

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

ACM MANAGED DOLLAR INCOME FUND INC
Form N-CSR
June 09, 2004

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: 811-07964

ACM Managed Dollar Income Fund, Inc.
(Exact name of registrant as specified in charter)

1345 Avenue of the Americas, New York, New York 10105
(Address of principal executive offices) (Zip code)

Mark R. Manley
Alliance Capital Management, L.P.
1345 Avenue of the Americas
New York, New York 10105
(Name and address of agent for service)

Registrant's telephone number, including area code: (800) 221-5672

Date of fiscal year end: September 30, 2004

Date of reporting period: March 31, 2004

ITEM 1. REPORTS TO STOCKHOLDERS.

Closed End

AllianceBernstein [LOGO] (SM)
Investment Research and Management

ACM Managed Dollar Income Fund

Semi-Annual Report--March 31, 2004

Investment Products Offered

- Are Not FDIC Insured
- May Lose Value

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

o Are Not Bank Guaranteed

You may obtain a description of the Fund's proxy voting policies and procedures, without charge, upon request by visiting Alliance Capital's web site at www.alliancebernstein.com (click on Investors, then the "proxy voting policies and procedures" link on the left side of the page), or by going to the Securities and Exchange Commission's web site at www.sec.gov, or by calling Alliance Capital at (800) 227-4618.

AllianceBernstein Investment Research and Management, Inc., is an affiliate of Alliance Capital Management L.P., the manager of the funds, and is a member of the NASD.

May 15, 2004

Semi-Annual Report

This report provides management's discussion of fund performance for ACM Managed Dollar Income Fund (the "Fund") for the semi-annual reporting period ended March 31, 2004.

Investment Objective and Policies

This closed-end fund is designed for investors who seek high current income and capital appreciation. To achieve this objective, it invests primarily in high-yielding, U.S. and non-U.S. fixed income securities, denominated in U.S. dollars, that we expect to benefit from improving economic and credit fundamentals.

Investment Results

The following table shows how the Fund performed over the past six- and 12-month periods ended March 31, 2004. For comparison, we have included a composite benchmark consisting of 65% of the J.P. Morgan Emerging Markets Bond Index Plus (JPM EMBI+), a standard measure of the performance of a basket of unmanaged emerging market debt securities, and 35% of the Credit Suisse First Boston High Yield (CSFBHY) Index, a standard measure of the performance of a basket of unmanaged U.S. high yield debt securities. We compare the Fund's performance to this composite benchmark because it more closely resembles the composition of the Fund's portfolio.

INVESTMENT RESULTS*

Periods Ended March 31, 2004

	Returns	
	6 Months	12 Months
ACM Managed Dollar Income Fund (NAV)	11.85%	31.72%
J.P. Morgan Emerging Markets Bond Index Plus	8.71%	23.64%
Credit Suisse First Boston		

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

High Yield Index	8.65%	22.86%

Composite: 65%/35% (65% JPM EBMI+/35% CSFBHY Index)	8.69%	23.37%

* The Fund's investment results are for the periods shown and are based on the net asset value (NAV) of the Fund as of March 31, 2004. Performance assumes reinvestment of distributions and does not account for taxes. All fees and expenses related to the operation of the Fund have been deducted. Past performance is no guarantee of future results.

The indices do not reflect fees and expenses associated with the active management of a mutual fund portfolio. The unmanaged J.P. Morgan Emerging Markets Bond Index Plus (JPM EMBI+) is comprised of dollar-denominated

ACM MANAGED DOLLAR INCOME FUND o 1

restructured sovereign bonds; a large percentage of the index is made up of Brady bonds. The unmanaged Credit Suisse First Boston High Yield (CSFBHY) Index is a measure of lower-rated, fixed income, non-convertible U.S. dollar-denominated securities meeting certain criteria developed by Credit Suisse designed to enable the index to reflect the high yield market. Investors cannot invest directly in an index, and its results are not indicative of any specific investment, including ACM Managed Dollar Income Fund.

