

Clough Global Allocation Fund  
Form N-Q  
August 29, 2007

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

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-21583

**CLOUGH GLOBAL ALLOCATION FUND**  
(Exact name of registrant as specified in charter)

1290 Broadway, Suite 1100, Denver, Colorado  
(Address of principal executive offices)

80203  
(Zip code)

Erin Douglas  
Clough Global Allocation Fund  
1290 Broadway, Suite 1100  
Denver, Colorado 80203  
(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 623-2577

Date of fiscal year end: March 31

Date of reporting period: June 30, 2007

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**Item 1 Schedule of Investments.**

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## CLOUGH GLOBAL ALLOCATION FUND

## QUARTERLY STATEMENT OF INVESTMENTS

June 30, 2007 (UNAUDITED)

|  | Shares    | Value      |
|--|-----------|------------|
| <b>COMMON STOCKS 110.18%</b>                 |           |            |
| <b>Consumer/Retail 3.39%</b>                 |           |            |
| ASKUL Corp.                                  | 27,600    | \$ 498,761 |
| B&G Foods, Inc.                              | 11,300    | 149,160    |
| Coinmach Service Class A                     | 50,000    | 661,500    |
| ConAgra Foods, Inc.                          | 33,900    | 910,554    |
| DSW, Inc. (a)                                | 11,892    | 414,080    |
| Hyundai Department Store Co. Ltd.            | 8,400     | 991,070    |
| Isetan Co. Ltd.                              | 41,000    | 674,315    |
| Jardine Matheson Holdings Ltd.               | 32,143    | 765,003    |
| Jardine Strategic Holdings Ltd.              | 25,724    | 342,129    |
| Kraft Foods, Inc.                            | 24,700    | 870,675    |
| Lotte Shopping Co. Ltd.                      | 1,700     | 662,445    |
| Regal Hotels International Holdings Ltd.     | 3,743,900 | 316,014    |
| Takashimaya Co. Ltd.                         | 55,000    | 695,066    |
| Yamada Denki Co. Ltd.                        | 3,300     | 345,210    |
|  |           | 8,295,982  |
| <b>Energy 31.26%</b>                         |           |            |
| <b>Alternative Energy Technologies 4.21%</b> |           |            |
| China Sunergy Co. Ltd. - ADR (a)             | 2,400     | 32,880     |
| Conergy AG                                   | 8,200     | 639,042    |
| Evergreen Solar, Inc. (a)                    | 126,800   | 1,179,240  |
| First Solar, Inc. (a)                        | 18,000    | 1,607,220  |
| JA Solar Holdings Co. Ltd. - ADR (a)         | 35,800    | 1,207,534  |
| LDK Solar Co. Ltd. - ADR (a)                 | 21,600    | 676,080    |
| Sunpower Corp. (a)                           | 33,487    | 2,111,355  |
| Suntech Power Holdings Co. Ltd. - ADR (a)    | 42,100    | 1,535,387  |
| Trina Solar Ltd. - ADR (a)                   | 25,300    | 1,301,685  |
|  |           | 10,290,423 |
| <b>Coal 1.55%</b>                            |           |            |
| CONSOL Energy, Inc.                          | 54,600    | 2,517,606  |
| Peabody Energy Corp.                         | 26,500    | 1,282,070  |
|  |           | 3,799,676  |
| <b>Exploration &amp; Production 9.78%</b>    |           |            |
| Anadarko Petroleum Corp.                     | 41,800    | 2,173,182  |
| Chesapeake Energy Corp. *                    | 100,300   | 3,470,380  |
| ConocoPhillips                               | 33,000    | 2,590,500  |
| Denbury Resources, Inc. (a)                  | 10,400    | 390,000    |
| Devon Energy Corp.                           | 35,200    | 2,755,808  |
| El Paso Corp.                                | 17,800    | 306,694    |
| EOG Resources., Inc.                         | 11,000    | 803,660    |
| Hess Corp.                                   | 23,800    | 1,403,248  |
| InterOil Corp. (a)                           | 20,500    | 388,270    |
| Parallel Petro Corp. (a)                     | 24,867    | 544,588    |
| PetroHawk Energy Corp. (a)(c)(d)             | 18,000    | 285,480    |
| PetroHawk Energy Corp. (a)                   | 64,600    | 1,024,556  |
| Petroleo Brasileiro SA - ADR                 | 20,300    | 2,461,781  |
| Range Resources Corp.                        | 28,700    | 1,073,667  |

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|   |        |            |
|---|--------|------------|
| Southwestern Energy (a)                 | 50,700 | 2,256,150  |
| Suncor Energy, Inc.                     | 14,000 | 1,258,880  |
| XTO Energy, Inc.                        | 12,500 | 751,250    |
|   |        | 23,938,094 |
| <b>Oil Services and Drillers 15.72%</b> |        |            |
| Baker Hughes, Inc.                      | 9,000  | 757,170    |
| Diamond Offshore Drilling, Inc.         | 50,500 | 5,128,780  |
| FMC Technologies, Inc. (a)              | 7,000  | 554,540    |

