CBRE CLARION GLOBAL REAL ESTATE INCOME FUND
Form N-CSRS
September 01, 2016
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number 811-21465

CBRE Clarion Global Real Estate Income Fund

(Exact name of registrant as specified in charter)

201 King of Prussia Road, Suite 600

Radnor, PA 19087

(Address of principal executive offices) (Zip code)

T. Ritson Ferguson, President and Chief Executive Officer

CBRE Clarion Global Real Estate Income Fund

201 King of Prussia Road, Suite 600

Radnor, PA 19087

(Name and address of agent for service)

Registrant s telephone number, including area code: 1-877-711-4272

Date of fiscal year end: December 31

Date of reporting period: June 30, 2016

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

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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Item 1. Reports to Stockholders.

The semi-annual report of CBRE Clarion Global Real Estate Income Fund (the Trust) transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

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CBRE CLARION GLOBAL REAL ESTATE

INCOME FUND

Semi-Annual Report for the Six Months Ended June 30, 2016

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CBRE Clarion Global Real Estate Income Fund (the Trust), acting in accordance with an exemptive order received from the Securities and Exchange Commission (SEC) and with approval of its Board of Trustees (the Board), has adopted a managed distribution policy (the Policy) with the purpose of distributing over the course of each year, through periodic distributions as nearly equal as practicable and any required special distributions, an amount closely approximating the total taxable income of the Trust during such year and all of the returns of capital paid by portfolio companies to the Trust during such year. In accordance with its Policy, the Trust distributes a fixed amount per common share, currently $0.05, each month to its common shareholders. This amount is subject to change from time to time in the discretion of the Board. Although the level of distributions is independent of fund performance, the Trust expects such distributions to correlate with its performance over time. Each monthly distribution to shareholders is expected to be at the fixed amount established by the Board, except for extraordinary distributions and potential increases or decreases in the final dividend periods for each year in light of the Trust s performance for the entire calendar year and to enable the Trust to comply with the distribution requirements imposed by the Internal Revenue Code. Over time, the Trust expects that the distribution rate in relation to the Trust s Net Asset Value (NAV) will approximately equal the Trust s total return on NAV.

The fixed amount of distributions will be reviewed and amended as necessary by the Board at regular intervals with consideration of the level of investment income and realized gains. The Board strives to establish a level regular distribution that will meet the Trust s requirement to pay out all taxable income (including amounts representing return of capital paid by portfolio companies) with a minimum of special distributions. The Trust s total return in relation to changes in NAV is presented in the financial highlights table. Shareholders should not draw any conclusions about the Trust s investment performance from the amount of the current distribution or from the terms of the Trust s managed distribution policy. The Board may amend or terminate the managed distribution policy without prior notice to Trust shareholders.

Shareholders should note that the Trust s Policy is subject to change or termination as a result of many factors. The Trust is subject to risks through ownership of its portfolio company holdings including, but not limited to, declines in the value of real estate held by the portfolio company, risks related to general and local economic conditions, and portfolio company losses. Moreover, an economic downturn could have a material adverse effect on the real estate markets and on real estate companies in which the Trust invests, which in turn could result in the Trust not achieving its investment or distribution objectives thereby jeopardizing the continuance of the Policy. Please refer to the prospectus for a fuller description of the Trust s risks.

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CBRE CLARION GLOBAL REAL ESTATE INCOME FUND SEMI-ANNUAL REPORT 2016 (unaudited)

Investors should consider a fund s investment objectives, risks, charges and expenses carefully before investing. A copy of the prospectus that contains this and other information about the Fund may be obtained by calling 888-711-4272. Please read the prospectus carefully before investing. Investing in closed-end funds involves risk, including possible loss of principal. Past performance does not guarantee future results.

Real Estate investments are subject to changes in economic conditions, credit risk, and interest rate fluctuations. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Because real estate funds concentrate their investments in the real estate industry, the portfolio may experience more volatility and be exposed to greater risk than the portfolios of other funds.

