

ABERDEEN ASIA-PACIFIC INCOME FUND INC
Form N-CSRS
July 07, 2011

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:	811-04611
Exact name of registrant as specified in charter:	Aberdeen Asia-Pacific Income Fund, Inc.
Address of principal executive offices:	1735 Market Street, 32 nd Floor Philadelphia, PA 19103
Name and address of agent for service:	Andrea Melia Aberdeen Asset Management Inc. 1735 Market Street 32 nd Floor Philadelphia, PA 19103
Registrant's telephone number, including area code:	800-522-5465
Date of fiscal year end:	October 31
Date of reporting period:	April 30, 2011

Item 1 Reports to Stockholders

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Aberdeen Asia Pacific Income Fund, Inc.

Semi-Annual Report

April 30, 2011

Invests primarily in Australian and Asian debt securities.

Letter to Shareholders (unaudited)

June 8, 2011

Dear Shareholder,

We present this Semi-Annual Report which covers the activities of Aberdeen Asia-Pacific Income Fund, Inc. (the Fund) for the six months ended April 30, 2011. The Fund's investment objective is to seek current income. The Fund may also achieve incidental capital appreciation.

Net Asset Value Performance

The Fund's total return based on net asset value (NAV) was 9.93% for the six months ended April 30, 2011 and 9.80% per annum since inception, assuming the reinvestment of distributions.

Share Price Performance

The Fund's share price increased by 6.4% over the six month period, from \$6.90 on October 31, 2010 to \$7.34 on April 30, 2011. The Fund's share price on April 30, 2011 represented a discount of 5.3% to the NAV per share of \$7.75 on that date, compared with a discount of 5.1% to the NAV per share of \$7.27 on October 31, 2010. At the date of this letter, the share price was \$7.16 representing a discount of 5.4% to the NAV per share of \$7.57.

Portfolio Allocation

As of April 30, 2011, the Fund held 44.2% of its total investments in Australian debt securities, 51.5% in Asian debt securities, 2.8% in European debt securities, 1.4% in U.S. debt securities and 0.1% in Canadian debt securities.

Of the Fund's total investments, 33.7% were held in U.S. Dollar denominated bonds issued by foreign issuers, bringing the Fund's U.S. Dollar exposure to 34.1%. The rest of the Fund's currency exposure was 47.3% in the Australian Dollar and 18.6% in various Asian currencies.

Credit Quality

As of April 30, 2011, 67.3% of the Fund's portfolio was invested in securities where either the issue or the issuer was rated A or better by the Standard & Poor's Corporation or Moody's Investors Services, Inc., or judged by Aberdeen Asset Management Asia Limited (the Investment Manager) to be of equivalent quality.

Distributions

Distributions to common shareholders for the twelve months ended April 30, 2011 totaled \$0.42 per share. Based on the share price of \$7.34 on April 30, 2011, the distribution rate over the twelve months ended was 5.7%. Since all distributions are paid after deducting applicable withholding taxes, the effective distribution rate may be higher for those U.S. investors who are able to claim a tax credit.

On June 7, 2011, the Board of Directors of the Fund (the Board) authorized a monthly distribution of \$0.035 per share, payable on July 15, 2011 to common shareholders of record as of June 30, 2011.

The Fund's policy is to provide investors with a stable monthly distribution out of current income, supplemented by realized capital gains and, to the extent the Fund does not generate earnings from dividends, interest and net realized capital gains equal to or in excess of the aggregate distributions paid by the Fund, paid-in capital, which is a non-taxable return of capital. It is the Board's intention that a monthly distribution of \$0.035 per share be maintained for twelve months, beginning with the July 15, 2011 distribution payment. This policy is subject to regular review at the Board's quarterly meetings, unless market conditions require an earlier evaluation. The next review is scheduled to take place in September 2011.

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Share Repurchase Policy

The Fund's policy is generally to buy back Fund shares on the open market when the Fund trades at certain discounts to NAV. During the six months ended April 30, 2011 and the fiscal year ended October 31, 2010, the Fund did not repurchase any shares.

Revolving Credit Facility and Leverage

The Fund has entered into a \$600 million loan facility with a syndicate led by The Bank of Nova Scotia, which was renewed for a 364 day term on April 13, 2011. Under the terms of the loan facility and applicable regulations, the Fund is required to maintain certain asset coverage ratios for the amount of its outstanding borrowings. The Board regularly reviews the use of leverage by the Fund. The Fund is also authorized to use reverse repurchase agreements as another form of leverage.

Portfolio Holdings Disclosure

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 website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information about the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Fund makes the information on Form N-Q available to shareholders on the Fund's website or upon request and without charge by calling Investor Relations toll-free at 1-800-522-5465.

Proxy Voting

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities, and information regarding how the Fund voted proxies relating to

Aberdeen Asia-Pacific Income Fund, Inc.

Letter to Shareholders (unaudited) (concluded)

portfolio securities during the twelve months ended June 30, 2010, is available: (i) upon request and without charge by calling Investor Relations toll-free at 1-800-522-5465; and (ii) on the SEC's website at <http://www.sec.gov>.

Investor Relations Information

For information about the Fund, daily updates of share price, NAV and details of distributions, please contact Aberdeen Asset Management Inc. by:

Calling toll free at 1-800-522-5465 in the United States,
Emailing InvestorRelations@aberdeen-asset.com, or
Visiting the website at www.aberdeenfx.com.

For more information about Aberdeen Closed-End Funds, please visit our Closed-End Investor Center at www.aberdeen-asset.us/cef.

From the site you will also be able to review performance, download literature and sign up for email services. The site houses topical information about the funds, including fact sheets from Morningstar that are updated daily and monthly manager reports. If you sign up

for our email service online, we can ensure that you are among the first to know about Aberdeen's latest closed-end fund news.

Included within this report is a reply card with postage paid envelope. Please complete and mail the card if you would like to be added to our enhanced email service and receive future communications from Aberdeen.

Yours sincerely,

Christian Pittard

President

Dividend Reinvestment and Direct Stock Purchase Plan

The Fund has a Dividend Reinvestment and Direct Stock Purchase Plan (the "Plan"), which is sponsored and administered by Computershare Trust Company, N.A., the Fund's transfer agent.

The Plan allows registered stockholders and first time investors to buy and sell shares and automatically reinvest dividends and capital gains through our transfer agent. This is a cost-effective way to invest in the Fund.

Please note that for both purchases and reinvestment purposes, shares will be purchased in the open market at the current share price and cannot be issued directly by the Fund.

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For more information about the Plan and a brochure that includes the terms and conditions of the Plan, please call Computershare at 1-800-647-0584 or visit www.computershare.com/buyaberdeen.

All amounts are U.S. Dollars unless otherwise stated.

Aberdeen Asia-Pacific Income Fund, Inc.

Distribution Disclosure Classification (unaudited)

The Fund's policy is to provide investors with a stable monthly 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 income for each fiscal period depends on the actual exchange rates during the entire year between the U.S. Dollar and the currencies in which Fund assets are denominated and on the aggregate gains and losses realized by the Fund during the entire year.

Therefore, the exact amount of distributable income for each fiscal year can only be determined as of the end of the Fund's fiscal year, October 31. However, under the Investment Company Act of 1940 (the "1940 Act"), the Fund is required to indicate the sources of certain distributions to shareholders.

The Fund estimates that distributions for the fiscal year commencing November 1, 2010, including the distribution paid on June 17, 2011 are comprised of 100% net investment income.

This estimated distribution composition may vary from month to month because it may be materially impacted by future realized gains and losses on securities and fluctuations in the value of the currencies in which Fund assets are denominated.

In January 2012, 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 for the 2011 calendar year.

Report of the Investment Manager (unaudited)

Share Price Performance

On April 30, 2011, the Fund's share price was \$7.34, which represented a discount of 5.3% to the NAV per share of \$7.75. As of June 8, 2011, the share price was \$7.16, representing a discount of 5.4% to the NAV per share of \$7.57.

Loan Facility and the Use of Leverage

The Fund utilizes leverage to seek to increase the yield for its shareholders. The amounts borrowed from the line of credit may be invested to return higher rates than the rates in the Fund's portfolio. However, the cost of leverage could exceed the income earned by the Fund on the proceeds of such leverage. To the extent that the Fund is unable to invest the proceeds from the use of leverage in assets which pay interest at a rate which exceeds the rate paid on the leverage, the yield on the Fund's stock will decrease. In addition, in the event of a general market decline in the value of assets in which the Fund invests, the effect of that decline will be magnified in the Fund because of the additional assets purchased with the proceeds of the leverage. Non-recurring expenses in connection with the implementation of the loan facility will reduce the Fund's performance.

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The Fund's leveraged capital structure creates special risks not associated with unleveraged funds having similar investment objectives and policies. The funds borrowed pursuant to the loan facility may constitute a substantial lien and burden by reason of their prior claim against the income of the Fund and against the net

assets of the Fund in liquidation. The Fund is not permitted to declare dividends or other distributions in the event of default under the loan facility. In the event of a default under the credit agreement, the lenders have the right to cause a liquidation of the collateral (i.e., sell portfolio securities and other assets of the Fund) and, if any such default is not cured, the lenders may be able to control the liquidation as well. The loan facility has a term of 364 days and is not a perpetual form of leverage; there can be no assurance that the loan facility will be available for renewal on acceptable terms, if at all.

