

NEW AMERICA HIGH INCOME FUND INC  
Form N-CSR  
March 10, 2008

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

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-05399

THE NEW AMERICA HIGH INCOME FUND, INC.  
(Exact name of registrant as specified in charter)

33 Broad Street, Boston, MA  
(Address of principal executive offices)

02109  
(Zip code)

Ellen E. Terry

33 Broad Street

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: December 31

Date of reporting period: July 1, 2007 to December 31, 2007

Item 1 - Report to Shareholders

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February 19, 2008

**Dear Fellow Shareholder,**

The New America High Income Fund (the "Fund") is invested in an economy that suffered greatly in the second half of 2007 and continues to suffer. Our investment advisor, T. Rowe Price Associates, Inc., is managing our portfolio in very troubled markets and despite careful investing by them, the portfolio has declined in value. In addition, increases in the cost of the Fund's leverage have reduced the Fund's income.

In the second half of 2007 most of the major fixed-income markets experienced a significant decrease in liquidity, leading to increased volatility and investors demanding an increased risk premium. The phrases "sub-prime mortgage tsunami" and "credit crunch" have become part of the public lexicon as the values applied to securitized assets and the related debt unraveled. The realization of these problems led to a flight to quality. Although the Fund does not invest in sub-prime mortgages, collateralized debt obligations or similar instruments, the crisis in the markets for those instruments spread to other markets around the world, resulting in significant adverse effects on the Fund's portfolio and its leverage.

In past shareholder reports, we have highlighted the importance of the Fund's leverage in supporting the common stock dividend. The leverage is in the form of an Auction Term Stock (the "ATP"). The dividend rate the Fund must pay on the ATP resets monthly through an auction procedure. Historically, the rate on the Fund's ATP has generally floated around one month LIBOR (the London Interbank Offered Rate), a widely used money market reference rate.

In late summer 2007, as the consequences of the sub-prime mortgage collapse spread, demand for auction rate securities like the Fund's ATP fell sharply, resulting in a higher dividend rate for the ATP. Beginning in August the rate set in the auctions rose sharply to as high as 200 basis points above LIBOR, increasing the Fund's costs, and thereby decreasing its net income. Investor demand for auction rate securities has continued to decline in 2008. Under the terms of the ATP negotiated by management, the maximum dividend rate currently payable on the ATP is 150% of AA-rated 30 day commercial paper rate. The maximum rate applies only in the event of an auction failure. To date, the Fund has had one auction failure and the dividend rate was set at 4.527%. Even at the current maximum dividend rate, there is a positive spread between the cost of the ATP and the earnings on the portfolio, which contributes to the common stock dividend.

The Fund raised \$33 million in a rights offering that was completed in September 2007, which reduced the portfolio's leverage ratio. The Fund had planned to issue additional shares of ATP following the rights offering in order to restore the portfolio's leverage ratio. However, when the rights offering was completed, issuing additional shares of ATP was not possible because the auction rate securities market essentially closed to new issuance in the fourth quarter as a consequence of the unexpected ripple effect of the sub-prime mortgage collapse on the asset-backed securities market, which occurred after the commencement of the rights offering. The resulting reduction in the portfolio's leverage ratio is a second factor lowering the Fund's income. Nonetheless, given the continuing volatility of the markets in which the Fund invests, the reduction in the Fund's leverage ratio should have the beneficial effect of reducing the volatility of the Fund's net asset value per share (the "NAV").

We reported in the June 30, 2007 shareholder letter that the leverage and a related interest rate swap contributed approximately 22% of the Fund's income during the first half of 2007. Due to the events described above, currently the contribution of the leverage and interest rate swap has fallen to approximately 14% of the Fund's income.

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## Performance Update

The Fund's NAV was \$1.94 and the market price for the Fund's shares on the New York Stock Exchange closed at \$1.71 on December 31, 2007, representing a market price discount of 11.9% from NAV. According to Lipper, a nationally recognized source of mutual fund data, as of December 31, 2007, market price discounts on leveraged high yield funds ranged from 0% to 15.5%.

### Total Returns for the Periods Ending December 31, 2007

	1 Year	3 Years Cumulative
New America High Income Fund (Stock Price and Dividends)*	-16.34%	5.29%
New America High Income Fund (NAV and Dividends)	-0.16%	18.07%
Lipper Closed-End Fund Leveraged High Yield Average (NAV and Dividends)	-6.91%	9.94%
Credit Suisse High Yield Index	2.65%	17.48%
Citigroup 10 Year Treasury Index	9.77%	13.56%

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

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

The Fund's ratio of total expenses to average net assets applicable to common stock was 1.34% for the year ended December 31, 2007. The Fund's ratio of total expense to average net assets applicable to common and preferred stock was .84% for the year ended December 31, 2007. The Fund's total returns based upon NAV and dividends in the above table reflect returns after accounting for Fund expenses.

\* 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.

We have no way to know how long this period of economic uncertainty will last. The market price of the Fund's shares and the NAV may continue to be more volatile than in earlier periods. The flight to safety has depressed the value of the portfolio holdings which is more fully discussed in the investment advisor's letter below. In addition, the risk premium demanded by investors has risen substantially which has resulted in a greater discount in the market price of the Fund's shares compared with the NAV.

During this time of economic uncertainty, we anticipate that the contribution of the leverage and interest rate swap will continue to be lower than it has been historically. As a result, the Fund cannot continue to support a monthly common stock dividend of \$.0175 per share, which the Fund has paid since February 2003. Consequently, beginning in March 2008, the Fund's monthly dividend will be reduced to \$.013 per common share.

Below, the Fund's investment advisor, T. Rowe Price Associates, Inc., reviews the performance of the high yield bond market in 2007, its strategy to protect the Fund's investments in the current environment and its outlook going forward.

## High Yield Market Update

The high yield market struggled through the second half of 2007 and posted disappointing results for the full year, with the Credit Suisse High Yield Index (the "Index") showing a gain for the asset class of 2.65%. The second round of the current credit crisis began in November and quickly wiped out the positive momentum generated in

September and October. While high yield bonds generally posted small gains in December, the high yield asset class significantly lagged U.S. Treasury bonds, and its spreads, a measure of relative yield versus Treasuries, widened significantly during the fourth quarter. By year end, investors were concluding that Wall Street's problems were spreading to Main Street, and that the American economy was in danger of slipping into recession. Securities issued by companies in the housing, retailing and financial services sectors were punished most severely.

The dramatic widening in yield spreads between the high yield asset class and U.S. Treasuries suggests that the market anticipates default rates in the high yield market will spike up sharply in 2008. While we remain dedicated to maintaining close scrutiny of the corporate health and well being of the Fund's investments from a credit risk perspective, we are equally concerned about the current challenges in this asset class relating to the depth of the market. The damage inflicted on broker dealers from excessive financial engineering in 2007 has left fewer investment banks willing to make markets in trading many fixed income securities, including high yield bonds. Trading volumes in our market dropped significantly in December as the major Wall Street firms absorbed billions in losses on sub prime mortgage structured products.

#### *Strategy Update*

We believe our emphasis on defensive sector positioning should help the portfolio to withstand a serious consumer-led slowdown in the U.S. economy. For the past year, we have emphasized less economically sensitive industries such as energy, utilities, healthcare and services. Conversely, we have underweighted cyclical sectors that are currently experiencing fundamental stress. Exposure to lower rated CCC securities is also conservative, particularly in the more aggressive leveraged buyout deals and we have at times moved up the capital structure in seniority to a company's loans, in an effort to increase safety without large sacrifices in yield. The high yield market is also fortunate to have a limited number of financial services companies other than Ford Credit and GMAC. Even though at present we believe these two companies will remain solvent and have compelling absolute yields, we have kept our exposures modest in light of the current environment.

We participated in three noteworthy private equity deals priced during the fourth quarter. Texas Utilities, First Data and Nuveen Investments all received careful scrutiny by our analysts, and were deemed outstanding long term investment opportunities. All three companies generate predictable steady operating cash flows and enjoy strong competitive positions within their respective markets. More importantly, securities in each company were priced to reflect difficult market conditions, with double digit yields for each bond. We are gratified that these three purchases were resilient during the fourth quarter and generated positive returns when the overall market direction was negative. We plan to continue this opportunistic approach to new issues during the first quarter of 2008, even though we expect the market to be volatile for the foreseeable future. Our biggest disappointments include the purchases of bank debt and bonds in two LBOs, Spanish language media broadcaster Univision and multi-restaurant chain operator Outback Steakhouse. At the time of the deal for Outback which closed in June, equity holders protested loudly that they did not receive adequate compensation in the buyout. Now, just a few months later, the bank debt and bonds for both deals have declined dramatically. While the price action in these names has been painful and we are disappointed that the bank debt in particular did not offer greater downside protection, our analysis continues to support the view that these are fundamentally sound investments.

