

LAZARD GLOBAL TOTAL RETURN & INCOME FUND INC
Form N-CSRS
September 02, 2005

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 811-21511

Lazard Global Total Return and Income Fund, Inc.
(Exact name of registrant as specified in charter)

30 Rockefeller Plaza
New York, New York 10112
(Address of principal executive offices) (Zip code)

Nathan A. Paul, Esq.
Lazard Asset Management LLC
30 Rockefeller Plaza New York, New York 10112
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 632-6000

Date of fiscal year end: 12/31

Date of reporting period: 06/30/05

ITEM 1. REPORTS TO STOCKHOLDERS.

LAZARD ASSET MANAGEMENT

Lazard Global Total Return & Income Fund, Inc. Semi-Annual Report

JUNE 30, 2005

Lazard Global Total Return & Income Fund, Inc.

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Lazard Global Total Return & Income Fund, Inc.

Investment Overview

Dear Shareholders,

We are pleased to present this semi-annual report for Lazard Global Total Return & Income Fund, Inc. (LGI or the Fund), for the period ended June 30, 2005. 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.

We are pleased with the returns that have been generated by LGI on its investments over the last year, and since inception, and believe 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.

Portfolio Update (June 30, 2005)

For the six-months ended June 30, 2005, the Fund's performance, as measured by the Net Asset Value per share (NAV), fell 3.4%, while the benchmark, the Morgan Stanley Capital International (MSCI®) World® Index lost 0.7%. Although the Fund underperformed the Index in this period, LGI's historical performance has been very strong; the one-year and since-inception (fourteen-month period) annualized NAV returns of 12.7% and 11.5%, respectively, compare very favorably with the Index returns of 10.1% and 8.8% over these same periods. Shares of LGI ended the second quarter with a closing market price of \$18.50, representing a 9.1% discount to the Fund's NAV. The Fund's net assets were \$195.4 million as of June 30, 2005, with total leveraged assets of \$284.6 million, representing 31.3% leverage.

We believe that LGI's investment thesis remains sound, and we are encouraged by strong performance over the last year, and since-inception. However, NAV returns for the year-to-date have been weaker than hoped for, as a result of poor stock performance in the equity portfolio, as well as the strong dollar rally that negatively affected returns on both the equity strategy and the currency and debt strategy.

As of June 30, 2005, approximately 66.7% of the Fund's total leveraged assets consisted of global equities and approximately 33.3% consisted of emerging market currency and debt instruments.

Declaration of Dividends

Pursuant to LGI's level distribution policy, the Fund's Board of Directors have declared a monthly dividend distribution of \$0.1042 per share on the company's outstanding stock, since July 23, 2004. This distribution level represents an annualized market yield of 6.8%, based on the share price of \$18.50 at the close of the NYSE trading on June 30, 2005. LGI has met all of its dividend obligations without returning any of the Fund's capital.

Additional Information

Please note that available on www.LazardNet.com, are frequent updates on the Fund's performance, press releases, and a monthly fact sheet that provides information about the Fund's major holdings, sector weightings, regional exposures, and other characteristics. You may also reach Lazard by phone at 1-800-828-5548.

On behalf of Lazard Asset Management LLC, 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.

Message from the Portfolio Manager

Global Equity Portfolio (66.7% of total leveraged assets)

The Fund's equity portfolio is invested primarily in 35 to 45 equity securities of large, well-known global companies with strong financial productivity and attractive valuations. Examples include GlaxoSmith-Kline, a global, research-based pharmaceutical company based in the United Kingdom; Home Depot, a U.S.-based company that operates warehouse-style stores selling building

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materials, home improvement supplies, and lawn and garden products; Nokia Corp., the Finnish manufacturer of mobile telephones, enhanced communicators, entertainment and gaming devices, and media and imaging telephones; and Total SA, the French-based energy supplier that explores for, produces, refines, transports, and markets oil and natural gas.

These companies are all based in developed-market regions around the world. As of June 30, 42.4% of the global equity portfolio's stocks were based in North America, 29.3% were from continental Europe (not

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Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

including the U.K.), 22.5% were from the U.K., and 5.8% were from Japan. The global equity portfolio is similarly well diversified across a number of industry sectors. The top two sectors, by weight, at the end of June were financials (27.7%), which includes banks, insurance companies, and financial services companies, and information technology (15.9%), a sector that encompasses the design, development, installation, and implementation of information systems and applications, which includes hardware, software, IT services, and media-related companies. Other sectors included consumer discretionary, consumer staples, energy, health care, industrials, and telecommunications services.