For the six-month period ended March 31, 2004, the Fund outperformed its composite benchmark. During this time, the Fund benefited primarily from its emerging market debt holdings, individual security selection and its ability to leverage. The Fund's holdings in Brazil and Turkey, as well as its overweight position in Ecuador and underweight position in Mexico, contributed positively to performance. Contributing positively within the Fund's high yield sector was its overweight position in finance as well as the Fund's security investments in metals, gaming/leisure, airlines and the health care industries. The Fund was also aided by avoiding negative credit issues during the period under review.

Detracting from the Fund's performance during the six-month period ended March 31, 2004 was the Fund's overweight position in Russia, which did not perform as well as the JPM EMBI+. Also detracting modestly from performance, relative to the CSFBHY Index, were the Fund's high yield holdings. Media wireless and media cable securities, as well as the Fund's underweight position in utilities, which performed well during the period, dampened performance. In addition, the Fund's underweight position in higher risk CCC high yield holdings, which outperformed during the period, also detracted from relative performance.

Market Review and Investment Strategy

During the semi-annual reporting period, both emerging market debt and high yield securities posted strong returns, albeit moderated from the unsustainable pace of the previous six-month period. High yield corporate securities continued to benefit from a stronger economy and improving credit fundamentals. The decline in the ratio of downgrades to upgrades in the past year reflected the improvement in credit fundamentals. Additionally, yield-seeking investors in a low-rate environment helped to drive high yield prices higher, despite strong issuance. For the six-month period ended March 31, 2004, the CSFBHY

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Index posted a 8.65% return, as spreads compressed 104 basis points to 495 basis points over comparable duration Treasuries. Furthermore, the lower quality sectors of the high yield market outperformed the higher quality tiers, although that trend began to reverse late in the period. Nominal returns in high yield were stronger in the third quarter of 2003 than the first quarter of 2004 however, as escalating geopolitical tensions and concerns about the sustainability of the U.S. economic recovery due to a weak job market began to surface. By industry, finance, metals/minerals, cable, utilities and automotive outperformed. Underperforming sectors included the airline industry, telecommunications, wireless communications, broadcasting and the food & drug sector.

2 o ACM MANAGED DOLLAR INCOME FUND

The emerging debt market, as measured by the JPM EMBI+, posted a solid 8.71% return for the six-month period ended March 31, 2004. This market benefited from ample global liquidity and a low interest rate environment. Additionally, supply was very limited, while investor demand remained strong. The Latin countries outpaced non-Latin countries, posting returns of 10.00% versus 6.93%, respectively. Individual countries outperforming within the emerging market debt class included Ecuador at 40.05%, Turkey at 16.50%, Venezuela at 14.07% and Brazil at 12.39%.

Within the high yield sector, as spread dispersion among industries narrowed during the period under review, our strategy turned more toward specific issuer selection and diversifying the Fund's holdings across industry sectors. One of the Fund's largest industry overweight positions continued to be wireless communications. Within the wireless sector, we were focused on rural providers with the following characteristics: those that have less competition, those that are less affected by the implementation of number portability and those that have improved balance sheets as a result of recent capital-market transactions. We continued to underweight the utilities industry due to anticipated low demand growth, forecasted high gas prices and continued capacity additions. Although some individual utility issuers represented a substantial weighting in the index, we have taken a conservative approach, investing only in issues that we believed have good asset protection and sufficient financial liquidity.

Within the Fund's emerging market debt allocation, we maintained an overweight position in Russia as credit statistics continued to improve. Russia, which was recently upgraded by Standard & Poor's (S&P) to BB+ and is rated Baa3 by Moody's Investors Service, has strong gross domestic product momentum and little need to issue new debt. The country is also benefiting from high oil prices and President Putin's appointment of a pro-reform government. Additionally, we increased the Fund's holdings in Ecuador and Turkey. Ecuador benefited from higher oil prices and greater output, significant structural reforms and engagement with the International Monetary Fund (IMF). S&P raised Turkey's rating to B+ from B during the reporting period, crediting the government's efforts to comply with targets set by the IMF and its resolve to implement reforms. As a result, we added to the Fund's position in Turkey. We also decreased the Fund's holdings in Mexico as a result of stalled growth due to poor external demand, mainly from the U.S., and loss of competitiveness in Mexico's manufacturing sector. Lastly, we reduced the Fund's duration exposure in Brazil due to concerns over fundamentals, inflation worries and Brazil's Central Bank's possible inability to continue reducing interest rates. Political scandal and subsequent missteps have caused the Lula administration to lose much of the political goodwill it had in 2003. In addition, we have

