | | | |
| 1,175 | Case New Holland, Inc., Senior Notes, 7.875%, 12/01/17 (g) | Ba3 | 1,193 |
| 475 | Oshkosh Corporation, Senior Notes, 8.25%, 03/01/17 | B3 | 492 |
| 475 | Oshkosh Corporation, Senior Notes, 8.50%, 03/01/20 | B3 | 493 |
| | | | 2,178 |
| **Mining, Steel, Iron and Non-Precious Metals 5.64%** | | | |
| 525 | AK Steel Corporation, Senior Notes, 7.625%, 05/15/20 | Ba3 | 512 |
| 525 | Algoma Acquisition Corporation, 9.875%, 06/15/15 (g) | Caa2 | 452 |
| 250 | Arch Coal, Inc., Senior Notes, 8.75%, 08/01/16 (g) | B1 | 261 |
| 975 | Consol Energy, Inc., Senior Notes, 8%, 04/01/17 (g) | B1 | 1,012 |
| 400 | Consol Energy, Inc., Senior Notes, 8.25%, 04/01/20 (g) | B1 | 418 |
| 350 | ESCO Corporation, Senior Notes, 4.412%, 12/15/13 (g) | B2 | 316 |
| 500 | ESCO Corporation, Senior Notes, 8.625%, 12/15/13 (g) | B2 | 500 |
| 150 | International Coal, Senior Notes, 9.125%, 04/01/18 | Caa1 | 150 |
| 550 | Metals USA, Inc., Senior Secured Notes, 11.125%, 12/01/15 | B3 | 577 |
| 450 | New World Resources N.V., Senior Notes, 7.875%, 05/01/18 (g) EUR | Ba3 | 528 |
| 850 | Novelis, Inc., Senior Notes, 7.25%, 02/15/15 | Caa1 | 824 |
| 575 | Novelis, Inc., Senior Notes, 11.50%, 02/15/15 | Caa1 | 609 |
| 425 | Patriot Coal Corporation, Senior Notes, 8.25%, 04/30/18 | B3 | 410 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 1,750 | Ryerson Holding Corporation, Senior Secured Notes, 14.50%, 02/01/15 (b)(g) | Caa3 | $ 772 |
| 925 | Ryerson Inc., Senior Secured Notes, 12%, 11/01/15 | Caa1 | 946 |

| | | | |
|---|---|---|---|
| 625 | Severstal Columbus LLC, Senior Notes, 10.25%, 02/15/18 (g) | B3 | 641 |
| 900 | Steel Capital, Senior Notes, 9.75%, 07/29/13 (g) | Ba3 | 962 |
| 475 | Steel Dynamics, Inc., Senior Notes, 7.625%, 03/15/20 (g) | Ba2 | 473 |
| 1,350 | Tube City IMS Corporation., Senior Subordinated Notes, 9.75%, 02/01/15 | Caa1 | 1,306 |
| 725 | Vedanta Resources, Plc, Ssenior Notes, 9.50%, 07/18/18 (g) | Ba2 | 772 |
| | | | 12,441 |
| **Oil and Gas 9.68%** | | | |
| 75 | AmeriGas Partners, L.P., Senior Notes, 7.125%, 05/20/16 | Ba3 | 74 |
| 1,075 | Antero Resources Corporation, Senior Notes, 9.375%, 12/01/17 (g) | Caa1 | 1,070 |
| 450 | Berry Petroleum Company, Senior Notes, 10.25%, 06/01/14 | B2 | 481 |
| 525 | Bill Barrett Corporation, Senior Notes, 9.875%, 07/15/16 | B1 | 554 |
| 125 | Chesapeake Energy Corp., Senior Notes, 6.375%, 06/15/15 | Ba3 | 129 |
| 975 | Chesapeake Energy Corp., Senior Notes, 9.50%, 02/15/15 | Ba3 | 1,077 |
| 350 | Compagnie Generale De Geophysique-Veritas, Senior Notes, 7.50%, 05/15/15 | Ba3 | 334 |
| 800 | Complete Production Services, Inc., Senior Notes, 8%, 12/15/16 | B1 | 780 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 725 | Concho Resources, Inc., Senior Notes, 8.625%, 10/01/17 | B3 | $ 749 |
| 1,375 | Connacher Oil and Gas Limited, Senior Notes, 10.25%, 12/15/15 (g) | Caa2 | 1,347 |
| 650 | Crosstex Energy, L.P., Senior Notes, 8.875%, 02/15/18 | B3 | 652 |
| 772 | Denbury Resources Inc., Senior Subordinated Notes, 8.25%, 02/15/20 | B1 | 808 |
| 575 | Denbury Resources Inc., Senior Subordinated Notes, 9.75%, 03/01/16 | B1 | 620 |
| 350 | El Paso Corporation, Senior Notes, 8.25%, 02/15/16 | Ba3 | 367 |
| 1,425 | El Paso Corporation, Senior Notes, 12%, 12/12/13 | Ba3 | 1,646 |
| 125 | Encore Acquisition Company, Senior Subordinated Notes, 9.50%, 05/01/16 | B1 | 132 |
| 250 | Ferrellgas, L.P., Senior Notes, 6.75%, 05/01/14 | Ba3 | 246 |
| 325 | Forest Oil Corp., Senior Notes, 8.50%, 02/15/14 | B1 | 338 |
| 575 | Global Geophysical Services, Senior Notes, 10.50%, 05/01/17 (g) | B3 | 555 |
| 475 | Hercules Offshore, Inc., Senior Notes, 10.50%, 10/15/17 (g) | B2 | 422 |
| 750 | Hilcorp Energy I, L.P., Senior Notes, 7.75%, 11/01/15 (g) | B2 | 731 |
| 475 | Inergy, L.p., Senior Notes, 8.75%, 03/01/15 ... | B1 | 487 |
| 1,450 | Linn Energy, LLC, Senior Notes, 8.625%, 04/15/20 (g) | B3 | 1,481 |
| 700 | OPTI Canada Inc., Senior Secured Notes, 7.875%, 12/15/14 | Caa3 | 612 |
| 425 | OPTI Canada Inc., Senior Secured Notes, 8.25%, 12/15/14 | Caa3 | 371 |
| 200 | Parker Drilling 9.125%, 04/01/18 (g) | B1 | 190 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 300 | Penn Virginia Corporation, Senior Notes, 10.375%, 06/15/16 | B2 | $ 320 |