*Outlook*

The high yield market is under pressure with some evidence of deteriorating corporate fundamentals, poor investor psychology and concerns over the balance sheet health at some broker dealers, among other factors, weighing on prices. When assessing how much more the market will correct, it is important to note that high yield bond spreads are, on average, north of 600 basis points which should help to compensate investors for an increase in the default rate from its recent historically low level. We believe we have positioned the portfolio away from the most consumer dependent industries where we see the greatest risk for bankruptcies. We will continue to take a cautious approach to investing in both new issues and other opportunities we uncover.

Thank you for your continued interest in the Fund.

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 the Adviser 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.*

## The New America High Income Fund, Inc.

<b>Industry Summary December 31, 2007</b>	<b>As a Percent of Total Investments</b>
Telecommunications	10.36%
Oil and Gas	9.91%
Utilities	9.06%
Broadcasting and Entertainment	8.68%
Healthcare, Education and Childcare	6.71%
Electronics	6.29%
Mining, Steel, Iron and Non-Precious Metals	5.53%
Containers, Packaging and Glass	4.62%
Printing and Publishing	4.46%
Hotels, Motels, Inns and Gaming	3.59%
Retail Stores	3.41%
Automobile	3.29%
Personal, Food and Miscellaneous Services	3.15%
Diversified/Conglomerate Service	2.99%
Finance	2.36%
Building and Real Estate	1.94%
Chemicals, Plastics and Rubber	1.78%
Aerospace and Defense	1.08%
Personal Non-Durable Consumer Products	1.03%
Diversified/Conglomerate Manufacturing	1.02%
Insurance	0.99%
Beverage, Food and Tobacco	0.92%
Ecological	0.89%
Cargo Transport	0.73%
Leisure, Amusement and Entertainment	0.60%
Textiles and Leather	0.36%
Machinery	0.33%
Personal Transportation	0.26%
Furnishings, Housewares, Durable	
Consumer Products	0.05%
Short-Term Investments	3.61%
<b>Total Investments</b>	<b>100.00%</b>
<b>Moody's Investors Service Ratings December 31, 2007 (Unaudited)</b>	<b>As a Percent of Total Investments</b>
Short Term Prime-1	3.61%
Baa3	1.44%
Ba1	3.98%
Ba2	6.07%
Ba3	17.54%
<b>Total Ba</b>	<b>27.59%</b>
B1	13.44%
B2	16.13%
B3	23.67%
<b>Total B</b>	<b>53.24%</b>
Caa1	10.62%
Caa2	1.35%

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Caa3	0.37%
Total Caa	12.34%
Unrated	1.36%
Equity	0.42%
Total Investments	100.00%



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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES 138.18% (d)</b>			
<b>Aerospace and Defense 1.71%</b>			
\$	1,625	GenCorp Inc., Senior Subordinated Notes, 9.50%, 08/15/13	\$ 1,645
		B1	
	925	Hawker Beechcraft Acquisition Company LLC, Senior Notes, 8.50%, 04/01/15 (g)	925
		B3	
	425	Hawker Beechcraft Acquisition Company LLC, Senior Notes, 8.875%, 4/01/15 (g)	421
		B3	
	825	TransDigm Inc., Senior Subordinated Notes, 7.75%, 07/15/14	837
		B3	
			3,828
<b>Automobile 4.63%</b>			
	950	Accuride Corporation, Senior Subordinated Notes, 8.50%, 02/01/15	770
		B3	
	1,075	Allison Transmission, Inc., Senior Notes, 11.25%, 11/01/15 (g)	938
		Caa1	
	300	Cooper Standard Automotive Inc., Senior Subordinated Notes, 8.375%, 12/15/14	237
		Caa1	
	425	General Motors Corporation, Senior Notes, 7.125%, 07/15/13	364
		Caa1	
	275	General Motors Corporation, Senior Notes, 7.20%, 01/15/11	250
		Caa1	
	1,300	General Motors Corporation, Senior Notes, 7.70%, 04/15/16	1,089
		Caa1	
	960	Goodyear Tire & Rubber Company, Senior Notes, 8.625%, 12/01/11	1,003
		Ba3	
	1,100	Goodyear Tire & Rubber Company, Senior Notes, 8.663%, 12/01/09	1,104
		Ba3	
	525	KAR Holdings, Inc., Senior Notes,	476
		B3	

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Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
	8.911%, 05/01/14 (g) KAR Holdings, Inc., Senior Subordinated Notes, 10%, 05/01/15 (g)	Caa1	1,160
1,300			
	SPX Corporation, Senior Notes, 7.625%, 12/15/14 (g)	Ba2	\$ 844
\$ 825			
	Tenneco Inc., Senior Subordinated Notes, 8.625%, 11/15/14	B3	1,054
1,075			
	TRW Automotive Inc., Senior Notes, 7.25%, 03/15/17 (g)	Ba3	812
900			
	United Components, Inc., Senior Subordinated Notes, 9.375%, 06/15/13	Caa1	272
275			
			10,373
<b>Beverage, Food and Tobacco 1.20%</b>			
	Del Monte Corporation, Senior Subordinated Notes, 8.625%, 12/15/12	B2	1,040
1,025			
	Reynolds American, Inc., Senior Secured Notes, 7.25%, 06/01/13	Ba1	1,124
1,050			
	Reynolds American, Inc., Senior Secured Notes, 7.625%, 06/01/16	Ba1	512
475			
			2,676
<b>Broadcasting and Entertainment 11.81%</b>			
	Allbritton Communications Company, Senior Subordinated Notes, 7.75%, 12/15/12	B1	1,646
1,650			
	AMC Entertainment, Inc., Senior Subordinated Notes, 11%, 02/01/16	B2	184
175			
	Barrington Broadcasting Group LLC, Senior Subordinated Notes, 10.50%, 08/15/14	B3	413
400			
	Bonten Media Group, Inc., Senior Subordinated Notes, 9%, 06/01/15 (g)	Caa1	392
450			
	Canadian Satellite Radio, Senior Notes, 12.75%, 02/15/14	(e)	418
425			
900		Caa2	733

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	CCH I, LLC, Senior Notes, 11%, 10/01/15		
1,800	CCH II, LLC, Senior Notes 10.25%, 09/15/10	Caa1	1,764

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

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>				
		Charter Communications, Senior Notes, 8%, 04/30/12 (g)	B2	\$ 1,230
\$ 1,275				
	3,000	Clear Channel Communications, Senior Notes, 6.25%, 03/15/11	Baa3	2,692
	1,000	CSC Holdings, Inc., Senior Notes, 7.25%, 07/15/08	B2	1,004
	1,303	DIRECTV Holdings LLC, Senior Notes, 8.375%, 03/15/13	Ba3	1,358
	1,128	EchoStar DBS Corporation, Senior Notes, 6.625%, 10/01/14	Ba3	1,128
	775	EchoStar DBS Corporation, Senior Notes, 7%, 10/01/13	Ba3	781
	500	Intelsat Subsidiary Holding Co., Ltd., Senior Notes, 8.25%, 01/15/13	B2	504
	475	Kabel Deutschland GmbH, Senior Notes, 10.625%, 07/01/14	B2	499
	1,900	Lamar Media Corporation, Senior Subordinated Notes, 6.625%, 08/15/15	Ba3	1,852
	350	Local TV Finance, LLC, Senior Notes, 9.25%, 06/15/15 (g)	Caa1	333
	650	Mediacom Broadband LLC, Senior Notes, 8.50%, 10/15/15	B3	570
	625	Nexstar Broadcasting, Inc., Senior Subordinated Notes 7%, 01/15/14	B3	583
	1,649	PanAmSat Corporation, Senior Notes, 9%, 08/15/14	B2	1,665
	250	Rainbow National Services LLC, Senior Notes, 8.75%, 09/01/12 (g)	B2	256
	300	Rogers Cable Inc., Senior Secured Notes, 6.75%, 03/15/15	Baa3	313

