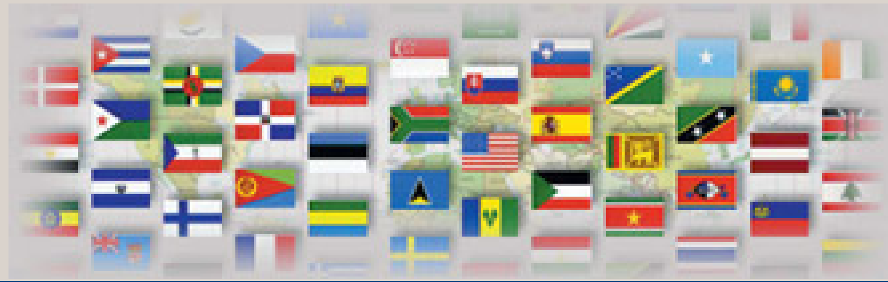
GLOBAL INCOME FUND



ANNUAL REPORT
December 31, 2004

American Stock
Exchange Symbol:

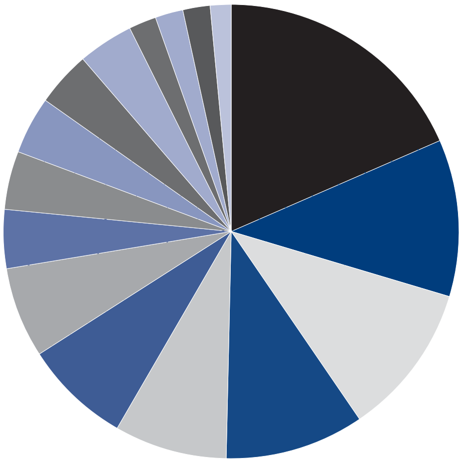
GIF

11 Hanover Square
New York, NY 10005

1-800-278-4353

www.globalincomefund.net

COUNTRY ALLOCATION



Germany	18.46%
United Kingdom	11.15%
United States	10.84%
Netherlands	9.89%
France	7.99%
Supranational/Other	7.59%
Australia	6.47%
Austria	4.17%
Canada	4.17%
Sweden	4.07%
Denmark	3.93%
Japan	3.91%
Cyprus	1.97%
Italy	1.97%
Hungary	1.95%
Korea	1.47%

PORTFOLIO ANALYSIS

Currency Diversification

U.S. Dollar	23%
Euro	57%
British Pound	16%
Australian Dollar	2%
	98%

Ratings

AAA	43%
AA	9%
A	41%
BBB	5%
<BBB	0%
NR	0%
	98%

Above are unaudited approximate percentages of total net assets, and may not add up to 100%, due to leverage or other assets, rounding, and other factors.

GLOBAL INCOME FUND

American Stock Exchange Symbol: **GIF**

11 Hanover Square, New York, NY 10005
www.globalincomefund.net

January 28, 2005

Fellow Shareholders:

It is a pleasure to submit this 2004 Annual Report for Global Income Fund, and to welcome our new shareholders who find attractive the Fund's quality approach to global income investing. Global Income Fund invests primarily in investment grade fixed income securities issued by governments and corporations throughout the world.

In 2004, the Fund had a market total return on the American Stock Exchange of 3.45% on a net asset value total return of 3.57%. With a 19.50% market total return in the second half of the year, long term shareholders who stood fast in the face of market volatility were well rewarded, particularly those who increased their investment through the Fund's rights offering which concluded in June 2004. As a reminder, in the Fund's rights offering, which was almost three times oversubscribed, the Fund issued 1,745,315 additional shares of common stock at a price of $4.05, which compares with a current price of $4.70. Interestingly, for the three years ended December 31, 2004, the Fund had a market total return of 23.64%, as compared to the Lehman Brothers Aggregate Bond Index's return of 19.80% and the S&P 500 return of 11.27%, according to Morningstar, Inc.

As of year end, the Fund's portfolio was approximately 75% invested in non-U.S. dollar denominated investment grade fixed income securities, with about 57% in Eurodollars, 16% in British pounds, and 2% in Australian dollars, with U.S. dollar denominated investments making up the balance. All Fund portfolio investments were investment grade by actual or deemed rating, or in cash or cash equivalents.

