

NEW AMERICA HIGH INCOME FUND INC
Form N-CSR
March 04, 2019

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 811-05399
number

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, 2018

Date of reporting July 1, 2018 to December 31, 2018
period:

Item 1. Report to Stockholders

February 15, 2019

Dear Shareholder,

The annual report for The New America High Income Fund (the "Fund") for the year ended December 31, 2018 contains important information about the Fund's portfolio investments, the Fund's performance and the investment adviser's market outlook. The Fund's net asset value (the "NAV") was \$8.90 as of December 31st. The market price for the Fund's shares ended the period at \$7.56, representing a market price discount of approximately 15%. High yield bond market investors experienced a challenging market environment in 2018. The market price discount to the NAV per share of the Fund and its competitor funds widened markedly during the year. The widening discount in the Fund's stock price to its NAV per share resulted in the Fund's 2018 total return based on the Fund's stock price to be significantly lower than the total return based upon the Fund's NAV per share. During the period, the Fund paid dividends totaling \$0.696 per share, including a special dividend of \$0.083 per share. The dividend yield for a share of common stock purchased on December 31, 2017 at the market price of \$9.40 was 7.40%. The dividend yield based upon the December 31, 2017 NAV of \$10.19 was 6.83%. The Fund's investment adviser discusses the market environment and its market outlook in detail below.

As of December 31st, the Fund had outstanding borrowings of \$91 million through its credit facility (the "Facility") with the Bank of Nova Scotia. The borrowings represented approximately 30% of the Fund's total assets. Amounts borrowed under the Facility bear interest at an adjustable rate based on a margin above LIBOR. The rate the Fund paid on the Facility increased throughout 2018, as LIBOR rose following four increases in the Federal Funds rate. The interest rate on the Facility at the end of the period was 3.31%. The average rate on the Facility in 2018 was 2.91%, compared with an average rate of 2.00% in 2017.

For the fourth consecutive year, the spread between the interest rate the Fund paid on leverage (*i.e.*, borrowings) and the market value-weighted average current yield earned on its portfolio declined. At year-end 2017, the Fund was paying 2.27% in interest on borrowings and earning a market value-weighted current yield of 6.67% on its portfolio, for a spread of 4.40 percentage points. At the end of 2018, the Fund was paying 3.31% in interest on leverage, compared with the portfolio's market value-weighted current yield of 7.36%, narrowing the spread to 4.05 percentage points. While leverage remains a contributor to the Fund's common stock dividend, it contributes less than it has in past years. The Fund's leverage contributed to approximately 16.7% of the Fund's net income earned in 2018, compared to 20% of net income in 2017 and 23% of net income in 2016.

We remind our shareholders that there is no certainty that the dividend will remain at the current level. The dividend can be affected by portfolio results, the cost and amount of leverage, market conditions, how fully invested the portfolio is and operating expenses, among other factors.

As noted above, the Fund's leverage produces a higher dividend for shareholders than the same portfolio would if the Fund did not have a leveraged structure. Leverage also magnifies the effect of price movements on the Fund's NAV per share. In 2018's declining high yield market, the Fund's NAV per share fell more than it would

have if the Fund did not have a leveraged structure. In a favorable high yield bond market, leverage increases the Fund's total return.

	Total Returns for the Periods Ending December 31, 2018	
	1 Year	3 Years Cumulative
New America High Income Fund (Stock Price and Dividends)*	-12.70%	25.52%
New America High Income Fund (NAV and Dividends)*	-5.19%	28.06%
Credit Suisse High Yield Index	-2.37%	23.68%

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

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

The Credit Suisse High Yield Index (the "Index") is an unmanaged index. Unlike the Fund, the Index has no trading activity, expenses or leverage.

* Returns are historical and are calculated by determining the percentage change in NAV or market value with all distributions reinvested. Distributions are assumed to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Because the Fund's shares may trade at either a discount or premium to the Fund's NAV per share, returns based upon the stock price and dividends will tend to differ from those derived from the underlying change in NAV and dividends. The variance between the Fund's total return based on stock price and dividends and the total return based on the Fund's NAV and dividends is due to the widening of the stock price discount to the NAV over the last year.