Principal Amount/Units			Moody's Rating	Value (Note 1(a))
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(Unaudited)

		Shaw Communications Inc.,		
\$	300	Senior Notes, 8.25%, 04/11/10	Ba1	\$ 313
		Sinclair Broadcast Group, Inc.,		
	1,795	Senior Subordinated Notes, 8%, 03/15/12	Ba3	1,829
		Univision Communications, Inc.,		
	1,100	Senior Notes, 9.75%, 03/15/15 (g)	B3	996
		Videotron Ltee., Senior Notes,		
	250	6.375%, 12/15/15	Ba1	234
		Videotron Ltee., Senior Notes,		
	825	6.875%, 01/15/14	Ba1	804
		XM Satellite Radio, Inc.,		
	2,025	Senior Notes 9.75%, 05/01/14	Caa1	1,949
				26,443
<b>Building and Real Estate</b>	<b>3.06%</b>			
		AMH Holdings, Inc.,		
	500	Senior Notes, 11.25%, 03/01/14 (b)	Caa2	320
		B.F. Saul Real Estate Investment Trust, Senior Secured Notes,		
	625	7.50%, 03/01/14	Ba2	581
		Builders FirstSource, Inc.,		
	675	Senior Secured Notes, 9.119%, 02/15/12	B2	591
		FelCor Lodging Limited Partnership, Senior Notes,		
	500	8.50%, 06/01/11	Ba3	518
		Host Marriott, L.P.,		
	100	Senior Notes, 6.375%, 03/15/15	Ba1	99
		Host Marriott, L.P.,		
	2,700	Senior Notes, 6.75%, 06/01/16	Ba1	2,666
		Host Marriott, L.P.,		
	550	Senior Notes, 7.125%, 11/01/13	Ba1	554
		Texas Industries, Inc.,		
	875	Senior Notes, 7.25%, 07/15/13	Ba3	871
		Ventas Realty, Limited Partnership,		
	500	Senior Notes, 6.50%, 06/01/16	Ba1	491
		Ventas Realty, Limited Partnership,		
	150	Senior Notes, 6.75%, 04/01/17	Ba1	149
				6,840

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Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>			
<b>Cargo Transport 1.15%</b>			
\$	1,125	American Railcar Industries, Inc., Senior Notes, 7.50%, 03/01/14	\$ 1,060
	825	Greenbrier Companies, Inc., Senior Notes, 8.375%, 05/15/15	788
	600	Swift Transportation Co., Inc., Senior Secured Notes, 12.50%, 05/15/17 (g)	308
	400	TFM, S.A. de C.V., Senior Notes, 9.375%, 05/01/12	419
			2,575
<b>Chemicals, Plastics and Rubber 2.80%</b>			
	550	Hercules Inc., Senior Subordinated Notes, 6.75%, 10/15/29	531
	500	Hexion Specialty Chemicals Inc., Senior Secured Notes, 9.369%, 11/15/14	510
	900	Hexion Specialty Chemicals Inc., Senior Secured Notes, 9.75%, 11/15/14	974
	800	Ineos Group Holdings plc, Senior Secured Notes, 8.50%, 02/15/16 (g)	708
	1,225	INVISTA S.A.R.L., Senior Notes 9.25%, 05/01/12 (g)	1,277
	1,300	KI Holdings, Inc., Senior Notes, 9.875%, 11/15/14 (b)	1,105
	500	Koppers Inc., Senior Secured Notes, 9.875%, 10/15/13	528
	475	Nalco Company, Senior Notes, 7.75%, 11/15/11	479
	200	Nell AF S.a.r.l., Senior Secured Notes, 8.375%, 08/15/15 (g)	162
			6,274
<b>Containers, Packaging and Glass 6.97%</b>			

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Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
	AEP Industries, Inc., Senior Notes, 825 7.875%, 03/15/13	B1	784
	Berry Plastics Holding Corporation, Senior Secured Notes, 8.866%, 350 09/15/14	B3	329
	Berry Plastics Holding Corporation, Senior Secured Notes, 8.875%, 09/15/14	B3	\$ 1,170
	Berry Plastics Holding Corporation, Senior Secured Notes, 10.25%, 03/01/16	Caa2	462
	Boise Cascade, LLC, Senior Subordinated Notes, 950 7.125%, 10/15/14	B2	919
	BWAY Corporation, Senior Subordinated Notes, 950 10%, 10/15/10	B3	938
	Clondalkin Acquisition BV, Senior Notes, 550 6.991%, 12/15/13 (g)	Ba3	518
	Domtar Inc., Senior Notes, 275 5.375%, 12/01/13	B1	250
	Domtar Inc., Senior Notes, 1,100 7.125%, 08/15/15	B1	1,078
	Domtar Inc., Senior Notes, 100 9.50%, 08/01/16	B1	108
	Georgia-Pacific Corporation, Senior Notes, 775 7%, 01/15/15 (g)	Ba3	754
	Georgia-Pacific Corporation, Senior Notes, 900 7.125%, 01/15/17 (g)	Ba3	871
	Georgia-Pacific Corporation, Senior Notes, 525 7.70%, 06/15/15	B2	516
	Georgia-Pacific Corporation, Senior Notes, 1,200 8.125%, 05/15/11	B2	1,212
	Graphic Packaging International Inc., Senior Notes, 450 8.50%, 08/15/11	B2	447
	Graphic Packaging International Inc., Senior Subordinated Notes, 325 9.50%, 08/15/13	B3	323
	NewPage Corporation, Senior Secured Notes, 750 10%, 05/01/12	B2	758
	NewPage Corporation, Senior Secured Notes, 150 10%, 05/01/12 (g)	B2	151



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Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>				
		NewPage Corporation, Senior Subordinated Notes, 12%, 05/01/13	B3	\$ 1,256
\$	1,225			
		Owens-Brockway Glass Container, Inc., Senior Notes, 6.75%, 12/01/14	B3	970
	975			
		Plastipak Holdings, Inc., Senior Notes, 8.50%, 12/15/15 (g)	B3	576
	575			
		Stone Container Corporation, Senior Notes, 8.375%, 07/01/12	B3	323
	325			
		Stone Container Finance Company of Canada II, Senior Notes, 7.375%, 07/15/14	B3	377
	400			
		Verso Paper Holdings LLC, Senior Secured Notes, 8.661%, 08/01/14	B2	511
	525			
				15,601
<b>Diversified/Conglomerate Manufacturing 1.61%</b>				
		Bombardier Inc., Senior Notes, 6.30%, 05/01/14 (g)	Ba2	711
	725			
		Hawk Corporation, Senior Notes, 8.75%, 11/01/14	B3	507
	500			
		RBS Global, Inc., Senior Notes, 9.50%, 08/01/14	B3	2,132
	2,175			
		Trinity Systems, Inc., Senior Notes, 6.50%, 03/15/14	Baa3	246
	250			
				3,596
<b>Diversified/Conglomerate Service 4.00%</b>				
		First Data Corporation, Senior Notes, 9.875%, 9/24/15 (g)	B3	4,220
	4,550			
		Hertz Corporation, Senior Notes, 8.875%, 01/01/14	B1	709
	700			
		Hertz Corporation, Senior Notes, 10.50%, 01/01/16	B2	1,138
	1,100			
		IKON Office Solutions, Inc., Senior Notes, 9.926%, 01/01/12 (g)	Ba3	303
	300			

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	Mobile Services Group, Inc.		
\$ 1,100	Senior Notes, 9.75%, 08/01/14	B3	\$ 1,012
	Rental Services Corporation, Senior Notes		
825	9.50%, 12/01/14	Caa1	743
	Sunstate Equipment Co, LLC,		
925	Senior Secured Notes, 10.50%, 04/01/13 (g)	B3	824
			8,949
<b>Ecological 1.41%</b>			
	Allied Waste North America, Inc., Senior Secured Notes, 7.875%, 04/15/13	B1	973
950			
	Casella Waste Systems, Inc., Senior Subordinated Notes, 9.75%, 02/01/13	B3	1,595
1,575			
	WCA Waste Corporation, Senior Notes, 9.25%, 06/15/14	B3	585
575			3,153
<b>Electronics 8.73%</b>			
	Avego Technologies Finance Pte. Ltd., Senior Notes, 10.125%, 12/01/13	B2	849
800			
	Celestica Inc., Senior Subordinated Notes, 7.875%, 07/01/11	B3	849
875			
	Dycom Investments, Inc., Senior Subordinated Notes, 8.125%, 10/15/15	Ba3	668
675			
	Freescale Semiconductor, Inc., Senior Notes, 8.866%, 12/15/14	B2	701
825			
	Freescale Semiconductor, Inc., Senior Notes, 8.875%, 12/15/14	B2	1,379
1,550			
	Freescale Semiconductor, Inc., Senior Subordinated Notes, 10.125%, 12/15/16	B3	494
600			
	General Cable Corporation, Senior Notes, 1%, 10/15/12 (g)	B1	903
800			