Market Report

The Federal Reserve Bank initiated its current credit tightening policy on June 30, 2004, when the federal funds rate stood at 1%. At the next five consecutive meetings of the Federal Open Market Committee (FOMC) of the Federal Reserve Bank, the FOMC raised the federal funds rate by 0.25% at each meeting, bringing it to 2.25% at December 31, 2004. Despite the fact that the growth in the U.S. economy (GDP) in the fourth quarter slowed to an annualized pace of 3.1%, following a 4% gain in the third quarter, the 2004 annualized growth rate of 4.4% was the largest U.S. economic gain since 1999. Year over year, job growth, though moderate, is increasing, consumer confidence is growing, and many corporate sectors have reported an increase in buying power.

Looking ahead at the fixed income markets, however, we remain somewhat cautious for many of the same reasons we expressed last year. Manufacturing is showing signs of strength and demand for consumer goods, especially those deemed durable goods, is strong, but at the same time workers wages, in the 4th quarter of 2004, grew at the slowest pace in almost six years. Combining this with the rising cost of health benefits, the result could lead to a slowdown in consumer spending. Yet, a move towards "full employment," forcing businesses to raise salaries to attract workers could possibly result in higher wages, alleviating some of this problem. The deficit may continue to put pressure on the U.S. dollar and this pressure could continue until demand for our "cheaper" products continues to pick up abroad. Middle Eastern conflicts, as well as homeland security concerns, we believe, are likely to continue for some time and may well have a dampening effect on spending, as well as consumer confidence. We expect that the economy could continue to grow at a slower pace than is reflected by the improving economic numbers, until more of the "fragility" in the economy is removed or we find ourselves in a much more robust economy than we are in now. We think the Federal Reserve will continue to increase rates at a very measured pace, and closely watch the weekly economic numbers for signs of weakness. If the economy slows by mid-year 2005, we anticipate the FOMC resisting further rate increases.

Distribution Policy

The Fund has a managed quarterly distribution policy, which is intended to provide shareholders with a relatively stable cash flow and reduce or eliminate the Fund's market price discount to its net asset value per share. Under the current policy, distributions of approximately 7% of the Fund's net asset value per share on an annual basis are intended to be paid primarily from ordinary income and any net capital gains, with the balance representing return of capital. This policy is subject to regular review at the Board's quarterly meetings and the amount of the distribution may vary depending on the Fund's net asset value per share at the time of declaration. Although the distribution rate may be reduced reflecting lower current interest rates, we continue to believe shares of the Fund are a sound value and attractive for investors seeking a high level of income, with capital appreciation as a secondary objective.

Dividend Reinvestment Plan

We believe the Fund's pursuit of its investment objectives by investing primarily in a global portfolio of investment grade fixed income securities is attractive for investors seeking a high level of income, with capital appreciation as a secondary objective. The Fund's Dividend Reinvestment Plan is a very effective way to also add to your holding because quarterly dividend distributions are reinvested without charge, which can contribute importantly to growing your investment over time. For further details, see the description of the Dividend Reinvestment Plan on page 12. Please call-1-800-937-5449 and an Investor Service Representative will be happy to assist you.

We appreciate your support and look forward to serving your investment needs in the months and years ahead.

Sincerely,

Thomas B. Winmill
President

Marion E. Morris
Senior Vice President
Portfolio Manager

Schedule of Portfolio Investments – December 31, 2004

Par Value		Market Value
	DEBT SECURITIES (94.70%)	
	Australia (6.47%)	
A$1,000,000	BHP Finance Ltd., 6.25% Notes, due 8/15/08	$ 794,416
$1,000,000	National Australia Bank, 8.60% Subordinated Notes, due 5/19/10	1,189,015
$300,000	Principal Financial Group, 144A, 8.20% Senior Notes, due 8/15/09*	346,454
		2,329,885
	Austria (4.17%)	
€1,000,000	Republic of Austria, 5.25% Euro Medium Term Notes, due 1/04/11	1,502,515
	Canada (4.17%)	
€1,000,000	Province of Quebec, 5.50% Euro Medium Term Notes, due 2/05/10	1,502,765
	Cyprus (1.97%)	
€500,000	Republic of Cyprus, 4.375% Euro Medium Term Notes, due 7/15/14	710,033
	Denmark (3.93%)	
£700,000	Deutsche Ausgleichsbank, 5.75% Euro Medium Term Notes, due 12/07/11	1,414,125
	France (7.99%)	
€1,000,000	Elf Aquitaine, 4.50% Senior Unsubordinated Notes, due 3/23/09	1,429,146
€1,000,000	Societe Nationale des Chemins de Fer Francais, 4.625% Euro Medium Term Notes, due 10/25/09	1,446,947
		2,876,093
	Germany (18.46%)	
£1,000,000	Dresdner Bank Aktiengesellschaft, 7.75% Subordinated Bonds, due 12/07/07	2,052,046
€1,000,000	Kreditanstalt fuer Wiederaufbau, 3.50% Euro Global Bond, due 4/17/09	1,390,958
€1,000,000	Kreditanstalt fuer Wiederaufbau, 5.25% Euro Global Bond, due 1/04/10	1,493,612
€500,000	Phillips Electronics NV, 6.125% Senior Unsubordinated Notes, due 5/16/11	770,296
£500,000	RWE Finance B.V., 4.625% Notes, due 8/17/10	938,808
		6,645,720
	Hungary (1.95%)	
€500,000	Republic of Hungary, 4% Bonds, due 9/27/10	700,965
	Italy (1.97%)	
€500,000	Enel-Societa Per Azioni, 4.75% Euro Medium Term Notes, due 6/12/18	710,875
	Japan (3.91%)	
€1,000,000	Toyota Motor Credit Corp., 4.125% Euro Medium Term Notes, due 1/15/08	1,409,522
	Korea (1.47%)	
$500,000	Korea Development Bank, 5.75% Notes, due 9/10/13	530,917