| | | | |
|---|---|---|---|
| 325 | Penn Virginia Resources Partners, L.P., Senior Notes, 8.25%, 04/15/18 | B2 | 319 |
| 400 | PetroHawk Energy Corporation, Senior Notes, 10.50%, 08/01/14 | B3 | 431 |
| 600 | Plains Exploration and Production Company, Senior Notes, 10%, 03/01/16 | B1 | 640 |
| 650 | Quicksilver Resources, Inc., Senior Notes, 11.75%, 01/01/16 | B2 | 717 |
| 375 | RDSA Ultra-Deep Water, Ltd., Senior Notes, 11.875%, 03/15/17 (g) | B3 | 354 |
| 750 | SandRidge Energy, Inc., Senior Notes, 4.158%, 04/01/14 | B3 | 643 |
| 350 | SandRidge Energy, Inc., Senior Notes, 8.625%, 04/01/15 | B3 | 339 |
| 400 | Suburban Propane Partners, L.P., Senior Notes, 7.375%, 03/15/20 | Ba3 | 404 |
| 650 | Swift Energy Company, Senior Notes, 8.875%, 01/15/20 | B3 | 644 |
| 310 | Transocean, Inc., Senior Notes, 5.25%, 03/15/13 | Baa2 | 291 |
| | | | 21,355 |
| **Personal, Food and Miscellaneous Services 2.71%** | | | |
| 400 | Bankrate, Inc., Senior Notes, 11.75%, 07/15/15 (g) | B2 | 406 |
| 400 | Central Garden & Pet Company, Senior Subordinated Notes, 8.25%, 03/01/18 | B2 | 396 |
| 250 | FTI Consulting, Inc., Senior Notes, 7.75%, 10/01/16 | Ba2 | 254 |
| 50 | Grohe Holding GmbH, Senior Bonds, 8.625%, 10/01/14 (g) EUR | Caa1 | 57 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 203 | Grohe Holding GmbH, Senior Secured Bonds, 3.519%, 01/15/14 EUR | B3 | $ 216 |
| 1,100 | Mac-Gray Corporation, Senior Notes, 7.625%, 08/15/15 | B3 | 1,059 |
| 850 | O'Charleys, Inc., Senior Subordinated Notes, 9%, 11/01/13 | B3 | 854 |
| 600 | OSI Restaurant Partners, Inc., Senior Notes, 10%, 06/15/15... | Caa3 | 586 |
| 1,000 | Wendy's International Holdings, LLC, Senior Notes, 10%, 07/15/16 | B3 | 1,036 |
| 900 | West Corporation, Senior Subordinated Notes, 9.50%, 10/15/14 | Caa1 | 904 |
| 200 | West Corporation, Senior Subordinated Notes, 11%, 10/15/16 | Caa1 | 204 |
| | | | 5,972 |
| **Personal Non-Durable Consumer Products .65%** | | | |
| 200 | Acco Brands Corporation, Senior Notes, 10.625%, 03/15/15 | B1 | 215 |
| 675 | Bausch & Lomb, Incorporated, Senior Notes, 9.875%, 11/01/15 | Caa1 | 694 |
| 250 | Jarden Corporation, Senior Notes, 8%, 05/01/16 | B1 | 258 |
| 275 | Scotts Miracle-Gro Company, Senior Notes, 7.25%, 01/15/18 | B1 | 277 |
| | | | 1,444 |
| **Personal Transportation 1.37%** | | | |
| 200 | Continental Airlines, Inc., Senior Notes, 7.25%, 11/10/19 | Baa2 | 212 |
| 150 | Continental Airlines, Inc., Senior Notes, 9.25%, 05/10/17 | Ba2 | 156 |
| 650 | Delta Airlines, Inc., Senior Notes, 9.50%, 09/15/14 (g) | Ba2 | 682 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 1,175 | Delta Airlines, Inc., Senior Notes, 12.25%, 03/15/15 (g) | B2 | $ 1,243 |

| | | | |
|---|---|---|---|
| 197 | Northwest Airlines 7.575%, 09/01/20 | (e) | 197 |
| 375 | United Airlines, Inc., Senior Notes, 9.875%, 08/01/13 (g) | B3 | 386 |
| 150 | United Airlines, Inc., Senior Notes, 12%, 11/01/13 (g) | Caa2 | 155 |
| | | | 3,031 |
| **Printing and Publishing 2.56%** | | | |
| 151 | Affinity Group Holding, Inc., Senior Notes, 10.875%, 02/15/12 | Ca | 60 |
| 850 | Affinity Group Inc., Senior Subordinated Notes, 9%, 02/15/12 | Caa2 | 634 |
| 825 | Cengage Learning Acquisitions, Inc., Senior Subordinated Notes, 13.25%, 07/15/15 (g) | Caa2 | 759 |
| 1,100 | Deluxe Corporation, Senior Notes, 7.375%, 06/01/15 | Ba1 | 1,083 |
| 475 | Interpublic Group of Companies, Inc., Senior Notes, 10%, 07/15/17 | Ba2 | 525 |
| 575 | McClatchy Company, Senior Notes, 11.50%, 02/15/17 (g) | B1 | 584 |
| 425 | Nielsen Finance LLC, Senior Notes, 10%, 08/01/14 | Caa1 | 435 |
| 350 | Nielsen Finance LLC, Senior Notes, 11.50%, 05/01/16 | Caa1 | 381 |
| 1,100 | Nielsen Finance LLC, Senior Notes, 11.625%, 02/01/14 | Caa1 | 1,199 |
| | | | 5,660 |
| **Retail Stores 6.26%** | | | |
| 1,425 | Ace Hardware Corporation, Senior Notes, 9.125%, 06/01/16 (g) | Ba2 | 1,493 |
| 150 | Burlington Coat Factory Warehouse, Corp, Senior Notes, 11.125%, 04/15/14 | Caa1 | 155 |
| 739 | Dollar General Corporation, Senior Subordinated Debentures, 11.875%, 07/15/17 | B3 | 841 |
| 700 | HSN, Inc., Senior Notes, 11.25%, 08/01/16 | Ba2 | 784 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 1,350 | Limited Brands, Inc., Senior Notes, 7%, 05/01/20 | Ba1 | $ 1,358 |
| 250 | Limited Brands, Inc., Senior Notes, 8.50%, 06/15/19 | Ba1 | 269 |
| 575 | Michaels Stores, Inc., Senior Subordinated Notes, 11.375%, 11/01/16 | Caa2 | 597 |
| 1,025 | Michaels Stores, Inc., Subordinated Notes, 13%, 11/01/16 (b) | Caa2 | 915 |
| 1,182 | Neiman Marcus Group, Inc., Senior Notes, 9%, 10/15/15 | Caa1 | 1,185 |
| 850 | Neiman Marcus Group, Inc., Senior Subordinated Notes, 10.375%, 10/15/15 | Caa2 | 863 |
| 1,000 | Pantry, Inc., Senior Subordinated Notes, 7.75%, 02/15/14 | Caa1 | 965 |
| 1,050 | QVC, Inc., Senior Notes, 7.50%, 10/01/19 (g) | Ba2 | 1,039 |
| 475 | QVC, Inc., Senior Notes, 7.125%, 04/15/17 (g) | Ba2 | 468 |
| 675 | Rite Aid Corporation, Senior Notes, 8.625%, 03/01/15 | Caa3 | 553 |
| 225 | Rite Aid Corporation, Senior Notes, 9.75%, 06/12/16 | B3 | 237 |
| 600 | Rite Aid Corporation, Senior Notes, 10.25%, 10/15/19 | Caa2 | 598 |
| 125 | Rite Aid Corporation, Senior Notes, 10.375%, 07/15/16 | Caa2 | 127 |
| 150 | Sally Holdings, LLC, Senior Notes, 10.50%, 11/15/16 | Caa1 | 159 |
| 500 | Toys 'R' Us Property Company II, LLC, Senior Notes, 8.50%, 12/01/17 (g) | Ba2 | 516 |
| 675 | Yankee Candle Company, Inc., Senior Notes, 8.50%, 02/15/15 | B3 | 678 |
| | | | 13,800 |
| **Telecommunications 16.57%** | | | |
| 875 | Broadview Networks Holdings, Inc., Senior Secured Notes, 11.375%, 09/01/12 | B3 | 853 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 400 | Cincinnati Bell Inc., Senior Notes, 7%, 02/15/15 | B2 | $ 372 |
| 2,375 | | Caa1 | 2,399 |