Closed-end funds are traded on the secondary market through one of the stock exchanges. The Fund s investment return and principal value will fluctuate so that an investor s shares may be worth more or less than the original cost. Shares of closed-end funds may trade above (a premium) or below (a discount) the net asset value (NAV) of the fund s portfolio. There is no assurance that the Fund will achieve its investment objective.

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Letter to Shareholders

T. Ritson Ferguson

Steven D. Burton

Dear Shareholder:

We are pleased to present the 2016 Semi-Annual Report for the CBRE Clarion Global Real Estate Income Fund (the Trust).

Performance Review

Real estate stocks have delivered a nearly 10% total return year-to-date. Real estate shares were positive year-to-date as investors seek above-average yield underpinned by stable earnings growth in a low growth world. This is despite much uncertainty in the global economic outlook, which was made cloudier following the June 23rd Brexit referendum vote. Returns were driven by property companies in North America and the Asia-Pacific regions, offsetting negative total return in Europe, which was beset by concerns surrounding the Brexit vote, which put the future relationship between the U.K. and the European Union into question. Currency movements had a material impact on returns as well. The British pound weakened by approximately 8% versus the U.S. dollar following the Brexit vote, adversely affecting U.S. dollar returns on U.K. shares.

The S&P Developed Property Index [(1)] rose 9.5% year-to-date, while the MSCI REIT Preferred Index [(2)] advanced 6.0%, as bond yields moved lower during the year thus generating a continued bid for yield including preferred real estate securities. The Trust s net asset value (NAV) return (i.e., increase in the Trust s NAV plus dividends) was 9.4% for the six months ended June 30, 2016. The market price return (i.e., stock price appreciation plus reinvested dividends) on the Trust s shares was 12.0%, higher than the NAV return due to a tightening of the discount of the Trust s share price to its NAV (from a 15% discount at the end of 2015 to a 14% discount at June 30).

Global Real Estate Market Performance

Region/Country	1Q16	2Q16	YTD
Global Real Estate Common Stocks	**5.6%**	**3.7%**	**9.5%**
North America	6.5%	6.6%	13.5%
Canada	18.8%	9.0%	29.6%
United States	6.2%	6.5%	13.1%
Europe	2.3%	-4.8%	-2.6%
Cont. Europe	8.8%	-0.8%	7.9%
United Kingdom	-9.7%	-13.5%	-21.9%
Asia- Pacific	5.8%	3.1%	9.1%

Australia	11.9%	4.5%	16.9%
Hong Kong	-1.9%	3.4%	1.4%
Japan	6.9%	2.7%	9.8%
Singapore	7.1%	2.1%	9.3%
Preferred Stocks	**2.5%**	**3.4%**	**5.9%**

Source: Common Stocks represented by the S&P Developed Property Index. Preferred Stocks represented by the MSCI REIT Preferred Index as of 06/30/2016. Please note that not all countries are displayed. **Past performance is no guarantee of future results.**

(1) The S&P Developed Property Index is an unmanaged market-weighted total return index which consists of over 350 real estate companies from 22 developed markets with a free float total market capitalization of at least U.S. $100 million that derive more than 60% of their revenue from real estate development, management, rental and/or direct investment in physical property.

(2) The MSCI REIT Preferred Index is a preferred stock market capitalization weighted index of all exchange traded preferred securities of equity REITs.

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The Trust s positive total year-to-date return was primarily driven by its investments in North America, Australia, and Japan. The largest detractor from the Trust s performance was its exposure to the U.K., which underperformed other global markets. In general, geographies, sectors and companies with above-average dividend yields tended to out-perform lower yielding ones. For example, the Trust s positions in the U.S. net lease, health care and industrial sectors all performed well. In addition, the Trust benefited from its investments in Australian and Canadian REITs, as these two geographies were the top two performing countries year-to-date. In the Asian region, investments in Japanese REITs added value, as did our strategy to avoid investments in companies with significant office portfolios and development activities.