The Fund's Board of Directors wishes to express its appreciation to former Fund president and director Robert F. Birch, who retired as a director on December 31, 2018, for his many years of distinguished service and contributions to the Fund.

*Commentary by T. Rowe Price Associates, Inc.
Market Review*

The high yield bond market declined by 2.37% for the 12-month period ended December 31, 2018, according to the Credit Suisse High Yield Index. Second and third quarter gains gave way to material declines, as a sharp drop in oil prices and equity losses weighed on risk assets over the final quarter of 2018. After starting the year at 2.41%, the yield on U.S. 10-year Treasury Notes climbed to 3.24% by November 8, reflecting solid U.S. economic growth and reduced demand for safe-haven government debt. However, investor sentiment had changed amid equity price declines and growing global macroeconomic concerns. The U.S. Treasury yield curve had partially inverted for the first time since the global financial crisis in 2008, with the yield on a U.S. 2 Year Treasury Note higher than that on a five-year note. As expected, the Federal Reserve (the "Fed") raised interest rates by a quarter percentage point at its December meeting. It was the Fed's fourth quarter-point rate hike in 2018, lifting the federal funds target rate to a range of 2.25% to 2.50%. The central bank's policymaking committee predicted that two rate hikes will be needed in 2019, down from their previous forecast of three increases. Economic data showed significant slowdowns in both China and Europe, and that investors were worried that the sharp drop in oil prices which declined by over a third during the fourth quarter was an indicator of underlying weakness in the global economy. Concerns about the deepening U.S.-China trade war also seemed to weigh on global

markets throughout the period. In addition, in early December, the Trump administration postponed for 90 days its end-of-year deadline to impose tariffs on Chinese imports.

Through September 30, 2018, the high yield market was up by 2.5% for the year, but October began three months of declines, particularly in December. The fourth quarter was the first time in 2018 that high yield bonds

underperformed, lagging behind their investment grade counterparts. The yield spread of the Credit Suisse High Yield Index (the "Index") compared to U.S. Treasuries widened by 181 basis points throughout the course of the year, with over half of the widening occurring in December. Spread widening was particularly intense in European high yield issues due to investor concerns about Brexit and Italian political developments. The year concluded with the Index yield spread at 575 basis points, a level not seen since the recovery from the commodity-related sell-off in early 2016. With underlying interest rates also rising, the Index ended the period with a yield to worst of 8.31%.

Investors withdrew funds from the high yield bond market throughout 2018. Outflows were heaviest in the first and fourth quarters, totaling over \$20 billion in each period according to J.P. Morgan. 2018 saw more than \$45 billion in retail redemptions. On the supply side, new issue activity declined in 2018 by 43% from the prior year. New high yield issuances in the fourth quarter totaled \$19 billion, a 10-year low. For the first time in a decade, there was no new issuance in December, as issuers avoided the market in response to elevated volatility. Issuance shifted to the bank loan market throughout the year as gross new issue high yield activity declined. Moreover, over 60% of high yield volume was used to refinance existing debt, which supports a lower default forecast, but also suggests potential scarcity of new high yield debt if investors decide to add to their allocations.

Default activity was higher in 2018 than in the previous year, largely due to the bankruptcy of iHeartMedia, the largest U.S. radio broadcasting company, which impacted approximately \$16 billion of bonds and loans in the first quarter. Most default activity this year was concentrated in the energy and retail sectors.

Portfolio Review

Although OPEC and Russia announced an agreement to curb output, oil prices fell below \$50 per barrel, a 17-month low amid concerns about waning global demand and over-supply. Energy is the largest industry in the high yield market, representing over 15% of the Index. The portfolio's underweight and higher quality credit focus in the energy sector was the top contributor to returns for the six-month period ended December 31, 2018.