| | | | |
|---|---|---|---|
| | Clearwire Communications LLC, Senior Secured Notes, 12%, 12/01/15 (g) | | |
| 100 | Cricket Communications, Inc., Senior Notes, 7.75%, 05/15/16 | Ba2 | 102 |
| 675 | Cricket Communications, Inc., Senior Notes, 9.375%, 11/01/14 | B3 | 682 |
| 950 | Cricket Communications, Inc., Senior Notes, 10%, 07/15/15 | B3 | 983 |
| 500 | Crown Castle International Corporation, Senior Notes, 9%, 01/15/15 | B1 | 530 |
| 700 | Digicel Limited, Senior Notes, 8.25%, 09/01/17 (g) | B1 | 694 |
| 925 | Digicel Limited, Senior Notes, 8.875%, 01/15/15 (g) | Caa1 | 905 |
| 900 | Digicel Limited, Senior Notes, 10.50%, 04/15/18 (g) | Caa1 | 935 |
| 475 | Equinix, Inc., Senior Notes, 8.125%, 03/01/18 | Ba2 | 486 |
| 900 | GCI, Inc., Senior Notes, 7.25%, 02/15/14 | B2 | 896 |
| 225 | Geoeye, Inc., Senior Notes, 9.625%, 10/01/15 (g) | B1 | 232 |
| 425 | Hughes Network Systems, LLC, Senior Notes, 9.50%, 04/15/14 | B1 | 427 |
| 300 | Hughes Network Systems, LLC, Senior Notes, 9.50%, 04/15/14 | B1 | 302 |
| 500 | Intelsat Corporation, Senior Notes, 9.25%, 06/15/16 ... | B3 | 525 |
| 500 | Intelsat Ltd., Senior Notes, 11.25%, 06/15/16... | Caa2 | 535 |
| 375 | Intelsat Subsidiary Holding Company, Ltd., Senior Notes, 8.875%, 01/15/15 (g) | B3 | 382 |
| 2,750 | Intelsat Subsidiary Holding Company, Ltd., Senior Notes, 11.25%, 02/04/17 | Caa3 | 2,791 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 938 | iPCS, Inc., Senior Secured Notes, 8.161%, 05/01/14 (c) | Ba3 | $ 856 |
| 675 | Level 3 Financing, Inc., Senior Notes, 4.14%, 02/15/15 | Caa1 | 526 |
| 625 | Level 3 Financing, Inc., Senior Notes, 8.75%, 02/15/17 | Caa1 | 544 |
| 650 | Level 3 Financing, Inc., Senior Notes, 9.25%, 11/01/14 | Caa1 | 590 |
| 1,350 | MetroPCS Wireless, Inc., Senior Notes, 9.25%, 11/01/14 | B2 | 1,390 |
| 50 | MetroPCS Wireless, Inc., Senior Notes, 9.25%, 11/01/14 | B2 | 51 |
| 200 | New Communications Holdings, Inc., Senior Notes, 8.25%, 04/15/17 (g) | Ba2 | 202 |
| 525 | Nextel Communications, Senior Notes, 6.875%, 10/31/13 | Ba2 | 514 |
| 675 | Nextel Communications, Senior Notes, 7.375%, 08/01/15 | Ba2 | 640 |
| 375 | NII Capital Corporation, Senior Notes, 8.875%, 12/15/19 | B1 | 385 |
| 1,300 | NII Capital Corporation, Senior Notes, 10%, 08/15/16 | B1 | 1,384 |
| 675 | Paetec Holding Corporation, Senior Notes, 8.875%, 06/30/17 | B1 | 677 |
| 600 | Paetec Holding Corporation, Senior Notes, 9.50%, 07/15/15 | Caa1 | 585 |
| 300 | Qwest Communications International, Inc., Senior Notes, 3.787%, 06/15/13 | Ba1 | 298 |
| 450 | Qwest Communications International, Inc., Senior Notes, 7.50%, 02/15/14 | Ba3 | 451 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| $ 500 | Qwest Communications International, Inc., Senior Notes, | Ba3 | $ 514 |