Leverage remains about the same as it was six months ago (12.0% as of June 30). The Trust continues to employ a relatively limited degree of leverage in order to reduce the potential volatility of its returns.

The Trust has made distributions of $0.30 per share in 2016, consisting of six regular monthly distributions of $0.05. The current annualized distribution of $0.60 per share represents a 7.3% distribution rate on the Trust s $8.23 share price and a 6.3% distribution rate on its $9.57 NAV as of June 30th. [(3)]

The Trust s monthly distribution is set by its Board of Trustees. The Board reviews the Trust s distribution on a quarterly basis in view of its net investment income, realized and unrealized gains, and other net unrealized appreciation or income expected during the remainder of the year. Based on anticipated income and expected gains in global property company stocks, the Board has decided to maintain the monthly distribution at the current level rate of $0.05 per share. The Trust strives to establish a level monthly distribution that, over the course of the year, will serve to distribute an amount closely approximating the Trust s net investment income and net realized capital gains during the year. The Board will continue to review the level and sustainability of the Trust s regular monthly distribution in light of future market conditions.

Portfolio Review

The Trust s investments remain well-diversified by property type and geography as shown in the charts below. At June 30th, the Trust s portfolio was approximately 49% invested in common stock within the Americas region, 16% in Europe, 18% in Asia-Pacific, with 17% invested in preferred stock of U.S. real estate companies. During the period, capital was rotated to the U.S. from the Asia-Pacific region and Europe. Positions in U.S. preferred stocks were increased by approximately 9% during the period, which doubles the position from six months ago. Preferred stocks have modestly trailed the performance of common shares year-to-date, but offer dividend yields in the 6% range. We also increased the Trust s positions in U.S. common stocks featuring attractive dividend yields and reasonable valuations, including companies in the health care and net lease sectors. Within the Asia-Pacific region, capital was rotated from the Japanese real estate operating companies (REOCs) to Australian REITs, which remain an important investment focus given the attractive combination of current yield and steady growth in cash flow per share. Investments in the Asia-Pacific region continue to be centered on companies which have above average dividend yield and landlord oriented business models generating steady cash flow. By property type, we continue to favor retail properties, including top-quality malls and shopping centers, where cash flow growth continues to benefit from gradual economic recovery, as well as sectors which offer an attractive combination of current yield and growth. In the U.S., this includes health care REITs, net lease REITs and certain Central Business District office REITs as well as the industrial and apartment sectors, which stand to benefit from the gradual improvement in economic activity. A number of the Trust s investments in the Asia-Pacific region are categorized in the diversified property type as companies in this region tend to own a mix of high quality office, retail and residential properties, despite being specialized by geography.

Geographic Diversification

Sector Diversification

Source CBRE Clarion Securities as of 06/30/2016. Geographic and Sector diversification are unaudited. Percentages presented are based on managed trust assets, which includes borrowings. The percentages in the pie charts will differ from those on the Portfolio of Investments because the figures on the Portfolio of Investments are calculated using net assets of the Trust.

(3) Distributions are subject to re-characterization for tax purposes after the end of the fiscal year. The Fund is currently paying distributions in excess of its net investment income, which may result in a return of capital. Absent this, the distribution rate would have been lower. The estimated composition of each distribution, including any return of capital, will be provided to shareholders of record and is also available at www.cbreclarion.com.