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|                               |         |                   |
|-------------------------------|---------|-------------------|
| Global SantaFe Corp.          | 104,800 | 7,571,800         |
| Halliburton Company *         | 73,900  | 2,549,550         |
| Helmerich & Payne, Inc.       | 12,100  | 428,582           |
| Hercules Offshore, Inc. (a)   | 4,200   | 135,996           |
| Noble Corp.                   | 86,800  | 8,464,736         |
| Pride International, Inc. (a) | 5,000   | 187,300           |
| Schlumberger Ltd.             | 66,100  | 5,614,534         |
| Transocean, Inc. (a)          | 64,000  | 6,782,720         |
| Weatherford International (a) | 5,000   | 276,200           |
|                               |         | 38,451,908        |
| <b>TOTAL ENERGY</b>           |         | <b>76,480,101</b> |

**Finance 30.00%**

**Banks 24.42%**

|   |           |            |
|---|-----------|------------|
| Banco Bradesco - Spon ADR                       | 99,200    | 2,391,712  |
| Banco Itau Holding Financeira SA - ADR          | 67,900    | 3,017,476  |
| Banco Santander Chile SA - ADR                  | 11,400    | 564,756    |
| Bangkok Bank PCL                                | 249,500   | 845,518    |
| Bank Mandiri Persero Tbk PT                     | 3,816,000 | 1,319,867  |
| Bank of Yokohama Ltd.                           | 231,800   | 1,626,601  |
| Barclays PLC - Spon ADR                         | 5,000     | 278,950    |
| Barclays PLC                                    | 105,200   | 1,470,324  |
| BlackRock Kelso Capital Corp.                   | 105,700   | 1,559,075  |
| Brookline Bancorp, Inc.                         | 148,000   | 1,703,480  |
| China Citic Bank (a)(b)                         | 168,700   | 129,019    |
| Citigroup, Inc. *                               | 116,900   | 5,995,801  |
| Daewoo Securities Co (a)                        | 18,800    | 579,964    |
| DBS Group Holdings Ltd.                         | 32,000    | 476,629    |
| Hana Financial Group, Inc.                      | 69,600    | 3,393,928  |
| Indochina Capital Vietnam Holdings Ltd. (a)     | 200,000   | 1,846,000  |
| Joyo Bank Ltd.                                  | 146,000   | 908,313    |
| Kasikornbank PCL                                | 290,600   | 622,865    |
| Kookmin Bank - ADR                              | 8,500     | 745,620    |
| Korea Exchange Bank                             | 73,900    | 1,099,881  |
| Lion Diversified Holdings BHD                   | 197,500   | 474,801    |
| Malayan Banking Bhd                             | 204,100   | 709,399    |
| NewAlliance Bancshares, Inc.                    | 27,300    | 401,856    |
| NIS GROUP Co. Ltd.                              | 3,053,100 | 1,264,634  |
| Nomura Holdings Inc.                            | 111,000   | 2,163,655  |
| PennantPark Investment Corp.                    | 150,900   | 2,118,636  |
| People s United Financial, Inc.                 | 56,700    | 1,005,291  |
| PNC Financial Services Group, Inc.              | 23,500    | 1,682,130  |
| Public Bank BHD                                 | 307,700   | 873,414    |
| SBI Holdings, Inc.                              | 1,900     | 604,142    |
| Shizuoka Bank Ltd.                              | 111,800   | 1,135,025  |
| Siam Commercial Bank PCL                        | 460,000   | 972,629    |
| Siam Commercial Bank PCL - NVDR                 | 958,700   | 2,027,085  |
| Sime Darby Bhd                                  | 314,000   | 873,106    |
| Star Asia Financial Ltd. (a)(b)(c)              | 75,000    | 825,000    |
| UBS AG - Registered                             | 22,800    | 1,373,786  |
| UBS AG  | 78,200    | 4,692,782  |
| Unibanco - Uniao de Bancos Brasileiros SA - GDR | 24,200    | 2,731,454  |
| Woori Finance Holdings Co. Ltd.                 | 108,000   | 2,735,509  |
| Woori Investments                               | 16,600    | 508,502    |
|   |           | 59,748,615 |

**Non-Bank 5.58%**

|                         |         |           |
|-------------------------|---------|-----------|
| Apollo Investment Corp. | 414,089 | 8,911,195 |
|-------------------------|---------|-----------|

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|                                      |         |            |
|--------------------------------------|---------|------------|
| Ares Capital Corp.                   | 82,900  | 1,396,865  |
| Broadridge Financial Solutions, Inc. | 3,600   | 68,832     |
| Daiwa Securities Group, Inc.         | 184,400 | 1,966,434  |
| Maiden Holdings Ltd. (a)(b)          | 23,900  | 239,000    |
| Monex Beans Holdings Inc.            | 671     | 561,324    |
| SBI E*Trade Sec                      | 490     | 521,340    |
|                                      |         | 13,664,990 |
| <b>TOTAL FINANCE</b>                 |         | 73,413,605 |