| | | | |
|---|---|---|---|
| | 8%, 10/01/15 (g) | | |
| 550 | Qwest Corporation, Senior Notes, 8.375%, 05/01/16 | Ba1 | 601 |
| 425 | Sable International Finance Limited, Senior Notes, 7.75%, 02/15/17 (g) | Ba2 | 433 |
| 250 | SBA Telecommunications, Inc., Senior Notes, 8%, 08/15/16 (g) | Ba3 | 258 |
| 525 | SBA Telecommunications, Inc., Senior Notes, 8.25%, 08/15/19 (g) | Ba3 | 549 |
| 550 | Sprint Capital Corporation, Senior Notes, 6.875%, 11/15/28 | Ba3 | 455 |
| 675 | Sprint Capital Corporation, Senior Notes, 8.75%, 03/15/32 | Ba3 | 641 |
| 2,750 | Sprint Nextel Corporation, Senior Notes, 8.375%, 08/15/17 | Ba3 | 2,743 |
| 1,550 | Telesat Canada, Senior Notes, 11%, 11/01/15 | Caa1 | 1,674 |
| 475 | Telesat Canada, Senior Subordinated Notes, 12.50%, 11/01/17 | Caa1 | 536 |
| 400 | Terremark Worldwide, Inc., Senior Notes, 12%, 06/15/17 | B1 | 451 |
| 275 | ViaSat, Inc., Senior Notes, 8.875%, 09/15/16 | B1 | 279 |
| 1,200 | Wind Acquistion Finance S.A., Senior Notes, 11.75%, 07/15/17 (g) | B2 | 1,245 |
| 1,550 | Wind Acquistion Finance S.A., Senior Notes, 12%, 12/01/15 (g) | B2 | 1,604 |
| 100 | Wind Acquistion Holdings Finance S.A., Senior Notes, 12.25%, 07/15/17 (c)(g) | B3 | 96 |
| 250 | Windstream Corporation, Senior Notes, 8.125%, 08/01/13 | Ba3 | 258 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **CORPORATE DEBT SECURITIES continued** | | | |
| $ 100 | Windstream Corporation, Senior Notes, 8.625%, 08/01/16 | Ba3 | $ 100 |
| | | | 36,561 |
| **Textiles and Leather .50%** | | | |
| 100 | Hanesbrands, Inc., Senior Notes, 4.121%, 12/15/14 | B1 | 94 |
| 325 | Hanesbrands, Inc., Senior Notes, 8%, 12/15/16 | B1 | 331 |
| 500 | Levi Strauss & Co., Senior Notes, 7.625%, 05/15/20 (g) | B2 | 490 |
| 175 | Levi Strauss & Co., Senior Notes, 8.875%, 04/01/16 | B2 | 181 |
| | | | 1,096 |
| **Utilities 2.49%** | | | |
| 25 | AES Corporation, Senior Notes, 8%, 10/15/17 | B1 | 25 |
| 1,300 | AES Corporation, Senior Notes, 9.75%, 04/15/16 | B1 | 1,398 |
| 850 | Dynegy Holdings Inc., Senior Notes 7.50%. 06/01/15 | B3 | 676 |
| 825 | Dynegy Holdings Inc., Senior Notes 7.75%, 06/01/19 | B3 | 573 |
| 400 | North American Energy Alliance, LLC, Senior Notes, 10.875%, 06/01/16 (g) | Ba3 | 411 |
| 950 | NRG Energy, Inc., Senior Notes, 7.375%, 01/15/17 | B1 | 938 |
| 1,000 | PNM Resources, Inc., Senior Notes, 9.25%, 05/15/15 | Ba2 | 1,062 |
| 100 | RRI Energy, Inc., Senior Notes, 7.625%, 06/15/14 | B2 | 98 |
| 325 | RRI Energy, Inc., Senior Notes, 7.875%, 06/15/17 | B2 | 306 |
| | | | 5,487 |
| | **Total Corporate Debt Securities** (Total cost of $276,543) | | 284,084 |
| **CONVERTIBLE DEBT SECURITIES 2.00% (d)** | | | |
| **Broadcasting and Entertainment .14%** | | | |
| 313 | XM Satellite Radio, Inc., Senior Notes, 7%, 12/01/14 (g) | (e) | 304 |

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **Electronics .58%** | | | |
| $ 694 | Advanced Micro Devices, Inc., Senior Notes, 6%, 05/01/15 | (e) | $ 661 |
| 750 | | B1 | 631 |

| | | | |
|---|---|---|---|
| | Lucent Technologies, Inc., Senior Debentures, 2.875%, 06/15/25 | | |
| | | | 1,292 |
| **Diversified/Conglomerate Manufacturing .20%** | | | |
| 475 | General Cable Corporation, Subordinated Notes, 4.50%, 11/15/29 | B2 | 451 |
| **Groceries .32%** | | | |
| 875 | Great Atlantic & Pacific Tea Company, Senior Notes, 6.75%, 12/15/12 | Caa3 | 700 |
| **Hotels, Motels, Inns and Gaming .11%** | | | |
| 300 | MGM Mirage, Senior Notes, 4.25%, 04/15/15 (g) | Caa1 | 241 |
| **Oil and Gas .43%** | | | |
| 393 | Pennsylvania Virginia Corporation, Senior Notes, 4.50%, 11/15/12 | (e) | 369 |
| 654 | Transocean, Inc., Senior Notes, 1.50%, 12/15/37 | Baa2 | 581 |
| | | | 950 |
| **Telecommunications .22%** | | | |
| 575 | Leap Wireless International, Inc., Senior Notes, 4.50%, 07/15/14 | Caa1 | 483 |
| | **Total Convertible Debt Securities** (Total cost of $4,211) | | 4,421 |
| **BANK DEBT SECURITIES 1.42% (d)** | | | |
| **Electronics .47%** | | | |
| 724 | Infor Global Solutions Holdings, Ltd., 4.10%, 07/28/12 (h) | B1 | 670 |
| 500 | Infor Global Solutions Holdings, Ltd., 6.592%, 03/02/14 (h) | Caa2 | 364 |
| | | | 1,034 |
| **Hotels, Motels, Inns and Gaming .43%** | | | |
| 1,000 | Pokagon Gaming Authority, 9%, 08/15/12 (h) | (e) | 955 |

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

The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2010 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal Amount/Units | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **BANK DEBT SECURITIES continued** | | | |
| **Oil and Gas .21%** | | | |
| $ 500 | Dresser, Inc., 6.195%, 05/04/15 (h) | B3 | $ 460 |
| **Telecommunications .31%** | | | |
| 750 | Trilogy International Partners LLC, 4.033%, 06/29/12 (h) | Caa1 | 675 |
| | **Total Bank Debt Securities** (Total cost of $3,439) | | 3,124 |
| **Shares** | | | |
| **PREFERRED STOCK 3.02% (d)** | | | |
| **Automotive .30%** | | | |
| 4,150 | Dana Holding Corporation, 4%, Convertible (g) | (e) | 362 |
| 44,300 | General Motors Corporation, 6.25% | (e) | 301 |
| | | | 663 |
| **Broadcasting and Entertainment .16%** | | | |
| 495 | Spanish Broadcasting System, Inc., 10.75% (a) | C | 344 |
| **Electronics 1.10%** | | | |
| 3,400 | Lucent Technologies Capital Trust I, Convertible, 7.75% | B3 | 2,432 |
| **Finance 1.29%** | | | |
| 2,975 | Ally Financial, Inc., 7% (g) | Caa2 | 2,312 |
| 925 | SLM Corporation, Convertible, 7.25% | Ba3 | 530 |
| | | | 2,842 |
| **Furnishings, Housewares, Consumer Durable .04%** | | | |
| 1,000 | Sealy Corporation, Convertible, 8%, (a) | (e) | 79 |
| **Telecommunications .13%** | | | |
| 5,200 | Crown Castle International Corporation, Convertible, 6.25% | (e) | 291 |
| | **Total Preferred Stock** (Total cost of $6,582) | | 6,651 |

| Shares | | Moody's Rating (Unaudited) | Value (Note 1) |
|---|---|---|---|
| **COMMON STOCK .58% (d)** | | | |
| 44,075 | B&G Foods, Inc., | | $ 475 |
| 32,725 | Smurfit-Stone Container Enterprises | | 810 |

| Principal Amount | | | | |
|---|---|---|---|---|
| | | **Total Common Stock and Warrants** (Total cost of $1,126) | | 1,285 |
| **SHORT-TERM INVESTMENTS .15% (d)** | | | | |
| $ | 331 | Dexia Delaware LLC, Commercial Paper, Due 04/01/10, Discount of .10% | P-1 | 331 |
| | | **Total Short-Term Investments** (Total cost of $331) | | 331 |
| | | **TOTAL INVESTMENTS** (Total cost of $292,232) | | $ 299,896 |

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

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

(c) Pay-In-Kind Security

(d) Percentages indicated are based on total net assets to common shareholders of $220,615.

