

Clough Global Allocation Fund
Form N-Q
March 02, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-21583

CLOUGH GLOBAL ALLOCATION FUND
(Exact name of registrant as specified in charter)

1290 Broadway, Suite 1100, Denver, Colorado
(Address of principal executive offices)

80203
(Zip code)

Erin Douglas

Clough Global Allocation Fund

1290 Broadway, Suite 1100

Denver, Colorado 80203
(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 623-2577

Date of fiscal year end: March 31

Date of reporting period: December 31, 2008

Item 1 Schedule of Investments.

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Clough Global Allocation Fund

STATEMENT OF INVESTMENTS

December 31, 2008 (Unaudited)

| | Shares | Value |
|---|-----------|------------|
| COMMON STOCKS 89.01% | | |
| Consumer/Retail 4.67% | | |
| Anta Sports Products, Ltd. | 436,300 | \$ 198,722 |
| ASKUL Corp. | 21,700 | 457,459 |
| Belle International Holdings, Ltd. | 593,000 | 260,148 |
| China Dongxiang Group Co. | 885,000 | 214,678 |
| China Mengniu Dairy Co., Ltd. | 191,000 | 248,417 |
| Ctrip.com International, Ltd.-ADR | 13,804 | 328,535 |
| DSW, Inc.(a) | 5,392 | 67,184 |
| eBay, Inc.(a) | 40,000 | 558,400 |
| GOME Electrical Appliances Holdings, Ltd.(b) | 1,754,700 | 253,576 |
| Home Inns & Hotels Management, Inc. - ADR(a) | 7,500 | 64,350 |
| Jardine Matheson Holdings, Ltd. | 32,650 | 604,025 |
| Jardine Strategic Holdings, Ltd. | 25,921 | 269,578 |
| Kraft Foods, Inc. | 32,700 | 877,995 |
| Li Ning Co., Ltd. | 76,000 | 118,655 |
| Little Sheep Group, Ltd.(a) (c) | 59,000 | 15,682 |
| Parkson Retail Group, Ltd. | 447,500 | 508,116 |
| Ports Design, Ltd. | 425,000 | 515,471 |
| Pou Sheng International Holdings, Ltd.(a) (c) | 818,000 | 87,603 |
| Regal Hotels International Holdings, Ltd. | 374,390 | 103,860 |
| Shanghai Industrial Holdings, Ltd. | 60,300 | 137,714 |
| Swire Pacific, Ltd. | 60,000 | 413,022 |
| | | 6,303,190 |
| Energy 9.14% | | |
| Coal 0.98% | | |
| Arch Coal, Inc. | 18,691 | 304,476 |
| CONSOL Energy, Inc. | 22,615 | 646,337 |
| Massey Energy Co. | 5,900 | 81,361 |
| Peabody Energy Corp. | 12,739 | 289,812 |
| | | 1,321,986 |
| Exploration & Production 5.27% | | |
| Anadarko Petroleum Corp. | 22,300 | 859,665 |
| Chesapeake Energy Corp. | 15,500 | 250,635 |
| Devon Energy Corp. | 8,783 | 577,131 |
| InterOil Corp.(a) | 33,037 | 454,259 |
| Noble Energy, Inc. | 32,925 | 1,620,569 |
| OAO Gazprom - ADR | 24,100 | 343,425 |
| Occidental Petroleum Corp. | 6,900 | 413,931 |
| PetroHawk Energy Corp.(a) | 55,058 | 860,557 |
| Petroleo Brasileiro S.A. - ADR | 10,900 | 266,941 |
| Pioneer Natural Resources Co. | 5,300 | 85,754 |
| Range Resources Corp. | 30,700 | 1,055,773 |
| Southwestern Energy Co.(a) | 10,700 | 309,979 |
| | | 7,098,619 |
| Oil Services & Drillers 2.84% | | |
| Diamond Offshore Drilling, Inc. | 19,587 | 1,154,458 |
| Hercules Offshore, Inc.(a) | 11,920 | 56,620 |
| Noble Corp. | 10,000 | 220,600 |