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Market Outlook

Global property stocks continue to offer prospects for positive total returns for the balance of 2016 and over the next twelve months. Investors globally are seeking dependable yield underpinned by visible earnings growth. With dividend yield in the 3.5% range globally on a weighted average basis, and earnings growth expected in the 6% range this year and next, we expect listed real estate companies to continue to perform. We believe that global property companies will generate positive total return during the remainder of the year and over the coming twelve months, benefitting from attractive cash flow and dividend yields, stable underlying earnings growth, conservative and well-managed balance sheets, and a strong bid by private capital seeking investments in hard assets. Positive yet sluggish economic growth combined with historically low long-term interest rates bodes well for real estate and real estate securities compared to other asset classes. The slower pace of economic activity, subdued development starts, a low inflation/low interest rate environment, and a wide spread between initial yields on real estate and high quality bonds should support investor demand for real estate. It appears that central bank policy will remain accommodative, with continued monetary stimulus to help mitigate any economic slowdown. We expect that the U.S. Federal Reserve Bank will raise policy rates only after seeing a very consistent stream of positive economic data. Listed property company earnings will generally be unaffected in this environment, with stable to improving occupancies, higher rents, and active transaction markets. While risks have become more elevated in the aftermath of the Brexit vote, we continue to believe any meaningful volatility creates a potential opportunity to buy high quality real estate companies with visible earnings at discounted prices.

Earnings growth is steady in the 6-7% range. We forecast that listed property company earnings growth will generally be solid, even in the U.K. as a result of long lease lengths, based on a continuation of trends seen over the past several years including improving occupancies, higher trending rents, and an active transaction market. Low levels of new construction globally suggest that owners of existing properties should continue to enjoy improved pricing power as incremental demand for space exceeds incremental new supply. Earnings growth will be generated by a combination of internal growth which is the organic growth derived from improving operating trends, such as higher occupancies, rising rental rates for newly signed leases, and smaller concessions packages for new tenants as well as external growth which includes value-adding acquisitions, development and re-development activities. Companies with management teams which actively and intelligently deploy capital so that it is value-added to shareholders will be rewarded disproportionately.

Regional Earnings Growth Forecast

Source: CBRE Clarion as of 06/30/2016.

Information is the opinion of CBRE Clarion, which is subject to change and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. e refers to estimates . f refers to forecasts . Forecasts and the factors noted are not indicative of future investment performance

Dividend growth remains strong. Current income generated by listed property companies dividend yield remains a defining investment characteristic of the sector. The dividend yield currently averages 3-4% globally and is growing at a very healthy clip. We project average dividend growth to be slightly ahead of earnings in 2016 and 2017, driven by a combination of improving company cash flows as well as an expansion of dividend payout policies, which remain conservative. Increasing dividends are emblematic of healthy companies in improving markets.

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Forecasted Dividend Growth

Source: CBRE Clarion universe as of 06/30/2016. Information is the opinion of CBRE Clarion and is subject to change and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Forecasts and any factors discussed are not indicative of future investment performance.

Current Dividend Growth

Source: CBRE Clarion, FactSet and Bloomberg as of 06/30/2016. Not all countries included. Historical spread is from 1990 for all countries except: Canada is from June 1994 and Singapore is from June 1998. Past performance is no guarantee of future results. Yields fluctuate and are not guaranteed. This information is subject to change and should not be construed as investment advice.

Listed real estate remains attractively valued versus private market real estate, particularly in U.S. core property types. The strength in listed real estate companies has brought valuations to a modest discount with the private market on a global weighted average basis. Disparities persist, however. In the U.S., real estate value largely resides in the core real estate sectors of apartments, retail, office, industrial and lodging, as a number of the specialty sectors trade well above our estimates of net asset value (NAV). Post-Brexit, U.K. property companies trade at material discounts to our revised NAV estimates as the sell-off has been severe and uncertainty persists. Looking out over the next six to twelve months, we expect long-term interest rates to remain low given continued sluggish economic growth globally, generally accommodative central bank policy, a decelerating China, implications of Brexit and current negative rates in Europe and Japan. The yield curve is expected to remain flatter than in many previous economic recoveries, meaning yields on longer-dated debt should remain relatively stable. Given the significant current spread between cap rates and government bond yields, we do not forecast a material increase in cap rates this year. A significant amount of dry powder from investors in the private markets, including private equity, pension funds and sovereign wealth, is also underpinning demand for property. Over $250 billion of estimated dry powder remains available in the U.S. alone for prospective investment in commercial property.