Schedule of Portfolio Investments – December 31, 2004

Par Value		Market Value
	Netherlands (9.89%)	
€500,000	ABN Amro Bank NV, 4.75% Euro Medium Term Notes, due 1/04/14	$ 728,773
€1,000,000	Aegon N.V., 4.625% Euro Medium Term Notes, due 4/16/08	1,422,502
€1,000,000	Nederlandse Waterschapsbank, 4% Notes, due 2/11/09	1,406,959
		3,558,234
	Sweden (4.07%)	
€1,000,000	Kingdom of Sweden, 5% Eurobonds, due 1/28/09	1,465,635
	United Kingdom (11.15%)	
$1,000,000	National Westminster Bank, 7.375% Subordinated Notes, due 10/01/09	1,139,590
€1,000,000	Tesco PLC, 4.75% Euro Medium Term Notes, due 4/13/10	1,448,516
€1,000,000	Vodafone Group Plc, 4.625% Euro Medium Term Notes, due 1/31/08	1,423,727
		4,011,833
	United States (5.54%)	
$500,000	CIT RV Trust 1998-A B 6.29% Subordinated Bonds, due 1/15/17	507,500
$1,500,000	Federal Home Loan Bank, 2.625% Notes, due 10/16/06	1,485,518
		1,993,018
	Supranational/Other (7.59%)	
£738,000	European Investment Bank, 5.50% Euro-Fungible Notes, due 12/07/11	1,474,653
$1,200,000	The International Bank for Reconstruction & Development, 5.05% Notes, due 5/29/08	1,259,520
		2,734,173
	Total Debt Securities (cost: $31,365,989)	34,096,308
Shares	**PREFERRED STOCKS (5.30%)**	
	United States (5.30%)	
5,000	BAC Capital Trust II, 7.00%	133,600
5,000	BAC Capital Trust III, 7.00%	134,250
5,000	Corporate-Backed Trust Certificates, 6.00% (G.S.)	122,000
25,000	Corporate-Backed Trust Certificates, 8.20% (MTR)	682,000
20,000	Disney (Walt) Company, 7.00%	529,200
5,000	SATURNS SM, 5.87%	122,250
6,900	Wells Fargo Capital Trust V, 7.00%	183,540
	Total Preferred Stocks (cost: $1,797,500)	1,906,840
	Total Investments (cost: $33,163,489) (100%)	**$36,003,148**

Note: Par value stated in currency indicated; market value stated in U.S. dollars.

* 144A securities may be sold to institutional investors only. The total market value of these securities at December 31, 2004, is $346,454, which represents 1.0% of total investments.

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2004

ASSETS:	
Investments at market value (cost: $33,163,489) (note 1)	$36,003,148
Interest receivable	808,293
Other assets	19,120
Total assets	36,830,561
LIABILITIES:	
Note payable	59,741
Accrued expenses	72,115
Accrued management fees	11,599
Accrued servicing fees	16,587
Total liabilities	160,042
NET ASSETS: (applicable to 7,377,539 shares outstanding: 20,000,000 shares of $.01 par value authorized)	$36,670,519
NET ASSET VALUE PER SHARE	
($36,684,935 ÷ 7,377,539 shares outstanding)	$4.97

At December 31, 2004, net assets consisted of:

Paid-in capital	$40,718,432
Accumulated net realized loss on investments and foreign currencies	(6,940,869)
Net unrealized appreciation on investments and foreign currencies	2,892,956
	$36,670,519