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	General Cable Corporation, Senior Notes, 7.125%, 04/01/17	B1	466
475			

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>				
		General Cable Corporation, Senior Notes, 7.606%, 04/01/15	B1	\$ 358
\$	375	iPayment Inc., Senior Subordinated Notes, 9.75%, 05/15/14	Caa1	775
	825	iPayment Inc., Senior Subordinated Notes, 12.75%, 07/15/14 (g)(i)	(e)	773
	736	Lucent Technologies, Inc., Senior Notes 6.45%, 03/15/29	Ba3	602
	725	Lucent Technologies, Inc., Senior Notes 6.50%, 01/15/28	Ba3	1,049
	1,275	Nortel Networks Limited, Senior Notes, 9.493%, 07/15/11 (g)	B3	1,414
	1,450	NXP B.V., Senior Secured Notes, 7.993%, 10/15/13	Ba3	897
	975	NXP B.V., Senior Secured Notes, 9.50%, 10/15/15	B3	364
	400	Sanmina-SCI Corporation, Senior Notes, 7.741%, 06/15/10 (g)	B1	388
	389	Serena Software, Inc., Senior Subordinated Notes, 10.375%, 03/15/16	Caa1	349
	350	Spansion Technology, Inc., Senior Notes, 11.25%, 01/15/16 (g)	Caa1	553
	650	SS&C Technologies, Inc., Senior Subordinated Notes, 11.75%, 12/01/13	Caa1	325
	300	STATS ChipPAC Ltd., Senior Notes, 6.75%, 11/15/11	Ba1	352
	350	STATS ChipPAC Ltd., Senior Notes, 7.50%, 07/19/10	Ba1	336
	325	Sungard Data Systems Inc., Senior Notes, 9.125%, 08/15/13	Caa1	1,781
	1,750			
<b>Principal Amount/Units</b>			<b>Moody's Rating (Unaudited)</b>	<b>Value (Note 1(a))</b>
\$	825	Superior Essex Communications	B3	\$ 792

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		LLC, Senior Notes, 9%, 04/15/12		
		Travelport LLC, Senior Subordinated Notes, 11.875%, 09/01/16	Caa1	1,094
	1,025			
		Unisys Corporation, Senior Notes, 6.875%, 03/15/10	B2	355
	375			
		Unisys Corporation, Senior Notes, 8%, 10/15/12	B2	220
	250			
		Unisys Corporation, Senior Notes, 12.50%, 01/15/16	B2	457
	450			
				19,543
<b>Finance</b>	<b>3.73%</b>			
		Ford Motor Credit Company, Senior Notes, 7.375%, 10/28/09	B1	283
	300			
		Ford Motor Credit Company, Senior Notes, 9.693%, 04/15/12	B1	3,798
	3,875			
		GMAC LLC, Senior Notes, 6.875%, 08/28/12	Ba3	623
	750			
		GMAC LLC, Senior Notes, 6.875%, 09/15/11	Ba3	470
	550			
		GMAC LLC, Senior Notes, 7.25%, 03/02/11	Ba3	597
	675			
		Mobile Mini, Inc. Senior Notes, 6.875%, 05/01/15	B1	880
	975			
		Nuveen Investments, Inc., Senior Notes, 5.50%, 9/15/15	B3	811
	1,175			
		Nuveen Investments, Inc., Senior Notes, 10.50%, 11/15/15 (g)	B3	897
	900			
				8,359
<b>Furnishings, Housewares, Durable Consumer Products</b>	<b>.08%</b>			
		Simmons Company, Senior Subordinated Notes, 7.875%, 01/15/14	B2	186
	200			
<b>Healthcare, Education and Childcare</b>	<b>9.10%</b>			
		Cengage Learning Acquisitions, Inc., Senior Subordinated Notes, 13.25%, 07/15/15 (b)(g)	Caa2	840
	1,050			

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>			
\$ 4,000	CHS/Community Health Systems, Inc., Senior Notes, 8.875%, 07/15/15	B3	\$ 4,080
375	CRC Health Corporation, Senior Subordinated Notes, 10.75%, 02/01/16	Caa1	384
1,000	DaVita, Inc., Senior Subordinated Notes, 7.25%, 03/15/15	B2	1,005
2,275	Education Management LLC, Senior Subordinated Notes, 10.25%, 06/01/16	Caa1	2,343
4,975	HCA, Inc., Senior Secured Notes, 9.25%, 11/15/16	B2	5,236
300	HCA, Inc., Senior Secured Notes, 9.625%, 11/15/16	B2	317
1,025	Health Management Associates, Inc., Senior Notes, 6.125%, 4/15/16	(e)	896
500	IASIS Healthcare LLC, Senior Subordinated Notes, 8.75%, 06/15/14	B3	501
700	Invacare Corporation, Senior Notes, 9.75%, 02/15/15	B2	707
350	Omnicare, Inc., Senior Subordinated Notes, 6.75%, 12/15/13	Ba3	329
1,025	Omnicare, Inc., Senior Subordinated Notes, 6.875%, 12/15/15	Ba3	953
550	United Surgical Partners International, Inc., Senior Notes, 9.25%, 05/01/17	Caa1	535
450	Universal Hospital Services, Inc., Senior Secured Notes, 8.288%, 06/01/15	B3	455
200	Universal Hospital Services, Inc., Senior Secured Notes, 8.50%, 06/01/15	B3	203
75	US Oncology, Inc., Senior Notes, 9%, 08/15/12	B2	74
375	US Oncology, Inc., Senior Subordinated Notes, 10.75%, 08/15/14	B3	370

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Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
\$	1,175	Vanguard Health Holding Company II, LLC, Senior Subordinated Notes, 9%, 10/01/14	\$ 1,129
		Caa1	20,357
<b>Hotels, Motels, Inns and Gaming 5.36%</b>			
	475	Chukchansi Economic Development Authority, Senior Notes, 8.238%, 11/15/12 (g)	466
	625	Fontainebleau Las Vegas, LLC, 2nd Mortgage Notes, 10.25%, 06/15/15 (g)	550
	1,217	Harrah's Operating Company, Senior Notes, 5.50%, 07/01/10	1,130
	525	Little Traverse Bay Bands of Odawa Indians, Senior Notes, 10.25%, 02/15/14 (g)	528
	850	MGM MIRAGE, Senior Notes, 6%, 10/01/09	848
	2,000	MGM MIRAGE, Senior Secured Notes, 8.50%, 09/15/10	2,085
	1,100	Mohegan Tribal Gaming Authority, Senior Subordinated Notes, 8%, 04/01/12	1,122
	400	MTR Gaming Group, Inc., Senior Notes, 9.75%, 04/01/10	400
	475	MTR Gaming Group, Inc., Senior Subordinated Notes, 9%, 06/01/12	452
	1,300	Pokagon Gaming Authority, Senior Notes, 10.375%, 06/15/14 (g)	1,397
	1,100	Shingle Springs Tribal Gaming Authority, Senior Secured Notes, 9.375%, 06/15/15 (g)	1,070
	1,975	Wynn Las Vegas LLC, Senior Notes, 6.625%, 12/01/14	1,940



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

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>			
<b>Insurance 1.55%</b>			
\$	375	Alliant Holdings I, Incorporated, Senior Notes, 11%, 05/1/15 (g) Caa1	\$ 354
	1,600	Hub International Limited, Senior Notes, 9%, 12/15/14 (g) B3	1,434
	1,050	Hub International Limited, Senior Subordinated Notes, 10.25%, 06/15/15 (g) Caa1	898
	525	USI Holdings Corporation, Senior Notes 8.744%, 11/15/14 (g) B3	449
	425	USI Holdings Corporation, Senior Subordinated Notes, 9.75%, 05/15/15 (g) Caa1	345
			3,480
<b>Leisure, Amusement and Entertainment .54%</b>			
	1,175	Universal City Development Partners, Ltd., Senior Notes, 11.75%, 04/01/10 B1	1,210
<b>Machinery .52%</b>			
	1,125	Columbus McKinnon Corporation, Senior Subordinated Notes, 8.875%, 11/01/13 B1	1,164
<b>Mining, Steel, Iron and Non-Precious Metals 8.73%</b>			
	975	Alpha Natural Resources, LLC, Senior Notes, 10%, 06/01/12 B3	1,031
	675	Arch Western Finance LLC, Senior Notes, 6.75%, 07/01/13 B1	656
	1,225	ESCO Corporation, Senior Notes, 8.625%, 12/15/13 (g) B2	1,225
	350	ESCO Corporation, Senior Notes, 8.866%, 12/15/13 (g) B2	344