Within the metals and minerals sector, New Gold, a low-cost producer, traded lower after experiencing delays on a major project and increasing costs associated with postponements in production. Accordingly, the portfolio's holdings in New Gold were reduced. The portfolio's allocation to European credits was sharply reduced over the period. The region struggled notably amid Brexit uncertainty, Italian political developments and deepening high yield market outflows. While the Fund's investments in European issuers have been reduced, the portfolio continues to maintain a higher exposure to the region than most traditional high yield competitors as we look to take advantage of the full global opportunity set alongside our research capabilities stationed across the globe. The Fund's investment in Kleopatra Lux 1 S.a.r.l ("Kleopatra"), a Germany-based manufacturer of rigid plastic film solutions, was a notable detractor from performance. The bonds traded significantly lower after reporting disappointing third quarter results, as its food division struggled with higher raw material costs and maintaining sale volumes. With Kleopatra's operational turn around delayed, the portfolio's exposure to the company has been reduced.

Outlook

The credit cycle may have reached the point at which growth, corporate earnings, central bank stimulus, and liquidity have peaked, and global markets may be moving into a less robust or muted macroeconomic environment.

Whether policymakers will be able to orchestrate a "soft landing" and sustain the economy's momentum at lower levels of growth while avoiding a recession is a key issue for 2019. There is some uncertainty surrounding the Fed's interest rate strategy for 2019. Given recent volatility, the central bank may attempt to stabilize financial markets by slowing the pace of rate hikes.

Fundamental conditions are supportive of high yield issuers. We believe the default rate in 2019 may remain below the historical average; nevertheless, near-term performance expectations for the high yield asset class remain tempered. Trade disputes with China are creating geopolitical challenges, and corporations could get caught in the crossfire. Market volatility is likely to persist as investors attempt to parse through the implications of supportive fundamentals and macroeconomic conditions that have introduced considerable uncertainty to the market. Even so, valuations appear to be more attractive than they have been in recent years, both on a spread and yield basis.

As always, we aim to deliver high current income while seeking to contain volatility inherent in this market. Our team maintains a commitment to credit research and risk-conscious investing that has led to favorable returns for our high yield clients over various market cycles.

Sincerely,

Ellen E. Terry
President

The New America High Income Fund, Inc.

Mark Vaselkiv
Vice President

T. Rowe Price Associates, Inc.

Past performance is no guarantee of future results. The views expressed in this update are as of the date of this letter. These views and any portfolio holdings discussed in the update are subject to change at any time based on market or other conditions. The Fund and T. Rowe Price Associates, Inc. disclaim any duty to update these views, which may not be relied upon as investment advice. In addition, references to specific companies' securities should not be regarded as investment recommendations or indicative of the Fund's portfolio as a whole.

The New America High Income Fund, Inc.

Industry Summary December 31, 2018 (Unaudited)	As a Percent of Total Investments*
Energy	13.34%
Cable Operators	10.51%
Healthcare	9.25%
Financial	8.38%
Metals & Mining	5.63%
Utilities	5.55%
Services	4.43%
Wireless Communications	4.03%
Information Technology	3.75%
Satellites	3.40%
Chemicals	2.91%
Broadcasting	2.71%
Aerospace & Defense	2.68%
Gaming	2.62%
Food/Tobacco	2.55%
Container	2.26%
Consumer Products	2.07%
Building & Real Estate	2.01%
Automotive	1.92%
Other Telecommunications	1.67%
Entertainment & Leisure	1.63%
Manufacturing	1.61%
Building Products	0.91%
Restaurants	0.64%
Supermarkets	0.61%
Publishing	0.38%
Retail	0.33%
Lodging	0.27%
Real Estate Investment Trust Securities	0.14%
Forest Products	0.13%
Airlines	0.03%
Short-Term Investments	1.65%
Total Investments	100.00%

* Percentages do not match the industry percentages in the Schedule of Investments because due to the Fund's leverage total investments exceed net assets by 1.44 times.