Global Equity Market Review

Global markets were up modestly for the second quarter, after falling sharply in April and steadily recovering to end the quarter positive, in local currency terms. However, returns in U.S. dollars were depressed due to a strong rally in the dollar. Small-cap stocks outperformed large-cap stocks for both the second quarter and for the year-to-date. The euro continued to fall in June after Dutch and French voters soundly rejected the proposed European Union Constitution, calling into question the sustainability of European integration. Falling bond yields in June helped stocks, outweighing concerns that record oil prices would slow economic growth and hurt corporate earnings. Ten-year government bond yields hit record lows in Germany, Sweden, and Switzerland, amid worries that the global economy's expansion may slow. Also in June, the Bank of England voted to hold the benchmark interest rate at 4.75%, underscoring increased anxiety about signs of faltering growth in the U.K. economy. In Japan, the government unexpectedly cut its estimate for first quarter economic growth due to sluggish export demand from overseas. From a sector perspective, defensive stocks were among the best performers for the quarter, as health care stocks outperformed, and utility stocks rose as investors sought yield. Energy stocks also did well with the price of oil rising to over \$60 a barrel. Materials, industrials, and consumer discretionary stocks underperformed, reflecting concern that slower global economic growth may curtail demand. European markets were the best performers regionally, amid optimism that companies dependent on U.S. sales would benefit from the dollar's advance. Although Japanese stocks moved lower, other Asia-Pacific markets performed well.

What Helped and What Hurt LGI

During the period, the Fund's global equity portfolio benefited from an underweight position and from stock selection in consumer discretionary stocks. U.S. retail holding, Home Depot, outperformed after previous weakness, which had resulted from concerns over higher interest rates and their impact on the housing market. Stock selection in health care detracted from performance as German pharmaceuticals company, Schering AG, declined based on disappointing news regarding the effectiveness of its experimental cancer medicine. Stock selection in financials also detracted from performance as Japanese financial services company, Nomura, declined in the face of intensifying competitive pressures. However, the company is aggressively buying back stock and its valuation is at the low end of its historical range.

Emerging Market Currency and Debt Portfolio **(33.3% of total leveraged assets)**

The Fund also seeks enhanced income through investments in short duration¹ (typically, below one year) emerging market forward currency contracts and local currency debt instruments. As of June 30, this portfolio consisted of primarily forward currency contracts (92.1%) with a smaller allocation to sovereign debt obligations (7.9%). The average duration of the emerging market currency and debt portfolio was approximately 2.9 months as of June 30, with an average credit rating² of A+.

As of June 30, the Fund's emerging market currency and debt holdings were highly diversified across 27 countries within Eastern Europe (28.6%), Asia (29.7%), Latin America (11.9%), the Middle East (11.0%), Africa (7.9%), and the Commonwealth of Independent States and the Baltic countries (10.7%).

Emerging Market Currency and Debt Market Review

This year, the market's attention seems to have shifted from structural global imbalances, which portend a continued U.S. dollar decline versus emerging market currencies, to the near-term prospects of higher U.S. interest rates and a relatively better growth outlook, both of which are supportive of the U.S. dollar. As of June 30, the U.S. dollar had surged versus both the euro and the yen, by 10.7% and 7.5%, respectively.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

Eastern European currencies were pressured by a wave of risk aversion, surrounding the Dutch and French no votes on the European Union Constitution. Following the vote, the market's concern regarding European integration and the burgeoning status of the euro as a U.S. dollar-alternative reserve currency, was apparent in the single currency's continued decline. In Russia, the central bank has stepped in to limit ruble appreciation by absorbing surplus U.S. dollars into foreign-exchange reserves.

Inflation is rising marginally, yet remains subdued in most of the Fund's emerging market currency and debt portfolio's 49-country opportunity set. Moderating global growth is the more pressing concern, particularly among emerging Asian policymakers, along with the threat of slowing demand for regional exports, while rising oil price pressures a higher import bill. Year-to-date, growth risks are overwhelming inflationary concerns, so domestic yields in Asia remain at record low levels, and officials are biased toward maintaining cheap currencies.

At the end of the period, the Fund's emerging market currency and debt portfolio had a healthy yield cushion of 7.3% and we believe the portfolio is well positioned to benefit from a fundamentally weakening U.S.-dollar environment.