STATEMENT OF OPERATIONS

Year Ended December 31, 2004

INVESTMENT INCOME:	
Interest (net of foreign tax withheld $11,838)	$1,167,871
Dividends	141,857
Total investment income	1,309,728
EXPENSES:	
Investment management (note 3)	213,755
Accounting and auditing (note 3)	111,184
Legal and compliance (note 3)	64,380
Directors	39,475
Printing	23,260
Custodian	17,860
Registration	16,848
Insurance	11,712
Transfer agent	11,362
Other	5,592
Total operating expenses	515,428
Loan interest and fees (note 5)	2,287
Total expenses	517,715
Net investment income	792,013
REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCIES:	
Net realized gain on investments and foreign currencies (note 4)	815,671
Unrealized appreciation on investments and foreign currencies during the year	1,355,264
Net realized and unrealized gain on investments and foreign currencies	2,170,935
Net change in net assets resulting from operations	$2,962,948

STATEMENTS OF CHANGES IN NET ASSETS

For the Years Ended December 31, 2004 and 2003

	2004	2003
OPERATIONS:		
Net investment income	$ 792,013	$ 984,022
Net realized gain on investments and foreign currencies	815,671	231,336
Unrealized appreciation on investments and foreign currencies	1,355,264	1,451,311
Net change in net assets resulting from operations	2,962,948	2,666,669
DISTRIBUTIONS TO SHAREHOLDERS:		
Distributions to shareholders ($0.25 and $0.22 per share, respectively)	(1,607,586)	(1,215,358)
Tax return of capital to shareholders ($0.09 and $0.14 per share, respectively)	(573,375)	(767,761)
CAPITAL SHARE TRANSACTIONS:		
Net proceeds received from rights offering (1,745,315 shares issued) (note 8)	6,875,737	–
Reinvestment of distributions to shareholders (66,829 and 90,974 shares, respectively) (note 6)	300,947	439,788
Total change in net assets	7,958,671	1,123,338
NET ASSETS:		
Beginning of year	28,711,848	27,588,510
End of year	$36,670,519	$28,711,848

See accompanying notes to financial statements.

Notes to Financial Statements

(1) Global Income Fund, Inc., a Maryland corporation registered under the Investment Company Act of 1940, as amended, is a non-diversified, closed-end management investment company, whose shares are listed on the American Stock Exchange. The Fund's primary and fundamental objective is to provide a high level of income. The Fund's secondary, non-fundamental, investment objective is capital appreciation. The Fund pursues its investment objectives by investing primarily in a global portfolio of investment grade fixed income securities. The Fund is subject to the risk of price fluctuations of the securities held in its portfolio which is generally a function of the underlying credit ratings of an issuer, currency denomination, duration, and yield of its securities, and general economic and interest rate conditions. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. With respect to security valuation, securities traded on a national securities exchange or the Nasdaq National Market System ("NMS") are valued at the last reported sales price on the day the valuations are made. Such securities that are not traded on a particular day and securities traded in the over-the-counter market that are not on NMS are valued at the mean between the current bid and asked prices. Certain of the securities in which the Fund invests are priced through pricing services which may utilize a matrix pricing system which takes into consideration factors such as yields, prices, maturities, call features and ratings on comparable securities. Bonds may be valued according to prices quoted by a dealer in bonds which offers pricing services. If market quotations are not available or deemed reliable, then such securities are valued as determined in good faith under the direction of or pursuant to procedures established by the Fund's Board of Directors. Debt obligations with remaining maturities of 60 days or less are valued at cost adjusted for amortization of premiums and accretion of discounts. Securities denominated in foreign currencies are translated into U.S. dollars at prevailing exchange rates. Forward contracts are marked to market and the change in market value is recorded by the Fund as an unrealized gain or loss. When a contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The Fund could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably. Investment transactions are accounted for on the trade date (the date the order to buy or sell is executed). Interest income is recorded on the accrual basis. Discounts and premiums on securities purchased are amortized over the life of the respective securities. Dividends and distributions to shareholders are recorded on the ex-dividend date. In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) The Fund intends to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable investment income and net capital gains, if any, after utilization of any capital loss carryforward, to its shareholders and therefore no Federal income tax provision is required. At December 31, 2004, the Fund had an unused capital loss carryforward of approximately $6,940,900 of which $2,481,600 expires in 2007, $1,708,500 in 2008, $1,381,600 in 2009, and $1,369,200 in 2011. No capital gain will be distributed until the capital loss carryforwards have been exhausted. Based on Federal income tax cost of $33,163,489, gross unrealized appreciation and gross unrealized depreciation were $2,877,163 and $37,504, respectively, at December 31, 2004. Distributions paid to shareholders during the year ended December 31, 2004 differ from net investment income and net gains (losses) from security, foreign currency, and futures transactions as a result of capital distributions due to the managed distribution policy of the Fund. These distributions are shown under "Distributions to Shareholders" in the Statements of Changes in Net Assets.