(e) Not rated.

(f) Non-income producing.

(g) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers in transactions exempt from registration. Unless otherwise noted, 144A Securities are deemed to be liquid. See Note 1of the Note to Schedule of Investments for valuation policy. Total market value of Rule 144A securities amounted to $106,711 as of June 30, 2010.

(h) Restricted as to public resale. The total value of restricted securities owned at June 30, 2010 was $3,124 or 1.42% of total net assets to common shareholders.

(EUR) Euro

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

The New America High Income Fund, Inc.

**Statement of Assets and Liabilities**
**June 30, 2010 (Unaudited)**
(Dollars in thousands, except per share amounts)

| | | |
|---|---|---|
| **Assets:** | | |
| INVESTMENTS IN SECURITIES, at value (Identified cost of $292,232 see Schedule of Investments and Notes 1 and 2) | $ | 299,896 |
| CASH | | 24 |
| RECEIVABLES: | | |
| Investment securities sold | | 4,253 |
| Interest and dividends | | 5,776 |
| PREPAID EXPENSES | | 22 |
| UNREALIZED GAIN ON FORWARD CURRENCY EXCHANGE CONTRACTS (Note 10) | | 2 |
| Total assets | $ | 309,973 |
| **Liabilities:** | | |
| PAYABLES: | | |
| Investment securities purchased | $ | 3,295 |
| Dividend on common stock | | 145 |
| Dividend on preferred stock | | 9 |
| ACCRUED EXPENSES (Note 3) | | 330 |
| UNREALIZED LOSS ON FORWARD CURRENCY EXCHANGE CONTRACTS (Note 10) | | 154 |
| Total liabilities | $ | 3,933 |
| **Auction Term Preferred Stock:** | | |
| $1.00 par value, 1,000,000 shares authorized, 3,417 shares issued and outstanding, liquidation preference of $25,000 per share (Notes 4 and 5) | $ | 85,425 |
| **Net Assets** | $ | 220,615 |
| **Represented By:** | | |
| COMMON STOCK: | | |
| $0.01 par value, 40,000,000 shares authorized, 23,018,562 shares issued and outstanding | $ | 230 |
| CAPITAL IN EXCESS OF PAR VALUE | | 298,976 |
| UNDISTRIBUTED NET INVESTMENT INCOME (Note 2) | | 5,326 |
| ACCUMULATED NET REALIZED LOSS FROM SECURITIES TRANSACTIONS (Note 2) | | (91,429) |
| NET UNREALIZED APPRECIATION ON INVESTMENTS AND FORWARD CURRENCY EXCHANGE CONTRACTS | | 7,512 |
| **Net Assets Applicable To Common Stock** (Equivalent to $9.58 per share, based on 23,018,562 shares outstanding) | $ | 220,615 |

**Statement of Operations**
**For the Six Month Period Ended**

**June 30, 2010 (Unaudited)** (Dollars in thousands)

| | | |
|---|---|---|
| **Investment Income:** (Note 1) | | |
| Interest income | $ | 14,078 |
| Dividend income | | 269 |
| Other income | | 177 |
| Total investment income | $ | 14,524 |
| **Expenses:** | | |
| Cost of leverage: | | |
| Preferred and auction fees (Note 5) | $ | 50 |
| Total cost of leverage | $ | 50 |
| Professional services: | | |
| Legal (Note 8) | $ | 682 |
| Investment Advisor (Note 3) | | 533 |
| Custodian and transfer agent | | 127 |
| Audit | | 29 |
| Total professional services | $ | 1,371 |
| Administrative: | | |
| General administrative (Note 8) | $ | 276 |
| Directors | | 89 |
| Insurance | | 66 |
| Shareholder communications | | 27 |
| Miscellaneous | | 21 |
| Shareholder meeting | | 20 |
| NYSE | | 12 |
| Total administrative | $ | 511 |
| Total expenses | $ | 1,932 |
| Net investment income | $ | 12,592 |
| **Realized and Unrealized Gain (Loss) on Investment Activities:** | | |
| Realized gain on investments, net | $ | 5,786 |
| Change in net unrealized appreciation on investments and other financial instruments | $ | (7,423) |
| Net loss on investments | $ | (1,637) |
| **Cost of Preferred Leverage** | | |
| Dividends to preferred stockholders | $ | (83) |
| Net increase in net assets resulting from operations | $ | 10,872 |

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

The New America High Income Fund, Inc.

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

| | Six Months Ended June 30, 2010 (Unaudited) | For the Year Ended December 31, 2009 |
|---|---|---|
| **From Operations:** | | |
| Net investment income | $ 12,592 | $ 24,330 |
| Realized gain (loss) on investments, net | 5,786 | (15,956) |
| Net swap settlement disbursements | | (2,475) |
| Change in net unrealized appreciation on investments and other financial instruments | (7,423) | 99,828 |
| Distributions from net investment income related to preferred stock | | |
| Dividends to preferred stockholders | (83) | (233) |
| Net increase in net assets resulting from operations | $ 10,872 | $ 105,494 |
| **Distributions to Common Stockholders:** | | |
| From net investment income ($.33 and $.90 per share in 2010 and 2009, respectively) | $ (7,481) | $ (20,809) |
| Total net increase in net assets | $ 3,391 | $ 84,685 |
| **Net Assets Applicable to Common Stock:** | | |
| Beginning of period | $ 217,224 | $ 132,539 |
| End of period (Including $5,326 and $1,028 of undistributed net investment income at June 30, 2010 and December 31, 2009, respectively) | $ 220,615 | $ 217,224 |

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

The New America High Income Fund, Inc.