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| | | |
|---|-----------|------------|
| Sadrill, Ltd. | 21,000 | 165,250 |
| Suncor Energy, Inc. | 9,800 | 191,100 |
| Transocean, Inc.(a) | 38,181 | 1,804,052 |
| Weatherford International, Ltd.(a) | 12,083 | 130,738 |
| Willbros Group, Inc.(a) | 12,694 | 107,518 |
| | | 3,830,336 |
| Tankers 0.05% | | |
| Golar LNG, Ltd. | 10,500 | 70,980 |
| TOTAL ENERGY | | 12,321,921 |
| Finance 11.32% | | |
| Banks 8.19% | | |
| Banco Bradesco S.A. - ADR | 65,035 | 641,895 |
| Banco Itau Holding Financeira S.A. - ADR | 85,834 | 995,675 |
| Bank Mandiri Persero Tbk PT | 3,816,000 | 708,936 |
| Bank of America Corp. | 121,434 | 1,709,791 |
| BlackRock Kelso Capital Corp. | 105,700 | 1,042,202 |
| Daishin Securities Co., Ltd.-GDR | 77,200 | 197,362 |
| Goldman Sachs Group, Inc. | 7,600 | 641,364 |
| Indochina Capital Vietnam Holdings, Ltd.(a) | 200,000 | 495,000 |
| Malayan Banking BHD | 51,025 | 75,210 |
| Morgan Stanley | 70,400 | 1,129,216 |
| Nomura Holdings, Inc. - ADR | 20,752 | 173,279 |

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| | | |
|---|-----------|------------|
| PennantPark Investment Corp. | 160,030 | 577,708 |
| Public Bank BHD | 307,700 | 787,037 |
| Siam Commercial Bank PCL | 460,000 | 638,154 |
| Standard Chartered PLC | 20,000 | 237,671 |
| Unibanco - Uniao de Bancos Brasileiros - GDR | 15,400 | 995,148 |
| | | 11,045,648 |
| Non-Bank 3.13% | | |
| Apollo Investment Corp. | 298,489 | 2,778,933 |
| Ares Capital Corp. | 89,483 | 566,427 |
| Broadridge Financial Solutions, Inc. | 3,600 | 45,144 |
| CME Group, Inc. | 2,900 | 603,519 |
| Hong Kong Exchanges & Clearing, Ltd. | 15,600 | 148,146 |
| Maiden Holdings, Ltd.(c) | 23,900 | 74,807 |
| | | 4,216,976 |
| TOTAL FINANCE | | 15,262,624 |
| Gold/Metals 2.66% | | |
| Agnico-Eagle Mines, Ltd. | 26,900 | 1,380,777 |
| Anglo American PLC - ADR | 18,134 | 210,717 |
| Freeport-McMoRan Copper & Gold, Inc. | 29,800 | 728,312 |
| Goldcorp, Inc. | 40,178 | 1,266,812 |
| | | 3,586,618 |
| Health Care 2.52% | | |
| BioSphere Medical, Inc.(a) (d) | 50,000 | 96,500 |
| BioSphere Medical, Inc.(a) | 182,703 | 352,617 |
| Molecular Insight Pharmaceuticals, Inc.(a) | 80,200 | 344,860 |
| Pfizer, Inc. | 146,600 | 2,596,286 |
| | | 3,390,263 |
| Industrial 6.55% | | |
| Aegean Marine Petroleum Network, Inc. | 46,800 | 793,728 |
| Bakrie Sumatera Plantations Tbk PT | 1,527,000 | 36,424 |
| Chicago Bridge & Iron Co. | 113,641 | 1,142,092 |
| China South Locomotive and Rolling Stock Corp.(a) (c) | 1,382,500 | 750,990 |
| Crown Holdings, Inc.(a) | 43,300 | 831,360 |
| Foster Wheeler, Ltd.(a) | 94,700 | 2,214,086 |
| Jacobs Engineering Group, Inc.(a) | 22,000 | 1,058,200 |
| McDermott International, Inc.(a) | 81,300 | 803,244 |
| PT Astra International Tbk | 735,000 | 711,399 |
| Sinopec Shanghai Petrochemical Co., Ltd. | 990,000 | 254,200 |
| Textron, Inc. | 7,400 | 102,638 |
| Weichai Power Co., Ltd. | 73,000 | 137,519 |
| | | 8,835,880 |
| Insurance 11.56% | | |
| ACE, Ltd. | 16,400 | 867,888 |
| Allstate Corp. | 81,123 | 2,657,589 |
| Aon Corp. | 16,700 | 762,856 |
| Arch Capital Group, Ltd.(a) | 4,900 | 343,490 |
| Everest Re Group, Ltd. | 8,900 | 677,646 |
| Fidelity National Financial, Inc. | 225,900 | 4,009,725 |
| Metlife, Inc. | 27,778 | 968,341 |
| Montpelier Re Holdings, Ltd. | 62,800 | 1,054,412 |
| PartnerRe, Ltd. | 9,900 | 705,573 |
| RenaissanceRe Holdings, Ltd. | 13,500 | 696,060 |
| The Travelers Cos, Inc. | 62,900 | 2,843,080 |
| | | 15,586,660 |
| Metals & Mining 0.03% | | |
| First Uranium Corp.(a) | 8,000 | 11,859 |
| Uex Corp.(a) | 2,700 | 1,444 |