The credit agreement governing the loan facility includes usual and customary covenants for this type of transaction. These covenants impose on the Fund asset coverage requirements, fund composition requirements and limits on certain investments, such as illiquid investments, which are more stringent than those imposed on the Fund by the 1940 Act. The covenants or guidelines could impede the Investment Manager, Aberdeen Asset Management Limited (the Investment Adviser) or Aberdeen Asset Management Investment Services Limited (the Sub-Adviser) from fully managing the Fund's portfolio in accordance with the Fund's investment objective and policies. Furthermore, non-compliance with such covenants or the occurrence of other events could lead to the cancellation of the loan facility. The covenants also include a requirement that the Fund maintain a NAV of no less than \$1 billion.

Aberdeen Asia-Pacific Income Fund, Inc.

Report of the Investment Manager (unaudited) (continued)

The Board regularly reviews the use of leverage by the Fund and may explore other forms of leverage. The Fund may implement a reverse repurchase agreement program if the Board determines it would be advantageous for the Fund and shareholders to do so. A reverse repurchase agreement involves the sale of a security, with an agreement to repurchase the same or substantially similar securities at an agreed upon price and date. Whether such a transaction produces a gain for the Fund depends upon the costs of the agreements and the income and gains of the securities purchased with the proceeds received from the sale of the security. If the income and gains on the securities purchased fail to exceed the costs, the Fund's NAV will decline faster than otherwise would be the case. Reverse repurchase agreements, as with any leveraging techniques, may increase the Fund's return; however, such transactions also increase the Fund's risks in down markets.

Interest Rate Swaps

The Fund enters into interest rate swaps to efficiently gain or hedge interest rate or currency risk. On November 11, 2010, the Fund unwound two interest rate swap agreements with aggregate notional amounts of Hong Kong Dollar (HKD) 53 and 74 million. On April 21 and April 28, 2011, the Fund entered into new interest rate swap agreements with an aggregate notional amount of \$116.0 and \$127.5 million, respectively. As of April 30, 2011, the Fund held interest rate swap agreements with an aggregate notional amount of \$540.0 million and Thailand Baht (THB) 695.0 million which represented 94% of the total borrowings. Under the terms of the agreements currently in effect, the Fund receives a floating rate of interest. The U.S. Dollar agreements receive the three month USD-LIBOR BBA rate. The THB agreement received the six month Thai Baht Fixing rate. The Fund pays fixed rates of interest for the terms and based upon the notional amounts set forth below:

Remaining Term as of April 30, 2011	Amount (in millions)	Fixed Rate Payable (%)
60 months	\$ 116.0	2.3180
60 months	\$ 127.5	2.1875
38 months	\$ 144.0	3.0125
38 months	\$ 22.5	2.9600
18 months	THB 695.0	3.2300
12 months	\$ 130.0	1.8170

A significant risk associated with interest rate swaps is the risk that the counterparty may default or file for bankruptcy, in which case the Fund would bear the risk of loss of the amount expected to be received under the swap agreements. There can be no assurance that the Fund will have an interest rate swap in place at any given time nor can there be any assurance that, if an interest rate swap is in

place, it will be successful in hedging the Fund's interest rate risk with respect to the loan facility. The implementation of this strategy is at the discretion of the Leverage Committee of the Board of Directors.

Economic Review

Asian bond yields rose during the reporting period, as sentiment was weighed down by Europe's sovereign debt crisis and inflationary fears. Market participants appeared unmoved by the European Union's and the International Monetary Fund's (IMF) 85 billion bailout package for Ireland, while higher food and energy prices and strong economic growth drove inflation numbers beyond targets set by central banks. Losses were slightly pared from February onwards, thanks to heightened risk aversion and a pick-up of inflows into the asset class. Continued political unrest in the Middle East and north Africa, as well as the devastating earthquake and tsunami in Japan, curtailed risk appetite, which benefited bond markets. Towards the end of the period, sentiment was further lifted by a rally in U.S. Treasuries after the Federal Reserve signaled its intent to maintain an accommodative monetary policy stance in response to disappointing economic data.

Positive currency returns helped the iBoxx Asia ex-Japan Government Bond Index and UBS Composite Index rise by 3.96% and 14.40%, respectively. The Australian Dollar was the best performer, gaining by 11.55% against the U.S. Dollar on the back of rising commodity prices. Next was the Taiwan Dollar, favored for its increasingly close economic ties to the mainland, while the Singapore Dollar rallied after the central bank allowed the currency to appreciate faster.

Asia dollar credit, as measured by the Merrill Lynch Asian U.S. Dollar Bond Index, returned 0.29%. Investors brushed aside negative news as they sought better yield and fund flows returned to emerging bond markets towards the period-end. Amid a flight to safety, investment-grade

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bonds outperformed their high-yield counterparts. At the sector level, banks and corporates performed well. In the primary market, there were a total of 64 new issues worth a total of \$35.55 billion.

On the economic front, regional growth remained firm. Third- and fourth-quarter GDP continued to improve across most countries, driven by an acceleration in investment and consumption, as well as a rebound in exports. The anticipated moderation in growth this year back towards more sustainable levels as a result of tighter monetary policy and an easing of low base effects was unexpectedly mild.

Unsurprisingly, inflationary pressures intensified as output gaps closed or narrowed, while supply-side uncertainties, such as the

Aberdeen Asia-Pacific Income Fund, Inc.

Report of the Investment Manager (unaudited) (concluded)

devastating floods and Cyclone Yasi in Australia, added pressure on food and energy prices. Most central banks were increasingly hawkish and continued to tighten monetary policy. Even Bangko Sentral ng Philipines, the central bank of the Philippines, which had been one of the more dovish central banks, raised its policy rate to 4.25% for the first time since mid-2009. China hiked lending rates three times as consumer prices rose to about 5% year-on-year for most of the reporting period.

The use of bond and interest rate futures contracts was primarily to hedge and manage the interest rate exposure of the Australian bond

and U.S. dollar-denominated Asian credit portfolios. While the Australian futures detracted value, the latter added to the Fund's overall performance.

The portfolio's paid interest rate swap positions in both Thailand and Hong Kong were also positive as yields rose during the period. The Hong Kong position was unwound in November 2010.

We also employed foreign-exchange forwards to manage the exposure to Asian currencies. These forwards detracted marginally, although the Fund's overall Asian currency exposure added value.

Portfolio Composition (unaudited)

Quality of Investments

As of April 30, 2011, 67.3% of the Fund's total investments were invested in securities where either the issue or the issuer was rated A or better by Standard & Poor's Corporation or Moody's Investors Service, Inc. or, if unrated, judged to be of equivalent quality by the Investment Manager. The table below shows the asset quality of the Fund's portfolio as of April 30, 2011, compared with the previous six and twelve months:

	AAA/Aaa	AA/Aa	A	BBB/Baa	BB/Ba*	B*
Date	%	%	%	%	%	%
April 30, 2011	30.1	14.2	23.0	11.8	20.1	0.8
October 31, 2010	26.8	12.9	25.0	12.7	19.8	2.8
April 30, 2010	31.8	11.1	25.0	11.0	18.0	3.1

* Below investment grade

Geographic Composition

The table below shows the geographical composition (i.e., with U.S. Dollar denominated bonds issued by foreign issuers allocated into country of issuance) of the Fund's total investments as of April 30, 2011, compared with the previous six and twelve months:

Date	Australia	Asia	Europe	United States	Canada
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	%	(including NZ)	%	%	%
		%			
April 30, 2011	44.2	51.5	2.8	1.4	0.1
October 31, 2010	44.2	54.5		1.3	
April 30, 2010	42.7	53.6		3.7	

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio Composition (unaudited) (concluded)

Currency Composition

The table below shows the currency composition of the Fund's total investments as of April 30, 2011, compared with the previous six and twelve months:

Date	Australian	Asian Currencies	US Dollar*
	Dollar	(including NZ dollar)	
	%	%	%
April 30, 2011	47.3	18.6	34.1
October 31, 2010	44.4	19.0	36.6
April 30, 2010	42.7	20.8	36.5

* Includes U.S. Dollar denominated bonds issued by foreign issuers: 33.7% on April 30, 2011, 36.3% on October 31, 2010, and 38.9% on April 30, 2010.

Maturity Composition

As of April 30, 2011, the average maturity of the Fund's total investments was 7.1 years, compared with 7.2 years at October 31, 2010. The following table shows the maturity composition of the Fund's investments as of April 30, 2011, compared with the previous six and twelve months:

Date	Under 3 Years	3 to 5 Years	5 to 10 Years	10 Years & Over
	%	%	%	%
April 30, 2011	20.9	24.6	37.3	17.2
October 31, 2010	24.5	27.2	31.5	16.8
April 30, 2010	28.4	24.7	34.9	12.0

Aberdeen Asia-Pacific Income Fund, Inc.

Summary of Key Rates (unaudited)

The following table summarizes the movements of key interest rates and currencies from the previous six and twelve month periods.