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

| | For the Six Months Ended June 30, 2010 (Unaudited) | For the Years Ended December 31, 2009 | 2008 | 2007 | 2006 | 2005 |
|---|---|---|---|---|---|---|
| NET ASSET VALUE: | | | | | | |
| Beginning of period | $ 9.44 | $ 5.75 | $ 9.70 | $ 10.95 | $ 10.65 | $ 11.30 |
| NET INVESTMENT INCOME | .55 | 1.06 | 1.10 | 1.25# | 1.25 | 1.25 |
| NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND OTHER FINANCIAL INSTRUMENTS | (.07) | 3.65 | (4.00) | (1.00)# | .35 | (.55) |
| DISTRIBUTIONS FROM NET INVESTMENT INCOME RELATED TO PREFERRED STOCK: | (.01) | (.12) | (.20) | (.25) | (.25) | (.25) |
| TOTAL FROM INVESTMENT OPERATIONS | .47 | 4.59 | (3.10) | | 1.35 | .45 |
| DISTRIBUTIONS TO COMMON SHAREHOLDERS: | | | | | | |
| From net investment income | (.33) | (.90) | (.85) | (1.05) | (1.05) | (1.10) |
| TOTAL DISTRIBUTIONS | (.33) | (.90) | (.85) | (1.05) | (1.05) | (1.10) |
| Effect of rights offering and related expenses; and Auction Term Preferred Stock offering costs and sales load | | | | (.20) | | |
| NET ASSET VALUE: | | | | | | |
| End of period | $ 9.58 | $ 9.44 | $ 5.75 | $ 9.70 | $ 10.95 | $ 10.65 |
| PER SHARE MARKET VALUE: | | | | | | |
| End of period | $ 9.25 | $ 9.05 | $ 4.50 | $ 8.55 | $ 11.30 | $ 10.15 |
| TOTAL INVESTMENT RETURN† | 5.79% | 126.88% | (40.53)% | (16.34)% | 22.82% | 2.47% |

# Calculation is based on average shares outstanding during the indicated period due to the per share effect of the Fund's September, 2007 rights offering.

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

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

The New America High Income Fund, Inc.

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

| | For the Six Months Ended June 30, 2010 (Unaudited) | For the Years Ended December 31, 2009 | 2008 | 2007 | 2006 | 2005 |
|---|---|---|---|---|---|---|
| NET ASSETS, END OF PERIOD, APPLICABLE TO COMMON STOCK (a) | $ 220,615 | $ 217,224 | $ 132,539 | $ 223,822 | $ 208,999 | $ 200,549 |
| NET ASSETS, END OF PERIOD, APPLICABLE TO PREFERRED STOCK (a) | $ 85,425 | $ 85,425 | $ 85,425 | $ 130,000 | $ 130,000 | $ 130,000 |
| TOTAL NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK, END OF PERIOD (a) | $ 306,040 | $ 302,649 | $ 217,964 | $ 353,822 | $ 338,999 | $ 330,549 |
| EXPENSE RATIOS: | | | | | | |
| Ratio of preferred and other leverage expenses to average net assets* | .05%** | .04% | .15% | .15% | .16% | .16% |
| Ratio of operating expenses to average net assets* | 1.70%** | 1.55% | 1.30% | 1.19% | 1.21% | 1.23% |
| RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS* | 1.75%** | 1.59% | 1.45% | 1.34% | 1.37% | 1.39% |
| RATIO OF NET INVESTMENT INCOME TO AVERAGE NET ASSETS* | 11.40%** | 13.59% | 13.13% | 11.66% | 11.54% | 11.48% |
| RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK | 1.26%** | 1.07% | .92% | .84% | .84% | .85% |
| RATIO OF NET INVESTMENT INCOME TO AVERAGE NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK | 8.24%** | 9.20% | 8.31% | 7.28% | 7.05% | 7.03% |
| PORTFOLIO TURNOVER RATE | 38.16% | 81.05% | 57.08% | 67.25% | 64.08% | 61.54% |

(a) Dollars in thousands.

(b) The per share data for 2005 through 2008 has been adjusted to reflect a 1 for 5 reverse stock split in 2009.

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

** Annualized

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

The New America High Income Fund, Inc.

**Information Regarding Senior Securities**

| | June 30, 2010 (Unaudited) | As of December 31, 2009 | 2008 | 2007 | 2006 | 2005 |
|---|---|---|---|---|---|---|
| TOTAL AMOUNT OUTSTANDING: Preferred Stock | $ 85,425,000 | $ 85,425,000 | $ 85,425,000 | $ 130,000,000 | $ 130,000,000 | $ 130,000,000 |
| ASSET COVERAGE: Per Preferred Stock Share (1) | $ 89,564 | $ 88,572 | $ 63,788 | $ 68,043 | $ 65,192 | $ 63,567 |
| INVOLUNTARY LIQUIDATION PREFERENCE: Per Preferred Stock Share (2) | $ 25,000 | $ 25,000 | $ 25,000 | $ 25,000 | $ 25,000 | $ 25,000 |
| LIQUIDATION VALUE: Per Preferred Stock Share (2)(3) | $ 25,000 | $ 25,000 | $ 25,000 | $ 25,000 | $ 25,000 | $ 25,000 |

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

(2) Plus accumulated and unpaid dividends.

(3) In January 2008, the Fund repurchased 600 shares of preferred stock at a price of $25,000 per share. In October 2008, the Fund accepted an unsolicited offer to buy back and retire 1,183 shares of preferred stock at a price of $16,250 per share. The Fund realized a gain of $10,351,000 on this transaction. See Note 4 to the Financial Statements.

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

The New America High Income Fund, Inc.

**Notes to Financial Statements**
**June 30, 2010 (Unaudited)**

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

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

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

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

The Fund's financial statements have been prepared in conformity with accounting principles generally accepted in the United States for investment companies that require the management of the Fund to, among other things, make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

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

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

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

The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**
**June 30, 2010 (Unaudited)**

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

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

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

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

(f) *Fair Value Measurement* The Fund applies ASC 820 "Fair Value Measurements and Disclosures" formerly known as SFAS No. 157 "Fair Value Measurements". This standard establishes the definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements.

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

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

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

Level 3 Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**
**June 30, 2010 (Unaudited)**

the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

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

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

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

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

Debt securities (corporate, convertible & bank debt). The fair value of debt securities is provided by independent pricing services using quotations from dealers and brokers, market transactions, data from quotations services, offering sheets and various relationships between securities. While most corporate bonds are categorized in level 2 of the fair value hierarchy, there may be instances where less observable inputs necessitate a level 3 categorization.