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| | | |
|--|-----------|-----------|
| Uranium One, Inc.(a) | 3,700 | 5,365 |
| Ur-Energy, Inc.(a) | 27,200 | 15,203 |
| | | 33,871 |
| Real Estate 5.23% | | |
| Cheung Kong Holdings, Ltd. | 251,800 | 2,381,478 |
| Great Eagle Holdings, Ltd. | 235,080 | 261,160 |
| Hang Lung Group, Ltd. | 38,000 | 114,978 |
| Hang Lung Properties, Ltd. | 117,000 | 254,223 |
| Henderson Land Development Co., Ltd. | 148,000 | 548,063 |
| Hopewell Holdings, Ltd. | 95,000 | 312,573 |
| Hysan Development Co., Ltd. | 406,875 | 657,283 |
| Italian-Thai Development PLC | 2,088,000 | 134,477 |
| Kerry Properties, Ltd. | 129,072 | 343,906 |
| Sun Hung Kai Properties, Ltd. | 167,900 | 1,399,492 |
| Wharf Holdings, Ltd. | 192,250 | 527,123 |
| YNH Property BHD | 361,770 | 118,150 |
| | | 7,052,906 |
| Real Estate Investment Trusts (REITS) 7.88% | | |
| Annaly Capital Management, Inc. | 293,200 | 4,653,085 |
| Anworth Mortgage Asset Corp. | 127,114 | 817,343 |

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| | | |
|---|---------|-------------|
| Capstead Mortgage Corp. | 34,700 | 373,719 |
| Chimera Investment Corp. | 130,500 | 450,225 |
| Hatteras Financial Corp.(c) | 50,300 | 1,337,980 |
| Hatteras Financial Corp. | 98,400 | 2,617,440 |
| MFA Mortgage Investments, Inc. | 63,000 | 371,070 |
| Regal Real Estate Investment Trust | 37,439 | 4,686 |
| | | 10,625,548 |
| Technology & Communications 18.10% | | |
| Applied Materials, Inc. | 33,500 | 339,355 |
| Cablevision Systems Corp. | 18,900 | 318,276 |
| Centron Telecom International Holdings, Ltd. | 238,000 | 26,410 |
| China Telecom Corp., Ltd. | 688,000 | 256,551 |
| Chunghwa Telecom Co., Ltd.-ADR | 133,058 | 2,075,705 |
| Cisco Systems, Inc.(a) | 214,900 | 3,502,870 |
| Comcast Corp. | 91,200 | 1,472,880 |
| EMC Corp.(a) | 60,000 | 628,200 |
| Honeywell International, Inc. | 97,600 | 3,204,208 |
| Intel Corp. | 147,209 | 2,158,084 |
| Magal Security Systems, Ltd.(a) | 76,443 | 447,192 |
| Microsoft Corp. | 84,478 | 1,642,252 |
| Net Servicos de Comunicacao S.A. - ADR | 57,000 | 331,740 |
| Nokia Corp. - ADR | 103,514 | 1,614,818 |
| Oracle Corp.(a) | 128,500 | 2,278,305 |
| Qualcomm, Inc. | 53,400 | 1,913,322 |
| Radvision, Ltd.(a) | 157,945 | 851,323 |
| Sohu.com, Inc.(a) | 11,000 | 520,740 |
| Yahoo! Inc.(a) | 67,100 | 818,620 |
| | | 24,400,851 |
| Transportation 1.69% | | |
| Babcock & Brown Air, Ltd. - ADR | 62,800 | 425,156 |
| Burlington Northern Santa Fe Corp. | 15,700 | 1,188,647 |
| Seaspan Corp. | 75,000 | 666,750 |
| | | 2,280,553 |
| Utilities 7.66% | | |
| AES Corp.(a) | 78,000 | 642,720 |
| DPL, Inc. | 28,900 | 660,076 |
| Dynegy Inc. - Class A(a) | 12,900 | 25,800 |
| Enbridge, Inc. | 14,400 | 461,453 |
| Equitable Resources, Inc. | 15,490 | 519,690 |
| FirstEnergy Corp. | 7,000 | 340,060 |
| General Cable Corp.(a) | 107,833 | 1,907,566 |
| KBR, Inc. | 104,070 | 1,581,864 |
| National Fuel Gas Co. | 4,771 | 149,475 |
| Quanta Services, Inc.(a) | 189,013 | 3,742,457 |
| Williams Cos., Inc. | 20,600 | 298,288 |
| | | 10,329,449 |
| TOTAL COMMON STOCKS | | |
| (Cost \$151,150,068) | | 120,010,334 |
| EXCHANGE TRADED FUNDS 7.42% | | |
| iShares FTSE/Xinhua China 25 Index Fund | 24,800 | 723,664 |
| iShares MSCI Brazil | 24,226 | 845,487 |
| iShares MSCI Taiwan | 48,323 | 366,772 |
| Oil Service HOLDRs Trust | 80,000 | 5,900,000 |
| Semiconductor HOLDRs Trust | 55,400 | 980,580 |
| SPDR Gold Shares(a) | 13,800 | 1,194,390 |
| | | 10,010,893 |

