

LAZARD GLOBAL TOTAL RETURN & INCOME FUND INC

Form N-30B-2

December 07, 2010

LAZARD ASSET MANAGEMENT

Lazard Global Total
Return & Income
Fund, Inc.

Third Quarter Report

SEPTEMBER 30, 2010

Lazard Global Total Return & Income Fund, Inc.

Investment Overview

Dear Stockholders,

We are pleased to present this report for Lazard Global Total Return & Income Fund, Inc. (LGI or the Fund), for the quarter ended September 30, 2010. LGI is a diversified, closed-end management investment company that began trading on the New York Stock Exchange (NYSE) on April 28, 2004. Its ticker symbol is LGI.

For the third quarter of 2010, the Fund's net asset value (NAV) performance lagged its benchmark, the Morgan Stanley Capital International (MSCI®) World® Index (the Index), in a period of global market strength. However, we are pleased with LGI's favorable NAV performance since inception. We believe that LGI's investment thesis remains sound and that the Fund has provided investors with an attractive yield and diversification, backed by the extensive experience, commitment, and professional management of Lazard Asset Management LLC (the Investment Manager or Lazard).

Portfolio Update (as of September 30, 2010)

For the third quarter of 2010, the Fund's NAV increased 13.1%, underperforming the Index gain of 13.8%. Similarly, the year-to-date NAV loss of 1.9% lagged the Index gain of 2.6%. However, the Fund's NAV performance has outperformed the Index for the three- and five-year periods and, since inception, has returned 4.6% (annualized) versus 3.7% (annualized) for the Index. Shares of LGI ended the third quarter of 2010 with a market price of \$14.93, representing a 7.4% discount to the Fund's NAV of \$16.12.

The Fund's net assets were \$154.8 million as of September 30, 2010, with total leveraged assets of \$200.4 million, representing a 22.7% leverage rate. This leverage rate was in line with that at the end of the second quarter.

Within the global equity portfolio, stock selection in the energy and information technology sectors helped performance during the third quarter. However, an overweight exposure to the information technology sector and an underweight exposure to the consumer discretionary sector each detracted from performance, as did stock selection within the consumer discretionary sector. The smaller, short-duration¹ emerging market currency and debt portion of the Fund, which rebounded in September, has added value for the year-to-date, and remains a positive contributor to performance for the Fund since inception.

As of September 30, 2010, 67.7% of the Fund's total leveraged assets consisted of global equities and 25.6% consisted of emerging market currency and debt instruments, while the remaining 6.7% consisted of cash and other net assets.

Declaration of Distributions

Pursuant to LGI's Level Distribution Policy, the Fund declares, monthly, a distribution equal to 6.25% (on an annualized basis) of the Fund's NAV on the last business day of the previous year. The current distribution rate per share of \$0.08995 is based on the Fund's NAV of \$17.27 on December 31, 2009 and is equal to, on an annualized basis, 7.2% of the Fund's \$14.93 market price as of the close of trading on the NYSE on September 30, 2010. It was estimated that \$0.4857 of the \$0.8095 distributed per share as of September 30, 2010 may represent a return of capital.

Additional Information

Please note that, available on www.LazardNet.com, are frequent updates on the Fund's performance, press releases, distribution information, and a monthly fact sheet that provides information about the Fund's major holdings, sector weightings, regional exposures, and other characteristics, including the notices required by Section 19(a) of the Investment Company Act of 1940, as amended. You may also reach Lazard by phone at 1-800-823-6300.

On behalf of Lazard, we thank you for your investment in Lazard Global Total Return & Income Fund, Inc. and look forward to continuing to serve your investment needs in the future.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

Message from the Portfolio Managers

Global Equity Portfolio

(67.7% of total leveraged assets)

The Fund's global equity portfolio is invested primarily in equity securities of large, well-known global companies with strong financial productivity at attractive valuations. Examples include GlaxoSmithKline, a global research-based pharmaceutical company based in the United Kingdom; Bank of New York Mellon, a U.S.-based company that provides financial products and services for institutions and individuals worldwide; Canon Inc., a Japanese manufacturer and distributor of network digital multifunction devices (MFDs), copying machines, printers and cameras; and Total SA, a French energy supplier that explores for, produces, refines, transports, and markets oil and natural gas.

Companies held in the global equity portfolio are all based in developed-market regions around the world. As of September 30, 2010, 48.5% of these stocks were based in North America, 23.3% were based in Continental Europe (not including the United Kingdom), 15.7% were from the United Kingdom, 6.5% were from Japan, and 6.0% were from the rest of Asia (not including Japan). The global equity portfolio is similarly diversified across a number of industry sectors. The top two sectors, by weight, at September 30, 2010, were information technology (20.2%), which includes computer software, technology hardware, semiconductors, and services companies, and health care (18.5%), which includes health care equipment & services and pharmaceuticals, biotechnology & life sciences companies. Other sectors in the portfolio include consumer discretionary, consumer staples, energy, industrials, materials, financials, and telecommunication services. The average dividend yield on the securities held in the global equity portfolio was approximately 2.8% as of September 30, 2010.

Global Equity Markets Review

Global stock markets rebounded strongly during the third quarter. The Index returned double digits on a U.S. dollar basis, which brought the year-to-date total return into positive territory. This was largely driven by a series of very strong quarterly earnings results. The Index performed particularly well in September, partly fueled by a calmer market environment, as fears of a sovereign default in Europe and a double-dip recession lessened. The market also benefited from cash-rich companies many of which are in the information technology sector engaging in merger activities, instituting and raising dividends, and share buybacks.

On a more cautious note, concerns about Ireland's economy and its banking system increased as the country's second quarter GDP declined by 1.2%. The U.S. economy remained fragile, as the unemployment rate continued to stagnate and home sales remained weak. The U.S. Federal Reserve announced, late in September, that they were prepared to provide additional support to the economy, if needed, and noted that inflation was somewhat below the desired level. This boosted speculation that it would buy more Treasuries later this year.

Asian markets, with the exception of Japan, performed strongly in the third quarter as investors became more optimistic of a global recovery. Japanese stocks were hurt by worries about the rising yen, which could endanger the recovery of its export-led economy. In response to the yen's increase, the government intervened in the currency markets for the first time in six years, attempting to depreciate the currency.

Each sector in the Index rose during the third quarter. Telecom services performed well, as the market continued to invest in smartphone adoption and looked for dividend yield. More cyclical sectors, such as materials and energy, also performed well. Sectors that experienced the lowest returns included traditionally defensive sectors such as health care and utilities, while information technology also experienced lower returns due to concerns over the strength of IT spending going forward.

In currency markets, the U.S. dollar weakened against most other major currencies, including the euro and Japanese yen, as it was weighed down by the prospect

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

of additional asset purchases by the U.S. Federal Reserve. In contrast, the euro strengthened against most other currencies this quarter, as parts of Northern Europe exhibited economic strength.

What Helped and What Hurt LGI

Stock selection in the energy and information technology sectors was a strong driver of performance. Halliburton contributed to positive stock selection within the energy sector having rallied after reporting stronger than expected earnings. Onshore natural gas activity continued to rebound, which enhanced revenues and margins.

In contrast, a high exposure to the information technology sector detracted from returns. As a sector, information technology lagged due to weakness in the consumer-exposed segments and due to volatility in the semiconductor space caused by temporary oversupply. A low exposure, and stock selection, in the consumer discretionary sector, which performed well on improved demand from consumers, also detracted from performance. Comcast underperformed the industry, as it was hit by concerns over regulation.

Emerging Market Currency and Debt Portfolio

(25.6% of total leveraged assets)

The Fund also seeks enhanced income through investing in primarily high-yielding, short-duration emerging market forward currency contracts and local currency debt instruments. As of September 30, 2010, this portfolio consisted of forward currency contracts (77.3%) and sovereign debt obligations (22.7%). The average duration of the emerging market currency and debt portfolio decreased from approximately 5 months to approximately 4 months during the third quarter, with an average yield of 5.2%² as of September 30, 2010.