What Helped and What Hurt LGI

Brazil, Turkey, and Egypt posted noteworthy positive contributions to the Fund's emerging market currency and debt portfolio performance during the second quarter. The Brazilian and Turkish positions returned 17% and 7%, respectively (in U.S. dollars). Investment selection in Turkey added significant value, further augmenting impressive 5.5% money-market gains.

In Egypt, attractive local 9% yields and sizeable U.S. dollar inflows (Suez canal revenues, tourism season, Gulf remittances) have pressured the pound modestly stronger. The National Bank of Egypt has actively accumulated foreign exchange reserves year-to-date, rapidly approaching its \$20 billion near-term goal. Hence, more pronounced pound gains are anticipated as the central bank's interventionist efforts retreat ahead of the September election. The Egyptian pound's low correlation to the rest of the portfolio and low foreign exchange volatility make this, in our view, an attractive investment opportunity.

The second quarter presented a challenging environment for most emerging market currencies across the globe. While less than half of the portfolio's positions contributed positively, the portfolio avoided the largest losers—a falling South African rand and the Hungarian forint's decline—and it mitigated the impact of a negative Czech Republic return by significantly reducing the koruna exposure.

Negative returns were posted by core positions in the money markets of Slovakia, Poland, Romania, and Russia. Across Asia, regionally loose monetary policies (i.e., record low yields and strong money supply growth rates) aggravated currency declines. Positions in the South Korean won, Philippine peso, and Indonesian rupiah detracted from returns. In the Middle East, the Israeli shekel exposure was trimmed modestly but the remaining position detracted from performance. In Latin America, the portfolio's cautious 1% exposure to the Mexican peso's stellar 5.5% return limited upside. Larger weightings in the Colombian and Argentine pesos would have helped too, as they posted modestly positive returns.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

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 Source: S&P, Moody's and Fitch. Ratings for the forward currency contracts represent the counterparty credit rating. Ratings for the bonds represent the bond issuer rate.

All returns are for the period ended June 30, 2005 and reflect reinvestment of all dividends and distributions, if any. Past performance is not indicative, nor 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 unmanaged, has no fees or costs and is not available for investment.

The views of the Fund's management and the portfolio holdings described in this report are as of June 30, 2005; 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 investment. There is no assurance that the portfolio holdings discussed herein will remain in the Fund at the time you receive this report, or that portfolio holdings sold will have not been repurchased. The specific portfolio holdings may in aggregate represent only a small percentage of the Fund's holdings. It should not be assumed that investments identified and discussed were, or will be, profitable, or that the investment decisions we make in the future will be profitable, or equal the performance of the investments 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. You should read the Fund's prospectus for a more detailed discussion of the Fund's investment objective, strategies, risks and fees.

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)**

**Total Return Information* (unaudited)
For the period ended June 30, 2005**

	One Year	Since Inception**
Market Price	15.72%	(0.90)%
Net Asset Value	12.70	11.45
MSCI World Index	10.05	8.76

* All returns reflect reinvestment of all dividends and distributions, if any. Past performance is not indicative, nor 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 unmanaged, has no fees or costs and is not available for investment. The MSCI World Index represents market value-weighted average returns of selected securities listed on the stock exchanges of Europe, Australasia and Far East, New Zealand, Canada, and the United States.

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

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (concluded)

Ten Largest Equity Holdings June 30, 2005 (unaudited)

Security	Value	Percentage of Net Assets
GlaxoSmithKline PLC ADR	\$ 8,353,422	4.27%
Exxon Mobil Corp.	7,367,654	3.77
Microsoft Corp.	6,970,104	3.57
Total SA Sponsored ADR	6,788,985	3.47
Johnson & Johnson	6,779,500	3.47
Nokia Oyj Sponsored ADR	6,522,880	3.34
General Electric Co.	6,410,250	3.28
Bank of America Corp.	6,303,302	3.23
Oracle Corp.	6,296,400	3.22
HSBC Holdings PLC Sponsored ADR	6,077,295	3.11

Portfolio Holdings Presented by Sector June 30, 2005 (unaudited)

Sector	Percentage of Total Investments
Commercial Services	1.4%
Consumer Discretionary	3.3
Consumer Staples	11.9
Energy	9.3
Emerging Markets Debt Obligations	3.1
Financials	21.8
Health Care	10.3
Producer Manufacturing	5.9
Technology	12.5
Telecommunications	2.1
Short-Term Investments	18.4
Total Investments	100.0%