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NAV Premium/Discount by Region

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U.S. REITS will benefit from their own GICS classification and a streamlined regulatory environment. U.S. REITs will benefit from their own GICS (Global Industry Classification Standard) sector beginning in September 2016, as equity REITs move from the Financials classification sector into a new Real Estate sector. Real Estate is the first new sector created since GICS was defined in 1999. GICS is the leading global listed equity classification system, maintained by S&P Dow Jones Indices and MSCI, Inc. and, as such, is a significant acknowledgement by leading index providers that REITs deserve a distinct classification among major U.S. equity sectors. As a standalone sector, U.S. REITs may demand a more visible asset allocation from institutional investors, who we believe will have to dedicate more specific resources to cover the sector. We believe that this will be positive for U.S. REIT demand.

We appreciate your continued faith and confidence.

Sincerely,

CBRE CLARION SECURITIES, LLC

T. Ritson Ferguson, CFA	Steven D. Burton, CFA
President & CEO	Co-Portfolio Manager
Co-Portfolio Manager	

The views expressed represent the opinion of CBRE Clarion Securities which are subject to change and are not intended as a forecast or guarantee of future results. This material is for informational purposes only. It does not constitute investment advice and is not intended as an endorsement of any specific investment. Stated information is derived from proprietary and non-proprietary sources which have not been independently verified for accuracy or completeness. While CBRE Clarion Securities believes the information to be accurate and reliable, we do not claim or have responsibility for its completeness, accuracy, or reliability. Statements of future expectations, estimates, projections, and other forward-looking statements are based on available information and management s view as of the time of these statements. Accordingly, such statements are inherently speculative as they are based on assumptions which may involve known and unknown risks and uncertainties. The securities discussed herein should not be perceived as a recommendation to purchase or sell any particular security. It should not be assumed that investments in any of the securities discussed were or will be profitable. Actual results, performance or events may differ materially from those expressed or implied in such statements. Investing in real estate securities involves risks including the potential loss of principal. Real estate equities are subject to risks similar to those associated with the direct ownership of real estate. Portfolios concentrated in real estate securities may experience price volatility and other risks associated with non-diversification. While equities may offer the potential for greater long-term growth than most debt securities, they generally have higher volatility. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. ***Past performance is no guarantee of future results.***

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Portfolio of Investments (unaudited)

June 30, 2016

Shares		Market Value ($)
	Real Estate Securities* 113.2%	
	Common Stock 93.3%	
	Australia 11.4%	
26,379,186	Mirvac Group	$ 39,676,721
11,929,728	Scentre Group	43,703,746
17,877,282	Vicinity Centres	44,193,927
		127,574,394
	Canada 3.6%	
848,300	H&R Real Estate Investment Trust	14,703,344
878,500	Smart Real Estate Investment Trust	25,840,225
		40,543,569
	France 6.4%	
67,789	Altarea	13,028,656
42,076	Gecina SA	5,726,178
960,748	Klepierre	42,533,595
40,752	Unibail-Rodamco SE	10,578,132
		71,866,561
	Germany 1.5%	
178,837	LEG Immobilien AG [(a)]	16,667,170
	Hong Kong 2.9%	
4,667,000	Link REIT	31,763,236
	Japan 4.0%	
15,935	Japan Retail Fund Investment Corp.	40,711,215
1,549	Nippon Prologis REIT, Inc.	3,789,833
		44,501,048
	Mexico 0.9%	
6,043,300	Prologis Property Mexico SA de CV [(a)]	9,745,013
	Netherlands 3.8%	
734,873	Eurocommercial Properties NV	31,390,839
277,161	Vastned Retail NV	11,240,322
		42,631,161
	Singapore 1.3%	
12,754,600	CapitaLand Commercial Trust	13,978,033