Emerging Market Currency and Debt Market Review

Emerging markets' economic trends continued to outperform during the third quarter, and the record pace of inflows prompted policymakers to take action. While the tightening cycle, interrupted by the risk aversion bout in the second quarter, resumed for countries like India, Chile, and others, emerging markets also had to deal increasingly with large capital inflows generated by their attractive yields and growth prospects. The flow of funds out of developed markets into emerging markets was further exacerbated by headlines of further quantitative easing by the Fed.

Global policy action appeared increasingly uncoordinated and fraught with tension, as the United States increased pressure on China to allow the renminbi to appreciate faster, and the Bank of Japan, after a six-year gap, unilaterally intervened (unsuccessfully) to weaken the yen. With intervention in the currency market proceeding at a frenetic pace, the Brazilian finance minister summed up the situation towards the end of the quarter by talking about a currency war.

What Helped and What Hurt LGI

Exposure to emerging markets countries characterized by strong, domestic demand-oriented growth, including Poland, Brazil, and Turkey, helped performance. Similarly, the Fund, through exposure to India and the Philippines, benefited from this theme. In the Philippines, resilient inflows from its overseas work-force continue to support a robust domestic consumption dynamic, impressive economic growth, and a favorable balance of payments outlook. The record emerging markets fund flows since the beginning of the year were directed toward emerging market countries with index representation and deep, liquid capital markets. The highest yielding ones were amongst the biggest beneficiaries of the rotation of global investment flows into emerging markets, most notably Brazil, South Africa, Turkey, and Indonesia. Reduced exposure to Malaysia and Indonesia and a lack of exposure to Taiwan also helped performance. Mexico's inclusion in the Citibank World Government Bond Index (WGBI), coupled with its central bank's less interventionist foreign currency exchange stance buoyed the peso, which aided performance. And in South Korea, the current account surplus, foreign inflows, improving economic data, as well as correlated appreciation with the Chinese renminbi's increased flexibility, generated won catch-up gains.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

Finally, exposure to frontier and less liquid markets in Zambia, Ghana, and Romania were noteworthy contributors during the third quarter.

Russian non-deliverable currency forward exposure hurt performance during the third quarter, owing to ruble depreciation on the back of September's rapid rise in U.S. dollar demand locally. We had previously reduced exposure to Russia into second quarter's strength, but took the opportunity offered by the weakness in September to increase our position, given the hefty current account surplus, incipient privatizations, and impressive central bank reserve coverage. A lack of exposure to solid gains realized in Thailand, South Africa, Colombia, and Singapore resulted in missed upsides in those markets.

Notes to Investment Overview:

- 1 A measure of the average cash weighted term-to-maturity of the investment holdings. Duration is a measure of the price sensitivity of a bond to interest rate movements. Duration for a forward currency contract is equal to its term-to-maturity.
- 2 The quoted yield does not account for the implicit cost of borrowing on the forward currency contracts, which would reduce the yield shown.

All returns reflect reinvestment of all dividends and distributions. Past performance is not indicative, or a guarantee, of future results.

The performance data of the Index and other market data have been prepared from sources and data that the Investment Manager believes to be reliable, but no representation is made as to their accuracy. The Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The Index is unmanaged, has no fees or costs and is not available for investment.

The views of the Fund's Investment Manager and the securities described in this report are as of September 30, 2010; these views and portfolio holdings may have changed subsequent to this date. Nothing herein should be construed as a recommendation to buy, sell, or hold a particular security. There is no assurance that the securities discussed herein will remain in the Fund at the time you receive this report, or that securities sold will not have been repurchased. The specific securities discussed may, in aggregate, represent only a small percentage of the Fund's holdings. It should not be assumed that securities identified and discussed were, or will be, profitable, or that the investment decisions made in the future will be profitable, or equal the investment performance of the securities discussed herein.

The views and opinions expressed are provided for general information only, and do not constitute specific tax, legal, or investment advice to, or recommendations for, any person. There can be no guarantee as to the accuracy of the outlooks for markets, sectors and securities as discussed herein.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

**Comparison of Changes in Value of \$10,000 Investment in
LGI and MSCI World Index* (unaudited)**

**Average Annual Total Returns*
Periods Ended September 30, 2010
(unaudited)**

| | One Year | Five Years | Since Inception** |
|------------------|---------------------|-----------------------|------------------------------|
| Market Price | 13.16% | 3.65% | 3.52% |
| Net Asset Value | 3.59% | 2.35% | 4.60% |
| MSCI World Index | 6.76% | 1.30% | 3.65% |

* All returns reflect reinvestment of all dividends and distributions. The performance quoted represents past performance. Current performance may be lower or higher than the performance quoted. Past performance is not indicative, or a guarantee, of future results; the investment return, market price and net asset value of the Fund will fluctuate, so that an investor's shares in the Fund, when sold, may be worth more or less than their original cost. The returns do not reflect the deduction of taxes that a stockholder would pay on the Fund's distributions or on the sale of Fund shares.

The performance data of the Index has been prepared from sources and data that the Investment Manager believes to be reliable, but no representation is made as to its accuracy. The Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The Index is unmanaged, has no fees or costs and is not available for investment.

** The Fund's inception date was April 28, 2004.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (concluded)

Ten Largest Equity Holdings
September 30, 2010 (unaudited)

| Security | Value | Percentage of Net Assets |
|--|--------------|-------------------------------------|
| Johnson & Johnson | \$6,462,428 | 4.2% |
| HSBC Holdings PLC Sponsored ADR | 5,637,547 | 3.6 |
| Microsoft Corp. | 5,549,434 | 3.6 |
| The Home Depot, Inc. | 5,243,040 | 3.4 |
| International Business Machines Corp. | 5,204,632 | 3.4 |
| Singapore Telecommunications, Ltd. ADR | 5,176,294 | 3.3 |
| Oracle Corp. | 4,948,455 | 3.2 |
| United Technologies Corp. | 4,907,747 | 3.2 |
| Cisco Systems, Inc. | 4,826,760 | 3.1 |
| Novartis AG ADR | 4,550,163 | 2.9 |

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Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments

September 30, 2010 (unaudited)

| Description | Shares | Value |
|---|---------|--------------|
| Common Stocks 87.7% | | |
| Australia 1.9% | | |
| BHP Billiton, Ltd. Sponsored ADR | 38,500 | \$ 2,938,320 |
| France 6.1% | | |
| GDF Suez Sponsored ADR | 75,981 | 2,727,718 |
| Sanofi-Aventis ADR | 105,200 | 3,497,900 |
| Total SA Sponsored ADR | 64,000 | 3,302,400 |
| Total France | | 9,528,018 |
| Germany 1.9% | | |
| SAP AG Sponsored ADR | 59,300 | 2,924,083 |
| Ireland 1.1% | | |
| CRH PLC Sponsored ADR | 98,300 | 1,635,712 |
| Italy 1.0% | | |
| Eni SpA Sponsored ADR | 36,350 | 1,569,593 |
| Japan 5.7% | | |
| Canon, Inc. Sponsored ADR | 44,700 | 2,088,384 |
| Hoya Corp. Sponsored ADR (c) | 73,500 | 1,783,845 |
| Mitsubishi UFJ Financial Group, Inc. ADR | 528,000 | 2,444,640 |
| Nomura Holdings, Inc. ADR | 332,600 | 1,586,502 |
| Sumitomo Mitsui Financial Group, Inc. ADR | 321,200 | 915,420 |
| Total Japan | | 8,818,791 |
| Singapore 3.3% | | |
| Singapore Telecommunications, Ltd. ADR (c) | 217,400 | 5,176,294 |
| Spain 1.8% | | |
| Banco Santander SA Sponsored ADR | 217,900 | 2,758,614 |
| Switzerland 9.6% | | |
| Credit Suisse Group AG Sponsored ADR (c) | 73,400 | 3,123,904 |
| Novartis AG ADR | 78,900 | 4,550,163 |
| Roche Holding AG Sponsored ADR (c) | 92,400 | 3,153,612 |
| UBS AG (a), (c) | 107,587 | 1,832,207 |