(3) The Fund retains CEF Advisers, Inc. as its Investment Manager. Under the terms of the Investment Management Agreement, the Investment Manager receives a management fee, payable monthly, based on the average weekly net assets of the Fund at the annual rate of 7/10 of 1% of the first $250 million, 5/8 of 1% from $250 million to $500 million, and 1/2 of 1% over $500 million. This fee is calculated by determining the average of net assets on each Friday of a month and applying the applicable rate to such average for the number of days in the month. Certain officers and directors of the Fund are officers and directors of the Investment Manager. The Fund reimbursed the Investment Manager $76,025 for providing at cost certain compliance services of $26,835 and accounting services of $49,190 for the year ended December 31, 2004.

(4) The Fund has an arrangement with its custodian and transfer agent whereby interest earned on uninvested cash balances is used to offset a portion of the Fund's expenses. Purchases and sales of securities other than short term notes aggregated $33,744,137 and $27,697,404, respectively, for the year ended December 31, 2004. A forward currency contract is an obligation to purchase or sell a specific currency for an agreed-upon price at a future date. The Fund could be exposed to risk if counterparties to the contracts are unable to meet the terms of their contracts. The Fund had no forward currency contracts outstanding at December 31, 2004. Realized gains and losses arising from exchange differences are included in net realized gain on investments and foreign currencies in the statement of operations.

(5) The Fund may borrow through a committed bank line of credit. At December 31, 2004, there was $59,741 outstanding and the interest rate was at the borrower's option of (i) overnight federal funds or (ii) LIBOR (30, 60, 90 days), each as in effect from time to time, plus 0.75% per annum, calculated on the basis of actual days elapsed for a 360-day year. For the year ended December 31, 2004, the weighted average interest rate was 1.84% based on the balances outstanding during the period and the weighted average amount outstanding was $92,279.

(6) The tax character of distributions paid to shareholders for the years ended December 31, 2004 and 2003 was follows:

	2004	2003
Distributions paid from:		
Ordinary income	$1,607,586	$1,215,358
Return of capital	573,375	767,761
	$2,180,961	$1,983,119

As of December 31, 2004, the components of distributable earnings on a tax basis were as follows:

Unrealized appreciation on investments and foreign currencies	$ 2,892,956
Capital loss carryforwards	(6,940,869)
	$(4,047,913)

Accounting principles generally accepted in the United States of America require certain components of net assets be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended December 31, 2004, a permanent difference between book and tax accounting of $1,188,534 have been reclassified from accumulated net realized loss on investments and foreign currencies to paid-in capital as a result of the expiration of capital loss carryforward in the current year.

(7) Regarding concentration of credit risk, investing in securities of foreign issuers involves special risks which include changes in foreign exchange rates and the possibility of future adverse political and economic developments which could adversely affect the value of such securities. Moreover, securities of many foreign issuers and in foreign markets may be less liquid and their prices more volatile than those of U.S. issuers and markets.

(8) At December 31, 2004 there were 7,377,539 shares of $.01 par value common stock outstanding (20,000,000 shares authorized). The shares issued and resulting increase in paid-in capital in connection with reinvestment of dividends from net investment income during the years ended December 31, 2004 and 2003 were as follows:

	Shares issued	Increase in paid-in capital
2004	66,829	$300,947
2003	90,974	$439,788

During June 2004, the Fund issued 1,745,315 shares of common stock in connection with a rights offering of the Fund's shares. Shareholders of record on May 21, 2004 were issued one non-transferable right for each share owned. The rights entitled the shareholders to purchase one new share of common stock for every four rights held. These shares were issued at a subscription price of $4.05. Net proceeds to the Fund were $6,875,737 after deducting total expenses of $192,789. The net asset value per share of the Fund's common shareholders was reduced by approximately $0.21 per share as a result of the share issuance.