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

reduced the Fund's leverage and scaled back the interest rate duration of the Fund due to the prospect of tighter monetary policy in the U.S.

ACM MANAGED DOLLAR INCOME FUND o 3

Portfolio Summary

PORTFOLIO SUMMARY
March 31, 2004 (unaudited)

INCEPTION DATE
10/22/93

PORTFOLIO STATISTICS
Net Assets (\$mil): \$183.3

SECURITY TYPE

54.4%	Sovereign Debt Obligations	
42.9%	Corporate Debt Obligations	[PIE CHART OMITTED]
0.6%	Preferred Stock	
2.1%	Short-Term	

All data as of March 31, 2004. The Fund's security type breakdown is expressed as a percentage of total investments (excluding security lending collateral) and may vary over time.

4 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

PORTFOLIO OF INVESTMENTS
March 31, 2004 (unaudited)

	Principal Amount (000)	U.S. \$ Value

SOVEREIGN DEBT OBLIGATIONS-71.9%		
Argentina-0.5%		
Republic of Argentina FRN 1.234%, 8/03/12(a)	\$ 1,475	\$ 984,562

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Belize-0.4%		
Government of Belize		
9.50%, 8/15/12	700	731,500

Brazil-11.1%		
Republic of Brazil		
11.00%, 8/17/40 (b)	3,556	3,797,808
12.75%, 1/15/20	1,550	1,890,225
14.50%, 10/15/09	230	293,365
Republic of Brazil-DCB FRN		
Series L		
2.0625%, 4/15/12 (a)	3,400	2,975,000
C-Bonds		
8.00%, 4/15/14 (c)	11,686	11,393,929

		20,350,327

Bulgaria-1.1%		
Republic of Bulgaria		
8.25%, 1/15/15 (d)	1,624	1,981,280

Colombia-3.1%		
Republic of Colombia		
10.75%, 1/15/13	720	863,640
11.75%, 2/25/20 (c)	3,790	4,843,620

		5,707,260

Ecuador-2.8%		
Republic of Ecuador		
7.00%, 8/15/30 (a) (c) (d)	5,070	4,476,810
12.00%, 11/15/12	700	716,450

		5,193,260

El Salvador-0.3%		
Republic of El Salvador		
8.50%, 7/25/11 (d)	400	461,000

Indonesia-0.5%		
Republic of Indonesia		
6.75%, 3/10/14 (d)	820	811,800

Jamaica-0.4%		
Government of Jamaica		
11.75%, 5/15/11 (d)	565	651,163

ACM MANAGED DOLLAR INCOME FUND o 5

Portfolio of Investments

Principal	
Amount	
(000)	U.S. \$ Value

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Mexico-9.2%		
United Mexican States		
8.125%, 12/30/19(c)	\$8,331	\$ 9,872,235
11.375%, 9/15/16(c)	4,650	7,040,100

		16,912,335

Panama-1.6%		
Republic of Panama		
8.875%, 9/30/27	200	217,000
9.375%, 4/01/29	1,275	1,453,500
10.75%, 5/15/20	1,050	1,319,325

		2,989,825

Peru-2.7%		
Republic of Peru		
8.75%, 11/21/33	1,125	1,132,313
9.125%, 2/21/12(c)	1,500	1,698,750
9.875%, 2/06/15(c)	1,325	1,556,213
Republic of Peru FLIRB VRN		
4.50%, 3/07/17(a)	650	565,500

		4,952,776

Philippines-2.0%		
Republic of Philippines		
8.25%, 1/15/14	25	24,500
9.00%, 2/15/13	100	102,650
9.875%, 1/15/19(c)	2,600	2,691,000
10.625%, 3/16/25	775	842,812