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|  |         |            |
|--|---------|------------|
| <b>Healthcare 1.67%</b>                      |         |            |
| BioSphere Medical, Inc. (a)(c)(d)            | 50,000  | 353,500    |
| BioSphere Medical, Inc. (a)                  | 182,703 | 1,291,710  |
| Molecular Insight Pharmaceuticals, Inc. (a)  | 27,900  | 263,376    |
| Pharmion Corp. (a)                           | 12,000  | 347,400    |
| UnitedHealth Group, Inc.                     | 22,000  | 1,125,080  |
| WellPoint, Inc. (a)                          | 8,900   | 710,487    |
|  |         | 4,091,553  |
| <b>Industrial 6.58%</b>                      |         |            |
| Altra Holdings, Inc. (a)                     | 2,900   | 50,112     |
| American Science & Engineering, Inc. (a) *   | 58,758  | 3,340,392  |
| Bunge Ltd.                                   | 8,200   | 692,900    |
| Empresa Brasileira de Aeronautica - Spon ADR | 6,755   | 325,659    |
| General Electric Co.                         | 27,800  | 1,064,184  |
| General Motors                               | 35,800  | 1,353,240  |
| Grant Prideco, Inc. (a)                      | 24,600  | 1,324,218  |
| Insituform Technologies - Class A (a)        | 23,500  | 512,535    |
| Joy Global, Inc.                             | 21,900  | 1,277,427  |
| Kokuyo Company Ltd.                          | 88,500  | 1,039,358  |
| The Mosaic Co. (a)                           | 200     | 7,804      |
| Rohm Co. Ltd.                                | 8,000   | 711,472    |
| Smurfit-Stone Container Corp. (a)            | 217,100 | 2,889,601  |
| Spirit Aerosystems Holdings, Inc. (a)        | 31,000  | 1,117,550  |
| Textron, Inc.                                | 3,700   | 407,407    |
|  |         | 16,113,859 |
| <b>Insurance 3.42%</b>                       |         |            |
| Allstate Corp.                               | 33,500  | 2,060,585  |
| Castlepoint Holdings Ltd.                    | 31,100  | 456,859    |
| Fidelity National Financial, Inc.            | 109,400 | 2,592,780  |
| Montpelier Re Holdings Ltd.                  | 69,800  | 1,294,092  |
| Platinum Underwriters Holdings               | 25,484  | 885,569    |
| The Travelers Cos, Inc.                      | 20,200  | 1,080,700  |
|  |         | 8,370,585  |
| <b>Media 0.70%</b>                           |         |            |
| Kyocera Corp.                                | 3,400   | 362,851    |
| Nippon Television Network Corp.              | 9,900   | 1,352,430  |
|  |         | 1,715,281  |
| <b>Metals &amp; Mining 3.54%</b>             |         |            |
| Anglo American PLC - ADR                     | 17,400  | 510,516    |
| Cameco Corp.                                 | 64,800  | 3,287,952  |
| Denison Mines Corp. (a)                      | 75,200  | 900,070    |
| First Uranium Corp. (a)                      | 20,000  | 224,360    |
| Freeport-McMoRan Copper & Gold, Inc.         | 8,900   | 737,098    |
| Goldcorp, Inc.                               | 19,300  | 457,217    |
| Paladin Resources Ltd. (a)                   | 110,000 | 770,313    |
| Uex Corp. (a)                                | 10,000  | 69,937     |
| Uranium One, Inc. (a)                        | 122,685 | 1,562,859  |
| Ur-Energy, Inc. (a)                          | 35,000  | 147,196    |
|  |         | 8,667,518  |
| <b>Real Estate 6.34%</b>                     |         |            |
| Beijing Capital Land Ltd. (b)                | 225,000 | 129,489    |
| Cheung Kong Holdings Ltd.                    | 199,800 | 2,616,575  |
| China Resources Land Ltd.                    | 276,000 | 417,219    |

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|                                |           |         |
|--------------------------------|-----------|---------|
| Ciputra Development Tbk PT (a) | 3,429,000 | 341,572 |
| Cosco Corp. Singapore Ltd.     | 204,000   | 498,422 |
| Diamond City Co. Ltd.          | 31,600    | 764,816 |

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|                                     |           |            |
|-------------------------------------|-----------|------------|
| Great Eagle Holdings Ltd.           | 235,080   | 823,766    |
| Hang Lung Properties Ltd.           | 117,000   | 403,257    |
| Henderson Land Development Co. Ltd. | 148,000   | 1,007,904  |
| Hopewell Holdings                   | 95,000    | 387,572    |
| Hysan Development Co. Ltd.          | 401,771   | 1,068,759  |
| Hyundai Development Co.             | 11,600    | 826,195    |
| Italian-Thai Development PCL        | 2,088,000 | 365,891    |
| Kerry Properties Ltd.               | 63,500    | 398,743    |
| Mitsui Fudosan Co. Ltd.             | 34,100    | 958,262    |
| Shimao Property Holdings Ltd.       | 163,500   | 365,508    |
| Sun Hung Kai Properties Ltd.        | 165,000   | 1,985,689  |
| Trinity Capital Plc (a) (b)         | 564,168   | 945,982    |
| Wharf Holdings Ltd.                 | 226,000   | 903,225    |
| YNH Property Bhd                    | 350,100   | 292,046    |
|                                     |           | 15,500,892 |