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| | | |
|---|---------|-------------|
| Zurich Financial Services AG ADR | 92,500 | 2,159,875 |
| Total Switzerland | | 14,819,761 |
| United Kingdom 13.8% | | |
| BP PLC Sponsored ADR (c) | 97,100 | 3,997,607 |
| British American Tobacco PLC Sponsored ADR | 37,700 | 2,816,567 |
| GlaxoSmithKline PLC Sponsored ADR (c) | 80,200 | 3,169,504 |
| HSBC Holdings PLC Sponsored ADR (c) | 111,436 | 5,637,547 |
| Unilever PLC Sponsored ADR | 99,100 | 2,883,810 |
| William Morrison Supermarkets PLC ADR | 120,300 | 2,805,396 |
| Total United Kingdom | | 21,310,431 |
| United States 41.5% | | |
| Bank of New York Mellon Corp. (c) | 103,600 | 2,707,068 |
| Cisco Systems, Inc. (a), (c) | 220,400 | 4,826,760 |
| Comcast Corp., Class A | 160,900 | 2,736,909 |
| ConocoPhillips | 32,900 | 1,889,447 |
| Emerson Electric Co. | 67,600 | 3,559,816 |
| Halliburton Co. | 89,900 | 2,972,993 |
| Honeywell International, Inc. (c) | 64,700 | 2,842,918 |
| International Business Machines Corp. (c) | 38,800 | 5,204,632 |
| Johnson & Johnson (c) | 104,300 | 6,462,428 |
| Merck & Co., Inc. | 75,300 | 2,771,793 |
| Microsoft Corp. (c) | 226,600 | 5,549,434 |
| Oracle Corp. | 184,300 | 4,948,455 |
| PepsiCo, Inc. | 41,100 | 2,730,684 |
| Pfizer, Inc. | 87,566 | 1,503,508 |
| The Home Depot, Inc. (c) | 165,500 | 5,243,040 |
| United Technologies Corp. | 68,900 | 4,907,747 |
| Wal-Mart Stores, Inc. | 62,800 | 3,361,056 |
| Total United States | | 64,218,688 |
| Total Common Stocks (Identified cost \$148,994,109) | | 135,698,305 |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

September 30, 2010 (unaudited)

| Description | Principal Amount (000) (d) | Value |
|---|----------------------------------|--------------|
| Foreign Government Obligations 10.5% | | |
| Brazil 3.9% | | |
| Brazil NTN-F: | | |
| 10.00%, 01/01/12 | 4,500 | \$ 2,678,867 |
| 10.00%, 01/01/13 | 5,795 | 3,301,559 |
| Total Brazil | | 5,980,426 |
| Egypt 3.4% | | |
| Egypt Treasury Bills: | | |
| 0.00%, 10/12/10 | 5,350 | 937,881 |
| 0.00%, 11/09/10 | 775 | 134,899 |
| 0.00%, 11/16/10 | 875 | 152,031 |
| 0.00%, 11/30/10 | 675 | 116,859 |
| 0.00%, 12/21/10 | 6,725 | 1,157,933 |
| 0.00%, 01/11/11 | 1,975 | 338,182 |
| 0.00%, 02/01/11 | 4,675 | 795,933 |
| 0.00%, 02/08/11 | 1,275 | 216,654 |
| 0.00%, 03/29/11 | 8,125 | 1,361,583 |
| Total Egypt | | 5,211,955 |
| Ghana 1.2% | | |
| Ghana Government Bonds: | | |
| 14.00%, 03/07/11 | 1,000 | 707,228 |
| 16.00%, 05/02/11 | 460 | 328,811 |
| 13.67%, 06/15/12 | 790 | 561,723 |
| 15.00%, 12/10/12 | 320 | 234,936 |
| Total Ghana | | 1,832,698 |
| Mexico 0.6% | | |
| Mexican Bonos, | | |
| 8.00%, 12/17/15 | 11,500 | 1,005,753 |
| Poland 0.5% | | |
| Poland Government Bonds: | | |
| 4.75%, 04/25/12 | 1,872 | 646,541 |
| 3.00%, 08/24/16 | 410 | 140,566 |
| Total Poland | | 787,107 |
| Turkey 0.9% | | |

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| | | |
|---|-------|-----------|
| Turkey Government Bond, 10.00%, 02/15/12 | 1,795 | 1,389,124 |
|---|-------|-----------|

**Total Foreign Government
Obligations**

| | | |
|--------------------------------|--|------------|
| (Identified cost \$14,712,781) | | 16,207,063 |
|--------------------------------|--|------------|

| Description | Shares | Value |
|--|------------|-----------------------|
| Short-Term Investment 8.1% | | |
| State Street Institutional Treasury Money Market Fund (Identified cost \$12,625,987) | 12,625,987 | 12,625,987 |
| Total Investments 106.3% (Identified cost \$176,332,877) (b) | | \$ 164,531,355 |
| Liabilities in Excess of Cash and Other Assets (6.3)% | | (9,741,369) |
| Net Assets 100.0% | | \$ 154,789,986 |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

September 30, 2010 (unaudited)

Forward Currency Purchase Contracts open at September 30, 2010:

| Forward Currency Purchase Contracts | Expiration Date | Foreign Currency | U.S. \$ Cost on Origination Date | U.S. \$ Current Value | Unrealized Appreciation | Unrealized Depreciation |
|-------------------------------------|-----------------|------------------|----------------------------------|-----------------------|-------------------------|-------------------------|
| ARS | 10/14/10 | 1,522,425 | \$ 383,000 | \$ 383,464 | \$ 464 | \$ |
| ARS | 10/15/10 | 1,510,500 | 380,000 | 380,372 | 372 | |
| ARS | 11/15/10 | 1,522,744 | 379,500 | 380,737 | 1,237 | |
| ARS | 11/22/10 | 1,568,301 | 391,000 | 391,506 | 506 | |
| ARS | 12/10/10 | 1,437,996 | 357,000 | 357,424 | 424 | |
| ARS | 12/16/10 | 1,595,010 | 395,000 | 395,754 | 754 | |
| BRL | 10/04/10 | 3,266,235 | 1,916,242 | 1,930,399 | 14,157 | |
| CLP | 10/18/10 | 194,224,500 | 392,849 | 401,375 | 8,526 | |
| CLP | 11/16/10 | 194,224,500 | 392,571 | 400,907 | 8,336 | |
| CNY | 03/17/11 | 14,581,257 | 2,193,000 | 2,187,101 | | 5,899 |
| CNY | 05/27/11 | 492,029 | 72,177 | 73,950 | 1,773 | |
| CNY | 07/29/11 | 4,071,165 | 609,000 | 613,149 | 4,149 | |
| CNY | 07/29/11 | 5,434,092 | 813,000 | 818,416 | 5,416 | |
| CNY | 07/29/11 | 254,486 | 38,000 | 38,328 | 328 | |
| EUR | 10/01/10 | 1,173,929 | 1,447,649 | 1,600,359 | 152,710 | |
| EUR | 10/01/10 | 180,000 | 226,678 | 245,385 | 18,707 | |
| EUR | 10/01/10 | 102,000 | 128,672 | 139,052 | 10,380 | |
| EUR | 10/04/10 | 155,259 | 211,602 | 211,656 | 54 | |
| EUR | 10/19/10 | 333,976 | 418,556 | 455,243 | 36,687 | |
| EUR | 12/09/10 | 3,282,000 | 4,872,458 | 4,471,919 | | 400,539 |
| EUR | 01/03/11 | 650,581 | 884,000 | 886,287 | 2,287 | |
| GHC | 10/12/10 | 183,000 | 123,900 | 127,933 | 4,033 | |
| GHC | 10/18/10 | 415,000 | 288,094 | 289,570 | 1,476 | |
| GHC | 10/29/10 | 574,000 | 400,000 | 399,125 | | 875 |
| GHC | 11/03/10 | 475,000 | 326,124 | 329,806 | 3,682 | |
| GHC | 10/11/11 | 237,330 | 109,369 | 148,480 | 39,111 | |
| HUF | 12/09/10 | 243,376,246 | 1,238,316 | 1,190,656 | | 47,660 |
| HUF | 12/09/10 | 673,778,654 | 2,980,361 | 3,296,289 | 315,928 | |
| IDR | 11/08/10 | 6,640,500,000 | 699,000 | 739,703 | 40,703 | |
| IDR | 11/08/10 | 3,234,934,000 | 351,623 | 360,348 | 8,725 | |
| ILS | 10/01/10 | 10,504,000 | 2,749,019 | 2,883,813 | 134,794 | |
| ILS | 10/07/10 | 2,155,674 | 568,000 | 591,792 | 23,792 | |
| ILS | 10/07/10 | 4,082,925 | 1,108,000 | 1,120,876 | 12,876 | |
| ILS | 10/27/10 | 2,224,034 | 596,000 | 610,316 | 14,316 | |
| INR | 10/04/10 | 19,859,850 | 423,000 | 441,968 | 18,968 | |
| INR | 10/06/10 | 28,620,050 | 607,000 | 636,689 | 29,689 | |
| INR | 10/25/10 | 23,312,120 | 508,000 | 516,819 | 8,819 | |
| INR | 10/26/10 | 38,519,910 | 803,000 | 853,815 | 50,815 | |
| INR | 10/28/10 | 40,289,480 | 889,000 | 892,714 | 3,714 | |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