Moody's Investors Service Ratings (1) December 31, 2018 (Unaudited)	As a Percent of Total Investments
Short-Term Investments P-1	1.65%
Baa3	0.60%
Ba1	3.60%
Ba2	8.58%
Ba3	12.83%
Total Ba	25.01%
B1	11.90%
B2	17.81%

B3	17.86%
Total B	47.57%
Caa1	12.88%
Caa2	5.88%
Total Caa	18.76%
Ca	0.23%
Unrated	4.38%
Equity	1.80%
Total Investments	100.00%

(1) SOURCE: Moody's Investors Service, Inc. This table compiles the ratings assigned by Moody's to the Fund's holdings.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2018 (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES 125.48% (d)(f)			
Aerospace & Defense 3.66%			
\$ 1,120	Bombardier, Inc., Senior Notes, 6%, 10/15/22 (g)	Caa1	\$ 1,050
1,000	Bombardier, Inc., Senior Notes, 7.75%, 03/15/20 (g)	Caa1	1,014
885	Bombardier, Inc., Senior Notes, 8.75%, 12/01/21 (g)	Caa1	912
3,300	Standard Aero Aviation Holdings Inc., Senior Notes, 10%, 07/15/23 (g)	Caa2	3,515
455	Transdigm Holdings UK, plc, Senior Subordinated Notes, 6.875%, 05/15/26 (g)	B3	435
170	Triumph Group Inc., Senior Notes, 4.875%, 04/01/21	Caa1	153
135	Triumph Group Inc., Senior Notes, 5.25%, 06/01/22	Caa1	117
465	Triumph Group Inc., Senior Notes, 7.75%, 08/15/25	Caa1	403
			7,599
Airlines .05%			
102	American Airlines Group, Senior Notes, 5.625%, 07/15/22 (g)	(e)	103
Automotive 2.24%			
650	American Axle and Manufacturing, Inc., Senior Notes, 6.25%, 04/01/25	B2	592
395	Dana Financing Luxembourg Saarl, Senior Notes, 5.75%, 04/15/25 (g)	B2	368

485	Dana Financing Luxembourg Saarl, Senior Notes, 6.50%, 06/01/26 (g)	B2	465
3,440	Tesla Inc., Senior Notes, 5.30%, 08/15/25 (g)	Caa1	2,993
270	Titan International, Inc., Senior Notes, 6.50%, 11/30/23	B3	242
			4,660
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
Broadcasting 3.90%			
\$ 900	Clear Channel Worldwide Holdings, Inc., Senior Notes, 6.50%, 11/15/22	B2	\$ 896
970	Clear Channel Worldwide Holdings, Inc., Senior Notes, 6.50%, 11/15/22	B2	970
85	Clear Channel Worldwide Holdings, Inc., Senior Notes, 7.625%, 03/15/20	Caa1	83
1,218	Clear Channel Worldwide Holdings, Inc., Senior Subordinated Notes, 7.625%, 03/15/20	Caa1	1,194
895	iHeart Communications, Inc., Senior Notes, 9%, 12/15/19 (a)(b)	(e)	600
780	iHeart Communications, Inc., Senior Notes, 9%, 09/15/22 (a)(b)	(e)	519
1,925	MDC Partners, Inc., Senior Notes, 6.50%, 05/01/24 (g)	B3	1,752
275	E.W. Scripps Company, Senior Notes, 5.125%, 05/15/25 (g)	B1	254
1,305	Sirius XM Radio, Inc., Senior Notes, 5%, 08/01/27 (g)	Ba3	1,192
700	Townsquare Media, Inc., Senior Notes, 6.50%, 04/01/23 (g)	B3	642
			8,102

Building & Real Estate 2.89%

685	Ashton Woods USA, LLC, Senior Notes, 6.75%, 08/01/25 (g)	Caa1	599
2,360	Howard Hughes Corporation, Senior Notes, 5.375%, 03/15/25 (g)	Ba3	2,213
630	LGI Homes, Inc., Senior Notes, 6.875%, 07/15/26 (g)	B1	565
350	Shea Homes Limited Partnership, Senior Notes, 5.875%, 04/01/23 (g)	B1	317