FINANCIAL HIGHLIGHTS

	Years Ended December 31,				
	2004	2003	2002	2001	2000
PER SHARE DATA					
Net asset value at beginning of year	$5.16	$5.04	$5.44	$5.72	$5.77
Income from investment operations:					
Net investment income	.11	.18	.28	.32	.42
Net realized and unrealized gain (loss) on investments	.25	.30	(.18)	(.04)	.11
Total from investment operations	.36	.48	.10	.28	.53
Dilution from rights offering	(.21)	–	–	–	–
Less distributions:					
Distributions to shareholders	(.25)	(.22)	(.28)	(.36)	(.42)
Tax return of capital to shareholders	(.09)	(.14)	(.22)	(.20)	(.16)
Total distributions	(.34)	(.36)	(.50)	(.56)	(.58)
Net asset value at end of year	$4.97	$5.16	$5.04	$5.44	$5.72
Per share market value at end of year	$4.82	$5.01	$4.60	$4.91	$4.69
TOTAL RETURN ON NET ASSET VALUE BASIS (a)	3.57%	10.22%	0.04%	2.33%	9.05%
TOTAL RETURN ON MARKET VALUE BASIS (a)	3.45%	17.25%	3.60%	15.94%	19.75%
RATIOS/SUPPLEMENTAL DATA					
Net assets at end of period (000's omitted)	$36,671	$28,712	$27,589	$29,110	$29,783
Ratio of expenses before loan interest, commitment fees and nonrecurring expenses	1.66%	1.61%	1.44%	1.72%	1.38%
Ratio of total expenses to average net assets (b)	1.67%	1.61%	1.44%	1.73%	2.69%
Ratio of net investment income to average net assets	2.49%	3.54%	5.35%	5.94%	8.31%
Portfolio turnover rate	97%	146%	162%	160%	259%

(a) Total return on market value basis is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total return on net asset value basis will be higher than total return on market value basis in years where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such years. Conversely, total return on net asset value basis will be lower than total return on market value basis in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such years. Total return calculated for a period of less than one year is not annualized. The calculation does not reflect brokerage commissions, if any.

(b) Ratio after custodian credits was 1.72% and 2.66%, for the years ended December 31, 2001, and 2000. There were no custodian credits for the years ended December 31, 2004, 2003 and 2002.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Global Income Fund, Inc.:

We have audited the accompanying statement of assets and liabilities of Global Income Fund, Inc. including the schedule of portfolio investments as of December 31, 2004 and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the years indicated thereon. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2004, by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Global Income Fund, Inc. as of December 31, 2004, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the years indicated thereon, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER

Philadelphia, Pennsylvania
February 15, 2005

PRIVACY POLICY

Global Income Fund, Inc. recognizes the importance of protecting the personal and financial information of its shareholders. We consider each shareholder's personal information to be private and confidential. This describes the practices followed by us to protect our shareholders' privacy. We may obtain information about you from the following sources: (1) information we receive from you on forms and other information you provide to us whether in writing, by telephone, electronically or by any other means; (2) information regarding your transactions with us, our corporate affiliates, or others. We do not sell shareholder personal information to third parties. We will collect and use shareholder personal information only to service shareholder accounts. This information may be used by us in connection with providing services or financial products requested by shareholders. We will not disclose shareholder personal information to any nonaffiliated third party except as permitted by law. We take steps to safeguard shareholder information. We restrict access to nonpublic personal information about you to those employees and service providers who need to know that information to provide products or services to you. With our service providers we maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. Even if you are no longer a shareholder, our Privacy Policy will continue to apply to you. We reserve the right to modify, remove or add portions of this Privacy Policy at any time.

WWW.GLOBALINCOMEFUND.NET

Visit us on the Internet at www.globalincomefund.net. The site provides information about the Fund including market performance, net asset value (NAV), dividends, press releases, and shareholder reports. For further information, you can email us at info@globalincomefund.net. The Fund is a member of the Closed-End Fund Association (CEFA). Its website address is www.cefa.com. CEFA is solely responsible for the content of its website.

QUARTERLY HOLDINGS

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's Internet site at http://www.sec.gov and may be reviewed and copied at the SEC's Public Reference Room. Copies of this information can be obtained, after paying a duplicating fee, by e-mail request to publicinfo@sec.gov, or by writing to the SEC's Public Reference Section, Washington, DC 20549-0102. The Fund's Investment Company Act file number is 811-08025. The Fund makes the information on Form N-Q available to shareholders upon request free of charge by e-mail request to info@globalincomefund.net or by calling toll-free 1-800-472-4160.

PROXY VOTING

The Fund's Proxy Voting Guidelines (the "Guidelines") as well as its voting record for the 12 months ended December 31, 2004, are available without charge, by calling the Fund collect at 1-212-344-6310 and on the SEC's website at http://www.sec.gov. The Guidelines are also posted on the Fund's website at http://www.globalincomefund.net.