September 30, 2010 (unaudited)

Forward Currency Purchase Contracts open at September 30, 2010 (continued):

| Forward Currency Purchase Contracts | Expiration Date | Foreign Currency | U.S. \$ Cost on Origination Date | U.S. \$ Current Value | Unrealized Appreciation | Unrealized Depreciation |
|-------------------------------------|-----------------|------------------|----------------------------------|-----------------------|-------------------------|-------------------------|
| INR | 11/04/10 | 21,752,000 | \$ 479,859 | \$ 481,359 | \$ 1,500 | \$ |
| INR | 11/12/10 | 29,824,000 | 640,000 | 659,098 | 19,098 | |
| INR | 11/24/10 | 13,714,100 | 290,000 | 302,465 | 12,465 | |
| INR | 01/12/11 | 31,625,410 | 659,000 | 692,024 | 33,024 | |
| JPY | 10/21/10 | 62,277,384 | 737,000 | 746,123 | 9,123 | |
| KES | 10/12/10 | 38,332,500 | 481,262 | 474,706 | | 6,556 |
| KES | 10/12/10 | 18,923,000 | 233,344 | 234,341 | 997 | |
| KES | 10/21/10 | 40,626,000 | 503,420 | 503,108 | | 312 |
| KES | 10/29/10 | 23,542,000 | 291,037 | 291,542 | 505 | |
| KRW | 10/04/10 | 782,562,500 | 659,000 | 686,308 | 27,308 | |
| KRW | 10/08/10 | 705,675,600 | 574,000 | 618,780 | 44,780 | |
| KRW | 10/25/10 | 941,206,000 | 790,000 | 824,752 | 34,752 | |
| KRW | 11/19/10 | 2,152,101,600 | 1,874,000 | 1,883,842 | 9,842 | |
| KRW | 11/19/10 | 763,858,000 | 668,000 | 668,643 | 643 | |
| KRW | 11/30/10 | 492,190,600 | 409,000 | 430,632 | 21,632 | |
| KZT | 10/01/10 | 53,503,600 | 362,000 | 362,245 | 245 | |
| KZT | 10/18/10 | 42,966,150 | 291,000 | 290,891 | | 109 |
| KZT | 11/02/10 | 69,240,600 | 468,000 | 468,756 | 756 | |
| KZT | 11/02/10 | 66,760,400 | 452,000 | 451,965 | | 35 |
| KZT | 12/10/10 | 40,996,000 | 277,000 | 277,513 | 513 | |
| KZT | 12/10/10 | 20,518,775 | 138,500 | 138,897 | 397 | |
| KZT | 12/10/10 | 20,525,700 | 138,500 | 138,944 | 444 | |
| KZT | 12/15/10 | 17,612,000 | 119,000 | 119,219 | 219 | |
| KZT | 12/15/10 | 17,612,000 | 119,000 | 119,219 | 219 | |
| KZT | 12/20/10 | 15,381,600 | 104,000 | 104,119 | 119 | |
| KZT | 12/20/10 | 61,526,400 | 416,000 | 416,477 | 477 | |
| KZT | 12/20/10 | 17,895,900 | 121,000 | 121,139 | 139 | |
| KZT | 01/28/11 | 34,752,000 | 235,687 | 235,205 | | 482 |
| KZT | 01/31/11 | 35,520,000 | 240,977 | 240,400 | | 577 |
| KZT | 01/31/11 | 17,760,000 | 120,488 | 120,200 | | 288 |
| KZT | 02/07/11 | 32,531,200 | 221,000 | 220,165 | | 835 |
| KZT | 02/10/11 | 32,531,200 | 221,000 | 220,162 | | 838 |
| KZT | 03/29/11 | 35,472,000 | 240,651 | 240,017 | | 634 |
| KZT | 04/01/11 | 56,874,000 | 385,979 | 384,825 | | 1,154 |
| MXN | 10/04/10 | 15,956,169 | 1,245,000 | 1,266,197 | 21,197 | |
| MXN | 10/20/10 | 10,131,210 | 785,000 | 802,989 | 17,989 | |
| MXN | 10/25/10 | 13,400,556 | 1,054,000 | 1,061,713 | 7,713 | |
| MXN | 11/01/10 | 14,984,400 | 1,200,000 | 1,186,573 | | 13,427 |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

September 30, 2010 (unaudited)

Forward Currency Purchase Contracts open at September 30, 2010 (continued):