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

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

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

The following is a summary of the inputs used as of June 30, 2010 in valuing the Fund's investments:

| | Level 1 Quoted Prices (000's) | Level 2 Significant Observable Inputs (000's) | Level 3 Significant Unobservable Inputs (000's) | Total Value (000's) |
|---|---|---|---|---|
| **Investments** | | | | |
| Debt Securities* | $ | $ 291,629 | $ | $ 291,629 |
| Preferred Stock | | | | |
| Automotive | | 663 | | 663 |
| Broadcasting and Entertainment | | 344 | | 344 |
| Electronics | | 2,432 | | 2,432 |
| Finance | | 2,842 | | 2,842 |
| Furnishings, Housewares, Consumer | | 79 | | 79 |

| | | | |
|---|---|---|---|
| Durable | | | |
| Telecommunications | | 291 | 291 |
| Common Stock | | | |
| B&G Foods, Inc. | 475 | | 475 |
| Smurfit | | 810 | 810 |

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**
**June 30, 2010 (Unaudited)**

| | Level 1<br>Quoted Prices<br>(000's) | | Level 2<br>Significant Observable Inputs<br>(000's) | | Level 3<br>Significant Unobservable Inputs<br>(000's) | | Total Value<br>(000's) |
|---|---|---|---|---|---|---|---|
| Short-Term Investment | $ | | $ | 331 | $ | | $ 331 |
| **Total Investments** | **$** | **475** | **$** | **299,421** | **$** | | **$ 299,896** |
| Forward Currency Exchange Contracts | $ | | $ | (152) | $ | | $ (152) |

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

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

| | Equity Securities |
|---|---|
| Balance, December 31, 2009 | $ 230,000 |
| Net purchases (sales) | (111,000) |
| Change in unrealized appreciation (depreciation) | 2,409,000 |
| Realized gain (loss) | (2,184,000) |
| Transfers out of Level 3 to Level 2 | (344,000) |
| Balance, June 30, 2010 | $ |

Transfers between levels are recognized at the end of the reporting period. During the six months ended June 30, 2010, the Fund recognized no significant transfers to/from Level 1 or Level 2.

**(2) Tax Matters and Distributions**

At June 30, 2010, the total cost of securities (including temporary cash investments) for federal income tax purposes was approximately $290,967,000. Aggregate gross unrealized gain on securities in which there was an excess of value over tax cost was approximately $14,873,000. Aggregate gross unrealized loss on securities in which there was an excess of tax cost over value was approximately $5,944,000. Net unrealized gain on investments for tax purposes at June 30, 2010 was approximately $8,929,000.

At December 31, 2009, the Fund had approximate capital loss carryovers available to offset future capital gains, if any, to the extent provided by regulations:

| Carryover Available | | Expiration Date |
|---|---|---|
| $ | 45,239,000 | December 31, 2010 |
| | 7,387,000 | December 31, 2011 |
| | 125,000 | December 31, 2012 |
| | 954,000 | December 31, 2013 |
| | 1,481,000 | December 31, 2014 |
| | 15,500,000 | December 31, 2016 |
| | 26,848,000 | December 31, 2017 |
| $ | 97,534,000 | |

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

The tax character of distributions paid to common and preferred shareholders of approximately $21,050,000 and $23,368,000 in 2009 and 2008, respectively, was from ordinary income.

As of December 31, 2009, the components of distributable earnings on a tax basis were approximately:

| | | |
|---|---|---|
| Unrealized Loss | $ | (15,959,000) |
| Post-October Losses | $ | (403,000) |
| Preferred Dividend Payable | $ | (3,000) |
| Capital Losses Carry Forward | $ | (97,534,000) |

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to market discount adjustments, deductibility of preferred stock dividends, wash sales and post-October losses. The Fund has recorded several reclassifications in the capital accounts to present undistributed net investment income and accumulated net realized losses on a tax basis. These reclassifications have no impact on the net asset value of the Fund. For the year ended December 31, 2009,

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**
**June 30, 2010 (Unaudited)**

permanent differences between book and tax accounting have been reclassified as follows:

Increase (decrease) in:

| | |
|---|---|
| Undistributed net investment income | $ (47,000) |
| Accumulated net realized loss from securities transactions | $ 67,114,000 |
| Capital in excess of par value | $ (67,067,000) |

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

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

The Fund recognizes the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years 2006-2008, or expected to be taken in the Fund's 2009 tax returns. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

**(3) Investment Advisory Agreement**

T. Rowe Price Associates, Inc. (T. Rowe Price), the Fund's Investment Advisor, earned approximately $533,000 in management fees during the six months ended June 30, 2010. Management fees paid by the Fund to T. Rowe Price were calculated at 0.50% on the first $50,000,000 of the Fund's average weekly net assets, 0.40% on the next $50 million and 0.30% on average weekly net assets in excess of $100 million. T. Rowe Price's fee is calculated based on assets attributable to the Fund's common and auction term preferred stock. At June 30, 2010, the fee payable to T. Rowe Price was approximately $88,000, which was included in accrued expenses on the accompanying statement of assets and liabilities.

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

The Fund had 3,417 shares of ATP issued and outstanding at June 30, 2010. The ATP's dividends are cumulative at a rate determined at an auction, and dividend periods will typically be 28 days unless notice is given for periods to be longer or shorter than 28 days. Dividend rates ranged from .08% .467% for the six months ended June 30, 2010. The average dividend rate as of June 30, 2010 was .247%.

The ATP is redeemable, at the option of the Fund, or subject to mandatory redemption (if the Fund is in default of certain coverage requirements) at a redemption price equal to $25,000 per share plus accumulated and unpaid dividends. The ATP has a liquidation preference of $25,000 per share plus accumulated and unpaid dividends. None of the ATP auctions successfully closed during the period and the approximate market value of ATP is not determinable at June 30, 2010. The Fund is required to maintain certain asset coverages with respect to the ATP under the Fund's Charter and the 1940 Act in order to maintain the Fund's Aaa/AAA ratings by Moody's Investors Service, Inc. and Fitch, Inc., respectively.

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**
**June 30, 2010 (Unaudited)**

**(5) ATP Auction-Related Matters**

Deutsche Bank (DB) serves as the ATP's auction agent pursuant to an agreement entered into on January 4, 1994 with Bankers Trust Company (BTC). BTC was later acquired by DB. The term of the agreement is unlimited and may be terminated by either party. DB may resign upon notice to the Fund, such resignation to be effective on the earlier of the 90th day after the delivery of such notice and the date on which a successor auction agent is appointed by the Fund. The Fund may also replace DB as auction agent at any time.

After each auction, DB will pay to each broker-dealer, from funds provided by the Fund, a maximum service charge at the annual rate of 0.25 of 1% or such other percentage subsequently agreed to by the Fund and the broker-dealers, of the purchase price of shares placed by such broker-dealers at such auction. In the event an auction scheduled to occur on an auction date fails to occur for any reason, the broker-dealers will be entitled to service charges as if the auction had occurred and all holders of shares placed by them had submitted valid hold orders. The Fund incurred approximately $50,000 for service charges for the six months ended June 30, 2010. This amount is included under the caption preferred and auction fees in the accompanying statement of operations.

The Fund is currently not paying a service charge on series A, B and C ATP because the broker-dealer is not participating in the auctions. A service charge is being paid on series D.