	April 30, 2011	October 31, 2010	April 30, 2010
Australia			
90 day bank bills	4.92%	4.87%	4.63%
10 year bonds	5.43%	5.20%	5.71%
Australian Dollar	\$1.09	\$0.98	\$0.93
Malaysia			
90 day T-bills	2.78%	2.89%	2.58%
10 year bonds	3.97%	3.82%	4.06%
Malaysian Ringgit*	₹2.96	₹3.11	₹3.18
New Zealand			
90 day bank bills	2.69%	3.21%	2.75%
10 year bonds	5.44%	5.24%	5.91%
New Zealand Dollar	\$0.81	\$0.76	\$0.73
Philippines			
90 day T-bills	0.78%	3.83%	4.14%
10 year bonds	6.45%	5.96%	8.11%
Philippines Peso*	₱42.81	₱43.02	₱44.46
Singapore			
90 day T-bills	0.27%	0.29%	0.33%
10 year bonds	2.41%	1.98%	2.67%
Singapore Dollar*	₪\$1.22	₪\$1.29	₪\$1.37
South Korea			
90 day T-bills	3.39%	2.38%	2.15%
10 year bonds	4.48%	4.36%	4.82%
South Korean Won*	₩1,071.65	₩1,125.25	₩1,108.35
Thailand			
90 day deposits	1.50%	1.00%	0.75%
10 year bonds	3.68%	3.2%	3.53%
Thai Baht*	฿29.85	฿29.98	฿32.36
US\$ Bonds**			
Hong Kong	1.90%	1.73%	0.93%
Malaysia	4.83%	0.93%	1.30%
Philippines	4.35%	3.72%	5.11%
South Korea	3.57%	2.77%	3.88%

* These currencies are quoted Asian currency per U.S. Dollar. The Australian and New Zealand Dollars are quoted U.S. Dollars per currency.

** Sovereign issues.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited)

As of April 30, 2011

Principal

Amount		Value
(000)	Description	(US\$)
LONG-TERM FIXED INCOME INVESTMENTS 124.1%		
AUSTRALIA 49.9%		
AUD 6,600	ALE Finance Co. Pty Ltd., 7.16%, 5/20/20 (a)	\$ 7,234,256
AUD 1,800	AMP Group Finance Services Ltd., 7.00%, 3/02/15	1,972,573
AUD 8,000	AMP Group Finance Services Ltd., 9.00%, 5/16/11	8,782,124
AUD 2,500	APT Pipelines Ltd., 7.75%, 7/22/20	2,607,511
AUD 7,000	Australia & New Zealand Banking Group Ltd., 6.25%, 5/23/11 (a)(b)	7,674,077
AUD 5,300	Australia & New Zealand Banking Group Ltd., 6.75%, 11/10/14	5,882,525
AUD 22,500	Australia & New Zealand Banking Group Ltd., 8.50%, 4/22/13	25,895,595
AUD 33,400	Australia Government Bond, 4.50%, 10/21/14	35,871,669
AUD 79,600	Australia Government Bond, 4.75%, 11/15/12	87,016,558
AUD 74,800	Australia Government Bond, 5.50%, 1/21/18	82,714,652
AUD 79,820	Australia Government Bond, 5.75%, 7/15/22	89,441,697
AUD 4,000	Australian Prime Pty Fund Retail, 8.25%, 7/30/12	4,456,740
AUD 4,000	CFS Retail Property Trust, 6.25%, 12/22/14	4,311,967
AUD 4,300	CFS Retail Property Trust, 7.25%, 5/02/16	4,757,296
AUD 3,190	Crusade Global Trust, 5.1583%, 4/16/13 (a)(b)	3,480,150
AUD 3,500	GPT RE Ltd., 6.50%, 8/22/13	3,842,409
AUD 5,000	Heritage Building Society Ltd., 5.53%, 12/05/11 (a)(b)	5,385,356
AUD 24,500	Hypo Real Estate Bank International AG, 6.25%, 8/16/11	26,861,687
AUD 6,300	JPMorgan Chase & Co., 7.00%, 6/21/12	6,974,688
AUD 8,500	Leighton Finance Ltd., 9.50%, 7/28/14	9,590,108
AUD 4,000	Macquarie Bank Ltd., 5.32%, 5/31/12 (a)(b)	4,262,073
AUD 6,200	Macquarie Bank Ltd., 6.50%, 5/31/12 (a)(b)	6,673,424
AUD 11,500	Monumental Global Funding Ltd., 6.50%, 11/08/11	12,610,942
AUD 6,600	National Australia Bank Ltd., 6.75%, 9/16/14	7,322,586
AUD 3,500	National Capital Trust III, 5.8817%, 9/30/16 (a)(b)	3,364,938
AUD 2,500	National Wealth Management Holdings Ltd., 6.75%, 6/16/16 (a)(b)	2,517,083
AUD 4,947	Progress Trust, 4.97%, 8/25/36 (a)(c)	5,284,162
AUD 3,213	Puma Finance Ltd., 5.63%, 10/24/12 (a)(b)(c)	3,500,144
AUD 4,600	QIC Finance Shopping Center Fund Pty Ltd., 6.75%, 7/07/14	5,065,442
AUD 17,213	Queensland Treasury Corp., 6.00%, 10/21/15	19,087,716
AUD 58,000	Queensland Treasury Corp., 6.00%, 4/21/16	64,293,421
AUD 25,100	Queensland Treasury Corp., 6.00%, 2/21/18	27,669,740
AUD 41,490	Queensland Treasury Corp., 6.00%, 6/14/21	46,110,662
AUD 21,700	Queensland Treasury Corp., 6.25%, 6/14/19	24,554,576
AUD 39,180	Queensland Treasury Corp., 6.25%, 2/21/20	43,681,685
AUD 5,000	Rabobank Capital Funding Trust, 5.6017%, 12/31/14 (a)(b)(c)	4,961,384
AUD 5,000	Rabobank Capital Funding Trust VI, 6.415%, 12/31/14 (a)(b)(c)	5,082,832
AUD 5,000	Royal Bank of Scotland NV, 6.50%, 5/17/13 (a)(b)	4,801,847
AUD 4,800	Royal Womens Hospital Finance Pty Ltd., 6.20%, 3/26/17 (a)	4,759,772
AUD 6,000	SPI Australia Assets Pty Ltd., 7.00%, 8/12/15	6,551,606
AUD 15,000	SPI Electricity & Gas Australia Holdings Pty Ltd., 6.50%, 11/03/11	16,482,924
AUD 29,720	St. George Bank Ltd., 10.00%, 5/09/13 (a)(b)	34,613,057

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AUD	8,500	Stockland Trust Management Ltd., 8.50%, 2/18/15	9,821,166
AUD	5,000	Suncorp Metway Insurance Ltd., 6.75%, 9/23/14 (a)(b)	4,899,126
AUD	4,000	Suncorp Metway Insurance Ltd., 6.75%, 10/06/16 (a)(b)	3,730,553
AUD	5,000	Suncorp Metway Insurance Ltd., 8.75%, 5/30/11	5,496,007
AUD	2,000	Telstra Corp. Ltd., 8.75%, 1/20/15	2,343,000
AUD	2,500	The Goldman Sachs Group, 6.35%, 4/12/16	2,619,321
AUD	5,000	Transurban Finance Co. Pty Ltd., 6.50%, 9/15/11	5,479,072
AUD	3,000	Transurban Finance Co. Pty Ltd., 7.25%, 3/24/14	3,290,929
AUD	30,500	Treasury Corp. of Victoria, 5.50%, 12/17/24	31,737,416

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (continued)