**Real Estate Investment Trusts (REITS) 0.21%**

|  |        |         |
|--|--------|---------|
| Annaly Capital Management, Inc.        | 34,000 | 490,280 |
| Regal Real Estate Investment Trust (a) | 37,439 | 12,736  |
|  |        | 503,016 |

**Technology & Communications 15.29%**

|   |           |            |
|---|-----------|------------|
| Alcatel-Lucent - ADR                            | 4,300     | 60,200     |
| AU Optronics Corp. - ADR                        | 41,100    | 706,920    |
| Automatic Data Processing, Inc.                 | 14,400    | 697,968    |
| Centron Telecom International Holdings Ltd. (a) | 238,000   | 108,055    |
| Chartered Semiconductor Manufacturing Ltd. (a)  | 960,000   | 846,644    |
| China Unicom Ltd.                               | 485,000   | 834,881    |
| Cisco Systems, Inc. (a)                         | 189,200   | 5,269,220  |
| Comcast Corp. (a)                               | 41,100    | 1,149,156  |
| Corning, Inc. (a)                               | 79,500    | 2,031,225  |
| Google, Inc. (a)                                | 12,900    | 6,751,602  |
| Ingram Micro, Inc. (a)                          | 73,800    | 1,602,198  |
| KT Corp. - ADR                                  | 40,200    | 943,092    |
| Lenovo Group Ltd.                               | 4,092,000 | 2,412,538  |
| LG.Philips LCD Co. Ltd. - ADR                   | 39,200    | 887,096    |
| Magal Security Systems Ltd. (a)                 | 76,443    | 773,603    |
| MEMC Electronic Materials, Inc. (a)             | 10,000    | 611,200    |
| Nan Ya Printed Circuit Board Corp.              | 97,000    | 591,751    |
| Powerchip Semiconductor Corp. - GDR (b)         | 193,700   | 1,178,723  |
| Qualcomm, Inc.                                  | 48,800    | 2,117,432  |
| Radvision Ltd. (a)*                             | 157,945   | 3,321,583  |
| Samsung Electronics Co. Ltd.                    | 1,780     | 1,090,523  |
| Time Warner, Inc.                               | 132,300   | 2,783,592  |
| Yahoo!, Inc (a)                                 | 23,800    | 645,694    |
|   |           | 37,414,896 |

**Transportation 2.01%**

|                                     |        |           |
|-------------------------------------|--------|-----------|
| AMR Corp. (a)                       | 47,500 | 1,251,625 |
| FedEx Corp.                         | 19,200 | 2,130,624 |
| Republic Airways Holdings, Inc. (a) | 35,000 | 712,250   |
| UAL Corp. (a)                       | 20,200 | 819,918   |
|                                     |        | 4,914,417 |

**Utilities 5.77%**

|  |         |         |
|--|---------|---------|
| Byd Co. Ltd.                               | 66,800  | 384,011 |
| China Coal Energy Co. (a)(b)               | 124,000 | 185,861 |
| China Power International Development Ltd. | 875,000 | 477,830 |

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|  |           |            |
|--|-----------|------------|
| Datang International Power Generation Co. Ltd. (a) | 1,533,100 | 2,368,509  |
| DPL, Inc.  | 36,000    | 1,020,240  |
| EganaGoldpfeil Holdings Ltd.                       | 530,000   | 462,950    |
| Equitable Resources, Inc.                          | 10,000    | 495,600    |
| Gamuda Bhd   | 142,000   | 331,094    |
| Huadian Power International Co.                    | 2,230,800 | 1,155,456  |
| Huaneng Power International, Inc                   | 1,216,000 | 1,380,970  |
| PT Astra International Tbk                         | 985,000   | 1,842,446  |
| Sinopec Shanghai Petrochemical Co. Ltd.            | 1,600,000 | 1,047,678  |
| Sinotrans Ltd.                                     | 1,001,000 | 473,667    |
| Southern Union Company                             | 34,000    | 1,108,060  |
| Williams Cos., Inc. *                              | 43,700    | 1,381,794  |
|  |           | 14,116,166 |