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TOTAL EXCHANGE TRADED FUNDS
(Cost \$14,711,215)

PREFERRED STOCKS 0.29%
Arch Capital Group, Ltd., 7.875% 19,500 390,390

TOTAL PREFERRED STOCKS
(Cost \$482,625) 390,390

CLOSED-END FUNDS 0.19%
The Ottoman Fund(a) (c) 515,340 251,917

TOTAL CLOSED-END FUNDS
(Cost \$896,434) 251,917

| | Principal Amount | |
|---------------------------------------|-----------------------------|---------|
| PARTICIPATION NOTES 0.17% | | |
| Cathay Financial Holding Co., Ltd.(a) | \$ 206,000 | 229,112 |

TOTAL PARTICIPATION NOTES
(Cost \$232,471) 229,112

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| | Coupon Rate | | |
|---|------------------------|-----------|------------|
| CORPORATE BONDS 8.46% | | | |
| ACE INA Holdings, Inc. 03/15/2018 | 5.800% | 375,000 | 338,063 |
| Allstate Life Global Funding Trusts 04/30/2013 | 5.375% | 525,000 | 517,300 |
| Anadarko Petroleum Corp. 09/15/2016 | 5.950% | 375,000 | 331,733 |
| Aon Corp. 12/14/2012 | 7.375% | 215,000 | 212,541 |
| Apache Corp. 09/15/2013 | 6.000% | 600,000 | 622,876 |
| Burlington Northern Santa Fe Corp. 05/01/2017 | 5.650% | 725,000 | 697,265 |
| Chubb Corp. 11/15/2011 | 6.000% | 550,000 | 551,415 |
| Comcast Cable Communications LLC 06/15/2013 | 7.125% | 680,000 | 668,667 |
| Comcast Corp. 03/15/2016 | 5.900% | 200,000 | 191,237 |
| CSX Transportation, Inc. 10/15/2014 | 8.375% | 350,000 | 363,801 |
| Devon Financing Corp. ULC 09/30/2011 | 6.875% | 630,000 | 636,163 |
| Eaton Vance Corp. 10/02/2017 | 6.500% | 575,000 | 510,320 |
| Enbridge Energy Partners LP 03/01/2019 | 9.875% | 375,000 | 378,005 |
| Freeport-McMoRan Copper & Gold, Inc. 04/01/2015 | 8.250% | 365,000 | 310,608 |
| General Dynamics Corp. 02/01/2014 | 5.250% | 590,000 | 605,314 |
| Hewlett-Packard Co. 03/01/2014 | 6.125% | 350,000 | 372,462 |
| Kraft Foods, Inc. 08/11/2017 | 6.500% | 400,000 | 402,713 |
| The Kroger Co. 02/01/2010 | 8.050% | 500,000 | 508,323 |
| Sara Lee Corp. 09/15/2011 | 6.250% | 400,000 | 396,218 |
| TEPPCO Partners LP 02/01/2013 | 6.125% | 560,000 | 498,667 |
| The Travelers Cos, Inc. 06/15/2012 | 5.375% | 510,000 | 509,283 |
| | 5.800% | 275,000 | 265,388 |
| Union Pacific Corp. 01/31/2013 | 5.450% | 500,000 | 485,415 |
| Wal-Mart Stores, Inc. 02/15/2018 | 5.800% | 250,000 | 277,133 |
| XTO Energy, Inc. 12/15/2013 | 5.750% | 775,000 | 753,111 |
| TOTAL CORPORATE BONDS | | | |
| (Cost \$11,184,649) | | | 11,404,021 |
| ASSET/MORTGAGE BACKED SECURITIES 11.70% | | | |
| Freddie Mac REMICS Series 2006-3155, Class SA, 11/15/2035(e) | 30.930% | 1,600,214 | 1,733,175 |