| Forward Currency Purchase Contracts | Expiration Date | Foreign Currency | U.S. \$ Cost on Origination Date | U.S. \$ Current Value | Unrealized Appreciation | Unrealized Depreciation |
|-------------------------------------|-----------------|------------------|----------------------------------|-----------------------|-------------------------|-------------------------|
| MXN | 03/09/11 | 6,364,080 | \$ 480,000 | \$ 497,542 | \$ 17,542 | \$ |
| MYR | 10/06/10 | 2,198,000 | 676,245 | 711,922 | 35,677 | |
| MYR | 10/06/10 | 3,279,783 | 1,063,656 | 1,062,307 | | 1,349 |
| MYR | 10/25/10 | 1,341,609 | 428,000 | 433,985 | 5,985 | |
| MYR | 11/03/10 | 1,904,126 | 602,000 | 615,576 | 13,576 | |
| PEN | 11/24/10 | 1,425,179 | 511,000 | 511,246 | 246 | |
| PEN | 12/24/10 | 1,424,770 | 511,000 | 511,111 | 111 | |
| PEN | 03/24/11 | 1,426,201 | 511,000 | 511,239 | 239 | |
| PHP | 10/04/10 | 32,168,890 | 701,000 | 733,027 | 32,027 | |
| PHP | 10/04/10 | 16,885,440 | 369,000 | 384,766 | 15,766 | |
| PHP | 10/20/10 | 33,100,350 | 745,000 | 752,999 | 7,999 | |
| PHP | 10/27/10 | 24,397,280 | 556,000 | 554,610 | | 1,390 |
| PHP | 10/28/10 | 32,412,630 | 699,000 | 736,742 | 37,742 | |
| PHP | 11/04/10 | 25,725,400 | 586,000 | 584,316 | | 1,684 |
| PHP | 11/30/10 | 26,094,420 | 573,000 | 591,241 | 18,241 | |
| PHP | 12/06/10 | 25,740,000 | 585,000 | 582,880 | | 2,120 |
| PHP | 01/28/11 | 35,796,950 | 769,000 | 805,941 | 36,941 | |
| PLN | 10/07/10 | 2,615,088 | 827,559 | 899,431 | 71,872 | |
| PLN | 10/18/10 | 3,627,385 | 1,187,574 | 1,246,589 | 59,015 | |
| PLN | 10/18/10 | 3,016,611 | 987,612 | 1,036,690 | 49,078 | |
| PLN | 10/27/10 | 2,528,805 | 857,425 | 868,475 | 11,050 | |
| RON | 10/13/10 | 3,225,000 | 957,130 | 1,029,311 | 72,181 | |
| RON | 10/19/10 | 1,429,085 | 497,367 | 455,760 | | 41,607 |
| RON | 10/21/10 | 1,794,000 | 552,357 | 571,990 | 19,633 | |
| RSD | 10/04/10 | 16,504,000 | 198,716 | 210,936 | 12,220 | |
| RSD | 10/12/10 | 31,579,750 | 393,052 | 402,726 | 9,674 | |
| RSD | 10/18/10 | 17,392,200 | 214,772 | 221,430 | 6,658 | |
| RSD | 10/18/10 | 17,375,800 | 214,543 | 221,221 | 6,678 | |
| RSD | 10/19/10 | 18,083,250 | 221,283 | 230,164 | 8,881 | |
| RSD | 10/21/10 | 21,758,000 | 270,068 | 276,784 | 6,716 | |
| RSD | 11/04/10 | 16,504,000 | 211,780 | 209,163 | | 2,617 |
| RSD | 11/09/10 | 42,293,000 | 515,220 | 535,321 | 20,101 | |
| RSD | 11/10/10 | 20,159,000 | 243,672 | 255,096 | 11,424 | |
| RSD | 11/10/10 | 20,847,000 | 251,988 | 263,803 | 11,815 | |
| RSD | 11/22/10 | 12,944,800 | 159,832 | 163,310 | 3,478 | |
| RUB | 10/07/10 | 13,116,114 | 426,000 | 428,703 | 2,703 | |
| RUB | 10/18/10 | 16,265,600 | 520,000 | 531,276 | 11,276 | |
| RUB | 10/20/10 | 19,597,000 | 626,362 | 640,007 | 13,645 | |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

September 30, 2010 (unaudited)

Forward Currency Purchase Contracts open at September 30, 2010 (continued):

| Forward Currency Purchase Contracts | Expiration Date | Foreign Currency | U.S. \$ Cost on Origination Date | U.S. \$ Current Value | Unrealized Appreciation | Unrealized Depreciation |
|-------------------------------------|-----------------|------------------|----------------------------------|-----------------------|-------------------------|-------------------------|
| RUB | 10/26/10 | 25,288,000 | \$ 814,560 | \$ 825,554 | \$ 10,994 | \$ |
| RUB | 10/27/10 | 18,038,545 | 586,000 | 588,851 | 2,851 | |
| RUB | 10/28/10 | 19,925,120 | 652,000 | 650,395 | | 1,605 |
| RUB | 11/15/10 | 18,060,520 | 586,000 | 588,813 | 2,813 | |
| TRY | 10/28/10 | 2,536,000 | 1,711,663 | 1,745,161 | 33,498 | |
| TWD | 12/22/10 | 24,992,790 | 807,000 | 800,908 | | 6,092 |
| TWD | 12/22/10 | 24,961,310 | 782,977 | 799,899 | 16,922 | |
| TWD | 03/22/11 | 24,823,320 | 807,000 | 797,137 | | 9,863 |
| UAH | 10/07/10 | 2,117,000 | 266,793 | 266,328 | | 465 |
| UAH | 10/18/10 | 1,000,000 | 125,000 | 125,400 | 400 | |
| UAH | 10/18/10 | 1,909,610 | 239,000 | 239,465 | 465 | |
| UAH | 10/25/10 | 998,750 | 125,000 | 124,987 | | 13 |
| UAH | 11/01/10 | 1,914,390 | 239,000 | 239,095 | 95 | |
| UAH | 11/10/10 | 1,612,020 | 201,000 | 200,841 | | 159 |
| UGX | 10/04/10 | 339,578,500 | 149,726 | 151,197 | 1,471 | |
| UGX | 10/06/10 | 252,722,500 | 111,824 | 112,501 | 677 | |
| UGX | 10/07/10 | 672,596,000 | 297,346 | 299,380 | 2,034 | |
| UGX | 10/15/10 | 339,578,500 | 149,605 | 151,024 | 1,419 | |
| UGX | 10/18/10 | 1,095,283,000 | 486,144 | 486,966 | 822 | |
| UGX | 10/18/10 | 1,623,726,000 | 720,056 | 721,913 | 1,857 | |
| UGX | 10/20/10 | 788,837,000 | 350,283 | 350,646 | 363 | |
| UGX | 10/21/10 | 654,141,000 | 290,988 | 290,742 | | 246 |
| UGX | 10/27/10 | 252,722,500 | 111,627 | 112,256 | 629 | |
| UGX | 10/29/10 | 696,239,000 | 310,447 | 309,197 | | 1,250 |
| UGX | 11/10/10 | 339,578,500 | 150,823 | 150,594 | | 229 |
| UGX | 12/01/10 | 243,626,000 | 108,038 | 107,767 | | 271 |
| UYU | 10/04/10 | 2,489,800 | 118,000 | 122,560 | 4,560 | |
| UYU | 10/04/10 | 2,504,950 | 119,000 | 123,305 | 4,305 | |
| UYU | 10/12/10 | 2,912,000 | 140,000 | 143,342 | 3,342 | |
| UYU | 10/29/10 | 5,097,870 | 239,000 | 250,941 | 11,941 | |
| UYU | 11/01/10 | 5,508,075 | 271,000 | 270,004 | | 996 |
| UYU | 11/05/10 | 2,928,380 | 140,000 | 143,548 | 3,548 | |
| UYU | 11/24/10 | 4,965,840 | 242,000 | 243,424 | 1,424 | |
| UYU | 11/24/10 | 4,961,000 | 242,000 | 243,186 | 1,186 | |
| UYU | 12/21/10 | 4,985,200 | 242,000 | 243,180 | 1,180 | |
| ZMK | 10/04/10 | 235,783,500 | 48,080 | 48,649 | 569 | |
| ZMK | 10/06/10 | 1,237,394,000 | 250,118 | 255,266 | 5,148 | |
| ZMK | 10/13/10 | 3,047,118,000 | 621,227 | 628,226 | 6,999 | |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

September 30, 2010 (unaudited)

Forward Currency Purchase Contracts open at September 30, 2010 (concluded):

| Forward Currency Purchase Contracts | Expiration Date | Foreign Currency | U.S. \$ Cost on Origination Date | U.S. \$ Current Value | Unrealized Appreciation | Unrealized Depreciation |
|---|-----------------|------------------|----------------------------------|-----------------------|-------------------------|-------------------------|
| ZMK | 10/13/10 | 1,141,528,000 | \$ 232,727 | \$ 235,350 | \$ 2,623 | \$ |
| ZMK | 10/26/10 | 441,254,000 | 90,323 | 90,873 | 550 | |
| ZMK | 10/26/10 | 3,874,170,000 | 797,154 | 797,860 | 706 | |
| ZMK | 11/04/10 | 226,267,000 | 46,581 | 46,552 | | 29 |
| ZMK | 11/08/10 | 3,436,964,000 | 699,313 | 706,750 | 7,437 | |
| Total Forward Currency Purchase Contracts | | | \$ 86,333,100 | \$ 87,788,717 | \$ 2,007,822 | \$ 552,205 |