**(6) Interest Rate Swaps**

The Fund entered into an interest payment swap arrangement with Bank of America, N.A. for the purpose of partially hedging its dividend payment obligations with respect to the ATP. Pursuant to the Swap Arrangement the Fund made payments to Bank of America, N.A. on a monthly basis at a fixed annual rate. In exchange for such payment Bank of America, N.A. made payments to the Fund on a monthly basis at a variable rate determined with reference to one month LIBOR. The variable rates ranged from .246% 1.89% for the period January 1, 2009 to November 5, 2009. On that date, the Swap Arrangement matured.

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

Purchases and proceeds of sales or maturities of long-term securities during the six months ended June 30, 2010 were approximately:

| | | |
|---|---|---|
| Cost of purchases | $ | 118,530,000 |
| Proceeds of sales or maturities | $ | 115,008,000 |

**(8) Related Party Transactions**

A partner of Goodwin Procter LLP, counsel to the Fund, served as a Director of the Fund until his death in February, 2010. Fees earned by Goodwin Procter LLP amounted to approximately $223,000 for the two months ended February 28, 2010.

The Fund paid approximately $159,000 during the six months ended June 30, 2010 to two officers of the Fund for the provision of certain administrative services.

**(9) Investments in Restricted Securities**

(Dollar Amounts in Thousands)

The Fund is permitted to invest in restricted securities. The total restricted securities (excluding 144A issues) at June 30, 2010 amounts to $3,124 and represents 1.42% of net assets to common shareholders.

| **Description** | **Acquisition Date** | **Principal Amount/ Shares** | **Acquisition Cost** | **Value** |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Dresser, Inc.,<br>6.195%, 05/04/15 | 5/4/07 | $ 500 | $ 500 | $ 460 |
| Infor Global Solutions<br>Holdings, Ltd.,<br>4.10%, 07/28/12 | 7/25/06 | 724 | 724 | 670 |
| Infor Global Solutions<br>Holdings, Ltd.,<br>6.597%, 03/02/14 | 3/1/07 | 500 | 505 | 364 |
| Pokagon Gaming<br>Authority,<br>9%, 08/15/12 | 9/23/09 | 1,000 | 960 | 955 |
| Trilogy International<br>Partners LLC,<br>4.033%, 06/29/12 | 6/22/07-6/27/07 | 750 | 750 | 675 |
| Total | | | | $ 3,124 |

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**
**June 30, 2010 (Unaudited)**

**(10) Derivative Contracts** (Dollar Amounts in Thousands)

**Forward Currency Exchange Contracts** As of June 30, 2010, The Fund had forward currency exchange contracts outstanding as follows:

| Counterparty | Settlement Date | Receive | | Deliver | | Unrealized Appreciation (Depreciation) | |
|---|---|---|---|---|---|---|---|
| Merrill Lynch | 9/9/10 | USD | 7,753 | EUR | 6,429 | $ | (152) |
| Morgan Stanley | 9/9/10 | USD | 740 | EUR | 602 | | |
| JPMorgan Chase | 9/9/10 | EUR | 95 | USD | 115 | | 2 |
| JPMorgan Chase | 9/9/10 | USD | 142 | EUR | 116 | | |
| Barclays Capital | 9/9/10 | USD | 88 | EUR | 74 | | (2) |
| **Net unrealized gain (loss) on open forward currency exchange contracts** | | | | | | $ | (152) |

**Fair Value of Derivative Instruments** The fair value of derivative instruments as of June 30, 2010 was as follows:

| | Asset Derivatives June 30, 2010 | | Liability Derivatives June 30, 2010 | |
|---|---|---|---|---|
| | Statement of Assets and Liabilities Location | Fair Value | Statement of Assets and Liabilities Location | Fair Value |
| Forward currency contracts | Unrealized appreciation on forward currency exchange contracts | $2 | Unrealized depreciation on forward currency exchange contracts | $(154) |

The effect of derivative instruments that are included on the Statement of Operations for the six month period ended June 30, 2010 was as follows:

**Amount of Realized Gain on Derivatives**

| | Realized gain on investments, net | |
|---|---|---|
| Forward currency contracts | $ | 1,266 |

**Change in Unrealized Depreciation on Derivatives**

| | Change in net unrealized appreciation on investments and other financial instruments | |
|---|---|---|
| Forward currency contracts | $ | (152) |

**(11) Subsequent Events**

The Fund has evaluated the need for additional disclosures and/or adjustments resulting from subsequent events through the date the financial statements were issued. Based on this evaluation, no adjustments were required to the financial statements as of June 30, 2010.

The New America High Income Fund, Inc.

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

**Availability of Portfolio Holdings**

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

**Compliance Certifications**

On May 26, 2010, your Fund submitted a CEO annual certification to the New York Stock Exchange (NYSE) on which the Fund's principal executive officer certified that he was not aware, as of that date, of any violation by the Fund of the NYSE's Corporate Governance listing standards. In addition, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and related SEC rules, the Fund's principal executive and principal financial officers have made quarterly certifications, included in filings with the SEC on Forms N-CSR and N-Q, relating to, among other things, the Fund's disclosure controls and procedures and internal control over financial reporting.

**Common and Auction Term Preferred Stock Transactions**

From time to time in the future, the Fund may redeem and/or purchase its ATP as provided in the Fund's governing documents, as agreed upon by the Fund and sellers or as otherwise permitted. The Fund may effect such redemptions and/or purchases when it deems advisable.

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

The New America High Income Fund, Inc.

**Directors**

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

**Officers**

Robert F. Birch    President
Ellen E. Terry    Vice President, Treasurer, Secretary

**Investment Advisor**

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

**Administrator**

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

**Custodian**

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

**Transfer Agent**

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

**Auction Agent**

Deutsche Bank Trust Company Americas
P.O. Box 305050
Nashville, TN 37230

Listed: NYSE
Symbol: HYB
Web site: www.newamerica-hyb.com

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

# The New America High Income Fund, Inc.

**Semi-Annual**

**Report**

**June 30, 2010**

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

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

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

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

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

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

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

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

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

ITEM 11. CONTROLS AND PROCEDURES.

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

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

ITEM 12. EXHIBITS.

(a)(1) Not Applicable.

(a)(2) The certifications required by Rule 30a-2(a) under the 1940 Act.

(a)(3) Not Applicable.

(b) The certifications required by Rule 30a-2(b) under the 1940 Act.

SIGNATURES

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

The New America High Income Fund, Inc.

| | | |
|---|---|---|
| By: | /s/ Robert F. Birch | |
| Name: | | Robert F. Birch |
| Title: | | President and Director |
| Date: | | August 31, 2010 |

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

| | | |
|---|---|---|
| By: | /s/ Robert F. Birch | |
| Name: | | Robert F. Birch |
| Title: | | President |
| Date: | | August 31, 2010 |

| | | |
|---|---|---|
| By: | /s/ Ellen E. Terry | |
| Name: | | Ellen E. Terry |
| Title: | | Treasurer |
| Date: | | August 31, 2010 |