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| | | | |
|---|---------|-----------|-------------------|
| Ginnie Mae I pool | | | |
| Series 2008-675480, 06/15/2038 | 5.500% | 3,559,623 | 3,675,015 |
| Series 2008-675488, 06/15/2038 | 5.500% | 1,474,936 | 1,522,749 |
| Series 2008-696604, 08/15/2038 | 5.500% | 1,295,929 | 1,337,939 |
| Ginnie Mae II pool | | | |
| Series 2008-686743, 05/20/2038 | 5.500% | 992,142 | 1,021,365 |
| Series 2008-4183, 07/20/2038 | 6.000% | 1,475,734 | 1,520,006 |
| Series 2008-4194, 07/20/2038 | 5.500% | 1,733,521 | 1,784,580 |
| Government National Mortgage Association (GNMA) | | | |
| Series 2003-16, Class A, 04/16/2016 | 3.130% | 1,343,204 | 1,350,494 |
| Series 2007-37, Class SA, 03/20/2037(e) | 20.403% | 502,752 | 493,119 |
| Series 2007-37, Class SB, 03/20/2037(e) | 20.403% | 451,989 | 427,737 |
| Series 2007-37, Class SY, 06/16/2037(e) | 20.662% | 291,526 | 281,509 |
| Small Business Administration Participation Certificates | | | |
| Series 2008-20L, Class 1, 12/01/2028 | 6.220% | 590,000 | 626,065 |
| TOTAL ASSET/MORTGAGE BACKED SECURITIES | | | |
| (Cost \$15,139,453) | | | 15,773,753 |

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GOVERNMENT & AGENCY OBLIGATIONS 14.79%

U.S. Government Obligations 14.79%

| | | | | |
|--------------------|--------|-----------|-----------|--|
| U.S. Treasury Bond | | | | |
| 06/30/2012 | 4.875% | 600,000 | 674,578 | |
| 02/15/2014 | 4.000% | 2,000,000 | 2,267,502 | |
| 08/15/2016 | 4.875% | 3,900,000 | 4,661,416 | |
| 05/15/2017 | 4.500% | 3,000,000 | 3,521,253 | |
| 08/15/2017 | 4.750% | 2,500,000 | 2,989,845 | |
| 08/15/2018 | 4.000% | 2,000,000 | 2,310,158 | |
| 05/15/2038 | 4.500% | 1,750,000 | 2,389,025 | |
| U.S. Treasury Note | | | | |
| 07/31/2012 | 4.625% | 1,000,000 | 1,121,329 | |

TOTAL GOVERNMENT & AGENCY OBLIGATIONS

(Cost \$17,393,291) 19,935,106

STRUCTURED NOTES 1.54%

| | | | | |
|---------------------------|--------|-----------|-----------|--|
| Merrill Lynch & Co., Inc. | | | | |
| 01/29/2022(b) (c) (e) | 9.580% | 4,000,000 | 2,080,000 | |

TOTAL STRUCTURED NOTES

(Cost \$4,000,000) 2,080,000

| | Expiration Date | Exercise Price | Number of Contracts | Value |
|---|-----------------|----------------|---------------------|-------|
| PURCHASED OPTIONS 7.52% | | | | |
| Purchased Call Options 0.00% (f) | | | | |
| Petroleo Brasileiro S.A. | January, 2009 | \$ 60.00 | 500 | 1,250 |
| TOTAL PURCHASED CALL OPTIONS | | | | 1,250 |
| (Cost \$511,528) | | | | |

Purchased Put Options 7.52%

| | | | | |
|---------------------------|----------------|--------|-----|-----------|
| Oil Service HOLDERS Trust | January, 2009 | 160.00 | 800 | 6,892,000 |
| S&P 500 Index | January, 2009 | 800.00 | 300 | 139,500 |
| S&P 500 Index | January, 2009 | 830.00 | 300 | 252,000 |
| S&P 500 Index | January, 2009 | 860.00 | 500 | 740,000 |
| S&P 500 Index | February, 2009 | 875.00 | 500 | 2,110,000 |

TOTAL PURCHASED PUT OPTIONS

(Cost \$14,732,135) 10,133,500

TOTAL PURCHASED OPTIONS

(Cost \$15,243,663) 10,134,750

| | 7 Day Yield | Shares | Value |
|---|-------------|------------|------------|
| SHORT TERM INVESTMENTS 11.29% | | | |
| Dreyfus Treasury Prime Money Market Fund(g) | 0.011% | 15,220,696 | 15,220,696 |

TOTAL SHORT TERM INVESTMENTS

(Cost \$15,220,696) 15,220,696

Total Investments* - 152.38%

(Cost \$245,654,565) 205,440,972

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| | |
|--|-----------------------|
| Liabilities in Excess of Other Assets - (52.38%) | (70,614,743) |
| NET ASSETS - 100.00% | \$ 134,826,229 |