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments

June 30, 2005 (unaudited)

Description	Shares	Value
Common Stocks 99.2%		
Finland 3.3%		
Nokia Oyj Sponsored ADR (c)	392,000	\$ 6,522,880
France 6.5%		
Societe Generale Sponsored ADR	101,300	2,062,468
Total SA Sponsored ADR (d)	58,100	6,788,985
Vivendi Universal SA Sponsored ADR	124,800	3,909,984
Total France		12,761,437
Germany 3.7%		
Schering AG ADR (d)	56,800	3,503,992
Siemens AG Sponsored ADR (d)	50,600	3,676,090
Total Germany		7,180,082
Italy 2.3%		
Eni SpA Sponsored ADR (d)	35,700	4,576,740
Japan 5.7%		
Canon, Inc. Sponsored ADR	69,000	3,631,470
Kao Corp. Sponsored ADR (d)	15,400	3,630,396
Nomura Holdings, Inc. ADR (d)	332,600	3,974,570
Total Japan		11,236,436
Netherlands 2.6%		
Heineken NV ADR (c), (d)	163,750	5,059,875
Switzerland 10.7%		
Credit Suisse Group Sponsored ADR (c), (d)	150,200	5,878,828
Nestle SA Sponsored ADR (d)	57,400	3,669,582
Novartis AG ADR (c), (d)	82,800	3,928,032
Swiss Re Sponsored ADR (d)	55,200	3,390,936
UBS AG (c)	51,000	3,970,350
Total Switzerland		20,837,728
United Kingdom 22.3%		
Barclays PLC Sponsored ADR (d)	135,300	5,403,882
BP PLC Sponsored ADR	69,600	4,341,648
Cadbury Schweppes PLC Sponsored ADR (c), (d)	112,700	4,319,791

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Diageo PLC Sponsored ADR (d)	101,100	5,995,230
GlaxoSmithKline PLC ADR (c), (d)	172,200	8,353,422
HSBC Holdings PLC Sponsored ADR (c), (d)	76,300	6,077,295
Unilever PLC Sponsored ADR (d)	95,500	3,710,175
Vodafone Group PLC Sponsored ADR	219,100	5,328,512

Total United Kingdom 43,529,955

United States 42.1%

Bank of America Corp. (c)	138,200	6,303,302
Cisco Systems, Inc. (a), (c)	220,400	4,211,844
Citigroup, Inc. (c)	116,000	5,362,680
Exxon Mobil Corp. (c)	128,200	7,367,654
First Data Corp.	84,300	3,383,802
General Electric Co.	185,000	6,410,250
Golden West Financial Corp. (d)	31,200	2,008,656
International Business Machines Corp. (c)	42,600	3,160,920
Johnson & Johnson (c)	104,300	6,779,500
JPMorgan Chase & Co.	148,896	5,259,007
Microsoft Corp. (c)	280,600	6,970,104
Oracle Corp. (a)	477,000	6,296,400
Pfizer, Inc.	103,500	2,854,530
The Coca-Cola Co.	74,200	3,097,850
The Home Depot, Inc. (c)	107,600	4,185,640
United Technologies Corp.	88,000	4,518,800
Wells Fargo & Co.	67,000	4,125,860

Total United States 82,296,799

Total Common Stocks

(Identified cost \$184,853,495) 194,001,932

Description	Principal Amount (000) (e)	Value
Foreign Government Obligations 3.9%		
Egypt 0.8%		
Egypt Treasury Bills:		
0.00%, 08/02/05 (f)	2,800	479,178
0.00%, 09/06/05 (f)	2,050	348,066
0.00%, 11/01/05 (f)	4,000	669,763
Total Egypt		1,497,007
Turkey 3.1%		
Turkey Government Bonds:		
0.00%, 05/24/06 (f)	6,871	4,484,028
0.00%, 08/09/06 (f)	1,709	1,079,620
0.00%, 11/08/06 (f)	897	547,187
Total Turkey		6,110,835
Total Foreign Government Obligations		7,607,842
(Identified cost \$7,586,845)		

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

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)
June 30, 2005 (unaudited)