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

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2018 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 425	Taylor Morrison Communities, Inc., Senior Notes, 5.875%, 04/15/23 (g)	Ba3	\$ 412
990	Weekley Homes LLC, Senior Notes, 6.625%, 08/15/25	B3	911
350	William Lyon Homes, Inc., Senior Notes, 6%, 09/01/23	B2	315
675	William Lyon Homes, Inc., Senior Notes, 7%, 08/15/22	B2	672
			6,004
Building Products 1.08%			
680	ABC Supply Company, Inc., Senior Notes, 5.875%, 05/15/26 (g)	B3	646
675	American Woodmark Corporation, Senior Notes, 4.875%, 03/15/26 (g)	Ba3	599
295	New Enterprise Stone and Lime Company, Inc., Senior Notes, 6.25%, 03/15/26 (g)	B2	269
470	PGT Innovations, Inc., Senior Notes, 6.75%, 08/01/26 (g)	B2	467
290	Summit Materials LLC, Senior Notes, 5.125%, 06/01/25 (g)	B3	261
			2,242
Cable Operators 14.98%			
1,600	Altice Financing S.A., Senior Notes, 7.50%, 05/15/26 (g)	B2	1,456
1,400	Altice France S.A., Senior Notes, 7.375%, 05/01/26 (g)	B2	1,284

605	Altice France S.A., Senior Notes, 8.125%, 02/01/27 (g)	B2	569
2,890	Altice Luxembourg S.A., Senior Notes, 7.625%, 02/15/25 (g)	Caa1	2,168
290	Altice Luxembourg S.A., Senior Notes, 7.75%, 05/15/22 (g)	Caa1	264
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 475	C&W Senior Financing Designated Activity, Senior Notes, 6.875%, 09/15/27 (g)	B2	\$ 438
2,260	CCO Holdings, LLC, Senior Notes, 5.00%, 02/01/28 (g)	B1	2,079
3,158	CCO Holdings, LLC, Senior Notes, 5.125%, 05/01/27 (g)	B1	2,937
1,130	CCO Holdings, LLC, Senior Notes, 5.50%, 05/01/26 (g)	B1	1,088
1,300	CSC Holdings, LLC, Senior Notes, 6.625%, 10/15/25 (g)	Ba2	1,316
1,165	CSC Holdings, LLC, Senior Notes, 7.50%, 04/01/28 (g)	B2	1,162
1,215	CSC Holdings, LLC, Senior Notes, 7.75%, 07/15/25 (g)	B2	1,235
3,055	CSC Holdings, LLC, Senior Notes, 10.875%, 10/15/25 (g)	B2	3,438
1,190	Dish DBS Corporation, Senior Notes, 6.75%, 06/01/21	B1	1,175
835	Dish DBS Corporation, Senior Notes, 7.75%, 07/01/26	B1	691
700	Netflix, Inc., Senior Notes, 4.875%, 04/15/28	Ba3	637
1,555	Netflix, Inc., Senior Notes, 5.875%, 11/15/28 (g)	Ba3	1,508
1,600	Netflix, Inc., Senior Notes, 6.375%, 05/15/29 (g)	Ba3	1,596
665	Radiate Holdco, Senior Notes,	(e)	605

	6.875%, 02/15/23 (g)		
	Unitymedia Kabel BW GmbH, Senior Notes,		
905	6.125%, 01/15/25 (g)	B3	906
	UPCB Finance IV Ltd, Senior Notes,		
500	5.375%, 01/15/25 (g)	Ba3	468
	Videotron Ltee, Senior Notes,		
310	5%, 07/15/22	Ba2	310
	Videotron Ltee, Senior Notes,		
355	5.125%, 04/15/27 (g)	Ba2	337
	Virgin Media Finance, Plc, Senior Notes,		
485	6%, 10/15/24 (g)	B2	466