As of April 30, 2011

Principal

Amount	Description	Value
(000)		(US\$)
LONG-TERM FIXED INCOME INVESTMENTS (continued)		
AUSTRALIA (continued)		
AUD 72,850	Treasury Corp. of Victoria, 5.75%, 11/15/16	\$ 80,261,276
AUD 26,440	Treasury Corp. of Victoria, 6.25%, 10/15/12	29,462,241
AUD 5,150	Treasury Corp. of Victoria, 6.00%, 10/17/22	5,670,314
AUD 7,000	Vodafone Group PLC, 6.75%, 1/10/13	7,757,940
AUD 8,500	Volkswagen Financial Services Australia Pty Ltd., 7.00%, 6/24/11	9,335,758
AUD 3,500	Volkswagen Financial Services Australia Pty Ltd., 7.25%, 11/26/12	3,895,927
AUD 8,900	Wesfarmers Ltd., 8.25%, 9/11/14	10,177,689
AUD 4,000	Westpac Banking Corp., 7.25%, 11/18/16	4,453,978
AUD 4,246	Westpac Securitisation Trust, 5.04%, 11/21/13 (a)(b)(c)	4,552,433
AUD 3,600	Woolworths Ltd., 6.75%, 3/22/16	3,965,964
AUD 2,000	WOT CMBS Pty Ltd., 5.31%, 5/16/13 (a)(c)	2,156,444
		1,009,112,208
CANADA 0.1%		
NZD 1,500	Province of Quebec, 6.75%, 11/09/15	1,295,258
CHINA 8.9%		
USD 8,050	Agile Property Holdings Ltd., 10.00%, 11/14/13 (b)(c)	8,613,500
USD 9,450	Central China Real Estate Ltd., 12.25%, 10/20/13 (b)(c)	9,855,405
USD 14,765	CFG Investment SAC, 9.25%, 6/06/11 (b)(c)	15,447,881
CNY 40,000	China Government Bond, 2.38%, 5/20/15	5,925,423
CNH 36,000	China Government Bond, 2.48%, 12/01/20	5,740,006
CNY 40,000	China Government Bond, 2.80%, 3/24/12	6,156,833
CNY 30,000	China Government Bond, 2.91%, 10/15/21	4,500,370
CNY 58,000	China Government Bond, 3.22%, 3/10/14	8,922,850
CNY 30,000	China Government Bond, 3.41%, 6/24/20	4,439,177
CNY 40,000	China Government Bond, 3.60%, 2/17/16	6,188,409
CNY 50,000	China Government Bond, 3.64%, 12/02/15	7,761,593
USD 13,400	China Oriental Group Co. Ltd., 7.00%, 11/17/14 (b)(c)	13,467,000
USD 8,800	China Overseas Finance Cayman Island II Ltd., 5.50%, 11/10/20 (c)	8,506,731
USD 2,800	Country Garden Holdings Co., 11.125%, 2/23/15 (b)(c)	2,933,000
USD 12,500	Country Garden Holdings Co., 11.75%, 9/10/14 (c)	13,718,750
USD 5,300	Longfor Properties Co. Ltd., 9.50%, 4/07/14 (b)(c)	5,485,500
USD 3,650	Sino-Forest Corp., 6.25%, 10/21/14 (b)(c)	3,586,125
USD 11,150	Sino-Forest Corp., 10.25%, 7/28/14 (c)	12,515,875
USD 4,900	Sinochem Overseas Capital Co. Ltd., 6.30%, 11/12/40 (c)	4,760,056
USD 13,750	Texhong Textile Group Ltd., 7.625%, 1/19/16 (c)	13,733,500
USD 14,550	West China Cement Ltd., 7.50%, 1/25/14 (b)(c)	14,567,460
USD 2,600	Yanlord Land Group Ltd., 10.625%, 3/29/15 (b)(c)	2,665,000
		179,490,444
FRANCE 0.5%		
AUD 4,000	AXA SA, 6.29%, 10/26/16 (a)(b)	3,552,370
AUD 6,000	Cie de Financement Foncier, 6.25%, 1/30/17	6,249,937
		9,802,307

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GERMANY 1.3%

AUD	2,400	Deutsche Bank AG, 7.50%, 10/19/12	2,674,491
AUD	1,000	Kreditanstalt fuer Wiederaufbau, 6.25%, 12/04/19	1,084,557
AUD	17,100	Landwirtschaftliche Rentenbank, 6.00%, 5/30/13	18,974,218
AUD	3,950	Landwirtschaftliche Rentenbank, 6.00%, 7/15/14	4,365,299
			27,098,565

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (continued)

As of April 30, 2011

Principal

Amount		Description	Value
(000)			(US\$)
LONG-TERM FIXED INCOME INVESTMENTS (continued)			
HONG KONG 8.7%			
USD	22,500	Fita International Ltd., 7.00%, 2/10/20	\$ 23,359,500
USD	17,950	Fufeng Group Ltd., 7.625%, 4/13/14 (b)(c)	17,389,063
USD	17,000	Henson Finance Ltd., 5.50%, 9/17/19	16,636,693
HKD	100,000	Hong Kong Government Bond, 1.67%, 3/24/14	13,140,229
HKD	60,000	Hong Kong Government Bond, 1.69%, 12/22/14	7,825,422
USD	23,450	HongKong Land Finance Cayman Island Co. Ltd., 4.50%, 10/07/25	20,773,909
USD	1,600	Hutchison Whampoa International Ltd., 4.625%, 9/11/15 (c)	1,707,200
USD	1,900	Hutchison Whampoa International Ltd., 7.45%, 11/24/33 (c)	2,355,574
USD	23,250	Hutchison Whampoa International Ltd., 7.625%, 4/09/19 (c)	27,883,469
CNH	18,000	Sinochem Offshore Capital Co. Ltd., 1.80%, 1/18/14	2,785,339
USD	150	Sun Hung Kai Properties Capital Market Ltd., 4.00%, 11/02/20	142,136
USD	19,800	Swire Pacific MTN Financing Ltd., 5.50%, 8/19/19	20,944,301
USD	20,350	Wing Hang Bank Ltd., 6.00%, 4/20/17 (a)(b)	20,660,032
			175,602,867
INDIA 6.1%			
USD	8,750	Axis Bank Ltd., 5.25%, 9/30/15	9,072,324
USD	13,400	Bank of Baroda, 5.00%, 8/24/16	13,703,389
USD	14,100	ICICI Bank Ltd., 6.375%, 4/30/17 (a)(b)	14,064,750
USD	8,900	ICICI Bank UK PLC, 1.4591%, 12/01/11 (a)(b)	8,749,608
INR	1,638,700	India Government Bond, 7.02%, 8/17/16	35,346,590
INR	600,000	India Government Bond, 7.49%, 4/16/17	13,097,180
USD	6,800	Indian Railway Finance Corp. Ltd., 4.406%, 3/30/16	6,939,740
INR	200,000	National Bank For Agriculture and Rural Development, 9.50%, 10/15/12	4,517,562
USD	11,200	NTPC Ltd., 5.875%, 3/02/16	11,946,670
INR	200,000	Power Finance Corp. Ltd., 7.10%, 7/15/12	4,401,131
INR	76,000	Power Finance Corp. Ltd., 7.89%, 9/15/12	1,682,846
			123,521,790
INDONESIA 6.9%			
IDR	167,000,000	Barclays Indonesia Government Bond Credit Linked Note, 9.50%, 6/17/15	21,265,005
USD	4,100	Indonesia Government International Bond, 5.875%, 3/13/20 (c)	4,469,000
USD	17,000	Indonesia Government International Bond, 6.625%, 2/17/37 (c)	18,182,945
USD	16,500	Indonesia Government International Bond, 11.625%, 3/04/19 (c)	24,048,750
IDR	67,500,000	Indonesia Treasury Bond, 7.375%, 9/15/16	8,023,136
IDR	60,000,000	Indonesia Treasury Bond, 10.75%, 5/15/16	8,136,481
IDR	13,400,000	Indonesia Treasury Bond, 11.00%, 11/15/20	1,901,662
USD	9,550	Indosat Palapa Co. BV, 7.375%, 7/29/15 (b)(c)	10,719,875
USD	15,900	Listrindo Capital BV, 9.25%, 1/29/13 (b)(c)	17,760,459
USD	2,600	Majapahit Holding BV, 7.25%, 6/28/17 (c)	2,926,162
USD	2,150	Majapahit Holding BV, 7.875%, 6/29/37 (c)	2,429,500
USD	2,500	Majapahit Holding BV, 8.00%, 8/07/19 (c)	2,918,750
USD	13,950	Perusahaan Penerbit SBSN Indonesia, 8.80%, 4/23/14 (c)	16,210,849
			138,992,574

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MALAYSIA 6.5%

USD	11,100	AMBB Capital (L) Ltd., 6.77%, 1/27/16 (a)(b)	11,410,245
MYR	76,100	Malaysian Government Bond, 3.21%, 5/31/13	25,696,236
MYR	37,000	Malaysian Government Bond, 3.702%, 2/25/13	12,617,849
MYR	29,500	Malaysian Government Bond, 4.012%, 9/15/17	10,105,015

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (continued)