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|  |                    |                         |              |
|--|--------------------|-------------------------|--------------|
| <b>TOTAL COMMON STOCKS</b>                       |                    |                         |              |
| (Cost \$236,016,484)                             |                    | 269,597,871             |              |
| <b>EXCHANGE TRADED FUNDS 3.61%</b>               |                    |                         |              |
| <b>iShares 2.10%</b>                             |                    |                         |              |
| MSCI Pacific                                     | 4,000              | 585,600                 |              |
| MSCI Taiwan                                      | 88,400             | 1,410,864               |              |
| Silver Trust (a)                                 | 25,600             | 3,165,440               |              |
| <b>TOTAL iSHARES</b>                             |                    | <b>5,161,904</b>        |              |
| <b>ProShares 1.14%</b>                           |                    |                         |              |
| UltraShort QQQ                                   | 60,900             | 2,780,694               |              |
| <b>StreetTRACKS 0.37%</b>                        |                    |                         |              |
| Gold Trust (a)                                   | 14,000             | 899,640                 |              |
| <b>TOTAL EXCHANGE TRADED FUNDS</b>               |                    | <b>8,842,238</b>        |              |
| (Cost \$9,271,657)                               |                    |                         |              |
| <b>PREFERRED STOCKS 1.51%</b>                    |                    |                         |              |
| Arch Capital Group Ltd., 7.875%                  | 75,000             | 1,905,000               |              |
| Ashford Hospitality Trust, Inc., 8.550%          | 50,000             | 1,285,250               |              |
| Freeport-McMoRan Copper & Gold, Inc., 6.750% (b) | 3,900              | 501,150                 |              |
| <b>TOTAL PREFERRED STOCKS</b>                    |                    | <b>3,691,400</b>        |              |
| (Cost \$3,497,500)                               |                    |                         |              |
| <b>CLOSED-END FUNDS 0.42%</b>                    |                    |                         |              |
| The Ottoman Fund (a)(b)                          | 515,340            | 1,024,512               |              |
| <b>TOTAL CLOSED-END FUNDS</b>                    |                    | <b>1,024,512</b>        |              |
| (Cost \$896,434)                                 |                    |                         |              |
| <b>Due Date</b>                                  | <b>Coupon Rate</b> | <b>Principal Amount</b> | <b>Value</b> |
| <b>CORPORATE BONDS 5.20%</b>                     |                    |                         |              |
| Calyon   |                    |                         |              |
| 01/29/2022 (b)^                                  | 9.300              | % \$ 2,500,000          | 2,434,375    |
| Consolidated Edison Co. of New York, Inc.        |                    |                         |              |
| 06/15/2036 *                                     | 6.200              | % 2,000,000             | 2,003,120    |
| Merrill Lynch & Co., Inc                         |                    |                         |              |
| 01/29/2022 (b)^*                                 | 9.580              | % 4,000,000             | 3,822,800    |

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|   |                        |                       |                            |              |
|---|------------------------|-----------------------|----------------------------|--------------|
| Suncor Energy, Inc.                               |                        |                       |                            |              |
| 06/15/2038  | 6.500                  | %                     | 500,000                    | 504,112      |
| Swedish Export Credit                             |                        |                       |                            |              |
| 04/30/2012 (c)                                    | 9.949                  | %                     | 3,800,000                  | 3,952,000    |
| <b>TOTAL CORPORATE BONDS</b>                      |                        |                       |                            |              |
| (Cost \$12,797,343)                               |                        |                       |                            | 12,716,407   |
| <b>ASSET/MORTGAGE BACKED SECURITIES 5.34%</b>     |                        |                       |                            |              |
| Federal National Mortgage Association (FNMA)      |                        |                       |                            |              |
| Series 2006-3, Class ZE, 03/25/2036               | 6.000                  | %                     | 2,166,142                  | 1,989,357    |
| Series 2006-83, Class HZ, 08/25/2036 *            | 6.000                  | %                     | 5,645,674                  | 5,479,578    |
| Federal Home Loan Mortgage Corporation (FHLMC)    |                        |                       |                            |              |
| Series 2006-3155, Class SA, 11/15/2035 ^          | 6.180                  | %                     | 1,874,071                  | 1,567,823    |
| Series 2006-3211, Class LZ, 09/15/2036 *          | 6.000                  | %                     | 4,183,642                  | 4,019,619    |
| <b>TOTAL ASSET/MORTGAGE BACKED SECURITIES</b>     |                        |                       |                            |              |
| (Cost \$13,416,596)                               |                        |                       |                            | 13,056,377   |
| <b>GOVERNMENT &amp; AGENCY OBLIGATIONS 11.53%</b> |                        |                       |                            |              |
| <b>Non-U.S. Government Obligations 4.58%</b>      |                        |                       |                            |              |
| UK Treasury                                       |                        |                       |                            |              |
| 09/07/2015  | 4.750                  | %                     | 2,800,000                  | 5,330,335    |
| Queensland Treasury Corp.                         |                        |                       |                            |              |
| 07/14/2009  | 6.000                  | %                     | 7,000,000                  | 5,870,470    |
| <b>TOTAL NON-U.S. GOVERNMENT OBLIGATIONS</b>      |                        |                       |                            |              |
| (\$10,682,024)                                    |                        |                       |                            | 11,200,805   |
| <b>U.S. Government Obligations 6.95%</b>          |                        |                       |                            |              |
| Federal Home Loan Bank System (FHLB)              |                        |                       |                            |              |
| 04/18/2022 ^ *                                    | 7.050                  | %                     | 5,000,000                  | 4,625,000    |
| 12/20/2021 ^ *                                    | 7.500                  | %                     | 7,000,000                  | 6,667,500    |
| U.S. Treasury Bond                                |                        |                       |                            |              |
| 02/15/2025 *                                      | 7.625                  | %                     | 4,500,000                  | 5,731,879    |
| <b>TOTAL U.S. GOVERNMENT OBLIGATIONS</b>          |                        |                       |                            |              |
| (\$17,857,649)                                    |                        |                       |                            | 17,024,379   |
| <b>TOTAL GOVERNMENT &amp; AGENCY OBLIGATIONS</b>  |                        |                       |                            |              |
| (Cost \$28,539,673)                               |                        |                       |                            | 28,225,184   |
|   | <b>Expiration Date</b> | <b>Exercise Price</b> | <b>Number of Contracts</b> | <b>Value</b> |
| <b>PURCHASED OPTIONS 0.24%</b>                    |                        |                       |                            |              |
| <b>PURCHASED PUT OPTIONS 0.24%</b>                |                        |                       |                            |              |
| S&P 500 Index Option                              | September, 2007        | \$ 1,450              | 120                        | 272,400      |
| S&P 500 Index Option                              | December, 2007         | 1400                  | 120                        | 309,600      |
| <b>TOTAL PURCHASED OPTIONS</b>                    |                        |                       |                            |              |
| (Cost \$897,271)                                  |                        |                       |                            | 582,000      |
|   |                        |                       | <b>Principal Amount</b>    |              |
| <b>SHORT TERM INVESTMENTS 19.94%</b>              |                        |                       |                            |              |
| Federal Home Loan Mortgage Corporation (FHLMC)    |                        | \$                    | 11,000,000                 | 10,859,167   |