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

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2018 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 490	Virgin Media Secured Finance, Plc, Senior Notes, 5.25%, 01/15/26 (g)	Ba3	\$ 448
490	Virgin Media Secured Finance, Plc, Senior Notes, 5.50%, 08/15/26 (g)	Ba3	452
1,186	VTR Finance B.V., Senior Notes, 6.875%, 01/15/24 (g)	B1	1,170
1,075	Ziggo Bond Finance B.V., Senior Notes, 6%, 01/15/27 (g)	B3	941
			31,144
Chemicals 3.64%			
1,065	Consolidated Energy Finance, Senior Notes, 6.50%, 05/15/26 (g)	(e)	1,004
420	Consolidated Energy Finance, Senior Notes, 6.875%, 06/15/25 (g)	B1	400
2,160	CVR Partners, L.P., Senior Notes, 9.25%, 06/15/23 (g)	B2	2,246
1,130	Kissner Holdings L.P., Senior Notes, 8.375%, 12/01/22 (g)	B3	1,130
795	Koppers, Inc., Senior Notes, 6%, 02/15/25 (g)	B1	700
200	Kraton Polymers LLC, Senior Notes, 5.25%, 05/15/26 (g) (EUR)	B3	205
475	Kraton Polymers LLC, Senior Notes, 7%, 04/15/25 (g)	B3	437
780	OCI N.V., Senior Notes, 6.625%, 04/15/23 (g)	B1	776
540		Caa1	501

	Platform Specialty Products Corporation, Senior Notes, 5.875%, 12/01/25 (g)		
40	Rayonier A.M. Products, Inc., Senior Notes, 5.50%, 06/01/24 (g)	B1	35
129	Univar, Inc., Senior Notes, 6.75%, 07/15/23 (g)	B3	125
			7,559

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
Consumer Products	2.85%		

\$ 1,475	Avon International, Operating Company, Senior Notes, 7.875%, 08/15/22 (g)	Ba1	\$ 1,453
685	Central Garden and Pet Company, Senior Notes, 5.125%, 02/01/28	B1	613
460	Energizer Gamma Acquisition, B.V., Senior Notes, 4.625%, 07/15/26 (g) (EUR)	B2	492
1,500	Lifetime Fitness, Inc., Senior Notes, 8.50%, 06/15/23 (g)	Caa1	1,515
950	Prestige Brands, Inc., Senior Notes, 6.375%, 03/01/24 (g)	Caa1	917
670	Tempur Sealy International, Inc., Senior Notes, 5.50%, 06/15/26	B1	610
330	Tempur Sealy International, Inc., Senior Notes, 5.625%, 10/15/23	B1	318
			5,918

Container 2.89%

1,580	Ardagh Packaging Finance plc, Senior Notes, 7.25%, 05/15/24 (g)	B3	1,570
1,650	BWAY Holding Company, Inc., Senior Notes,	Caa2	1,481

	7.25%, 04/15/25 (g)		
	Crown Cork and Seal Company, Inc., Senior Notes, 7.375%, 12/15/26	B1	106
100			
	Kleopatra Holdings 1 S.C.A., Senior Notes, 8.50%, 06/30/23 (k) (EUR)	(e)	168
350			
	Pactiv Corporation, Senior Notes, 7.95%, 12/15/25	Caa1	321
325			
	Reynolds Group Issuer, Inc., Senior Notes, 7%, 07/15/24 (g)	Caa1	2,372
2,500			
			6,018
Energy 17.07%			
	Archrock Partners, Senior Notes, 6%, 04/01/21	B3	261
275			
	Archrock Partners, Senior Notes, 6%, 10/01/22	B3	595
633			

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

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2018 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 605	Berry Petroleum Company, LLC, Senior Notes, 7%, 02/15/26 (g)	B3	\$ 535
560	Bruin E&P Partners, LLC, Senior Notes, 8.875%, 08/01/23 (g)	B3	493
470	Carrizo Oil & Gas, Inc., Senior Notes, 6.25%, 04/15/23	B2	435
415	Carrizo Oil & Gas, Inc., Senior Notes, 8.25%, 07/15/25	B2	407
150	Cheniere Corpus Christi Holdings, LLC, Senior Notes, 5.125%, 06/30/27	Ba3	141
525	Cheniere Corpus Christi Holdings, LLC, Senior Notes, 5.875%, 03/31/25	Ba3	523
800	Cheniere Corpus Christi Holdings, LLC, Senior Notes, 7%, 06/30/24	Ba3	844
375	Chesapeake Energy Corp., Senior Notes, 6.125%, 02/15/21	B3	356
335	Chesapeake Energy Corp., Senior Notes, 8%, 06/15/27	B3	285
785	Covey Park Energy, LLC, Senior Notes, 7.50%, 05/15/25 (g)	B3	683
630	Crestwood Midstream Partners, L.P., Senior Notes, 6.25%, 04/01/23	B1	602
1,190	CrownRock, L.P., Senior Notes, 5.625%, 10/15/25 (g)	B3	1,080
284		Caa2	255