Description	Principal Amount (000)	Value
Short-Term Investments 23.3%		
Repurchase Agreement 0.1%		
State Street Bank and Trust Co., 2.60%, 07/01/05 (Dated 06/30/05, collateralized by \$225,000 United States Treasury Note, 4.00%, 11/15/12, with a value of \$228,656) Proceeds of \$224,016 (c)	\$ 224	\$ 224,000
Collateral for Securities on Loan 23.2%		
State Street Navigator Securities Lending Prime Portfolio, 3.27% (g), (h)	45,249	45,249,363
Total Short-Term Investments (Identified cost \$45,473,363)		45,473,363
Total Investments 126.4% (Identified cost \$237,913,703) (b)		247,083,137
Liabilities in Excess of Cash and Other Assets (26.4)%		(51,646,046)
Net Assets 100.0%		\$ 195,437,091

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

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

June 30, 2005 (unaudited)

Forward Currency Contracts open at June 30, 2005:

Forward Currency Purchase Contracts	Expiration Date	Foreign Currency	U.S. \$ Cost on Origination Date	U.S. \$ Current Value	Unrealized Appreciation	Unrealized Depreciation
ARS	07/26/05	2,207,800	\$ 760,000	\$ 762,587	\$ 2,587	\$
ARS	02/23/06	2,940,745	986,000	991,067	5,067	
BRL	07/06/05	3,047,296	1,289,042	1,287,410		1,632
BRL	08/09/05	9,733,248	3,808,000	4,056,496	248,496	
BRL	08/12/05	3,178,750	1,249,754	1,323,048	73,294	
BRL	09/28/05	2,907,714	986,000	1,187,026	201,026	
BRL	10/05/05	288,355	101,000	117,413	16,413	
BRL	11/03/05	2,015,904	736,000	812,407	76,407	
COP	09/06/05	1,028,340,000	435,000	439,293	4,293	
COP	09/07/05	3,806,196,000	1,603,959	1,625,792	21,833	
CZK	07/13/05	16,145,000	654,412	650,594		3,818
EGP	07/14/05	1,439,715	246,000	247,766	1,766	
EGP	07/18/05	2,962,381	505,000	509,348	4,348	
EGP	08/17/05	3,460,275	585,000	591,010	6,010	
EGP	08/29/05	1,410,120	240,000	240,214	214	
EGP	09/06/05	3,262,320	552,000	554,801	2,801	
EGP	09/08/05	2,677,230	453,000	455,110	2,110	
EGP	12/14/05	3,296,710	553,000	548,551		4,449
EGP	02/28/06	5,443,460	908,000	895,381		12,619
GHC	07/25/05	4,134,144,000	448,000	451,334	3,334	
GHC	08/08/05	4,980,396,000	543,000	541,509		1,491
HRK	07/05/05	705,000	123,747	116,662		7,085
HRK	07/28/05	14,323,313	2,361,751	2,368,841	7,090	
HRK	08/08/05	2,636,030	440,513	435,827		4,686
HRK	08/31/05	5,880,930	1,004,000	971,705		32,295
IDR	07/11/05	11,139,480,000	1,164,000	1,141,340		22,660
IDR	08/11/05	18,326,540,000	1,913,000	1,877,719		35,281
IDR	09/12/05	2,424,158,000	251,000	248,377		2,623
IDR	09/20/05	24,883,200,000	2,560,000	2,549,508		10,492
ILS	07/07/05	9,847,028	2,229,297	2,149,895		79,402
ILS	07/11/05	4,812,336	1,104,000	1,050,643		53,357
ILS	07/11/05	1,891,000	421,346	412,849		8,497
ILS	08/03/05	2,078,810	470,000	453,780		16,220
ILS	08/08/05	2,746,545	614,000	599,530		14,470
ILS	09/06/05	7,910,178	1,727,000	1,726,446		554
INR	08/03/05	19,569,660	447,000	449,301	2,301	
INR	09/06/05	170,703,120	3,892,000	3,913,459	21,459	
INR	09/08/05	9,056,250	207,000	207,604	604	
ISK	07/07/05	15,785,950	239,000	242,285	3,285	
KRW	07/07/05	125,700,000	120,000	121,624	1,624	
KRW	08/09/05	701,649,000	702,000	678,882		23,118
KRW	09/21/05	2,479,999,400	2,446,000	2,399,775		46,225
KRW	10/11/05	1,659,021,000	1,652,000	1,605,549		46,451
KRW	12/30/05	992,556,200	971,000	961,212		9,788
KZT	07/18/05	36,542,000	278,521	270,982		7,539
KZT	08/22/05	15,390,450	115,000	114,407		593
KZT	09/07/05	17,449,600	133,000	129,855		3,145

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KZT	12/21/05	60,433,000	450,791	452,992	2,201
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The accompanying notes are an integral part of these financial statements.