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|  |               |                |
|--|---------------|----------------|
| Federal National Mortgage Association (FNMA)   | 11,000,000    | 10,866,636     |
|  | <b>Shares</b> |                |
| JP Morgan Prime  | 18,064,298    | 18,064,298     |
| Merrill Lynch Premier Institutional  | 9,015,023     | 9,015,023      |
| <b>TOTAL SHORT TERM INVESTMENTS</b>  |               |                |
| (Cost \$48,801,197)  |               | 48,805,124     |
| Total Investments 157.97%  |               |                |
| (Cost \$354,134,155)   |               | 386,541,113    |
| Liabilities in Excess of Other Assets - (19.09)%   |               | (46,704,416 )  |
| Liquidation Preference of Auction Market Preferred Shares, Series W28 (including dividends payable on preferred shares) - (38.88)% |               | (95,138,538 )  |
| <b>NET ASSETS - 100.00%</b>  |               | \$ 244,698,159 |

**SCHEDULE OF OPTIONS WRITTEN**

|   | <b>Expiration Date</b> | <b>Exercise Price</b> | <b>Number of Contracts</b> | <b>Value</b>  |
|---|------------------------|-----------------------|----------------------------|---------------|
| <b>COVERED CALL OPTIONS WRITTEN</b>       |                        |                       |                            |               |
| Diamond Offshore Drilling, Inc.           | August, 2007           | 105                   | 100                        | \$ (36,000 )  |
| GlobalSantaFe Corp.                       | August, 2007           | 75                    | 200                        | (43,000 )     |
| Noble Corp.                               | August, 2007           | 100                   | 170                        | (59,500 )     |
| Transocean, Inc.                          | August, 2007           | 110                   | 120                        | (41,400 )     |
| <b>TOTAL COVERED CALL OPTIONS WRITTEN</b> |                        |                       |                            |               |
| (Premiums received \$159,282)             |                        |                       |                            | (179,900 )    |
| <b>TOTAL OPTIONS WRITTEN</b>              |                        |                       |                            |               |
| (Premiums received \$159,282)             |                        |                       |                            | \$ (179,900 ) |