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		Foundation PA Coal Company, Senior Notes, 7.25%, 08/01/14	Ba3	1,114
	1,125	Freeport-McMoRan Copper & Gold Inc., Senior Notes, 8.25%, 04/01/15	Ba3	1,457
	1,375			
<b>Principal Amount/Units</b>			<b>Moody's Rating (Unaudited)</b>	<b>Value (Note 1(a))</b>
		Freeport-McMoRan Copper & Gold Inc., Senior Notes, 8.375%, 04/01/17	Ba3	\$ 6,918
\$	6,450			
		Gerdau Ameristeel Corporation, Senior Notes, 10.375%, 07/15/11	Ba1	788
	750			
		Gibraltar Industries, Inc., Senior Subordinated Notes, 8%, 12/01/15	Ba3	1,237
	1,375			
		Metals USA, Inc., Senior Secured Notes, 11.125%, 12/01/15	B3	390
	375			
		Novelis, Inc., Senior Notes, 7.25%, 02/15/15	B3	801
	850			
		Peabody Energy Corporation, Senior Notes,, 7.375%, 11/01/16	Ba1	462
	450			
		PNA Group, Incorporated 10.375%, 9/01/16	B3	332
	350			
		Ryerson, Inc., Senior Notes, 12%, 11/01/15 (g)	B2	543
	550			
		Steel Dynamics, Inc., Senior Notes, 6.75%, 04/01/15 (g)	Ba2	558
	575			
		Steel Dynamics, Inc., Senior Notes, 7.375%, 11/01/12 (g)	Ba2	1,159
	1,150			
		Tube City IMS Corporation., Senior Subordinated Notes, 9.75%, 02/01/15	B3	523
	575			
				19,538
<b>Oil and Gas 14.14%</b>				
		AmeriGas Partners, L.P., Senior Notes, 7.125%, 05/20/16	B1	73
	75			
		AmeriGas Partners, L.P., Senior Notes, 7.25%, 05/20/15	B1	1,621
	1,650			
	875		Ba2	877

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Bristow Group Inc.,  
Senior Notes,  
7.50%, 09/15/17 (g)  
Chaparral Energy, Inc.,

725

Senior Notes,  
8.50%, 12/01/15

Caa1

652

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>				
		CHC Helicopter Corporation, Senior Subordinated Notes, 7.375%, 05/01/14	B1	\$ 900
\$	950			
		Chesapeake Energy Corporation, Senior Notes, 6.50%, 08/15/17	Ba3	2,723
	2,825			
		Chesapeake Energy Corporation, Senior Notes, 6.875%, 11/15/20	Ba3	1,829
	1,900			
		Cimarex Energy Company, Senior Notes, 7.125%, 05/01/17	B1	990
	1,000			
		Compagnie Generale De Geophysique-Veritas, Senior Notes, 7.50%, 05/15/15	Ba3	203
	200			
		Compagnie Generale De Geophysique-Veritas, Senior Notes, 7.75%, 05/15/17	Ba3	1,289
	1,275			
		Complete Production Services, Inc., Senior Notes, 8%, 12/15/16	B2	824
	850			
		Compton Petroleum Finance Corporation, Senior Notes, 7.625%, 12/01/13	B2	1,016
	1,075			
		Copano Energy, LLC, Senior Notes, 8.125%, 03/01/16	B2	1,161
	1,150			
		Denbury Resources, Inc., Senior Subordinated Notes, 7.50%, 04/01/13	B1	731
	725			
		Denbury Resources, Inc., Senior Subordinated Notes, 7.50%, 12/15/15	B1	353
	350			
		Encore Acquisition Company, Senior Subordinated Notes, 6.25%, 04/15/14	B1	530
	575			
		Encore Acquisition Company, Senior Subordinated Notes, 7.25%, 12/01/17	B1	1,021
	1,075			
		Ferrellgas, L.P., Senior Notes, 6.75%, 05/01/14	Ba3	417
	425			
	1,575		B2	1,620

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Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
	Ferrellgas Partners L.P., Senior Notes, 8.75%, 06/15/12		
1,950	Forest Oil Corp., Senior Notes, 7.25%, 06/15/19 (g)	B1	1,965
	Hilcorp Energy I, L.P., Senior Notes, 7.75%, 11/01/15 (g)	B3	\$ 1,421
\$ 1,450	Key Energy Services, Inc., Senior Notes, 8.375%, 12/01/14 (g)	B1	459
450	Offshore Logistics, Inc., Senior Notes, 6.125%, 06/15/13	Ba2	840
875	OPTI Canada Inc., Senior Secured Notes, 7.875%, 12/15/14 (g)	B1	927
950	OPTI Canada Inc., Senior Secured Notes, 8.25%, 12/15/14 (g)	B1	321
325	PetroHawk Energy Corporation, Senior Notes, 9.125%, 07/15/13	B3	1,130
1,075	Plains Exploration & Production Co., Senior Notes, 7%, 03/15/17	B1	1,004
1,050	Range Resources Corporation, Senior Subordinated Notes, 6.375%, 03/15/15	Ba3	511
525	Range Resources Corporation, Senior Subordinated Notes, 7.50%, 05/15/16	Ba3	584
575	Range Resources Corporation, Senior Subordinated Notes, 7.50%, 10/1/17	Ba3	836
825	Sabine Pass LNG, L.P., Senior Notes, 7.50%, 11/30/16	Ba3	812
850	Stallion Oilfield Services, Ltd., Senior Notes 9.75%, 02/01/15 (g)	Caa1	299
325	Stewart & Stevenson LLC, Senior Notes, 10%, 07/15/14	B3	754
750			

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	Venoco, Inc., Senior Notes, 8.75%, 12/15/11	Caa1	173
175			
	W & T Offshore, Inc., Senior Notes, 8.25%, 06/15/14 (g)	B3	773
825			
			31,639

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>			
<b>Personal, Food and Miscellaneous Services 4.87%</b>			
\$	3,425	ARAMARK Corporation, Senior Notes, 8.411%, 02/01/15	\$ 3,314
	750	FTD, Inc., Senior Subordinated Notes, 7.75%, 02/15/14	705
	800	FTI Consulting, Inc., Senior Notes, 7.625%, 06/15/13	820
	750	FTI Consulting, Inc., Senior Notes, 7.75%, 10/01/16	779
	1,100	Mac-Gray Corporation, Senior Notes, 7.625%, 08/15/15	1,064
	850	O'Charleys, Inc., Senior Subordinated Notes, 9%, 11/01/13	818
	1,550	OSI Restaurant Partners, Inc., Senior Notes, 10%, 06/15/15 (g)	1,124
	475	Real Mex Restaurants, Inc., Senior Secured Notes, 10%, 04/01/10	456
	900	Restaurant Company, Senior Notes, 10%, 10/01/13	644
	425	West Corporation, Senior Subordinated Notes, 9.50%, 10/15/14	415
	775	West Corporation, Senior Subordinated Notes, 11%, 10/15/16	767
			10,906
<b>Personal Non-Durable Consumer Products 1.14%</b>			
	800	ACCO Brands Corporation, Senior Subordinated Notes, 7.625%, 08/15/15	716
	1,100	Bausch & Lomb, Incorporated, Senior Notes, 9.875%, 11/1/15 (g)	1,119
	50	Jostens Holding Corporation,	47



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	Senior Notes, 10.25%, 12/01/13 (b)			
	Jostens Intermediate Holding Corp., Senior Subordinated Notes,			
675	7.625%, 10/01/12	B1	677	
				2,559