| | Expiration Date | Exercise Price | Number of Contracts | Value |
|------------------------------------|----------------------------|---------------------------|--------------------------------|--------------|
| SCHEDULE OF OPTIONS WRITTEN | | | | |
| Call Options Written | | | | |
| General Cable Corp. | January, 2009 | \$ 17.50 | 30 | \$ (4,425) |
| Petroleo Brasileiro S.A. | January, 2009 | 75.00 | 500 | (1,250) |
| TOTAL CALL OPTIONS WRITTEN | | | | |
| (Premiums received \$240,706) | | | | (5,675) |
| Put Options Written | | | | |
| S&P 500 Index | January, 2009 | 700.00 | 300 | (27,000) |
| S&P 500 Index | January, 2009 | 750.00 | 300 | (57,000) |
| S&P 500 Index | January, 2009 | 775.00 | 500 | (147,500) |
| S&P 500 Index | February, 2009 | 750.00 | 500 | (602,500) |
| TOTAL PUT OPTIONS WRITTEN | | | | |
| (Premiums received \$7,603,621) | | | | (834,000) |
| TOTAL OPTIONS WRITTEN | | | | |
| (Premiums received \$7,844,327) | | | | \$ (839,675) |

SCHEDULE OF SECURITIES SOLD SHORT

| Name | Shares | Value |
|---|---------------|----------------|
| 3M Co. | (37,200) | \$ (2,140,488) |
| Amazon.com, Inc. | (14,600) | (748,688) |
| Ashland, Inc. | (3,700) | (38,887) |
| Autozone, Inc. | (16,700) | (2,329,149) |
| Bill Barrett Corp. | (25,089) | (530,131) |
| Cie Generale d Optique Essilor International S.A. | (5,600) | (261,318) |
| Cimarex Energy Co. | (16,133) | (432,042) |
| Citigroup, Inc. | (249,600) | (1,674,816) |
| Consolidated Edison, Inc. | (7,000) | (272,510) |
| Costco Wholesale Corp. | (30,800) | (1,617,000) |
| DaVita, Inc. | (200) | (9,914) |
| Dawson Geophysical Co. | (1,400) | (24,934) |
| Euro Currency Trust | (1,700) | (237,813) |
| Financial Select Sector SPDR | (81,400) | (1,027,268) |
| General Electric Co. | (249,621) | (4,043,859) |
| Genuine Parts Co. | (14,394) | (544,957) |
| iShares Dow Jones U.S. Real Estate Index Fund | (65,986) | (2,456,659) |
| iShares S&P 500 Index Fund | (4,900) | (443,156) |
| Li & Fung, Ltd. | (103,000) | (176,491) |
| Nippon Steel Corp. | (210,000) | (671,814) |
| POSCO-ADR | (3,910) | (294,228) |
| Public Storage | (12,200) | (969,900) |
| Quest Diagnostics, Inc. | (5,300) | (275,123) |
| Simon Property Group, Inc. | (10,600) | (563,178) |
| Softbank Corp. | (18,900) | (334,216) |
| Sunoco, Inc. | (22,900) | (995,234) |
| Swift Energy Co. | (12,676) | (213,084) |
| Vertex Pharmaceuticals, Inc. | (4,700) | (142,786) |

TOTAL SECURITIES SOLD SHORT

(Proceeds \$27,613,651) \$ (23,469,643)

ADR - American Depositary Receipt
BHD - Berhad (in Malaysia; equivalent to Public Limited Company)
GDR - Global Depositary Receipt
LLC - Limited Liability Company
LP - Limited Partnership PCL-Public Company Limited
PLC - Public Limited Company
PT - equivalent to Public Limited Company in Indonesia
REMICS - Real Estate Mortgage Investment Conduits
S.A. - Generally designates corporations in various countries, mostly those employing the civil law.
SPDR - Standard & Poor's Depositary Receipt
Tbk - Terbuka (stock symbol in Indonesian)
ULC - Unlimited Liability Company

* All securities are being held as collateral for borrowings, written options and/or short sales as of December 31, 2008.

(a) Non-Income Producing Security.

(b) Fair valued security; valued in accordance with procedures approved by the Fund's Board of Trustees. As of December 31, 2008, these securities had a total value of \$2,333,576 or 1.73% of net assets.

(c) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. As of December 31, 2008, these securities had a total value of \$4,598,979 or 3.41% of net assets.

(d) Private Placement; these securities may only be resold in transactions exempt from registration under the Securities Act of 1933. As of December 31, 2008, these securities had a total value of \$96,500 or 0.07% of net assets.

(e) Floating or variable rate security - rate disclosed as of December 31, 2008.

(f) Amount represents less than 0.005% of net assets.

(g) Investments in other funds are calculated at their respective net asset values as determined by those funds, in accordance with the Investment Company Act of 1940.

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For Fund compliance purposes, the Fund's industry classifications refer to any one of the industry sub-classifications used by one or more widely recognized market indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease. Industries are shown as a percent of net assets. These industry classifications are unaudited.