**SCHEDULE OF SECURITIES SOLD SHORT**

| <b>Name</b>  | <b>Shares</b> | <b>Value</b>            |
|--|---------------|-------------------------|
| Cabot Oil & Gas Corp.                                      | (17,400 )     | \$ (641,712 )           |
| Comerica, Inc.   | (11,700 )     | (695,799 )              |
| Countrywide Financial                                      | (21,300 )     | (774,255 )              |
| Financial Select Sector SPDR Fund                          | (98,600 )     | (3,566,362 )            |
| Frontline Limited  | (26,600 )     | (1,219,610 )            |
| Holly Corp.  | (6,000 )      | (445,140 )              |
| iShares FTSE/Xinhua China 25 Index Fund                    | (57,300 )     | (7,380,240 )            |
| iShares MSCI Brazil  | (7,100 )      | (434,591 )              |
| iShares Russell 2000 Index Fund                            | (13,700 )     | (1,136,278 )            |
| iShares MSCI Emerging Markets                              | (40,600 )     | (5,333,622 )            |
| National - Oilwell, Inc. (a)                               | (4,000 )      | (416,960 )              |
| Patterson-UTI Energy, Inc.                                 | (19,300 )     | (505,853 )              |
| Pioneer Natural Resources Co.                              | (11,700 )     | (569,907 )              |
| Polaris Industries, Inc.                                   | (33,900 )     | (1,836,024 )            |
| Powershares QQQ  | (10,000 )     | (475,700 )              |
| Questar Corp.  | (4,500 )      | (237,825 )              |
| Quicksilver Resources, Inc. (a)                            | (19,000 )     | (847,020 )              |
| Regional Bank HOLDRS Trust                                 | (21,000 )     | (3,253,110 )            |
| Ship Finance International Ltd.                            | (2,850 )      | (84,588 )               |
| Teekay Corp.   | (4,300 )      | (249,013 )              |
| Tesoro Corp.   | (5,000 )      | (285,750 )              |
| Thor Industries, Inc.                                      | (6,600 )      | (297,924 )              |
| Toro Co.   | (12,300 )     | (724,347 )              |
| Ultra Petroleum Corp. (a)                                  | (11,500 )     | (635,260 )              |
| Unit Corp. (a)   | (22,000 )     | (1,384,020 )            |
| Valero Energy Corp.  | (6,000 )      | (443,160 )              |
| Wachovia Corp.   | (5,000 )      | (256,250 )              |
| Whiting Petroleum Corp. (a)                                | (15,000 )     | (607,800 )              |
| <b>Total Securities Sold Short (Proceeds \$34,063,428)</b> |               | <b>\$ (34,738,120 )</b> |

## Edgar Filing: Clough Global Allocation Fund - Form N-Q

- ADR American Depository Receipt  
 GDR Global Depository Receipt  
 (a) Non Income Producing Security  
 (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. As of June 30, 2007, these securities had total value of \$11,415,911 or 4.67% of total net assets.  
 (c) Fair valued security; valued in accordance with procedures approved by the Fund's Board of Trustees. As of June 30, 2007, these securities had total value of \$5,415,980 or 2.2% of total net assets.  
 (d) Private Placement; these securities may only be resold in transactions exempt from registration under the Securities Act of 1933. As of June 30, 2007, these securities had total of \$638,980 or 0.26% of total net assets.  
 \* Security, or portion of security, is being held as collateral for written options and/or short sales.  
 ^ Floating or variable rate security - rate disclosed as of June 30, 2007. Maturity date represents the next reset date.

### Income Tax Information:

Net unrealized appreciation/depreciation of investments based on federal tax costs were as follows:

| <b>As of June 30, 2007</b>                         |    |             |
|--|----|-------------|
| Gross appreciation (excess of value over tax cost) | \$ | 38,388,351  |
| Gross depreciation (excess of tax cost over value) |    | (7,478,864) |
| Net unrealized appreciation                        | \$ | 30,909,487  |
| Cost of investments for income tax purposes        | \$ | 355,631,626 |

See Notes to Quarterly Statement of Investments.

**Notes to Quarterly Statement of Investments**

## Edgar Filing: Clough Global Allocation Fund - Form N-Q

June 30, 2007 (unaudited)

### 1. Significant Accounting and Operating Policies

Clough Global Allocation Fund is a closed-end management investment company (the Fund) that was organized under the laws of the state of Delaware by an Agreement and Declaration of Trust dated April 27, 2004. The Fund is a non-diversified series with an investment objective to provide a high level of total return. The Declaration of Trust provides that the Trustees may authorize separate classes of shares of beneficial interest.

The following summarizes the significant accounting policies of the Fund.

**Security Valuation:** The net asset value per Share of the Fund is determined no less frequently than daily, on each day that the American Stock Exchange (the Exchange) is open for trading, as of the close of regular trading on the Exchange (normally 4:00 p.m. New York time). Trading may take place in foreign issues held by the Fund at times when the Fund is not open for business. As a result, the Fund's net asset value may change at times when it is not possible to purchase or sell shares of the Fund. Securities held by the fund for which exchange quotations are readily available are valued at the last sale price, or if no sale price or if traded on the over-the-counter market, at the mean of the bid and asked prices on such day. Over-the-counter securities traded on NASDAQ are valued based upon the closing price. Debt securities for which the over-the-counter market is the primary market are normally valued on the basis of prices furnished by one or pricing services at the mean between the latest available bid and asked prices. As authorized by the Trustees, debt securities (other than short-term obligations) may be valued on the basis of valuations furnished by a pricing service which determines valuations based upon market transactions for normal, institutional-size trading units of securities. Short-term obligations maturing within 60 days are valued at amortized cost, which approximates value, unless the Trustees determine that under particular circumstances such method does not result in fair value. Over-the-counter options are valued at the mean between bid and asked prices provided by dealers. Financial futures contracts listed on commodity exchanges and exchange-traded options are valued at closing settlement prices. Securities for which there is no such quotation or valuation and all other assets are valued at fair value in good faith by or at the direction of the Trustees.