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Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

June 30, 2005 (unaudited)

Forward Currency Contracts open at June 30, 2005 (continued):

Forward Currency Purchase Contracts	Expiration Date	Foreign Currency	U.S. \$ Cost on Origination Date	U.S. \$ Current Value	Unrealized Appreciation	Unrealized Depreciation
MAD	07/14/05	21,701,185	\$ 2,519,000	\$ 2,389,176	\$	\$ 129,824
MAD	07/18/05	6,174,000	702,893	679,219		23,674
MXN	09/09/05	10,791,942	977,000	988,223	11,223	
PEN	07/27/05	1,609,600	494,000	494,511	511	
PHP	07/13/05	131,303,300	2,383,000	2,345,481		37,519
PHP	11/23/05	46,508,220	849,000	823,512		25,488
PLN	07/25/05	909,070	271,000	271,815	815	
PLN	07/29/05	2,497,000	742,139	746,477	4,338	
PLN	08/09/05	14,633,685	4,419,851	4,373,027		46,824
ROL	07/05/05	10,769,285,000	379,000	361,642		17,358
ROL	07/13/05	49,359,776,000	1,774,000	1,655,945		118,055
ROL	07/13/05	17,198,014,400	618,100	576,967		41,133
ROL	07/28/05	25,602,850,000	910,000	857,385		52,615
ROL	08/08/05	14,616,088,000	488,000	488,802	802	
ROL	08/22/05	39,688,111,000	1,367,000	1,324,992		42,008
ROL	08/31/05	58,875,493,000	2,029,000	1,963,390		65,610
RUB	09/08/05	9,314,660	332,215	324,409		7,806
RUB	09/08/05	31,268,160	1,128,000	1,089,002		38,998
RUB	12/15/05	39,907,858	1,394,405	1,387,355		7,050
RUB	05/24/06	99,755,000	3,526,158	3,450,119		76,039
RUB	06/09/06	15,998,580	559,000	552,900		6,100
SGD	07/08/05	1,647,563	992,000	976,726		15,274
SGD	08/25/05	1,636,622	988,000	972,076		15,924
SGD	09/30/05	1,622,591	969,000	965,299		3,701
SIT	07/18/05	125,158,000	665,734	632,390		33,344
SIT	07/26/05	662,184,300	3,484,814	3,345,522		139,292
SKK	07/13/05	5,833,890	186,000	184,207		1,793
SKK	07/25/05	79,799,250	2,593,748	2,520,197		73,551
SKK	07/27/05	117,990,880	3,723,167	3,726,479	3,312	
THB	08/18/05	48,180,975	1,219,000	1,164,554		54,446
THB	09/12/05	115,846,680	2,859,000	2,799,920		59,080
THB	09/16/05	29,912,520	731,000	722,961		8,039
TRY	08/08/05	644,442	470,671	476,679	6,008	
TRY	08/22/05	1,381,000	990,461	1,017,121	26,660	
TWD	07/05/05	1,567,000	50,000	49,559		441
TWD	07/11/05	26,977,440	868,000	853,106		14,894
TWD	07/11/05	4,736,870	151,000	149,794		1,206
TWD	09/08/05	60,358,455	1,935,000	1,912,004		22,996
TZS	08/09/05	212,440,000	188,000	186,296		1,704
TZS	08/23/05	225,120,740	199,000	196,372		2,628
TZS	09/06/05	383,461,000	338,000	332,731		5,269
TZS	09/15/05	317,346,400	280,000	274,434		5,566
UAH	07/13/05	2,461,960	488,000	490,643	2,643	
UAH	08/31/05	1,313,130	259,000	260,570	1,570	

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UAH	09/20/05	1,851,960	366,000	366,798	798	
UAH	12/15/05	3,896,120	758,000	760,149	2,149	
UAH	04/10/06	1,711,950	339,000	328,725		10,275
UAH	05/12/06	1,435,380	282,000	274,419		7,581
Total Forward Currency Purchase Contracts			<u>\$ 99,915,489</u>	<u>\$ 99,023,286</u>	<u>\$ 769,392</u>	<u>\$ 1,661,595</u>