Income Tax Information:

Net unrealized appreciation/depreciation of investments based on federal tax costs were as follows:

As of December 31, 2008

| | | |
|--|----|--------------|
| Gross appreciation (excess of value over tax cost) | \$ | 8,813,028 |
| Gross depreciation (excess of tax cost over value) | | (55,074,748) |
| Net unrealized depreciation | \$ | (46,261,720) |
| Cost of investments for income tax purposes | \$ | 251,702,692 |

See Notes to Quarterly Statement of Investments.

Notes to Quarterly Statement of Investments

December 31, 2008 (Unaudited)

1. Significant Accounting and Operating Policies

Clough Global Allocation Fund is a closed-end management investment company (the Fund) that was organized under the laws of the state of Delaware by an Agreement and Declaration of Trust dated April 27, 2004. The Fund is a non-diversified series with an investment objective to provide a high level of total return. The Declaration of Trust provides that the Trustees may authorize separate classes of shares of beneficial interest.

The following summarizes the significant accounting policies of the Fund.

Security Valuation The net asset value per Share of the Fund is determined no less frequently than daily, on each day that the American Stock Exchange (the Exchange) is open for trading, as of the close of regular trading on the Exchange (normally 4:00 p.m. New York time). Trading may take place in foreign issues held by the Fund at times when the Fund is not open for business. As a result, the Fund's net asset value may change at times when it is not possible to purchase or sell shares of the Fund. Securities held by the Fund for which exchange quotations are readily available are valued at the last sale price, or if no sale price or if traded on the over-the-counter market, at the mean of the bid and asked prices on such day. Debt securities for which the over-the-counter market is the primary market are normally valued on the basis of prices furnished by one or more pricing services at the mean between the latest available bid and asked prices. As authorized by the Trustees, debt securities (other than short-term obligations) may be valued on the basis of valuations furnished by a pricing service which determines valuations based upon market transactions for normal, institutional-size trading units of securities. Short-term obligations maturing within 60 days are valued at amortized cost, which approximates value, unless the Trustees determine that under particular circumstances such method does not result in fair value. Over-the-counter options are valued at the mean between bid and asked prices provided by dealers. Financial futures contracts listed on commodity exchanges and exchange-traded options are valued at closing settlement prices. Securities for which there is no such quotation or valuation and all other assets are valued at fair value in good faith by or at the direction of the Trustees.

Foreign Securities: The Fund may invest a portion of its assets in foreign securities. In the event that the Fund executes a foreign security transaction, the Fund will generally enter into a forward foreign currency contract to settle the foreign security transaction. Foreign securities may carry more risk than U.S. securities, such as political, market and currency risks.

The accounting records of the Fund are maintained in U.S. dollars. Prices of securities denominated in foreign currencies are translated into U.S. dollars at the closing rates of exchange at period end. Amounts related to the purchase and sale of foreign securities and investment income are translated at the rates of exchange prevailing on the respective dates of such transactions.

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A foreign currency contract is a commitment to purchase or sell a foreign currency at a future date, at a negotiated rate. The Fund may enter into foreign currency contracts to settle specific purchases or sales of securities denominated in a foreign currency and for protection from adverse exchange rate fluctuation. Risks to the Fund include the potential inability of the counterparty to meet the terms of the contract.

There were no outstanding foreign currency contracts for the Fund as of December 31, 2008.

Fair Valuation: If the price of a security is unavailable in accordance with the Fund's pricing procedures, or the price of a security is suspect, e.g., due to the occurrence of a significant event, the security may be valued at its fair value determined pursuant to procedures adopted by the Board of Trustees. For this purpose, fair value is the price that the Fund reasonably expects to receive on a current sale of the security. Due to the number of variables affecting the price of a security, however; it is possible that the fair value of a security may not accurately reflect the price that the Fund could actually receive on a sale of the security. As of December 31, 2008, securities which have been fair valued represented 1.73% of the Fund's net assets.

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The Fund adopted the provisions of Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157 (FAS 157), Fair Value Measurements, on April 1, 2008. FAS 157 established a three-tier hierarchy to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability that are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability that are developed based on the best information available.

Various inputs are used in determining the value of each Fund's investments as of the reporting period end. These inputs are categorized in the following hierarchy under applicable financial accounting standards:

Level 1 Quoted prices in active markets for identical investments

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

Level 3 Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2008.

| Valuation Inputs | Investments in Securities at Value | | Other Financial Instruments* Unrealized Appreciation (Depreciation) | |
|---|---------------------------------------|-------------|---|--------------|
| Level 1 - Quoted Prices | \$ | 175,700,510 | \$ | (24,309,318) |
| Level 2 - Other Significant Observable Inputs | | 29,740,462 | | |
| Level 3 - Significant Unobservable Inputs | | | | |
| Total | \$ | 205,440,972 | \$ | (24,309,318) |

* Other financial instruments are derivative instruments not reflected in the Statement of Investments, such as written options, short sales, currency contracts, futures, forward contracts and swap contracts.