DIVIDEND REINVESTMENT PLAN

The Fund has adopted a Dividend Reinvestment Plan (the "Plan"). Under the Plan, each dividend and capital gain distribution, if any, declared by the Fund on outstanding shares will, unless elected otherwise by each shareholder by notifying the Fund in writing at any time prior to the record date for a particular dividend or distribution, be paid on the payment date fixed by the Board of Directors or a committee thereof in additional shares. If the Market Price (as defined below) per share is equal to or exceeds the net asset value per share at the time shares are valued for the purpose of determining the number of shares equivalent to the cash dividend or capital gain distribution (the "Valuation Date"), participants will be issued additional shares equal to the amount of such dividend divided by the greater of that NAV per share or 95% of that Market Price per share. If the Market Price per share is less than such net asset value on the Valuation Date, participants will be issued additional shares equal to the amount of such dividend divided by the Market Price. The Valuation Date is the day before the dividend or distribution payment date or, if that day is not an American Stock Exchange trading day, the next trading day. For all purposes of the Plan: (a) the Market Price of the shares on a particular date shall be the average closing market price on the five trading days the shares traded ex-dividend on the Exchange prior to such date or, if no sale occurred on any of these days, then the mean between the closing bid and asked quotations for the shares on the Exchange on such day, and (b) net asset value per share on a particular date shall be as determined by or on behalf of the Fund.

MANAGED DISTRIBUTIONS

The Board's current policy is to provide investors with a stable quarterly distribution out of current income, supplemented by realized capital gains, and to the extent necessary, paid-in capital. The Fund is subject to U.S. corporate, tax, and securities laws. Under U.S. tax accounting rules, the amount of distributable net income is determined on an annual basis and is dependent during the fiscal year on the aggregate gains and losses realized by the Fund and, to a lesser extent, the actual exchange rate between the U.S. dollar and the currencies in which Fund assets are denominated. Therefore, the exact amount of distributable income can only be determined as of the end of the Fund's fiscal year. Under the U.S. Investment Company Act of 1940, however, the Fund is required to indicate the source of each distribution to shareholders. The Fund estimates that distributions for the fiscal period commencing January 1, 2005, including the distributions paid quarterly, are comprised approximately two-thirds of net investment income and the balance from paid-in capital. This estimated distribution composition may vary from quarter to quarter because it may be materially impacted by future realized gains and losses on securities and fluctuations in the value of currencies in which Fund assets are denominated. In January after each fiscal year, a Form 1099 DIV will be sent to shareholders, which will state the amount and composition of distributions and provide information with respect to their appropriate tax treatment.

HISTORICAL DISTRIBUTION SUMMARY

Period	Investment Income	Return of Capital	Total
2004	$0.245	$0.090	$0.335
2003	$0.220	$0.140	$0.360
2002	$0.280	$0.220	$0.500
2001	$0.360	$0.200	$0.560
2000	$0.420	$0.160	$0.580
6 Months Ended 12/31/99	$0.230	$0.070	$0.300
12 Months Ended 6/30/99	$0.550	$0.130	$0.680
12 Months Ended 6/30/98	$0.520	$0.320	$0.840

STOCK DATA

Price (12/31/04)	$4.82
Net Asset Value (12/31/04)	$4.97
Discount	3.02%

American Stock Exchange Symbol: GIF
Newspaper exchange listings appear under an abbreviation, such as: Glinc

2005 DISTRIBUTION PAYMENT DATES

Declaration	Record	Payment
March 1	March 17	March 31
June 2	June 16	June 30
September 1	September 16	September 30
December 2	December 15	December 30

RESULTS OF THE ANNUAL MEETING

The Fund's Annual Meeting was held on September 7, 2004 at the offices of the Fund at 11 Hanover Square, 12th Floor, New York, New York for the purpose of electing the following directors to serve as follows with the votes received as set forth below:

Director	Class	Term	Expiring*	Votes For	Votes Withheld
James E. Hunt	II	5 years	2009	5,204,506	228,705
Bruce B. Huber	II	5 years	2009	5,200,027	233,184
John B. Russell	III	1 years	2005	5,198,495	234,716

*And until his successor is duly elected and qualifies. Directors whose term of office continued after the meeting are Peter K. Werner, Thomas B. Winmill, and Bassett S. Winmill.