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>Personal Transportation .42%</b>			
	Continental Airlines, Inc., Senior Notes, 8.75%, 12/01/11	B3	\$ 929
\$ 975			
<b>Printing and Publishing 6.84%</b>			
	Affinity Group Holding, Inc., Senior Notes, 10.875%, 02/15/12	Caa1	427
428			
	Affinity Group Inc., Senior Subordinated Notes, 9%, 02/15/12	B3	808
850			
	CanWest Media Works, Inc., Senior Subordinated Notes, 8%, 09/15/12	B3	801
853			
	Deluxe Corporation, Senior Notes, 7.375%, 06/01/15	Ba2	845
850			
	Dex Media West LLC, Senior Subordinated Notes, 9.875%, 08/15/13	B1	834
800			
	Haight's Cross Communications Operating Company, Senior Notes, 11.75%, 08/15/11	Caa1	741
725			
	Harland Clarke Holdings Corp., Senior Notes 9.50%, 05/15/15	Caa1	607
700			
	Harland Clarke Holdings Corp., Senior Notes 9.619%, 05/15/15	Caa1	437
525			
	Idearc, Inc., Senior Notes, 8%, 11/15/16	B2	3,454
3,775			
	MediaNews Group, Inc., Senior Subordinated Notes, 6.375%, 04/01/14	B3	233
375			
	MediaNews Group, Inc., Senior Subordinated Notes, 6.875%, 10/01/13	B3	312
500			
	Nielsen Finance LLC, Senior Notes, 10%, 08/01/14	Caa1	308
300			
	Quebecor World Capital Corporation, Senior Notes, 6.125%, 11/15/13	Caa3	456
575			
	Quebecor World, Inc., Senior Notes,	Caa3	518
675			

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>			
		R.H. Donnelley Finance Corporation III, Senior Notes, 6.875%, 01/15/13	
\$	1,550	B3	\$ 1,381
	1,325	R.H. Donnelley Inc., Senior Notes, 8.875%, 10/15/17 (g)	1,232
	1,125	Valassis Communications, Inc., Senior Notes, 8.25%, 03/01/15	1,013
	925	Windstream Regatta Holdings, Inc., Senior Subordinated Notes, 11%, 12/01/17 (g)	911
			15,318
<b>Retail Stores 5.06%</b>			
	1,275	Alimentation Couche-Tard, Inc., Senior Subordinated Notes, 7.50%, 12/15/13	1,265
	575	AutoNation, Inc. Senior Notes, 7%, 04/15/14	545
	550	AutoNation, Inc. Senior Notes, 7.243%, 04/15/13	509
	875	Bon-Ton Stores Inc., Senior Notes, 10.25%, 03/15/14	660
	2,480	GameStop Corp., Senior Notes, 8%, 10/01/12	2,582
	1,150	Leslie's Poolmart, Inc., Senior Notes, 7.75%, 02/01/13	1,098
	1,400	Nebraska Book Company, Inc., Senior Subordinated Notes, 8.625%, 03/15/12	1,346
	1,025	Neiman Marcus Group, Inc., Senior Notes, 9%, 10/15/15	1,056
	50	Payless Shoesource, Inc., Senior Subordinated Notes, 8.25%, 08/01/13	47
	800		792

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Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
	Sally Holdings, LLC, Senior Notes, 9.25%, 11/15/14		
388	Susser Holdings, LLC, Senior Notes, 10.625%, 12/15/13	B3	402
	Yankee Candle Company, Inc., Senior Notes, 8.50%, 02/15/15	B3	\$ 898
150	Yankee Candle Company, Inc., Senior Subordinated Notes, 9.75%, 02/15/17	Caa1	137
			11,337
<b>Telecommunications 15.07%</b>			
1,025	ALLTEL Corporation, Senior Notes, 7%, 07/0/12	Caa1	884
875	Broadview Networks Holdings, Inc., Senior Secured Notes, 11.375%, 09/01/12	B3	912
1,075	Centennial Cellular Operating Co. LLC, Senior Notes, 10.125%, 06/15/13	B2	1,123
950	Centennial Communications Corp., Senior Notes, 10%, 01/01/13	Caa1	986
900	Citizens Communications Company, Senior Notes, 6.625%, 03/15/15	Ba2	864
2,450	Citizens Communications Company, Senior Notes, 7.125%, 03/15/19	Ba2	2,346
1,000	Citizens Communications Company, Senior Notes, 9%, 08/15/31	Ba2	1,005
1,625	Cricket Communications, Inc., Senior Notes, 9.375%, 11/01/14	Caa1	1,528
1,750	Cricket Communications, Inc., Senior Notes, 9.375%, 11/01/14 (g)	Caa1	1,645
1,475	Digicel Limited, Senior Notes, 9.25%, 09/01/12 (g)	B3	1,503
900	Digicel Group Limited, Senior Notes, 8.875%, 01/15/15 (g)	Caa2	836
850		B1	773

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	GCI, Inc., Senior Notes, 7.25%, 02/15/14		
875	iPCS, Inc., Senior Secured Notes, 7.036%, 05/01/13	B1	823
825	iPCS, Inc., Senior Secured Notes, 8.161%, 05/01/14	Caa1	771

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>			
		Level 3	
		Communications, Inc.,	
		Subordinated Notes,	
\$	183	6%, 03/15/10	\$ 167
		Level 3	
		Communications, Inc.,	
		Subordinated Notes,	
	192	6%, 09/15/09	180
		MetroPCS Wireless,	
		Inc.,	
		Senior Notes,	
	3,275	9.25%, 11/01/14	3,078
		Nordic Telephone	
		Company	
		Holdings ApS., Senior	
		Notes,	
	1,750	8.875%, 05/01/16 (g)	1,803
		PAETEC Holding	
		Corporation,	
		Senior Notes,	
	225	9.50%, 07/15/15 (g)	220
		Qwest Corporation,	
		Senior Notes,	
	1,100	7.50%, 10/01/14	1,114
		Qwest Corporation,	
		Senior Notes,	
	500	7.875%, 09/01/11	518
		Qwest Corporation,	
		Senior Notes,	
	825	8.241%, 06/15/13	844
		Qwest Corporation,	
		Senior Notes,	
	975	8.875%, 03/15/12	1,041
		Time Warner Telecom	
		Holdings,	
		Inc., Senior Notes,	
	625	9.25%, 02/15/14	641
		Triton PCS, Inc., Senior	
		Notes	
	1,075	8.50%, 06/01/13	1,118
		Valor	
		Telecommunications	
		Enterprise, LLC, Senior	
		Notes,	
	500	7.75%, 02/15/15	534
		Wind Acquisition	
		Finance S.A.,	
		Senior Notes,	
	1,525	10.75%, 12/01/15 (g)	1,662
		Windstream	
		Corporation,	
		Senior Notes,	
	3,850	8.625%, 08/01/16	4,042

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		Windstream Corporation, Senior Notes, 7%, 03/15/19	Ba3	766
	800			33,727
<b>Principal Amount/Units</b>			<b>Moody's Rating (Unaudited)</b>	<b>Value (Note 1(a))</b>
<b>Textiles and Leather .58%</b>				
		AGY Holding Corp., Senior Secured Notes, 11%, 11/15/14 (g)	B2	\$ 485
\$	500			
		Interface, Inc., Senior Subordinated Notes, 9.50%, 02/01/14	B3	104
	100			
		Rafaella Apparel Group, Inc., Senior Secured Notes, 11.25%, 06/15/11	B2	698
	759			1,287
<b>Utilities 11.37%</b>				
		AES Corporation, Senior Notes, 9.375%, 09/15/10	B1	1,129
	1,075			
		Dynege Holdings Inc., Senior Notes 7.50%, 06/01/15	B2	1,269
	1,350			
		Dynege Holdings Inc., Senior Notes 7.75%, 06/01/19	B2	1,943
	2,100			
		Energy Future Holding Corporation, Senior Notes, 10.875%, 11/1/17 (g)	B3	2,764
	2,750			
		Energy Future Holding Corporation, Senior Notes, 11.25%, 11/1/17 (g)	B3	2,481
	2,450			
		Mirant Americas Generation, LLC, Senior Notes, 8.30%, 05/01/11	B3	504
	500			
		Mirant North America, LLC, Senior Notes, 7.375%, 12/31/13	B1	779
	775			
		NRG Energy, Inc., Senior Notes, 7.25%, 02/01/14	B1	1,243
	1,275			
		NRG Energy, Inc., Senior Notes, 7.375%, 02/01/16	B1	5,669
	5,800			
		Orion Power Holdings, Inc., Senior Notes, 12%, 05/01/10	B2	1,803
	1,650			
		Reliant Energy, Inc., Senior Notes, 6.75%, 12/15/14	B2	653
	650			
		Reliant Energy, Inc., Senior Notes, 7.625%, 06/15/14	B3	893
	900			

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800	Reliant Energy, Inc., Senior Notes, 7.875%, 06/15/17	B3	794
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The accompanying notes are an integral part of these financial statements.