The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

| | Investments in Securities | Other Financial Instruments (OFI) | OFI | Market Value |
|--|---------------------------|--------------------------------------|-----|--------------|
| Balance as of 3/31/08 | \$ 562,500 | | | |
| Realized gain/(loss) | (487,500) | | | |
| Change in unrealized appreciation/(depreciation) | | | | |
| Net purchases/(sales) | (75,000) | | | |
| Transfers in and/or out of level 3 | | | | |
| Balance as of 12/31/08 | \$ | | | |

Options: In order to hedge against adverse market shifts, the Fund may utilize up to 10% of its total assets to purchase put and call options on securities. The Fund may also utilize an additional 10% of its total assets to purchase put and call options on domestic stock indices to hedge against risks of market-wide price movements affecting its assets. When a Fund purchases a call or put option, an amount equal to the premium paid is included in the Fund's Statement of Assets and Liabilities, which is included in the Annual and Semi-Annual reports to shareholders, as an investment, and is subsequently marked-to-market to reflect

the current market value of the option. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If the Fund exercises a call, the cost of the security acquired is increased by the premium paid for the call. If the Fund exercises a put option, a gain or loss is realized from the sale of the underlying security, and the proceeds from such a sale are decreased by the premium originally paid.

The Fund may also write covered put and call options on securities and stock indices. When a Fund writes a put or call option, an amount equal to the premium received is included in the Statement of Assets and Liabilities, which is included in the Annual and Semi-Annual reports to shareholders, as a liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option. If an option expires on its stipulated expiration date or if the Fund enters into a closing purchase transaction, a gain or loss is realized. If a written call option is exercised, a gain or loss is realized for the sale of the underlying security and the proceeds from the sale are increased by the premium originally received. If a written put option is exercised, the cost of the security acquired is decreased by the premium originally received. As a writer of an option, a Fund has no control over whether the underlying securities are subsequently sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the security underlying the written option. Written and purchased options are non-income producing securities.

Written option activity as of December 31, 2008 was as follows:

CALL OPTIONS WRITTEN

| | Number of Contracts | Amount of Premiums |
|--|------------------------|-----------------------|
| Options outstanding as of March 31, 2008 | | \$ |
| Positions opened | 1,663 | 1,058,506 |
| Options expired | | |
| Options closed | (1,133) | (817,800) |
| Outstanding, December 31, 2008 | 530 | \$ 240,706 |
| Market Value, December 31, 2008 | | \$ (5,675) |

PUT OPTIONS WRITTEN

| | Number of Contracts | Amount of Premiums |
|--|------------------------|-----------------------|
| Options outstanding as of March 31, 2008 | 7,490 | \$ 3,332,650 |
| Positions opened | 7,650 | 10,659,035 |
| Options exercised | (6,550) | (3,405,861) |
| Options expired | (6,990) | (2,982,203) |
| Outstanding, December 31, 2008 | 1,600 | \$ 7,603,621 |
| Market Value, December 31, 2008 | | \$ (834,000) |

Short Sales: The Fund may sell a security it does not own in anticipation of a decline in the fair value of that security. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited

in size, will be recognized upon the termination of the short sale.

Securities Transactions and Investment Income: Investment security transactions are accounted for as of trade date. Dividend income is recorded on the ex-dividend date. Interest income, which includes amortization of premium and accretion of discount, is accrued as earned. Realized gains and losses from

securities transactions and unrealized appreciation and depreciation of securities are determined using the highest cost basis for both financial reporting and income tax purposes.

2. Recent Accounting Pronouncements: In March 2008 the FASB issued FASB Statement No. 161, Disclosures about Derivative Instruments and Hedging Activities (SFAS No. 161), which is intended to improve financial reporting about derivative instruments and hedging activities. It is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The Fund is currently evaluating the potential impact, if any, the adoption of SFAS No. 161 will have on the Fund's financial statements.

Item 2 - Controls and Procedures.

(a) The Registrant's Principal Executive Officer and Principal Financial Officer have evaluated the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) within 90 days of this filing and have concluded that the Registrant's disclosure controls and procedures were effective, as of that date.

(b) There was no change in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) during Registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 3 Exhibits.

Separate certifications for the Registrant's Principal Executive Officer and Principal Financial Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and Rule 30a-2(a) under the Investment Company Act of 1940, are attached as Ex99.CERT.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CLOUGH GLOBAL ALLOCATION FUND

By: /s/ Edmund J. Burke
Edmund J. Burke
President (principal executive officer)

Date: March 2, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Edmund J. Burke
Edmund J. Burke
President (principal executive officer)

Date: March 2, 2009

By: /s/ Jeremy O. May
Jeremy O. May
Treasurer (principal financial officer)

Date: March 2, 2009