As of April 30, 2011

Principal

Amount		Description	Value
(000)			(US\$)
LONG-TERM FIXED INCOME INVESTMENTS (continued)			
MALAYSIA (continued)			
MYR	76,163	Malaysian Government Bond, 4.262%, 9/15/16	\$ 26,553,811
MYR	15,400	Malaysian Government Bond, 4.392%, 4/15/26	5,233,265
USD	7,750	PETRONAS Capital Ltd., 5.25%, 8/12/19 (c)	8,242,195
USD	13,350	PETRONAS Global Sukuk Ltd., 4.25%, 8/12/14 (c)	14,077,188
USD	4,450	Public Bank Bhd, 6.84%, 8/22/16 (a)(b)	4,730,751
USD	5,700	SBB Capital Corp., 6.62%, 11/02/15 (a)(b)	5,937,473
USD	6,300	TNB Capital (L) Ltd., 5.25%, 5/05/15 (c)	6,761,847
			131,365,875
NETHERLANDS 1.3%			
AUD	1,300	ING Bank Australia Ltd., 5.75%, 8/28/13	1,434,220
AUD	12,400	ING Bank Australia Ltd., 5.75%, 3/03/15	13,553,440
AUD	10,000	ING Bank Australia Ltd., 7.00%, 4/24/12	11,031,035
			26,018,695
NORWAY 0.3%			
AUD	4,800	Kommunalbanken AS, 6.50%, 4/12/21	5,246,467
PHILIPPINES 7.1%			
USD	16,700	Alliance Global Group Inc., 6.50%, 8/18/17	16,649,950
USD	7,400	National Power Corp., 6.875%, 11/02/16 (c)	8,430,850
PHP	380,000	Philippine Government Bond, 6.25%, 1/27/14	9,330,407
PHP	338,000	Philippine Government Bond, 7.00%, 1/27/16	8,646,871
PHP	517,000	Philippine Government Bond, 9.125%, 9/04/16	14,331,600
USD	17,050	Philippine Government International Bond, 7.75%, 1/14/31	20,886,250
USD	6,950	Philippine Government International Bond, 8.875%, 3/17/15	8,531,125
USD	19,770	Philippine Government International Bond, 9.875%, 1/15/19	26,738,925
USD	14,979	Philippine Government International Bond, 10.625%, 3/16/25	22,356,157
USD	6,250	Philippine Long Distance Telephone Co., 8.35%, 3/06/17	7,343,750
			143,245,885
REPUBLIC OF SOUTH KOREA 13.5%			
USD	10,900	Busan Bank, 5.50%, 3/14/12 (a)(b)	11,099,415
USD	2,620	Busan Bank, 6.00%, 10/30/12 (a)(b)	2,708,687
USD	4,400	Hana Bank, 4.00%, 11/03/16 (c)	4,399,208
USD	7,400	Hana Bank, 5.375%, 4/12/12 (a)(b)	7,513,035
USD	1,950	Hana Funding Ltd., 8.748%, 12/17/12 (a)(b)	2,094,436
USD	1,950	Hyundai Capital Services, Inc., 4.375%, 7/27/16 (c)	1,982,721
USD	17,100	Hyundai Capital Services, Inc., 6.00%, 5/05/15 (c)	18,693,857
USD	11,650	Korea Expressway Corp., 4.50%, 3/23/15 (c)	12,183,803
USD	1,350	Korea Expressway Corp., 5.125%, 5/20/15 (c)	1,441,539
USD	5,400	Korea Finance Corp., 3.25%, 9/20/16	5,273,316
USD	2,800	Korea Hydro & Nuclear Power Co. Ltd., 3.125%, 9/16/15 (c)	2,767,246
KRW	15,700,000	Korea Monetary Stabilization Bond, 3.99%, 2/01/13	14,729,696
USD	17,570	Korea South-East Power Co. Ltd., 6.00%, 5/25/16 (c)	19,013,042
KRW	45,910,000	Korea Treasury Bond, 4.50%, 3/10/15	43,653,506

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KRW	10,200,000	Korea Treasury Bond, 5.25%, 9/10/15	9,982,275
KRW	5,100,000	Korea Treasury Bond, 5.50%, 9/10/17	5,085,647
KRW	6,000,000	Korea Treasury Bond, 5.75%, 9/10/18	6,068,827
KRW	26,674,000	Korea Treasury Bond, 6.91%, 7/18/11	25,080,629
KRW	3,500,000	Korea Treasury Inflation Linked Bond, 2.75%, 6/10/20	3,644,716

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (continued)

As of April 30, 2011

Principal

Amount		Description	Value
(000)			(US\$)
LONG-TERM FIXED INCOME INVESTMENTS (continued)			
REPUBLIC OF SOUTH KOREA (continued)			
USD	8,500	National Agricultural Cooperative Federation, 4.25%, 1/28/16 (c)	\$ 8,743,695
USD	10,500	Republic of Korea, 7.125%, 4/16/19	12,442,689
USD	3,950	SC First Bank Korea Ltd., 7.267%, 3/03/14 (a)(b)(c)	4,167,250
USD	11,300	SC First Bank Korea Ltd., 7.267%, 3/03/14 (a)(b)(c)	11,921,500
USD	8,350	Shinhan Bank, 4.125%, 10/04/16 (c)	8,446,818
USD	18,330	Shinhan Bank, 5.663%, 3/02/15 (a)(b)(c)	18,387,006
USD	3,600	Shinhan Bank, 6.819%, 9/20/16 (a)(b)	3,750,210
USD	7,950	Woori Bank, 4.50%, 10/07/15 (c)	8,215,371
			273,490,140
SINGAPORE 3.7%			
SGD	2,750	CapitaMalls Asia Treasury Ltd., 3.95%, 8/24/17	2,313,345
SGD	3,000	CMT MTN Pte. Ltd., 2.85%, 9/01/14	2,484,271
SGD	6,250	Housing & Development Board Bond, 1.55%, 10/26/12	5,161,712
USD	8,350	Oversea-Chinese Banking Corp. Ltd., 3.75%, 11/15/17 (a)(b)	7,844,942
SGD	6,250	Singapore Airlines Ltd., 3.22%, 7/09/20	5,130,361
SGD	13,850	Singapore Government Bond, 2.375%, 4/01/17	11,891,414
SGD	2,920	Singapore Government Bond, 2.50%, 6/01/19	2,434,730
SGD	10,000	Singapore Government Bond, 2.875%, 7/01/15	8,813,733
SGD	11,160	Singapore Government Bond, 3.25%, 9/01/20	9,723,619
USD	13,550	STATS ChipPAC Ltd., 7.50%, 8/12/13 (b)(c)	14,634,000
SGD	6,250	Temasek Financial (I) Ltd., 3.265%, 2/19/20	5,320,866
			75,752,993
SPAIN 0.3%			
AUD	5,800	Instituto de Credito Oficial, 5.50%, 10/11/12	6,197,463
SUPRANATIONAL 3.0%			
AUD	13,800	Asian Development Bank, 5.50%, 2/15/16	14,910,231
AUD	10,000	Asian Development Bank, 6.25%, 3/05/20	11,004,180
AUD	11,200	Inter-American Development Bank, 6.50%, 8/20/19	12,556,987
AUD	3,600	International Bank for Reconstruction & Development, 5.75%, 10/21/19	3,858,342
AUD	17,100	International Finance Corp., 5.75%, 7/28/20	18,096,844
			60,426,584
SWITZERLAND 0.1%			
AUD	1,600	ELM BV for Swiss Reinsurance Co., 7.635%, 5/25/17 (a)(b)	1,455,269
THAILAND 3.7%			
USD	4,800	Bangkok Bank PCL, 4.80%, 10/18/20 (c)	4,589,818
USD	12,700	Bangkok Bank PCL, 9.025%, 3/15/29 (c)	15,259,558
USD	5,300	Kasikornbank PCL, 8.25%, 8/21/16 (c)	5,969,035
USD	13,650	PTTEP Australia International Finance Pty Ltd., 4.152%, 7/19/15 (c)	13,856,948
THB	60,000	Thailand Government Bond, 2.80%, 10/10/17	1,921,182
THB	273,000	Thailand Government Bond, 3.625%, 5/22/15	9,225,708
THB	233,000	Thailand Government Bond, 3.875%, 6/13/19	7,998,152
THB	225,000	Thailand Government Bond, 4.25%, 3/13/13	7,682,367

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THB	264,000	Thailand Government Bond, 5.25%, 5/12/14	9,322,923
			75,825,691

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (continued)

As of April 30, 2011

Principal

Amount	Description	Value
(000)		(US\$)
LONG-TERM FIXED INCOME INVESTMENTS (continued)		
UNITED KINGDOM 1.1%		
AUD 3,200	Barclays Bank PLC, 6.75%, 8/13/12	\$ 3,527,265
AUD 4,200	Barclays Bank PLC, 6.75%, 2/24/14	4,620,987
AUD 4,000	HBOS PLC, 6.75%, 5/01/12 (a)(b)	3,872,081
AUD 5,800	Lloyds TSB Bank PLC, 7.50%, 10/01/14	6,367,663
AUD 5,000	Royal Bank of Scotland PLC, 5.76%, 7/27/11 (a)(b)	4,977,059
		23,365,055
UNITED STATES 1.1%		
AUD 1,200	Bank of America Corp., 6.75%, 9/09/13	1,319,147
NZD 2,000	Bank of America Corp., 7.53%, 3/08/12	1,654,333
AUD 8,700	General Electric Capital Australia Funding Pty Ltd., 6.00%, 8/17/12	9,538,544
AUD 1,400	General Electric Capital Australia Funding Pty Ltd., 6.00%, 5/15/13	1,528,524
NZD 2,000	General Electric Capital Corp., 6.50%, 9/28/15	1,688,387
AUD 6,000	Merrill Lynch & Co., 6.75%, 3/12/14	6,498,664
		22,227,599
	Total Long-Term Investments (cost \$2,238,267,222)	2,509,533,729
SHORT-TERM INVESTMENT 1.3%		
UNITED STATES 1.3%		
USD 26,536	Repurchase Agreement, State Street Bank & Trust Co., 0.01% dated 4/29/11, due 5/02/11 in the amount of \$26,536,022, (collateralized by \$270,000 U.S. Treasury Note, 1.00% due 4/30/12; value of \$273,325 and \$26,185,000 U.S. Treasury Bond, 4.50% due 8/15/39; value of \$26,806,894)	26,536,000
	Total Short-Term Investment (cost \$26,536,000)	26,536,000
	Total Investments 125.4% (cost \$2,264,803,222)	2,536,069,729
	Liabilities in Excess of Other Assets (25.4)%	(513,727,188)
	Net Assets 100.0%	\$ 2,022,342,541

AUD Australian Dollar	IDR Indonesian Rupiah	NZD New Zealand Dollar	TWD New Taiwanese Dollar
CNH Chinese Yuan Renminbi Offshore	INR Indian Rupee	PHP Philippine Peso	USD U.S. Dollar
CNY Chinese Yuan Renminbi	KRW South Korean Won	SGD Singapore Dollar	
HKD Hong Kong Dollar	MYR Malaysian Ringgit	THB Thai Baht	

- (a) Indicates a variable rate security. The maturity date presented for these instruments is the later of the next date on which the security can be redeemed at par or the next date on which the rate of interest is adjusted. The interest rate shown reflects the rate in effect at April 30, 2011.
- (b) The maturity date presented for these instruments represents the next call/put date.
- (c) Security acquired in a transaction 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. At April 30, 2011, the aggregate market value of these securities amounted to \$516,579,273 or 25.54% of net assets applicable to common shareholders.