FUND INFORMATION

Investment Manager
CEF Advisers, Inc.
11 Hanover Square
New York, NY 10005

Custodian
State Street Bank & Trust Co.
801 Pennsylvania Avenue
Kansas City, MO 64105

Independent Registered Public Accounting Firm
Tait, Weller & Baker
1818 Market St., Suite 2400
Philadelphia, PA 19103

Stock Transfer Agent and Registrar
American Stock Transfer & Trust Co.
59 Maiden Lane
New York, NY 10038
www.amstock.com
1-800-278-4353

DIRECTORS AND OFFICERS

The following table sets forth certain information concerning the other Directors currently serving on the Board of the Fund. Each Director who is deemed to be an "interested person" because he is an "affiliated person" as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), is indicated by an asterisk.

Name, Principal Occupation, Business Experience For Past Five Years, Address, and Age	Director Since	Number of Portfolios in Investment Company Complex Overseen by Director	Other Public Company Directorships Held by Director
Class I:			
PETER K. WERNER - Since 1996 he has taught and directed many programs at The Governor Dummer Academy. Previously he was Vice President of Money Market Trading at Lehman Brothers. He was born on August 16, 1959.	1997	5	0
Class II:			
JAMES E. HUNT - He is a Managing Director of Hunt Howe Partners LLC executive recruiting consultants. He was born on December 14, 1930.	2004	5	0
BRUCE B. HUBER, CLU, ChFC, MSFS - He is a Financial Representative with New England Financial, specializing in financial, estate and insurance matters. He was born on February 7, 1930.	2004	5	0
Class III:			
JOHN B. RUSSELL - He is a Director of Wheelock, Inc., a manufacturer of signal products, and a consultant for the National Executive Service Corps. He was born on February 9, 1923. Investment Manager. He is a member of the New York State Bar and the SEC Rules Committee of the Investment Company Institute. He was born on June 25, 1959.	2004	5	0

Class IV

THOMAS B. WINMILL* - He is President, Chief Executive Officer, and General Counsel of the Fund, as well as the other investment companies (collectively, the "Investment Company Complex") advised by CEF Advisers, Inc. (the "Investment Manager") and its affiliates, and of Winmill & Co. Incorporated ("WCI"). He also is President of the Investment Manager. He is a member of the New York State Bar and the SEC Rules Committee of the Investment Company Institute. He was born on June 25, 1959.	1997	5	Bexil Corporation and Tuxis Corporation

Class V:

BASSETT S. WINMILL* - He is Chairman of the Board of the Fund, the Investment Manager and its affiliates, and WCI. He is a member of the New York Society of Security Analysts, the Association for Investment Management and Research, and the International Society of Financial Analysts. He was born on February 10, 1930.	1997	1	Bexil Corporation and Tuxis Corporation

*He is an “interested person” of the Fund as defined in the 1940 Act due to his affiliation with the Investment Manager. Bassett S. Winmill is the father of Thomas B. Winmill.

Messrs. Huber, Hunt, Russell and Werner also serve on the Audit and Nominating Committees of the Board. Mr. Thomas Winmill also serves on the Executive Committee of the Board.

The executive officers, other than those who serve as Directors, and their relevant biographical information are set forth below. Their address of record is 11 Hanover Square, New York, New York 10005.

Name and Age	Principal Occupation During Past 5 years
William G. Vohrer Born on August 17, 1950	Chief Accounting Officer, Chief Financial Officer, Treasurer and Vice President since 2001. He also is Chief Accounting Officer, Chief Financial Officer, Treasurer and Vice President of the other investment companies in the Investment Company Complex, the Investment Manager and WCI and its affiliates. From 1999 to 2001, he consulted on accounting matters.
Marion E. Morris Born on June 17, 1945	Senior Vice President since 2000. She is also a Senior Vice President of the other investment companies in the Investment Company Complex, the Investment Manager and WCI and its affiliates. She is Director of Fixed Income and a member of the Investment Policy Committee of the Investment Manager. Previously, she served as Vice President of Salomon Brothers, The First Boston Corporation, and Cantor Fitzgerald.
Monica Peláez Born on November 5, 1971	Vice President, Secretary and Chief Compliance Officer since 2000. She also is Vice President, Secretary and Chief Compliance Officer of the other investment companies in the Investment Company Complex, the Investment Manager, and WCI and its affiliates. She is a member of the New York State Bar.

This report, including the financial statements herein, is transmitted to the shareholders of the Fund for their information. The financial information included herein is taken from the records of the Fund. This is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report. Pursuant to Section 23 of the Investment Company Act of 1940, notice is hereby given that the Fund may in the future purchase shares of its own common stock in the open market. These purchases may be made from time to time, at such times and in such amounts as may be deemed advantageous to the Fund, although nothing herein shall be considered a commitment to purchase such shares.

GLOBAL INCOME FUND

11 Hanover Square
New York, NY 10005

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