Shares		Market Value ($)
	United Kingdom 7.1%	

2,398,729	British Land Co. Plc	$ 19,464,191
1,569,481	Hammerson Plc	11,287,683
1,533,667	Land Securities Group Plc	21,301,642
4,925,574	SEGRO Plc	27,305,954
		79,359,470
	United States 50.4%	
85,200	Boston Properties, Inc.	11,237,880
546,200	DCT Industrial Trust, Inc.	26,239,448
59,600	Digital Realty Trust, Inc.	6,495,804
834,200	Equity Residential (b)	57,459,696
47,200	Essex Property Trust, Inc.	10,765,848
821,869	General Growth Properties, Inc.	24,508,134
733,000	Healthcare Realty Trust, Inc.	25,647,670
759,700	Healthcare Trust of America, Inc., Class A	24,568,698
480,906	Highwoods Properties, Inc.	25,391,837
350,800	Kilroy Realty Corp.	23,254,532
1,155,600	Kimco Realty Corp.	36,262,728
1,437,200	Liberty Property Trust	57,085,584
284,100	Macerich Co. (The) (b)	24,259,299
68,300	Prologis, Inc.	3,349,432
109,600	QTS Realty Trust, Inc., Class A	6,135,408
1,533,200	Senior Housing Properties Trust	31,936,556
144,976	Simon Property Group, Inc.	31,445,294
56,000	SL Green Realty Corp.	5,962,320
1,913,687	Spirit Realty Capital, Inc.	24,437,783
658,200	UDR, Inc.	24,300,744
4,910,000	VEREIT, Inc.	49,787,400
287,100	Weingarten Realty Investors	11,719,422
266,115	Welltower, Inc.	20,269,979
		562,521,496
	Total Common Stock	
	(cost $971,411,277)	1,041,151,151

See notes to financial statements.

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Portfolio of Investments concluded

Shares		Market Value ($)
	Preferred Stock 19.9%	
	United States 19.9%	
525,265	American Homes 4 Rent, Series D	$ 13,798,712
100,000	CBL & Associates Properties, Inc., Series D	2,493,000
369,474	DDR Corp., Series J	9,628,492
320,000	Digital Realty Trust, Inc., Series E	8,137,600
500,000	DuPont Fabros Technology, Inc., Series C [a]	13,650,000
1,050,000	EPR Properties, Series F	27,730,500
741,000	General Growth Properties, Inc., Series A	19,836,570
150,000	iStar, Inc., Series F	3,409,500
765,000	iStar, Inc., Series I	17,350,200
400,000	LaSalle Hotel Properties, Series I	10,184,000
500,000	LaSalle Hotel Properties, Series J	12,930,000
500,000	Pebblebrook Hotel Trust, Series D	13,445,000
272,000	Pennsylvania Real Estate Investment Trust, Series B	7,126,400
600,000	Public Storage, Series B	15,948,000
150,000	STAG Industrial, Inc., Series C	3,885,000
225,000	Summit Hotel Properties, Inc., Series D [a]	5,681,250
600,000	Sunstone Hotel Investors, Inc., Series E	15,948,000
379,377	Sunstone Hotel Investors, Inc., Series F	9,856,214
120,000	Taubman Centers, Inc., Series K	3,126,000
280,000	Urstadt Biddle Properties, Inc., Series F	7,464,800
	Total Preferred Stock (cost $199,163,723)	221,629,238
	Total Investments 113.2% (cost $1,170,575,000)	1,262,780,389
	Liabilities in Excess of Other Assets (13.2)%	(147,348,046)
	Net Assets 100.0%	$ 1,115,432,343

Number of Contracts		Market Value ($)
	Written Call Options (0.1)%	
	United States (0.1)%	
(3,200)	Equity Residential Expires 7/15/2016 Strike Price $69.50	$ (216,000)

(1,400)	Macerich Co. (The)	
	Expires 7/15/2016	
	Strike Price $80.00	(672,000)
	Total Written Call Options	
	(premiums received $199,896)	$ (888,000)

* Includes U.S. Real Estate Investment Trusts (REIT) and Real Estate Operating Companies (REOC) as well as entities similarly formed under the laws of non-U.S. Countries.