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (continued)

As of April 30, 2011

At April 30, 2011, the Fund held the following futures contracts:

Futures Contracts	Counterparty	Number of		Expiration Date	Unrealized
		Long	(Short)		
Australian Treasury Bill 6% 90 day	UBS	(116)		9/08/11	\$ 27,242
Australian Treasury Bond 6% 3 year	UBS	(192)		6/15/11	1,053
Australian Treasury Bond 6% 10 year	UBS	(475)		6/15/11	(438,892)
United States Treasury Note 6% 2 year	UBS	29		6/30/11	33,010
United States Treasury Note 6% 5 year	UBS	48		6/30/11	91,489
United States Treasury Note 6% 10 year	UBS	(276)		6/21/11	(682,024)
United States Treasury Note 6% 30 year	UBS	5		6/21/11	12,801
					\$ (955,321)

At April 30, 2011, the Fund's open forward foreign currency exchange contracts* were as follows:

Purchase/Sale Settlement Date	Counterparty	Amount Purchased	Amount Sold	Market Value	Unrealized Appreciation/ (Depreciation)
Purchase Contracts					
Chinese Yuan Renminbi Offshore/United States Dollar					
09/07/11	Deutsche Bank	CNH82,905,600	USD12,700,000	\$ 12,915,241	\$ 215,241
09/07/11	Goldman Sachs	CNH13,234,845	USD2,026,000	2,061,757	35,757
09/07/11	HSBC	CNH220,088,700	USD33,800,000	34,285,967	485,967
Chinese Yuan Renminbi/United States Dollar					
05/18/11	JPMorgan Chase	CNY25,999,350	USD3,900,000	4,015,624	115,624
08/02/11	State Street	CNY194,024,500	USD29,000,000	30,242,352	1,242,352
09/07/11	Bank of America	CNY5,887,350	USD900,000	920,094	20,094
09/07/11	Deutsche Bank	CNY1,937,250	USD300,000	302,760	2,760
09/07/11	Standard Chartered Bank	CNY12,357,600	USD1,900,000	1,931,285	31,285
01/17/12	Deutsche Bank	CNY17,366,400	USD2,700,000	2,738,034	38,034
01/17/12	Goldman Sachs	CNY299,434,905	USD46,350,000	47,209,731	859,731
Hong Kong Dollar/United States Dollar					
06/02/11	Deutsche Bank	HKD349,501,500	USD45,000,000	45,007,700	7,700
06/02/11	Goldman Sachs	HKD1,554,645	USD200,000	200,202	202
01/17/12	Deutsche Bank	HKD139,572,000	USD18,000,000	18,006,821	6,821
Indian Rupee/United States Dollar					
05/02/11	HSBC	INR49,049,000	USD1,100,000	1,109,329	9,329
05/02/11	Royal Bank of Canada	INR902,884,000	USD20,367,336	20,420,310	52,974
05/02/11	Standard Chartered Bank	INR682,345,300	USD15,030,000	15,432,439	402,439
05/02/11	UBS	INR45,710,000	USD1,031,130	1,033,812	2,682
09/07/11	Deutsche Bank	INR372,772,000	USD8,200,000	8,251,494	51,494
09/07/11	UBS	INR9,068,000	USD200,000	200,725	725
Indonesian Rupiah/United States Dollar					

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08/02/11	Deutsche Bank	IDR85,268,625,000	USD9,750,000	9,932,958	182,958
08/02/11	Standard Chartered Bank	IDR28,303,000,000	USD3,100,000	3,297,022	197,022
08/19/11	Standard Chartered Bank	IDR58,687,500,000	USD6,250,000	6,821,128	571,128

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (continued)

As of April 30, 2011

Purchase/Sale Settlement Date	Counterparty	Amount Purchased	Amount Sold	Market Value	Unrealized Appreciation/ (Depreciation)
Malaysian Ringgit/United States Dollar					
06/02/11	Standard Chartered Bank	MYR1,226,200	USD400,000	\$ 414,592	\$ 14,592
06/02/11	State Street	MYR19,506,600	USD6,450,000	6,595,402	145,402
06/02/11	UBS	MYR3,028,000	USD1,000,000	1,023,801	23,801
08/02/11	HSBC	MYR600,700	USD200,000	202,720	2,720
New Taiwan Dollar/United States Dollar					
05/24/11	Goldman Sachs	TWD1,089,460,000	USD38,000,000	38,189,659	189,659
05/24/11	HSBC	TWD70,920,000	USD2,400,000	2,486,012	86,012
Philippine Peso/United States Dollar					
06/07/11	Deutsche Bank	PHP148,682,000	USD3,400,000	3,495,213	95,213
08/02/11	Royal Bank of Canada	PHP13,179,000	USD300,000	309,805	9,805
08/02/11	Standard Chartered Bank	PHP538,826,100	USD12,300,000	12,666,443	366,443
Singapore Dollar/United States Dollar					
06/02/11	HSBC	SGD755,919	USD600,000	617,551	17,551
06/02/11	Royal Bank of Canada	SGD41,758,667	USD33,070,000	34,114,920	1,044,920
South Korean Won/United States Dollar					
06/02/11	Bank of America	KRW324,930,000	USD300,000	304,070	4,070
06/03/11	Bank of America	KRW1,640,700,000	USD1,500,000	1,535,517	35,517
06/03/11	Credit Suisse	KRW5,797,680,000	USD5,100,000	5,425,999	325,999
06/03/11	JPMorgan Chase	KRW11,015,000,000	USD10,000,000	10,308,844	308,844
Thai Baht/United States Dollar					
06/02/11	HSBC	THB217,459,305	USD7,117,000	7,272,758	155,758
Total Purchase Contracts				\$ 391,300,091	\$ 7,358,625
Sale Contracts					
United States Dollar/Chinese Yuan Renminbi					
05/18/11	Royal Bank of Canada	USD3,900,000	CNY25,490,400	3,937,016	(37,016)
08/02/11	Deutsche Bank	USD29,000,000	CNY188,471,000	29,376,735	(376,735)
08/02/11	HSBC	USD1,400,000	CNY9,055,200	1,411,423	(11,423)
09/07/11	Credit Suisse	USD900,000	CNY5,832,900	911,584	(11,584)
09/07/11	HSBC	USD8,150,000	CNY52,750,875	8,244,074	(94,074)
09/07/11	State Street	USD1,300,000	CNY8,525,400	1,332,377	(32,377)
01/17/12	Standard Chartered Bank	USD49,050,000	CNY315,023,625	49,667,492	(617,492)
United States Dollar/Hong Kong Dollar					
06/02/11	Deutsche Bank	USD5,400,000	HKD41,991,615	5,407,548	(7,548)
01/17/12	JPMorgan Chase	USD65,000,000	HKD504,822,500	65,129,456	(129,456)
United States Dollar/Indian Rupee					
05/02/11	HSBC	USD1,106,451	INR49,049,000	1,109,329	(2,878)
05/02/11	JPMorgan Chase	USD18,900,000	INR850,122,000	19,227,004	(327,004)
05/02/11	Royal Bank of Canada	USD19,900,000	INR902,884,000	20,420,309	(520,309)
05/02/11	Standard Chartered Bank	USD15,392,405	INR682,345,300	15,432,440	(40,035)
05/02/11	UBS	USD1,000,000	INR45,710,000	1,033,812	(33,812)
09/07/11	Standard Chartered Bank	USD23,670,000	INR1,072,369,350	23,737,430	(67,430)
United States Dollar/Indonesian Rupiah					
05/23/11	Credit Suisse	USD4,500,000	IDR40,446,000,000	4,725,997	(225,997)
08/02/11	Bank of America	USD1,100,000	IDR9,680,800,000	1,127,718	(27,718)
08/02/11	HSBC	USD20,500,000	IDR183,639,000,000	21,392,142	(892,142)
08/02/11	Royal Bank of Canada	USD5,400,000	IDR49,653,000,000	5,784,087	(384,087)
08/02/11	Standard Chartered Bank	USD6,300,000	IDR55,426,000,000	6,456,585	(156,585)

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Portfolio of Investments (unaudited) (concluded)