Forward Currency Sale Contracts open at September 30, 2010:

| Forward Currency Sale Contracts | Expiration Date | Foreign Currency | U.S. \$ Cost on Origination Date | U.S. \$ Current Value | Unrealized Appreciation | Unrealized Depreciation |
|---------------------------------|-----------------|------------------|----------------------------------|-----------------------|-------------------------|-------------------------|
| BRL | 10/04/10 | 3,266,235 | \$ 1,847,000 | \$ 1,930,399 | \$ | \$ 83,399 |
| BRL | 11/03/10 | 3,287,660 | 1,847,000 | 1,930,968 | | 83,968 |
| BRL | 11/03/10 | 3,069,237 | 1,791,000 | 1,802,680 | | 11,680 |
| EUR | 10/01/10 | 602,837 | 734,000 | 821,817 | | 87,817 |
| EUR | 10/01/10 | 198,570 | 260,000 | 270,700 | | 10,700 |
| EUR | 10/01/10 | 654,523 | 889,693 | 892,278 | | 2,585 |
| EUR | 10/04/10 | 155,875 | 198,716 | 212,496 | | 13,780 |
| EUR | 10/07/10 | 655,000 | 827,559 | 892,909 | | 65,350 |
| EUR | 10/12/10 | 295,000 | 393,052 | 402,135 | | 9,083 |
| EUR | 10/13/10 | 749,651 | 957,130 | 1,021,896 | | 64,766 |
| EUR | 10/18/10 | 764,434 | 987,612 | 1,042,008 | | 54,396 |
| EUR | 10/18/10 | 919,000 | 1,187,574 | 1,252,698 | | 65,124 |
| EUR | 10/18/10 | 164,000 | 214,543 | 223,550 | | 9,007 |
| EUR | 10/18/10 | 164,000 | 214,772 | 223,550 | | 8,778 |
| EUR | 10/19/10 | 307,000 | 497,367 | 418,472 | 78,895 | |
| EUR | 10/19/10 | 171,000 | 221,283 | 233,090 | | 11,807 |
| EUR | 10/21/10 | 419,796 | 552,357 | 572,216 | | 19,859 |
| EUR | 10/21/10 | 205,361 | 270,068 | 279,924 | | 9,856 |
| EUR | 10/27/10 | 635,000 | 857,425 | 865,518 | | 8,093 |
| EUR | 10/29/10 | 2,860,284 | 3,724,090 | 3,898,569 | | 174,479 |
| EUR | 11/04/10 | 154,214 | 211,780 | 210,185 | 1,595 | |
| EUR | 11/09/10 | 397,379 | 515,220 | 541,582 | | 26,362 |
| EUR | 11/10/10 | 190,000 | 243,672 | 258,946 | | 15,274 |
| EUR | 11/10/10 | 195,380 | 251,988 | 266,279 | | 14,291 |
| EUR | 11/22/10 | 121,376 | 159,832 | 165,405 | | 5,573 |
| EUR | 11/30/10 | 550,183 | 699,832 | 749,709 | | 49,877 |
| EUR | 12/09/10 | 886,132 | 1,238,316 | 1,207,408 | 30,908 | |
| EUR | 12/09/10 | 2,405,493 | 2,980,361 | 3,277,627 | | 297,266 |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (concluded)

September 30, 2010 (unaudited)

Forward Currency Sale Contracts open at September 30, 2010 (concluded):

| Forward Currency Sale Contracts | Expiration Date | Foreign Currency | U.S. \$ Cost on Origination Date | U.S. \$ Current Value | Unrealized Appreciation | Unrealized Depreciation |
|--|-----------------|------------------|----------------------------------|-----------------------|-------------------------|-------------------------|
| EUR | 12/14/10 | 1,352,937 | \$ 1,719,584 | \$ 1,843,387 | | \$ 123,803 |
| EUR | 12/15/10 | 455,404 | 586,000 | 620,487 | | 34,487 |
| EUR | 12/24/10 | 2,207,173 | 2,960,923 | 3,007,062 | | 46,139 |
| HUF | 12/09/10 | 917,154,900 | 4,872,458 | 4,486,944 | 385,514 | |
| ILS | 10/01/10 | 1,930,734 | 520,000 | 530,072 | | 10,072 |
| ILS | 10/01/10 | 8,573,266 | 2,327,004 | 2,353,741 | | 26,737 |
| INR | 10/04/10 | 19,859,850 | 439,864 | 441,968 | | 2,104 |
| INR | 10/06/10 | 37,168,920 | 828,000 | 826,869 | 1,131 | |
| JPY | 10/21/10 | 137,236,432 | 1,585,000 | 1,644,181 | | 59,181 |
| JPY | 11/10/10 | 9,197,388 | 108,000 | 110,211 | | 2,211 |
| JPY | 11/24/10 | 103,324,000 | 1,214,048 | 1,238,293 | | 24,245 |
| JPY | 12/24/10 | 140,461,126 | 1,647,590 | 1,684,075 | | 36,485 |
| KRW | 10/04/10 | 782,562,500 | 685,737 | 686,308 | | 571 |
| KRW | 11/19/10 | 640,750,000 | 550,000 | 560,881 | | 10,881 |
| KZT | 10/01/10 | 53,503,600 | 362,736 | 362,245 | 491 | |
| MXN | 10/04/10 | 15,956,169 | 1,280,078 | 1,266,197 | 13,881 | |
| MYR | 10/06/10 | 1,138,059 | 355,000 | 368,612 | | 13,612 |
| MYR | 10/06/10 | 2,297,471 | 741,000 | 744,140 | | 3,140 |
| MYR | 11/03/10 | 500,903 | 161,000 | 161,935 | | 935 |
| PHP | 10/04/10 | 49,054,330 | 1,119,195 | 1,117,793 | 1,402 | |
| RON | 10/19/10 | 1,429,085 | 418,556 | 455,760 | | 37,204 |
| RSD | 10/04/10 | 16,504,000 | 211,602 | 210,936 | 666 | |
| TWD | 12/22/10 | 26,701,750 | 841,000 | 855,673 | | 14,673 |
| TWD | 12/22/10 | 23,252,350 | 737,000 | 745,135 | | 8,135 |
| TWD | 03/22/11 | 24,823,320 | 782,576 | 797,137 | | 14,561 |
| UGX | 10/04/10 | 339,578,500 | 151,260 | 151,197 | 63 | |
| UGX | 10/06/10 | 252,722,500 | 112,571 | 112,501 | 70 | |
| UYU | 10/04/10 | 4,994,750 | 246,350 | 245,865 | 485 | |
| ZMK | 10/04/10 | 235,783,500 | 48,615 | 48,649 | | 34 |
| Total Forward Currency Sale Contracts | | | \$ 52,385,989 | \$ 53,543,268 | 515,101 | 1,672,380 |
| Gross unrealized appreciation/depreciation on Forward Currency Purchase and Sale Contracts | | | | | \$ 2,522,923 | \$ 2,224,585 |

See Notes to Portfolio of Investments.

Lazard Global Total Return & Income Fund, Inc.

Notes to Portfolio of Investments

September 30, 2010 (unaudited)

- (a) Non-income producing security.
- (b) For federal income tax purposes, the aggregate cost was \$176,332,877, aggregate gross unrealized appreciation was \$13,366,691, aggregate gross unrealized depreciation was \$25,168,213, and the net unrealized depreciation was \$11,801,522.
- (c) Segregated security for forward currency contracts.
- (d) Principal amount denominated in respective country's currency.