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1(a))
<b>CORPORATE DEBT SECURITIES continued</b>			
		Sierra Pacific Resources, Senior Notes, 7.803%, 06/15/12	
\$	225	Ba3	\$ 235
		Sierra Pacific Resources, Senior Notes, 8.625%, 03/15/14	
	2,050	Ba3	2,188
		Texas Competitive Electric Holdings, Senior Notes, 10.25%, 11/01/15 (g)	
	925	B3	916
		Williams Companies, Inc., Senior Notes, 7.625%, 07/15/19	
	175	Baa3	189
			25,452
		<b>Total Corporate Debt Securities</b> (Total cost of \$318,512)	309,287
<b>BANK DEBT SECURITIES 13.37% (d)</b>			
<b>Automobile .42%</b>			
		Allison Transmission, Inc., 7.965%, 08/07/14 (h)	
	1,000	B1	931
<b>Broadcasting and Entertainment 1.67%</b>			
		Local TV Finance, LLC, 7.31%, 05/07/13 (h)	
	748	B2	703
		NV Broadcasting 8.13%, 10/26/13 (h)	
	1,000	(e)	980
		Univision Communications, Inc., 7.207%, 09/29/14 (h)	
	2,250	Ba3	2,047
			3,730
<b>Containers, Packaging and Glass .33%</b>			
		NewPage Corporation, 8.891%, 11/5/14 (h)	
	750	(e)	744
<b>Diversified/Conglomerate Service .72%</b>			
		First Data Corporation, 7.58%, 09/24/14 (h)	
	1,750	Ba3	1,606
<b>Electronics 1.20%</b>			
		Infor Enterprise Solutions Holdings, Inc., 8.58%, 07/28/12 (h)	
	742	B3	703
		Infor Global Solutions, Inc., 11.08%, 03/15/14 (h)	
	500	Caa2	445
		Palm Inc. 8.35%, 04/24/14 (h)	
	2,000	Ba3	1,540
			2,688

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Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1(a))
<b>Healthcare, Education and Childcare 1.51%</b>				
\$	1,000	Biomet, Inc., 7.926%, 03/25/15 (h)	B1	\$ 989
	750	Cengage Learning, Inc., 7.598%, 07/15/14 (h)	B1	708
	245	Education Management LLC, 6.625%, 06/01/13 (h)	B2	232
	1,500	Laureate Education, Inc., 8.729%, 08/17/14 (h)	B1	1,440
				3,369
<b>Hotels, Motels, Inns and Gaming .31%</b>				
	750	Fontainebleau Las Vegas, LLC, 8.40%, 06/06/14 (h)	B2	699
<b>Leisure, Amusement and Entertainment .41%</b>				
	1,000	Town Sports International LLC, 6.938%, 08/27/13 (h)	Ba2	920
<b>Oil and Gas 1.52%</b>				
	500	Dresser, Inc., 11.129%, 05/04/15 (h)	B3	481
	1,500	SandRidge Energy, Inc., 8.625%, 04/01/15 (h)	B3	1,478
	750	SandRidge Energy, Inc., 8.854%, 04/01/14 (h)	B3	739
	750	Stallion Oilfield Services LTD, 9.384%, 08/01/12 (h)	B3	705
				3,403
<b>Personal, Food and Miscellaneous Services .10%</b>				
	249	OSI Restaurant Partners, Inc., 7.125%, 06/14/14 (h)	Ba3	228
<b>Personal Non-Durable Consumer Products .44%</b>				
	1,000	Bausch & Lomb, Inc., 8.08%, 04/11/15 (h)	B1	995
<b>Printing and Publishing .20%</b>				
	498	Penton Media, Inc., 7.105%, 02/01/13 (h)	B1	449
<b>Retail Stores .32%</b>				
	750	Neiman Marcus Group, Inc., 6.939%, 04/08/13 (h)	B2	720
<b>Telecommunications 1.29%</b>				
	1,737	MetroPCS Wireless, Inc., 7.188%, 11/03/13 (h)	B3	1,670
	500	Telesat Canada, 7.948%, 11/15/14 (h)	B1	487
	750	Trilogy International Partners LLC, 8.33%, 06/27/12 (h)	B2	719
				2,876

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



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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2007 Continued (Dollar Amounts in Thousands)

Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1(a))
<b>BANK DEBT SECURITIES continued</b>				
<b>Utilities 2.93%</b>				
\$	1,750	NRG Energy, Inc., 7.071%, 02/01/13 (h)	Ba1	\$ 1,658
	250	NRG Energy, Inc., 7.86%, 02/01/14 (h)	B2	237
	2,500	Texas Competitive Electric Holdings LLC B-2 8.396%, 10/10/14 (h)	Ba3	2,452
	2,250	Texas Competitive Electric Holdings LLC B-3 8.396%, 10/10/14 (h)	Ba3	2,209
				6,556
		<b>Total Bank Debt Securities</b> (Total cost of \$31,222)		29,914
<b>Shares</b>				
<b>PREFERRED STOCK .36% (d)</b>				
<b>Automobile .14%</b>				
	16,400	General Motors Corporation, Senior Convertible, Series C, Preferred Stock, 6.25%	Caa1	321
<b>Banking 0.00%</b>				
	57,935	WestFed Holdings, Inc., Cumulative, Series A, Preferred Stock, 15.50% (a)(c)	(e)	
<b>Broadcasting and Entertainment .22%</b>				
	483	Spanish Broadcasting System, Inc., Series B, Preferred Stock, 10.75%	Caa1	490
		<b>Total Preferred Stock</b> (Total cost of \$5,834)		811
<b>COMMON STOCK and WARRANTS .30% (d)</b>				
	32,675	B&G Foods, Inc., Enhanced Income Security		584
	27,474	WestFed Holdings, Inc., Common Stock (a)(c)		
	10,052	WKI Holding Company, Inc., Common Stock (c)(f)(h)		90
		<b>Total Common Stock and Warrants</b> (Total cost of \$2,980)		674

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Principal Amount			Moody's Rating (Unaudited)	Value (Note 1(a))
<b>SHORT-TERM INVESTMENTS 5.71% (d)</b>				
\$	2,000	Alpine Securitization Corp., Commercial Paper, Due 01/24/08, Discount of 4.83%	P-1	\$ 1,994
	1,000	Atlantic Asset Securitization LLC, Commercial Paper, Due 01/18/08, Discount of 5.55%	P-1	998
	1,000	Bryant Park Funding LLC, Commercial Paper, Due 01/17/08, Discount of 5.04% (g)	P-1	998
	2,000	CAFCO, LLC, Commercial Paper, Due 01/11/08, Discount of 4.72%	P-1	1,997
	2,000	Electricite de France, Commercial Paper, Due 01/15/08, Discount of 4.95%	P-1	1,996
	2,000	KFW International Finance, Inc., Commercial Paper, Due 01/10/08, Discount of 4.52%	P-1	1,998
	798	NSTAR, Commercial Paper, Due 01/02/08, Discount of 3.75%	P-1	798
	1,000	Park Avenue Receivables Company LLC, Commercial Paper, Due 01/07/08, Discount of 4.95% (g)	P-1	999
	1,000	Solitaire Funding Limited, Commercial Paper, Due 01/22/08, Discount of 4.87% (g)	P-1	997
		<b>Total Short-Term Investments</b> (Total cost of \$12,775)		12,775
		<b>TOTAL INVESTMENTS</b> (Total cost of \$371,323)		\$ 353,461

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

The New America High Income Fund, Inc.