(a) Non-income producing security.

(b) A portion of the security has been pledged for open written option contracts. The aggregate market value of the collateral as of June 30, 2016 is $33,996,200.

See notes to financial statements.

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Statement of Assets and Liabilities (unaudited)

	June 30, 2016
Assets	
Investments, at value (cost $1,170,575,000)	$1,262,780,389
Cash and cash equivalents (including foreign currency of $62,911 with a cost of $62,911)	62,991
Dividends and interest receivable	7,784,276
Dividend withholding reclaims receivable	1,030,798
Other assets	89,560
Total Assets	1,271,748,014
Liabilities	
Line of credit payable	154,121,100
Written options (premiums received $199,896)	888,000
Unrealized depreciation on spot contracts	149
Management fees payable	850,240
Accrued expenses	456,182
Total Liabilities	156,315,671
Net Assets	$1,115,432,343
Composition of Net Assets	
$0.001 par value per share; unlimited number of shares authorized, 116,590,494 shares issued and outstanding	$116,590
Additional paid-in capital	1,243,716,399
Distributions in excess of net investment income	(34,579,009)
Accumulated net realized loss on investments, written options, and foreign currency transactions	(185,323,090)
Net unrealized appreciation on investments, written options, and foreign currency denominated assets and liabilities	91,501,453
Net Assets	$1,115,432,343
Net Asset Value (based on 116,590,494 shares outstanding)	**$9.57**

See notes to financial statements.

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Statement of Operations (unaudited)

	For the Six Months Ended June 30, 2016
Investment Income	
Dividends (net of foreign withholding taxes of $1,462,995)	$23,381,808
Other Income	348,413
Interest	22
Total Investment Income	23,730,243
Expenses:	
Management fees	4,755,610
Interest expense on line of credit	445,547
Printing and mailing fees	277,307
Administration fees	116,869
Custodian fees	93,656
Transfer agent fees	86,413
Trustees fees and expenses	80,971
Audit and tax fees	78,385
Insurance fees	66,215
NYSE listing fee	58,959
Legal fees	37,556
Miscellaneous expenses	16,281
Total Expenses	6,113,769
Net Investment Income	17,616,474
Net Realized and Unrealized Gain (Loss) on Investments, Written Options, and Foreign Currency Transactions	
Net realized gain (loss) on:	
Investments	(27,426,445)
Written options	1,193,783
Foreign currency transactions	(5,202,874)
Total Net Realized Loss	(31,435,536)
Net change in unrealized appreciation (depreciation) on:	
Investments	111,216,925
Written options	(688,104)
Foreign currency denominated assets and liabilities	(163,112)
Total Net Change in Unrealized Appreciation (Depreciation)	110,365,709
Net Realized and Unrealized Gain on Investments, Written Options, and Foreign Currency Transactions	78,930,173
Net Increase in Net Assets Resulting from Operations	$96,546,647

See notes to financial statements.

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Statements of Changes in Net Assets

	For the Six Months Ended June 30, 2016 (Unaudited)	For the Year Ended December 31, 2015
Change in Net Assets Resulting from Operations		
Net investment income	$17,616,474	$31,517,662
Net realized gain (loss) on investments, written options, and foreign currency transactions	(31,435,536)	200,398,040
Net change in unrealized appreciation (depreciation) on investments, written options, and foreign currency denominated assets and liabilities	110,365,709	(296,308,275)
Net increase (decrease) in net assets resulting from operations	96,546,647	(64,392,573)
Dividends and Distributions on Common Shares		
Distribution of net investment income	(34,977,148)	(66,456,582)
Net Increase (Decrease) in Net Assets	61,569,499	(130,849,155)
Net Assets		
Beginning of period	1,053,862,844	1,184,711,999
End of period (net of distributions in excess of net investment income of $(34,579,009) and $(17,218,335), respectively)	$1,115,432,343	$1,053,862,844

See notes to financial statements.