Security Abbreviations:

ADR American Depositary Receipt

NTN-F Brazil Sovereign Nota do Tesouro Nacional Series F

Currency Abbreviations:

| | | | |
|-----|-------------------|-----|----------------------|
| ARS | Argentine Peso | MXN | Mexican New Peso |
| BRL | Brazilian Real | MYR | Malaysian Ringgit |
| CLP | Chilean Peso | PEN | Peruvian New Sol |
| CNY | Chinese Renminbi | PHP | Philippine Peso |
| EUR | Euro | PLN | Polish Zloty |
| GHC | Ghanaian Cedi | RON | New Romanian Leu |
| HUF | Hungarian Forint | RSD | Serbian Dinar |
| IDR | Indonesian Rupiah | RUB | Russian Ruble |
| ILS | Israeli Shekel | TRY | New Turkish Lira |
| INR | Indian Rupee | TWD | New Taiwan Dollar |
| JPY | Japanese Yen | UAH | Ukrainian Hryvnia |
| KES | Kenyan Shilling | UGX | Ugandan Shilling |
| KRW | South Korean Won | UYU | Uruguayan Peso |
| KZT | Kazakhstani Tenge | ZMK | Zambian Kwacha |

Portfolio holdings by industry (as percentage of net assets):

| | |
|--------------------|------|
| Alcohol & Tobacco | 1.8% |
| Banking | 9.6 |
| Cable Television | 1.8 |
| Computer Software | 8.7 |
| Energy Integrated | 7.0 |
| Energy Services | 1.9 |
| Financial Services | 4.0 |
| Food & Beverages | 3.6 |
| Gas Utilities | 1.8 |
| Housing | 1.0 |

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| | |
|--------------------------------|--------|
| Insurance | 1.4 |
| Manufacturing | 7.3 |
| Metal & Mining | 1.9 |
| Pharmaceutical & Biotechnology | 16.2 |
| Retail | 7.4 |
| Semiconductors & Components | 2.5 |
| Technology Hardware | 6.5 |
| Telecommunications | 3.3 |
| Subtotal | 87.7 |
| Foreign Government Obligations | 10.5 |
| Short-Term Investment | 8.1 |
| Total Investments | 106.3% |

Lazard Global Total Return & Income Fund, Inc.

Notes to Portfolio of Investments (continued)

September 30, 2010 (unaudited)

Valuation of Investments:

Market values for securities are generally based on the last reported sales price on the principal exchange or market on which the security is traded, generally as of the close of regular trading on the NYSE (normally 4:00 p.m. Eastern time) on each valuation date. Any securities not listed, for which current over-the-counter market quotations or bids are readily available, are valued at the last quoted bid price or, if available, the mean of two such prices. Securities listed on foreign exchanges are valued at the last reported sales price except as described below; securities listed on foreign exchanges that are not traded on the valuation date are valued at the last quoted bid price. Forward currency contracts are valued at the current cost of offsetting the contracts.

Bonds and other fixed-income securities that are not exchange-traded are valued on the basis of prices provided by pricing services which are based primarily on institutional trading in similar groups of securities, or by using brokers' quotations.

If a significant event materially affecting the value of securities occurs between the close of the exchange or market on which the security is principally traded and the time when the Fund's net asset value is calculated, or when current market quotations otherwise are determined not to be readily available or reliable, such securities will be valued at their fair values as determined by, or in accordance with procedures approved by, the Board of Directors (the "Board"). The Valuation Committee of the Investment Manager may evaluate a variety of factors to determine the fair value of securities for which current market quotations are determined not to be readily available or reliable. These factors include, but are not limited to, the type of security, the value of comparable securities, observations from financial institutions and relevant news events. Input from the Investment Manager's analysts will also be considered.

Fair Value Measurements:

Fair value is defined as the price that the Fund would receive to sell an asset, or would pay to transfer a liability, in an orderly transaction between market participants at the date of measurement. Fair Value Measurements and Disclosures provisions of accounting principles generally accepted in the United States of America ("GAAP") also establish a framework for measuring fair value, and a three-level hierarchy for fair value measurement that is based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer, broadly, to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's own assumptions about the assumptions that market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. Each investment's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the overall fair value measurement. The three-level hierarchy of inputs is summarized below.

Level 1 unadjusted quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including unadjusted quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)
The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in these securities.

Lazard Global Total Return & Income Fund, Inc.

Notes to Portfolio of Investments (concluded)

September 30, 2010 (unaudited)

The following table summarizes the valuation of the Fund's investments by each fair value hierarchy level as of September 30, 2010:

| Description | Unadjusted Quoted Prices in Active Markets for Identical Investments (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Balance as of September 30, 2010 |
|--------------------------------|--|---|--|--|
| Assets: | | | | |
| Common Stocks* | \$ 135,698,305 | \$ | \$ | \$ 135,698,305 |
| Foreign Government Obligations | | 15,264,899 | 942,164 | 16,207,063 |
| Short-Term Investment | | 12,625,987 | | 12,625,987 |
| Other Financial Instruments** | | | | |
| Forward Currency Contracts | | 2,522,923 | | 2,522,923 |
| Total | \$ 135,698,305 | \$ 30,413,809 | \$ 942,164 | \$ 167,054,278 |
| Liabilities: | | | | |
| Other Financial Instruments** | | | | |
| Forward Currency Contracts | \$ | \$ (2,224,585) | \$ | \$ (2,224,585) |

* Please refer to the Notes to Portfolio of Investments, on page 15, for portfolio holdings by industry.

** Other financial instruments are derivative instruments which are valued at the unrealized appreciation/depreciation on the instruments. Following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining fair value during the period ended September 30, 2010:

| Description | Balance as of December 31, 2009 | Accrued Discounts | Realized Loss | Change in Unrealized Appreciation | Purchases | Sales | Net Transfers into Level 3 | Net Transfers out of Level 3 | Balance as of September 30, 2010 | Net Change in Unrealized Appreciation from Investments Still Held at September 30, 2010 |
|--------------------------------------|---|----------------------|------------------|---|------------|--------------|--|--|--|--|
| Foreign Government Obligations | \$ 1,490,542 | \$ 36,327 | \$ (230,827) | \$ 265,859 | \$ 204,574 | \$ (824,311) | \$ | \$ 942,164 | \$ 49,862 | |
| Supranationals | 664,021 | 1,509 | (180,270) | 177,396 | | (662,656) | | | | |

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Total \$ 2,154,563 \$ 37,836 \$ (411,097) \$ 443,255 \$ 204,574 \$ (1,486,967) \$ \$ 942,164 \$ 49,862

Effective March 31, 2010, the Fund adopted Financial Accounting Standards Board Accounting Standards Update (ASU) 2010-06, *Fair Value Measurements and Disclosures (Topic 820)*. The ASU amends GAAP to add new requirements for disclosures about transfers into and out of Levels 1 and 2 of the fair value hierarchy. It also clarifies existing fair value disclosure about the level of disaggregation and about inputs and valuation techniques used to measure fair value for investments that fall in either Levels 2 or 3 fair value hierarchy. Additionally, the ASU amends disclosures about providing purchases, sales, issuances, and settlements on a gross basis relating to Level 3 measurements. The ASU guidance is effective for fiscal years beginning after December 15, 2009, and for interim periods within those fiscal years, except for the requirement to provide the Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. There were no significant transfers into and out of Levels 1, 2, and 3 during the period ended September 30, 2010.

Lazard Global Total Return & Income Fund, Inc.

Dividend Reinvestment Plan

(unaudited)

Unless you elect to receive distributions in cash (i.e., opt-out), all dividends, including any capital gain distributions, on your common stock will be automatically reinvested by Computershare, Inc., as dividend disbursing agent (the Plan Agent), in additional common stock under the Fund's Dividend Reinvestment Plan (the Plan). You may elect not to participate in the Plan by contacting the Plan Agent. If you do not participate, you will receive all distributions in cash, paid by check mailed directly to you by the Plan Agent.