**Schedule of Investments December 31, 2007 Continued** (Dollar Amounts in Thousands)

- (a) Denotes issuer is in bankruptcy proceedings. Income is not being accrued.
- (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) Security is valued at fair value using methods determined by the Board of Directors. The total value of these securities at December 31, 2007 was \$90.
- (d) Percentages indicated are based on total net assets to common shareholders of \$223,822.
- (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 1 of the Notes to Financial Statements for valuation policy. Total market value of Rule 144A securities amounted to \$66,509 as of December 31, 2007.
- (h) Restricted as to public resale. The total value of restricted securities owned at December 31, 2007 was \$30,004 or 13.41% of total net assets to common shareholders.
- (i) Pay-In-Kind Security

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



## The New America High Income Fund, Inc.

**Statement of Assets and Liabilities****December 31, 2007**

(Dollars in thousands, except per share amounts)

**Assets:**

INVESTMENTS IN SECURITIES, at value (Identified  
cost of \$371,323 see Schedule of Investments  
and Notes 1 and 2)

\$ 353,461

CASH

180

**RECEIVABLES:**

Investment securities sold

253

Interest and dividends

6,301

Swap settlement

143

PREPAID EXPENSES

26

Total assets

\$ 360,364

**Liabilities:****PAYABLES:**

Investment securities purchased

\$ 3,931

Dividend on common stock

1,755

Dividend on preferred stock

272

INTEREST RATE SWAP, at fair value (Note 6)

289

ACCRUED EXPENSES (Note 3)

230

ACCRUED OFFERING EXPENSES (Note 10)

65

Total liabilities

\$ 6,542

**Auction Term Preferred Stock:**

\$1.00 par value, 1,000,000 shares authorized,

5,200 shares issued and outstanding,

liquidation preference of \$25,000 per share

(Notes 4 and 5)

\$ 130,000

**Net Assets**

\$ 223,822

**Represented By:****COMMON STOCK:**

\$0.01 par value, 200,000,000 shares authorized,

115,092,801 shares issued and outstanding

\$ 1,151

CAPITAL IN EXCESS OF PAR VALUE

386,942

UNDISTRIBUTED NET INVESTMENT INCOME

(Note 2)

(917)

ACCUMULATED NET REALIZED LOSS FROM

SECURITIES TRANSACTIONS (Note 2)

(145,203)

NET UNREALIZED DEPRECIATION ON

INVESTMENTS AND INTEREST RATE SWAPS

(18,151)

**Net Assets Applicable To Common Stock**

(Equivalent to \$1.94 per share, based on

115,092,801 shares outstanding)

\$ 223,822

**Statement of Operations****For the Year Ended****December 31, 2007** (Dollars in thousands)



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<b>Investment Income:</b> (Note 1)	
Interest income	\$ 27,046
Other income	876
Dividend income	194
Total investment income	\$ 28,116
<b>Expenses:</b>	
Cost of leverage:	
Preferred and auction fees (Note 5)	\$ 330
Total cost of leverage	\$ 330
Professional services:	
Management (Note 3)	\$ 1,191
Custodian and transfer agent	226
Legal (Note 8)	146
Audit	54
Total professional services	\$ 1,617
Administrative:	
General administrative (Note 8)	\$ 505
Directors	212
NYSE	93
Shareholder communications	58
Shareholder meeting	40
Miscellaneous	40
Total administrative	\$ 948
Total expenses	\$ 2,895
Net investment income	\$ 25,221
<b>Realized and Unrealized Gain (Loss) on Investment Activities:</b>	
Realized gain on investments, net	\$ 1,913
Net swap settlement receipts (Note 6)	\$ 1,988
Change in net unrealized depreciation on investments	\$ (17,359)
Change in unrealized depreciation on interest rate swap agreement	(4,472)
Total change in net unrealized depreciation on investments and interest rate swap	\$ (21,831)
Net loss on investments and interest rate swap	\$ (17,930)
<b>Cost of Preferred Leverage</b>	
Distributions to preferred stockholders	\$ (7,366)
Net decrease in net assets resulting from operations	\$ (75)

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

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The New America High Income Fund, Inc.

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

	<b>For the Year Ended December 31, 2007</b>	<b>For the Year Ended December 31, 2006</b>
<b>From Operations:</b>		
Net investment income	\$ 25,221	\$ 23,504
Realized gain on investments, net	1,913	556
Net swap settlement receipts	1,988	1,680
Change in net unrealized depreciation on investments and other financial instruments	(21,831)	7,014
Distributions from net investment income related to preferred stock		
Dividends to preferred stockholders	(7,366)	(6,557)
Net increase (decrease) in net assets resulting from operations	\$ (75)	\$ 26,197
<b>From Fund Share Transactions:</b>		
Proceeds from rights offering (18,593,349 shares), net of \$385 of offering costs (Note 10)	\$ 33,641	
Net asset value of 1,001,260 shares and 1,173,203 shares issued to common stockholders for reinvestment of dividends in 2007 and 2006, respectively	2,204	2,527
Increase in net assets resulting from fund share transactions	\$ 35,845	\$ 2,527
<b>Distributions to Common Stockholders:</b>		
From net investment income (\$.21 and \$.21 per share in 2007 and 2006, respectively)	\$ (20,947)	\$ (20,274)
Total net increase in net assets	\$ 14,823	\$ 8,450
<b>Net Assets Applicable to Common Stock:</b>		
Beginning of period	\$ 208,999	\$ 200,549
End of period (Including \$(917) and \$(1,539) of accumulated deficit of net investment income at December 31, 2007 and December 31, 2006, respectively)	\$ 223,822	\$ 208,999

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**

	For the Years Ended December 31,				
	2007	2006	2005	2004	2003 (b)
<b>NET ASSET VALUE:</b>					
Beginning of period	\$ 2.19	\$ 2.13	\$ 2.26	\$ 2.19	\$ 1.89
NET INVESTMENT INCOME	.25#	.25	.25	.26	.26#
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND OTHER FINANCIAL INSTRUMENTS	(.20)#	.07	(.11)	.09	.34
DISTRIBUTIONS FROM NET INVESTMENT INCOME RELATED TO PREFERRED STOCK:	(.05)	(.05)	(.05)	(.05)	(.06)
TOTAL FROM INVESTMENT OPERATIONS		.27	.09	.30	.54
<b>DISTRIBUTIONS TO COMMON SHAREHOLDERS:</b>					
From net investment income	(.21)	(.21)	(.22)	(.23)	(.22)
TOTAL DISTRIBUTIONS	(.21)	(.21)	(.22)	(.23)	(.22)
Effect of rights offering and related expenses; and Auction Term Preferred Stock offering costs and sales load	(.04)				(.02)
<b>NET ASSET VALUE:</b>					
End of period	\$ 1.94	\$ 2.19	\$ 2.13	\$ 2.26	\$ 2.19
<b>PER SHARE MARKET VALUE:</b>					
End of period	\$ 1.71	\$ 2.26	\$ 2.03	\$ 2.19	\$ 2.16
TOTAL INVESTMENT RETURN	(16.34)%	22.82%	2.47%	12.80%	19.23%

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 Continued**

	For the Years Ended December 31,				
	2007	2006	2005	2004	2003 (b)
NET ASSETS, END OF PERIOD, APPLICABLE TO COMMON STOCK (a)	\$ 223,822	\$ 208,999	\$ 200,549	\$ 212,165	\$ 204,705
NET ASSETS, END OF PERIOD, APPLICABLE TO PREFERRED STOCK (a)	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000
TOTAL NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK, END OF PERIOD (a)	\$ 353,822	\$ 338,999	\$ 330,549	\$ 342,165	\$ 334,705
EXPENSE RATIOS:					
Ratio of preferred and other leverage expenses to average net assets*	.15%	.16%	.16%	.15%	.16%
Ratio of operating expenses to average net assets*	1.19%	1.21%	1.23%	1.27%	1.56%
RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS*	1.34%	1.37%	1.39%	1.42%	1.72%
RATIO OF NET INVESTMENT INCOME TO AVERAGE NET ASSETS*	11.66%	11.54%	11.48%	12.02%	12.81%
RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK	.84%	.84%	.85%	.87%	1.05%
RATIO OF NET INVESTMENT INCOME TO AVERAGE NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK	7.28%	7.05%	7.03%	7.38%	7.79%
PORTFOLIO TURNOVER RATE	67.25%	64.08%	61.54%	70.90%	120.47%

(a) Dollars in thousands.

(b) The Fund issued Series C ATP on October 17, 2003. The per share data and ratios for the year ended December 31, 2003 reflect this transaction.

\* 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.

# Calculation is based on average shares outstanding during the indicated period due to the per share effect of the Fund's August, 2003 and 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.

**Information Regarding  
Senior Securities**

	As of December 31,				
	2007	2006	2005	2004	2003
TOTAL AMOUNT OUTSTANDING:					
Preferred Stock	\$ 130,000,000	\$			