	CSI Compressco LP, Senior Notes, 7.25%, 08/15/22		
580	CSI Compressco LP, Senior Notes, 7.50%, 04/01/25 (g)	B1	542
795	DCP Midstream, LLC, Senior Notes, 6.75%, 09/15/37 (g)	Ba2	793
650	DCP Midstream, LLC, Senior Notes, 7.375%, (h)	B1	592
470	DCP Midstream, LLC, Senior Notes, 8.125%, 08/16/30	Ba2	533
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 470	Eclipse Resources Corporation, Senior Notes, 8.875%, 07/15/23	Caa1	\$ 403
240	Endeavor Energy Resources, L.P., Senior Notes. 5.50%, 01/30/26 (g)	B2	244
538	Endeavor Energy Resources, L.P., Senior Notes. 5.75%, 01/30/28 (g)	B2	549
954	Ensco PLC, Senior Notes, 8%, 01/31/24	(e)	789
1,090	Exterran NRG Solutions, Senior Notes, 8.125%, 05/01/25	B1	1,046
1,120	Gulfport Energy Corporation, Senior Notes, 6.375%, 05/15/25	B1	980
405	Hess Corporation, Senior Notes, 7.875%, 10/01/29	Ba1	461
820	Indigo Natural Resources, LLC, Senior Notes, 6.875%, 02/15/26 (g)	B3	705
1,291	Jagged Peak Energy LLC, Senior Notes, 5.875%, 05/01/26 (g)	B3	1,194
1,310	Kosmos Energy Ltd., Senior Notes, 7.875%, 08/01/21 (g)	(e)	1,297

1,485	Magnolia Oil and Gas Operating LLC, Senior Notes, 6%, 08/01/26 (g)	B3	1,429
1,525	Matador Resources Company, Senior Notes, 5.875%, 09/15/26	B2	1,403
1,410	NGL Energy Partners L.P., Senior Notes, 7.50%, 11/01/23	B2	1,354
330	Noble Holdings International, Ltd., Senior Notes, 7.875%, 02/01/26 (g)	B2	283
595	Noble Holdings International, Ltd., Senior Notes, 8.95%, 04/01/45	Caa1	458
790	Nustar Logistics, L.P., Senior Notes, 5.625%, 04/28/27	Ba2	737
860	Parsley Energy, LLC, , Senior Notes, 5.625%, 10/15/27 (g)	B1	787

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

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2018 Continued (Dollar Amounts in Thousands)

Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued				
\$	1,165	PDC Energy, Senior Notes, 5.75%, 05/15/26	B1	\$ 1,037
	655	Petrobras Global Finance, Senior Notes, 7.25%, 03/17/44	Ba2	645
	1,675	Petrobras Global Finance, Senior Notes, 7.375%, 01/17/27	Ba2	1,725
	2,520	Seven Generations Energy Ltd., Senior Notes, 5.375%, 09/30/25 (g)	Ba3	2,287
	240	Summit Midstream Holdings, LLC, Senior Notes, 5.50%, 08/15/22	B1	229
	230	Summit Midstream Holdings, LLC, Senior Notes, 5.75%, 04/15/25	B1	209
	320	Summit Midstream Partners, LP, Senior Notes, 9.50%, (h)	B3	296
	795	Tallgrass Energy Partners, L.P., Senior Notes, 5.50%, 09/15/24 (g)	Ba3	781
	730	Tapstone Energy, LLC, Senior Notes, 9.75%, 06/01/22 (g)	Caa2	584
	390	TransMontaigne Partners, L.P., Senior Notes 6.125%, 02/15/26	B2	339
	500	Transocean, Inc., Senior Notes,	B1	479