Under the Plan, the number of shares of common stock you will receive will be determined on the dividend or distribution payment date, as follows:

- (1) If the common stock is trading at or above net asset value at the time of valuation, the Fund will issue new shares at a price equal to the greater of (i) net asset value per common share on that date or (ii) 95% of the common stock's market price on that date.
- (2) If the common stock is trading below net asset value at the time of valuation, the Plan Agent will receive the dividend or distribution in cash and will purchase common stock in the open market, on the NYSE or elsewhere, for the participants' accounts. It is possible that the market price for the common stock may increase before the Plan Agent has completed its purchases. Therefore, the average purchase price per share paid by the Plan Agent may exceed the market price at the time of valuation, resulting in the purchase of fewer shares than if the dividend or distribution had been paid in common stock issued by the Fund. The Plan Agent will use all dividends and distributions received in cash to purchase common stock in the open market within 30 days of the valuation date. Interest will not be paid on any uninvested cash payments.

You may withdraw from the Plan at any time by giving written notice to the Plan Agent. If you withdraw or the Plan is terminated, you will receive whole shares in your account under the Plan and you will receive a cash payment for any fraction of a share in your account. If you wish, the Plan Agent will sell your shares and send you the proceeds, minus an initial \$15 service fee plus \$0.12 per share being liquidated (for processing and brokerage expenses).

The Plan Agent maintains all stockholders' accounts in the Plan and gives written confirmation of all transactions in the accounts, including information you may need for tax records. Shares of common stock in your account will be held by the Plan Agent in non-certificated form. Any proxy you receive will include all common stock you have received under the Plan.

There is no brokerage charge for reinvestment of your dividends or distributions in newly-issued shares of common stock. However, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases.

Automatically reinvesting dividends and distributions does not mean that you do not have to pay income taxes due upon receiving dividends and distributions.

If you hold your common stock with a brokerage firm that does not participate in the Plan, you will not be able to participate in the Plan and any dividend reinvestment may be effected on different terms than those described above. Consult your financial advisor for more information.

The Fund reserves the right to amend or terminate the Plan if, in the judgment of the Board, the change is warranted. There is no direct service charge to participants in the Plan (other than the service charge when you direct the Plan Agent to sell your common stock held in a dividend reinvestment account); however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants. Additional information about the Plan may be obtained from the Plan Agent at P.O. Box 43010, Providence, Rhode Island 02940-3010.

Lazard Global Total Return & Income Fund, Inc.

Board of Directors and Officers Information
(unaudited)

| Name (Age) | Position(s) with the Fund ⁽¹⁾ | Principal Occupation(s) During Past 5 Years and Other Directorships Held |
|--|--|--|
| Board of Directors: | | |
| <u>Class I Directors with Term Expiring in 2012</u> | | |
| Independent Directors: | | |
| Leon M. Pollack (69) | Director | Former Managing Director, Donaldson, Lufkin & Jenrette; Trustee, Adelphi University |
| Robert M. Solmson (63) | Director | President, Fairwood Capital, LLC, a private investment corporation engaged primarily in real estate and hotel investments; Director, Colonial Williamsburg Co.; Former Chief Executive Officer and Chairman, RFS Hotel Investors, Inc.; Former Director, Morgan Keegan & Co., Inc.; Former Director, Independent Bank, Memphis |
| Interested Director: | | |
| Charles L. Carroll (50) | Chief Executive Officer, President and Director | Deputy Chairman and Head of Global Marketing of the Investment Manager |
| <u>Class II Directors with Term Expiring in 2013</u> | | |
| Independent Directors: | | |
| Kenneth S. Davidson (65) ⁽²⁾ | Director | President, Davidson Capital Management Corporation; Partner, Aquiline Holdings LLC; Trustee, The Juilliard School; Chairman of the Board, Bridgehampton Chamber Music Festival; Trustee, American Friends of the National Gallery, London |
| Nancy A. Eckl (48) | Director | Former Vice President, Trust Investments, American Beacon Advisors, Inc. (American Beacon) and Vice President of certain funds advised by American Beacon; Trustee, College Retirement Equities Fund (eight accounts); Trustee, TIAA-CREF Funds (49 funds) and TIAA-CREF Life Funds (10 funds), and Member of the Management Committee of TIAA Separate Account VA-1 |
| Lester Z. Lieberman (80) | Director | Private Investor; Chairman, Healthcare Foundation of New Jersey; Director, Cives Steel Co.; Director, Northside Power Transmission Co.; Advisory Trustee, New Jersey Medical School; Director, Public Health Research Institute; Trustee Emeritus, Clarkson University; Council of Trustees, New Jersey Performing Arts Center |
| <u>Class III Directors with Term Expiring in 2011</u> | | |
| Independent Director: | | |
| Richard Reiss, Jr. (66) | Director | Chairman, Georgica Advisors LLC, an investment manager; Director, O Charley s, Inc., a restaurant chain |
| Interested Director: | | |
| Ashish Bhutani (50) | Director | Chief Executive Officer of the Investment Manager; Vice Chairman of Lazard Ltd (since January 2010) |

- (1) Each Director also serves as a Director of The Lazard Funds, Inc., Lazard Retirement Series, Inc. and Lazard World Dividend & Income Fund, Inc. (collectively, with the Fund, the Lazard Funds). All of the Independent Directors, except Mr. Lieberman, are also board members of Lazard Alternative Strategies Fund, L.L.C., a privately-offered fund registered under the Investment Company Act of 1940 and advised by an affiliate of the Investment Manager.
- (2) It is possible that Mr. Davidson could be deemed to be an affiliate of a company that has an indirect ownership interest in a broker-dealer that the Investment Manager may use to execute portfolio transactions for clients other than the Fund, and thus an interested person (as defined in the 1940 Act) of the Fund. However, due to the structure of Mr. Davidson's relationship with the company and the remote nature of any deemed affiliation with the broker-dealer, Mr. Davidson is not identified as an interested person (as defined in the 1940 Act) of the Fund. Mr. Davidson participates in Fund Board meetings as if his status were that of an interested person (as defined in the 1940 Act).

Lazard Global Total Return & Income Fund, Inc.

Board of Directors and Officers Information (concluded)
(unaudited)

| Name (Age) | Position(s) with the Fund ⁽¹⁾ | Principal Occupation(s) During Past 5 Years |
|--------------------------------|--|--|
| Officers⁽²⁾: | | |
| Nathan A. Paul (37) | Vice President and Secretary | Managing Director and General Counsel of the Investment Manager |
| Stephen St. Clair (52) | Treasurer | Vice President of the Investment Manager |
| Brian D. Simon (48) | Chief Compliance Officer and Assistant Secretary | Director (since January 2006) and Chief Compliance Officer (since January 2009); and previously Senior Vice President (2002 to 2005) of the Investment Manager |
| Tamar Goldstein (35) | Assistant Secretary | Vice President (since March 2009) and previously Counsel (October 2006 to February 2009) of the Investment Manager; Associate at Schulte Roth & Zabel LLP, a law firm, from May 2004 to October 2006 |
| Cesar A. Trelles (35) | Assistant Treasurer | Fund Administration Manager of the Investment Manager |

(1) Each officer also serves as an officer for each of the Lazard Funds.

(2) In addition to Charles L. Carroll, President, whose information is included in the Class I Interested Director section.

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Lazard Global Total Return & Income Fund, Inc.

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<http://www.LazardNet.com>

Investment Manager

Lazard Asset Management LLC
30 Rockefeller Plaza
New York, New York 10112-6300
Telephone: 800-823-6300

Custodian

State Street Bank and Trust Company
One Lincoln Street
Boston, Massachusetts 02111

Transfer Agent and Registrar

Computershare Trust Company, N.A.
P.O. Box 43010
Providence, Rhode Island 02940-3010

Dividend Disbursing Agent

Computershare, Inc.
P.O. Box 43010
Providence, Rhode Island 02940-3010

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
Two World Financial Center
New York, New York 10281-1414

Legal Counsel

Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, New York 10038-4982
<http://www.stroock.com>

Lazard Asset Management LLC
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This report is intended only for the information of stockholders of Lazard Global Total Return & Income Fund, Inc.