As of April 30, 2011

Purchase/Sale Settlement Date	Counterparty	Amount Purchased	Amount Sold	Market Value	Unrealized Appreciation/ (Depreciation)
United States Dollar/Malaysian Ringgit					
06/02/11	Credit Suisse	USD2,800,000	MYR8,577,800	\$ 2,900,251	\$ (100,251)
06/02/11	State Street	USD300,000	MYR892,050	301,612	(1,612)
12/08/11	Standard Chartered Bank	USD23,240,000	MYR71,962,660	24,164,934	(924,934)
United States Dollar/New Taiwan Dollar					
05/24/11	Royal Bank of Canada	USD500,000	TWD14,300,000	501,269	(1,269)
05/24/11	Standard Chartered Bank	USD8,600,000	TWD253,072,200	8,871,130	(271,130)
United States Dollar/Philippine Peso					
08/02/11	Standard Chartered Bank	USD8,920,000	PHP383,479,720	9,014,641	(94,641)
United States Dollar/Singapore Dollar					
06/02/11	Bank of America	USD5,400,000	SGD6,730,650	5,498,633	(98,633)
06/02/11	Deutsche Bank	USD8,100,000	SGD10,305,468	8,419,096	(319,096)
06/02/11	JPMorgan Chase	USD1,940,000	SGD2,460,269	2,009,927	(69,927)
United States Dollar/South Korean Won					
06/03/11	Bank of America	USD2,100,000	KRW2,338,830,000	2,188,891	(88,891)
06/03/11	Credit Suisse	USD6,700,000	KRW7,605,840,000	7,118,241	(418,241)
06/03/11	State Street	USD36,680,000	KRW39,940,852,000	37,380,301	(700,301)
06/03/11	UBS	USD200,000	KRW219,280,000	205,222	(5,222)
United States Dollar/Thai Baht					
06/02/11	Credit Suisse	USD3,700,000	THB113,534,500	3,797,073	(97,073)
06/02/11	Standard Chartered Bank	USD2,300,000	THB69,701,500	2,331,113	(31,113)
Total Sale Contracts				\$ 400,566,892	\$ (7,218,036)

* Certain contracts with different trade dates and like characteristics have been shown net.

At April 30, 2011, the Fund's interest rate swaps were as follows:

Currency	Notional Amount	Expiration Date	Counterparty	Receive (Pay) Floating Rate	Floating Rate Index	Fixed Rate	Unrealized Appreciation/ (Depreciation)
THB	695,000,000	10/29/12	UBS	Receive	6-month Thai Baht	3.23%	\$ (15,120)
USD	130,000,000	04/21/12	Deutsche Bank	Receive	3-month LIBOR Index	1.82%	(1,875,078)
USD	144,000,000	06/30/14	Deutsche Bank	Receive	3-month LIBOR Index	3.01%	(8,953,982)
USD	22,500,000	06/30/14	Merrill Lynch	Receive	3-month LIBOR Index	2.96%	(1,358,257)
USD	116,000,000	04/27/16	Deutsche Bank	Receive	3-month LIBOR Index	2.32%	(1,014,443)
USD	127,500,000	05/04/16	Deutsche Bank	Receive	3-month LIBOR Index	2.19%	327,803
							\$ (12,889,077)

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Statement of Assets and Liabilities (unaudited)

As of April 30, 2011

Assets

Investments, at value (cost \$2,264,803,222)	\$ 2,536,069,729
Cash	3,489
Foreign currency, at value (cost \$50,896,913)	50,735,642
Cash at broker for financial futures	8,919,289
Cash at broker for interest rate swap agreements	13,780,058
Interest and dividends receivable	35,646,426
Receivable for investments sold	16,555,656
Unrealized appreciation on forward foreign currency exchange contracts	7,358,625
Unrealized appreciation on interest rate swaps	327,803
Unrealized appreciation on spot foreign currency contracts	33,901
Prepaid expenses	1,211,207
Total assets	2,670,641,825

Liabilities

Bank loan payable (Note 5)	600,000,000
Payable for investments purchased	15,385,857
Unrealized depreciation on interest rate swaps	13,216,880
Dividends payable to common shareholders	9,134,082
Unrealized depreciation on forward foreign currency exchange contracts	7,218,036
Variation margin payable for futures contracts	955,321
Interest payable on bank loan	372,000
Investment management fees payable	1,302,195
Administration fees payable	263,471
Accrued expenses and other liabilities	451,442
Total liabilities	648,299,284

Net Assets **\$ 2,022,342,541**

Composition of Net Assets:

Common stock (par value \$.01 per share)	\$ 2,609,757
Paid-in capital in excess of par	1,637,797,386
Accumulated net investment income	66,413,567
Accumulated net realized loss from investment transactions	(167,265,758)
Net unrealized appreciation on investments, futures contracts and interest rate swaps	39,029,472
Accumulated net realized foreign exchange gains	223,141,470
Net unrealized foreign exchange and forward foreign currency contract gains	220,616,647
Net Assets	\$ 2,022,342,541
Net asset value per common share based on 260,975,744 shares issued and outstanding	\$ 7.75

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Statement of Operations (unaudited)

For the Six Months Ended April 30, 2011

Net Investment Income

Income	
Interest and amortization of discount and premium (net of foreign withholding taxes of \$667,839)	\$ 65,969,213
Other income	14,127
	65,983,340
Expenses	
Investment management fee	6,425,347
Administration fee	1,304,373
Bank loan fees and expenses	569,652
Custodian's fees and expenses	427,828
Investor relations fees and expenses	261,518
Insurance expense	234,749
Reports to shareholders and proxy solicitation	197,329
Directors' fees and expenses	178,559
Legal fees and expenses	116,937
Transfer agent's fees and expenses	58,893
Independent auditors' fees and expenses	51,717
Miscellaneous	61,091
Total operating expenses, excluding interest expense	9,887,993
Interest expense (Note 5)	4,761,000
Total operating expenses	14,648,993
Net investment income	51,334,347

Realized and Unrealized Gains/(Losses) on Investments, Interest Rate Swaps, Futures Contracts and

Foreign Currencies

Net realized gain/(loss) from:

Investment transactions (including \$206,891 capital gains tax)	8,045,996
Interest rate swaps	(4,922,416)
Futures contracts	(1,983,825)
Forward and spot foreign currency exchange contracts	505,709
Foreign currency transactions	114,881,963
	116,527,427

Net change in unrealized appreciation/(depreciation) on:

Investments	(30,899,563)
Interest rate swaps	6,028,618
Futures contracts	247,545
Forward and spot foreign currency transactions	(1,391,128)
Foreign currency translation	38,119,182
	12,104,654
Net gain on investments, interest rate swaps, futures contracts and foreign currencies	128,632,081

Net Increase in Net Assets Resulting from Operations **\$ 179,966,428**

See Notes to Financial Statements.

Statements of Changes in Net Assets

	For the Six Months Ended	For the
	April 30, 2011 (unaudited)	Year Ended October 31, 2010
Increase/(Decrease) in Net Assets		
Operations:		
Net investment income	\$ 51,334,347	\$ 95,383,184
Net realized gain/(loss) from investments, interest rate swaps and futures contracts	1,346,646	43,326,747
Net realized gain/(loss) from foreign currency transactions	115,180,781	69,079,097
Net change in unrealized appreciation/depreciation on investments, interest rate swaps and futures contracts	(24,623,400)	47,713,130
Net change in unrealized appreciation/depreciation on foreign currency translation	36,728,054	47,936,563
Net Increase/(Decrease) in Net Assets Resulting From Operations	179,966,428	303,438,721
Distributions to shareholders from:		
Net investment income	(54,804,906)	(109,609,832)
Net decrease in net assets from distributions	(54,804,906)	(109,609,832)
Change in net assets resulting from operations	125,161,522	193,828,889
Net Assets:		
Beginning of period	1,897,181,019	1,703,352,130
End of period (including net investment income of \$66,413,567 and \$69,884,126, respectively)	\$ 2,022,342,541	\$ 1,897,181,019
See Notes to Financial Statements.		

Aberdeen Asia-Pacific Income Fund, Inc.

Statement of Cash Flows (unaudited)

For the Six Months Ended April 30, 2011

Increase/(Decrease) in Cash (Including Foreign Currency)

Cash flows provided from (used for) operating activities:	
Interest received (excluding discount and premium amortization of \$3,933,167)	\$ 71,185,752
Operating expenses paid	(14,984,287)
Payments received from broker for collateral on interest rate swaps	3,760,000
Purchases and sales of short-term portfolio investments, net	(1,247,000)
Purchases of long-term portfolio investments	(947,924,660)
Proceeds from sales of long-term portfolio investments	965,847,379
Realized losses on forward foreign currency exchange contracts closed	(294,707)
Realized losses on interest rate swap transactions	(4,922,416)
Payments received from broker for futures contracts	1,092,926
Increase in prepaid expenses and other assets	(514,731)
Net cash provided from operating activities	71,998,256
Cash flows provided from (used for) financing activities	
Dividends paid to common shareholders	(54,804,935)
Net cash used for financing activities	(54,804,935)
Effect of exchange rate on cash	8,229,081
Net increase in cash	25,422,402
Cash at beginning of period	25,316,729
Cash at end of period	\$ 50,739,131

Reconciliation of Net Increase in Net Assets from Operations to Net Cash (Including Foreign Currency)