**Foreign Securities:** The Fund may invest a portion of its assets in foreign securities. In the event that the Fund executes a foreign security transaction, the Fund will generally enter into a forward foreign currency contract to settle the foreign security transaction. Foreign securities may carry more risk than U.S. securities, such as political, market and currency risks.

The accounting records of the Fund are maintained in U.S. dollars. Prices of securities denominated in foreign currencies are translated into U.S. dollars at the closing rates of exchange at period end. Amounts related to the purchase and sale of foreign securities and investment income are translated at the rates of exchange prevailing on the respective dates of such transactions.

The effect of changes in foreign currency exchange rates on investments is separately identified from the fluctuations arising from changes in market values of securities held and reported with all other foreign currency gains and losses in the Fund's Statement of Operations.

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**Options:** In order to hedge against adverse market shifts, the Fund may utilize up to 10% of its total assets to purchase put and call options on securities. The Fund may also utilize an additional 10% of its total assets to purchase put and call options on domestic stock indices to hedge against risks of market-wide price movements affecting its assets. When a Fund purchases a call or put option, an amount equal to the premium paid is included in the Fund's Statement of Assets and Liabilities, which is included in the Annual and Semi-Annual reports to shareholders, as an investment, and is subsequently marked-to-market to reflect the current market value of the option. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If the Fund exercises a call, the cost of the security acquired is increased by the premium paid for the call. If the Fund exercises a put option, a gain or loss is realized from the sale of the underlying security, and the proceeds from such a sale are decreased by the premium originally paid.

The Fund may also write covered put and call options on securities and stock indices. When a Fund writes a put or call option, an amount equal to the premium received is included in the Statement of Assets and Liabilities, which is included in the Annual and Semi-Annual reports to shareholders, as a liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option. If an option expires on its stipulated expiration date or if the Fund enters into a closing purchase transaction, a gain or loss is realized. If a written call option is exercised, a gain or loss is realized for the sale of the underlying security and the proceeds from the sale are increased by the premium originally received. If a written put option is exercised, the cost of the security acquired is decreased by the premium originally received. As a writer of an option, a Fund has no control over whether the underlying securities are subsequently sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the security underlying the written option. Written and purchased options are non-income producing securities.

Written option activity as of June 30, 2007 was as follows:

CALL OPTIONS WRITTEN

|   | Number of<br>Contracts | Amount of<br>Premiums |
|---|------------------------|-----------------------|
| Options outstanding as of December 31, 2006 |                        |                       |
| Positions opened                            | 590                    | \$ 159,282            |
| Options expired                             |                        |                       |
| Options split                               |                        |                       |
| Outstanding, June 30, 2007                  | 590                    | \$ 159,282            |
| Market Value, June 30, 2007                 |                        | \$ (179,900)          |

## PUT OPTIONS WRITTEN

|   | Number of<br>Contracts | Amount of<br>Premiums |
|---|------------------------|-----------------------|
| Options outstanding as of December 31, 2006 |                        |                       |
| Positions opened                            | 12,000                 | \$ 1,321,509          |
| Options expired                             | (12,000)               | (1,321,509)           |
| Options split                               |                        |                       |
| Outstanding, June 30, 2007                  |                        | \$                    |
| Market Value, June 30, 2007                 |                        | \$                    |

**Short Sales:** The Fund may sell a security it does not own in anticipation of a decline in the fair value of that security. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, will be recognized upon the termination of the short sale.

**Securities Transactions and Investment Income:** Investment security transactions are accounted for as of trade date. Dividend income is recorded on the ex-dividend date. Interest income, which includes amortization of premium and accretion of discount, is accrued as earned. Realized gains and losses from securities transactions and unrealized appreciation and depreciation of securities are determined using the highest cost basis for both financial reporting and income tax purposes.

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**Item 2 - Controls and Procedures.**

(a) The Registrant's Principal Executive Officer and Principal Financial Officer have evaluated the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) within 90 days of this filing and have concluded that the Registrant's disclosure controls and procedures were effective, as of that date.

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

**Item 3 Exhibits.**

Separate certifications for the Registrant's Principal Executive Officer and Principal Financial Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and Rule 30a-2(a) under the Investment Company Act of 1940, are attached as Ex99.CERT.

**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.

**CLOUGH GLOBAL ALLOCATION FUND**

By: /s/ Edmund J. Burke  
**Edmund J. Burke**  
**President** (principal executive officer)

Date: August 29, 2007

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/ Edmund J. Burke  
**Edmund J. Burke**  
**President** (principal executive officer)

Date: August 29, 2007

By: /s/ Jeremy O. May  
**Jeremy O. May**  
**Treasurer** (principal financial officer)

Date: August 29, 2007