		5.875%, 01/15/24 (g)		
	455	Transocean, Inc., Senior Notes, 7.50%, 01/15/26 (g)	B3	398
	335	Transocean, Inc., Senior Notes, 9%, 07/15/23 (g)	B3	333
	450	USA Compression Partners, L.P., Senior Notes, 6.875%, 04/01/26 (g)	B3	432
	85	Vine Oil & Gas, L.P., Senior Notes, 8.75%, 04/15/23 (g)	Caa1	66
	640	Vine Oil & Gas, L.P., Senior Notes, 9.75%, 04/15/23 (g)	Caa1	512
	485	WildHorse Resource Development Corporation, Senior Notes, 6.875%, 02/01/25	Caa1	458
Principal Amount/Units			Moody's Rating (Unaudited)	Value (Note 1)
\$	605	YPF Sociedad Anonima, Senior Notes, 8.50%, 03/23/21 (g)	B2	\$ 597
				35,481
Entertainment & Leisure	2.35%			
	1,450	AMC Entertainment Holdings, Senior Subordinated Notes, 5.75%, 06/15/25	B3	1,280
	650	Cedar Fair, L. P., Senior Notes, 5.375%, 04/15/27	B1	614
	225	EMI Music Publishing Group, Senior Notes, 7.625%, 06/15/24 (g)	B3	237
	1,110		Ba2	1,093

	Merlin Entertainment plc, Senior Notes, 5.75%, 06/15/26 (g)		
365	Pinnacle Bidco, Plc, Senior Notes, 6.375%, 02/15/25 (g) (GBP)	B3	461
545	Silversea Cruise Finance Ltd., Senior Notes, 7.25%, 02/01/25 (g)	B2	576
665	VOC Escrow Ltd., Senior Notes, 5%, 02/15/28 (g)	Ba2	616
			4,877
Financial 11.51%			
1,525	Acrisure, LLC, Senior Notes, 7%, 11/15/25 (g)	Caa2	1,308
610	Alliant Holdings Intermediate, LLC, 8.25%, 08/01/23 (g)	Caa2	607
800	AmWins Group, Inc., Senior Notes, 7.75%, 07/01/26 (g)	Caa1	756
695	Assured Partners, Inc., Senior Notes, 7%, 08/15/25 (g)	Caa2	628
370	Avolon Holdings Funding Ltd., Senior Notes, 5.125%, 10/01/23 (g)	Ba2	353
815	Avolon Holdings Funding Ltd., Senior Notes, 5.50%, 01/15/23 (g)	Ba2	791
1,485	Banco Do Brasil S.A. (Cayman), 9% (h)	B2	1,513
200	Banco Santander S.A., Senior Notes, 6.75%, (h) (EUR)	Ba1	232

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

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2018 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 340	Barclays PLC, 7.875%, (h) (GBP)	Ba3	\$ 431
330	Cabot Financial (Luxembourg) S.A., Senior Notes, 7.50%, 10/01/23 (GBP)	B1	382
300	Cabot Financial (Luxembourg) S.A., Senior Notes, 7.50%, 10/01/23 (g) (GBP)	B1	347
55	CIT Group, Inc., Senior Notes, 4.125%, 03/09/21	Ba1	54
325	CIT Group, Inc., Senior Notes, 5.25%, 03/07/25	Ba1	318
295	CIT Group, Inc., Subordinate Notes, 6.125%, 03/09/28	Ba1	294
270	CNO Financial Group Inc., Senior Notes, 5.25%, 05/30/25	Baa3	259
345	Credit Suisse Group AG, 7.125%, (h)	Ba2	339
395	Credit Suisse Group AG, 7.50%, (g)(h)	(e)	403
385	DAE Funding, LLC, Senior Notes, 4.50%, 08/01/22 (g)	Ba2	368
555	DAE Funding, LLC, Senior Notes, 5%, 08/01/24 (g)	Ba2	536
780	DAE Funding, LLC, Senior Notes, 5.25%, 11/15/21 (g)	Ba2	768
1,200	Discover Financial Services, Senior Notes, 10.25%, 07/15/19	Baa3	1,243
310	DNB Bank ASA, Senior Notes, 6.50%, (h)	Baa3	304