Provided from Operating Activities

Net increase in total net assets resulting from operations	\$ 179,966,428
Decrease in investments	19,581,456
Net realized gain on investment transactions	(8,252,887)
Net realized loss on swaps	4,922,416
Net realized loss on futures	1,983,825
Net realized foreign exchange gains	(115,180,781)
Net change in unrealized appreciation on investments, futures contracts and interest rate swaps	24,623,400
Net change in unrealized foreign exchange gains/losses	(36,728,054)
Decrease in interest receivable	1,269,245
Increase in receivable for investments sold	(10,626,198)
Decrease in interest payable on bank loan	(137,833)
Net change in margin variation on futures	(247,545)
Net increase in other assets	(514,731)
Increase in payable for investments purchased	4,452,680
Payments received from broker for swaps	3,760,000
Payments received from broker for futures	3,324,296
Decrease in accrued expenses and other liabilities	(197,461)
Total adjustments	(107,968,172)
Net cash provided from operating activities	\$ 71,998,256

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Financial Highlights

	For the Six Months Ended April 30, 2011 (unaudited)	2010	2009	For the Year Ended October 31,		
				2008	2007	2006
Per Share Operating Performance^(a):						
Net asset value per common share, beginning of period	\$7.27	\$6.53	\$4.91	\$6.99	\$6.46	\$6.32
Net investment income	0.20	0.37	0.35	0.42	0.44	0.40
Net realized and unrealized gains/(losses) on investments, interest rate swaps, futures contracts and foreign currency transactions	0.49	0.79	1.73	(2.03)	0.63	0.27
Dividends to preferred shareholders from net investment income				(0.06)	(0.12)	(0.11)
Total from investment operations applicable to common shareholders	0.69	1.16	2.08	(1.67)	0.95	0.56
Distributions to common shareholders from:						
Net investment income	(0.21)	(0.42)	(0.38)	(0.42)	(0.26)	(0.37)
Tax return of capital			(0.09)		(0.16)	(0.05)
Total distributions	(0.21)	(0.42)	(0.47)	(0.42)	(0.42)	(0.42)
Effect of Fund shares repurchased			0.01	0.01		
Net asset value per common share, end of period	\$7.75	\$7.27	\$6.53	\$4.91	\$6.99	\$6.46
Market value, end of period	\$7.34	\$6.90	\$6.04	\$4.18	\$6.29	\$6.10
Total Investment Return Based on^(b):						
Market value	9.70%	21.73%	58.26%	(28.40%)	10.18%	13.43%
Net asset value	9.93%	18.63%	45.66%	(24.32%)	15.62%	9.48%
Ratio to Average Net Assets Applicable to Common Shareholders/Supplementary Data^(c):						
Net assets applicable to common shareholders, end of period (000 omitted)	\$2,022,343	\$1,897,181	\$1,703,352	\$1,284,318	\$1,853,448	\$1,712,017
Average net assets applicable to common shareholders (000 omitted)	\$1,907,154	\$1,753,665	\$1,457,521	\$1,741,104	\$1,763,579	\$1,689,100
Net operating expenses	1.55% ^(d)	1.89%	2.20%	1.85% ^(e)	1.24% ^(e)	1.22% ^(e)
Net operating expenses without reimbursement	1.55% ^(d)	1.89%	2.22% ^(d)			
Net operating expenses, excluding interest expense	1.05% ^(d)	1.19%	1.37%	1.22%	1.24%	1.22%
Net investment income	5.43% ^(d)	5.44%	6.40%	5.51%	4.80%	4.65%
Portfolio turnover	39%	67%	68%	58%	32%	21%
Senior securities (loan facility) outstanding (000 omitted)	\$600,000	\$600,000	\$600,000	\$520,000		
Senior securities (preferred stock) outstanding (000 omitted)					\$600,000	\$600,000
Asset coverage ratio on revolving credit facility at period end ^(g)	437%	416%	384%	347%		
	\$4,371	\$4,162	\$3,839	\$3,470		

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Asset coverage per \$1,000 on revolving credit facility at period end		
Asset coverage ratio on preferred stock at period end ^(g)	409%	385%
Asset coverage per share on preferred stock at period end	\$102,227	\$96,334

Aberdeen Asia-Pacific Income Fund, Inc.

Financial Highlights (concluded)

- (a) Based on average shares outstanding.
- (b) Total investment return 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 period 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. Total investment return does not reflect brokerage commissions.
- (c) Ratios calculated on the basis of income, expenses and preferred share dividends applicable to both the common and preferred shares relative to the average net assets of common shareholders. Ratios of net investment income before preferred stock dividends to average net assets of common shareholders are 5.43%, 5.44%, 6.40%, 6.44%, 6.65% and 4.65% for the six months ended April 30, 2011 and the fiscal years ended October 31, 2010, 2009, 2008, 2007 and 2006, respectively.
- (d) Annualized.
- (e) Includes expenses of both preferred and common stock.
- (f) In 2009, the Fund filed a non-routine proxy to consider approval of a new sub-advisory agreement among the Fund, Investment Manager, and Sub-Adviser. The Fund and the Investment Manager agreed to each bear equal responsibility with respect to the costs of soliciting proxies associated with the non-routine item.
- (g) Asset coverage ratio is calculated by dividing net assets plus the amount of any borrowings, including Auction Market Preferred Stock, for investment purposes by the amount of any borrowings.

See Notes to Financial Statements.

Aberdeen Asia-Pacific Income Fund, Inc.

Notes to Financial Statements (unaudited)

Aberdeen Asia-Pacific Income Fund, Inc. (the Fund) was incorporated in Maryland on March 14, 1986 as a closed-end, non-diversified management investment company. The Fund's investment objective is to seek current income. The Fund may also achieve incidental capital appreciation. The Fund will seek to achieve its investment objective through investment in Australian and Asian debt securities. In order to comply with a rule adopted by the U.S. Securities and Exchange Commission (the SEC) under the Investment Company Act of 1940 (the 1940 Act) regarding fund names, the Board of Directors has adopted an investment policy that, for as long as the name of the Fund remains Aberdeen Asia-Pacific Income Fund, Inc., it shall be the policy of the Fund normally to invest at least 80% of its net assets plus the amount of any borrowings, in Asian debt securities, Australian debt securities and New Zealand debt securities. This 80% investment policy is a non-fundamental policy of the Fund and may be changed by the Fund's Board of Directors (the Board) upon 60 days prior written notice to shareholders. There can be no assurance that the Fund will achieve its objective. The ability of issuers of debt securities held by the Fund to meet their obligations may be affected by economic developments in a specific industry, country or region.

1. Accounting Policies

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America (GAAP). The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses for the period. Actual results could differ from those estimates. The accounting records of the Fund are maintained in U.S. Dollars. The U.S. Dollar is used as both the functional and reporting currency. However, the Australian Dollar is the functional currency for U.S. federal tax purposes.

(a) Security Valuation:

Securities for which market quotations are readily available are valued at current market value as of the Valuation Time. The Valuation Time is as of the close of regular trading on the New York Stock Exchange (usually 4:00 p.m. Eastern Time). Equity securities are valued at the last quoted sale price. Effective January 1, 2011, if there is no sale price available, the last quoted mean price provided by an independent pricing service approved by the Board is used. Prior to January 1, 2011, if there was no sale price, the last quoted bid price provided by an independent pricing service was used. Securities traded on NASDAQ are valued at the NASDAQ official

closing price. Management has concluded there is no significant effect on the value of the portfolio due to the change in methodology. Prices are taken from the primary market or exchange on which each security trades. Investment companies are valued at net asset value as reported by such company.

Most securities listed on a foreign exchange are valued at the last sale price at the close of the exchange on which the security is principally traded or by application of a valuation factor by an independent pricing service to the last sales price as further discussed below. Foreign securities, currencies, and other assets and liabilities denominated in foreign currencies are translated into U.S. Dollars at the exchange rate of said currencies against the U.S. Dollar, as of the Valuation Time, as provided by an independent pricing service approved by the Board.

Debt and other fixed-income securities (other than short-term obligations) are valued at the last quoted bid price and/or by using a combination of daily quotes and matrix evaluations provided by an independent pricing service, the use of which has been approved by the Board. In the event such quotes are not available from such pricing agents, then the security may be priced based on bid quotations from broker-dealers. Short-term debt securities of sufficient credit quality such as commercial paper and U.S. Treasury Bills having a remaining maturity of 60 days or less at the time of purchase, are valued at amortized cost, which approximates fair value.

Securities for which market quotations are not readily available, or for which an independent pricing service does not provide a value or provides a value that does not represent fair value in the judgment of the Fund's investment adviser or designee, are valued at fair value under procedures approved by the Board. In addition, fair value determinations are required for securities whose value is affected by a significant event that materially affects the value of a domestic or foreign security which occurs subsequent to the time of the close of the principal market on which such domestic or foreign security trades and before the Valuation Time (i.e., a subsequent event). Typically, this will involve events occurring after the close of a foreign market on which a security trades and before the next Valuation Time.

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For the six months ended April 30, 2011, other than described above there have been no significant changes to the valuation procedures approved by the Board.

The Fund is required to disclose information regarding the fair value measurements of the Fund's assets and liabilities. Fair value is defined as the price that the Fund would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The disclosure requirements utilize a three-tier hierarchy to maximize the

Aberdeen Asia-Pacific Income Fund, Inc.

Notes to Financial Statements (unaudited) (continued)

use of observable market data, minimize the use of unobservable inputs and 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 (for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique). Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability, which are 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, which are based on the best information available in the circumstances.

The three-tier hierarchy of inputs is summarized below:

Level 1 quoted prices in active markets for identical investments

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

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

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income