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

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (concluded)

June 30, 2005 (unaudited)

Forward Currency Contracts open at June 30, 2005 (concluded):

Forward Currency Sale Contracts	Expiration Date	Foreign Currency	U.S. \$ Cost on Origination Date	U.S. \$ Current Value	Unrealized Appreciation	Unrealized Depreciation
BRL	07/06/05	3,047,296	\$ 1,253,000	\$ 1,287,410	\$	\$ 34,410
BRL	10/06/05	3,382,069	1,381,000	1,376,629	4,371	
HRK	07/05/05	705,000	116,510	116,662		152
ILS	07/07/05	9,847,028	2,150,898	2,149,895	1,003	
ILS	07/11/05	3,732,101	852,000	814,803	37,197	
MAD	07/14/05	8,517,128	944,302	937,687	6,615	
MAD	07/14/05	13,184,058	1,451,669	1,451,489	180	
MAD	07/18/05	6,174,000	680,181	679,219	962	
ROL	07/05/05	10,769,285,000	360,285	361,642		1,357
THB	07/07/05	21,083,221	511,000	510,103	897	
THB	08/25/05	32,439,400	812,000	784,052	27,948	
TRY	08/08/05	1,255,000	899,319	928,295		28,976
TWD	07/05/05	1,567,000	49,494	49,559		65
Total Forward Currency Sale Contracts			\$ 11,461,658	\$ 11,447,445	79,173	64,960
Gross unrealized appreciation/depreciation on Forward Currency Contracts					\$ 848,565	\$ 1,726,555

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

Lazard Global Total Return & Income Fund, Inc.

Notes to Portfolio of Investments

June 30, 2005 (unaudited)

- (a) Non-income producing security.
 (b) For federal income tax purposes, the aggregate cost was \$237,913,703, aggregate gross unrealized appreciation was \$15,577,732, aggregate gross unrealized depreciation was \$6,408,298 and the net unrealized appreciation was \$9,169,434.
 (c) Segregated security for forward currency contracts.
 (d) Security or portion thereof is out on loan.
 (e) Principal amount denominated in respective country's currency.
 (f) Zero coupon security.
 (g) Rate shown reflects 7 day yield as of June 30, 2005.
 (h) Represents security purchased with cash collateral received for securities on loan.

Security Abbreviation:

ADR American Depository Receipt

Currency Abbreviations:

ARS	Argentine Peso	MXN	Mexican Peso
BRL	Brazilian Real	PEN	Peruvian New Sol
COP	Colombian Peso	PHP	Philippine Peso
CZK	Czech Koruna	PLN	Polish Zloty
EGP	Egyptian Pound	ROL	Romanian Leu
GHC	Ghanaian Cedi	RUB	Russian Ruble
HRK	Croatian Kuna	SGD	Singapore Dollar
IDR	Indonesian Rupiah	SIT	Slovenian Tolar
ILS	Israeli Shekel	SKK	Slovenska Koruna
INR	Indian Rupee	THB	Thai Baht
ISK	Iceland Krona	TRY	New Turkish Lira
KRW	South Korean Won	TWD	New Taiwan Dollar
KZT	Kazakhstan Tenge	TZS	Tanzanian Schilling
MAD	Moroccan Dirham	UAH	Ukrainian Hryvnia

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

Industry	
Aerospace & Defense	2.3%
Banking	18.3
Brewery	2.6
Business Services & Supplies	1.7
Computer Software	6.8
Computers & Business Equipment	3.8
Cosmetics & Toiletries	1.9
Diversified	5.2
Drugs & Health Care	9.5
Financial Services	7.5
Food & Beverages	10.6
Insurance	1.7
Medical Products & Services	3.5
Multimedia	2.0
Oil & Gas	11.8
Retail	2.1

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Semiconductors & Components	1.9
Telecommunications	2.7
Telecommunications Equipment	3.3
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Subtotal	99.2
Foreign Government Obligations	3.9
Repurchase Agreement	0.1
Collateral for Securities on Loan	23.2
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Total Investments	126.4%
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The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Statement of Assets and Liabilities

June 30, 2005 (unaudited)

ASSETS

Investments in securities, at value (cost \$237,913,703)	\$ 247,083,137
Cash	589
Receivables for:	
Dividends and interest	402,064
Income from securities loaned	18,837
Gross appreciation on forward currency contracts	848,565
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