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Statement of Cash Flows (unaudited)

	For the Six Months Ended June 30, 2016
Cash Flows from Operating Activities:	
Net increase in net assets resulting from operations	$96,546,647
Adjustments to Reconcile Net Increase in Net Assets Resulting from Operations to Net Cash Provided by Operating Activities:	
Net change in unrealized appreciation/depreciation on investments	(111,216,925)
Net change in unrealized appreciation/depreciation on written options	688,104
Net realized loss on investments	27,426,445
Net realized gain on written options	(1,193,783)
Cost of securities purchased	(407,333,530)
Proceeds from sale of securities	463,996,718
Decrease in receivable for investment securities sold	10,245,771
Decrease in dividends and interest receivable	3,902
Increase in dividend withholding reclaims receivable	(254,435)
Decrease in unrealized appreciation on forward foreign currency contracts	312,224
Decrease in unrealized appreciation on spot contracts	7,852
Decrease in other assets	5,669
Decrease in payable for investment securities purchased	(26,197,547)
Premiums received on written options	2,510,636
Payments to close written options	(170,348)
Decrease in unrealized depreciation on forward foreign currency contracts	(41,471)
Decrease in unrealized depreciation on spots contracts	(19,095)
Decrease in management fee payable	(13,599)
Decrease in accrued expenses	(103,000)
Net Cash Provided by Operating Activities	55,200,235
Cash Flows From Financing Activities:	
Cash distributions paid on common shares	(34,977,148)
Proceeds from borrowing on line of credit	302,129,400

Payments on line of credit borrowings	(322,423,270)
Net Cash Used in Financing Activities	(55,271,018)
Net decrease in cash	(70,783)
Cash and Cash Equivalents at Beginning of Period	133,774
Cash and Cash Equivalents at End of Period	$62,991
Supplemental disclosure	
Interest paid on line of credit borrowings	$447,619

See notes to financial statements.

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Financial Highlights

Per share operating performance for a share outstanding throughout the period	**For the Six Months Ended June 30, 2016 (unaudited)**	**For the Year Ended December 31, 2015**	**For the Year Ended December 31, 2014**	**For the Year Ended December 31, 2013**	**For the Year Ended December 31, 2012**	**For the Year Ended December 31, 2011**
Net asset value, beginning of period	$9.04	$10.16	$9.04	$9.48	$8.14	$8.58
Income from investment operations						
Net investment income [1]	0.15	0.27	0.30	0.33	0.33	0.34
Net realized and unrealized gain (loss) on investments, written options, and foreign currency transactions	0.68	(0.82)	1.36	(0.23)	1.59	(0.24)
Total from investment operations	0.83	(0.55)	1.66	0.10	1.92	0.10
Dividends and distributions on Common Shares						
Net investment income	(0.30)	(0.57)	(0.40)	(0.39)	(0.58)	(0.33)
Return of capital			(0.14)	(0.15)		(0.21)
Total dividends and distributions to Common Shareholders	(0.30)	(0.57)	(0.54)	(0.54)	(0.58)	(0.54)
Net asset value, end of period	$9.57	$9.04	$10.16	$9.04	$9.48	$8.14
Market value, end of period	$8.23	$7.64	$8.99	$7.92	$8.86	$6.84
Total investment return [2]						
Net asset value	9.42%	(5.57)%	18.73%	0.91%	24.15%	0.94%
Market value	11.99%	(8.89)%	20.74%	(4.93)%	38.77%	(5.38)%
Ratios and supplemental data						