		3,660,962

Russia-27.1%		
Ministry Finance of Russia		
Series V		
3.00%, 5/14/08	900	825,750
Series VI		
3.00%, 5/14/06	2,620	2,584,106
Series VII		
3.00%, 5/14/11	1,940	1,600,500
Russian Federation		
5.00%, 3/31/30(a)(c)(d)	41,865	41,943,497
5.00%, 3/31/30(a)(b)	2,800	2,801,400

		49,755,253

6 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

Principal

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

	Amount (000)	U.S. \$ Value

Turkey-3.1%		
Republic of Turkey		
9.875%, 3/19/08	\$ 400	\$ 463,600
11.50%, 1/23/12	1,325	1,704,613
11.75%, 6/15/10	750	956,625
11.875%, 1/15/30	425	608,813
12.375%, 6/15/09	1,500	1,929,750

		5,663,401

Ukraine-2.5%		
Ukraine Government		
6.875%, 3/04/11(d)	500	515,000
7.65%, 6/11/13 (d)	1,965	2,049,495
11.00%, 3/15/07	1,834	2,054,117

		4,618,612

Uruguay-0.4%		
Republic of Uruguay		
7.875%, 1/15/33	1,069	801,940

Venezuela-3.1%		
Republic of Venezuela		
5.375%, 8/07/10	1,200	996,000
9.25%, 9/15/27(c)	4,215	3,747,135
Republic of Venezuela DCB FRN Series DL		
2.125%, 12/18/07(a)	952	895,209

		5,638,344

Total Sovereign Debt Securities (cost \$99,216,208)		131,865,600

U.S. CORPORATE DEBT OBLIGATIONS-47.2%		
Aerospace/Defense-0.7%		
DRS Technologies, Inc.		
6.875%, 11/01/13	325	339,625
K&F Industries, Inc. Series B		
9.625%, 12/15/10	190	213,750
Sequa Corp.		
9.00%, 8/01/09	210	237,300
TD Funding Corp.		
8.375%, 7/15/11	450	479,250

		1,269,925

Air Transportation-0.5%		
American Trans Air, Inc.		
6.99%, 4/15/16(d)	490	416,191
Continental Airlines, Inc. Series A		
7.875%, 7/02/18	480	478,351

		894,542

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

ACM MANAGED DOLLAR INCOME FUND o 7

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value

Automotive-1.7%		
Dana Corp. 10.125%, 3/15/10	\$ 575	\$ 667,000
Dura Operating Corp. Series D 9.00%, 5/01/09(c)*	422	429,385
HLI Operating, Inc. 10.50%, 6/15/10	286	326,755
Keystone Automotive Operations, Inc. 9.75%, 11/01/13(d)	390	429,000
Sonic Automotive, Inc. Series B 8.625%, 8/15/13	370	403,300
TRW Automotive, Inc. 9.375, 2/15/13	366	422,730
11.00%, 2/15/13	166	199,200
United Auto Group, Inc. 9.625%, 3/15/12	280	313,600
		----- 3,190,970 -----
Broadcasting & Media-1.4%		
Albritton Communications Co. 7.75%, 12/15/12	415	432,637
Emmis Communications Corp. 12.50%, 3/15/11(e)	350	336,875
PRIMEDIA, Inc. 8.00%, 5/15/13(d)	80	80,400
8.875%, 5/15/11	325	334,750
Radio One, Inc. 8.875%, 7/01/11	415	462,725
Sinclair Broadcast Group, Inc. 8.00%, 3/15/12	270	293,963
8.75%, 12/15/11	285	317,062
Young Broadcasting, Inc. 8.50%, 12/15/08	195	211,575
		----- 2,469,987 -----
Building & Real Estate-1.6%		
D.R. Horton, Inc. 6.875%, 5/01/13	340	379,100
KB HOME 7.75%, 2/01/10	560	609,000
LNR Property Corp. 7.25%, 10/15/13(d)	500	530,000

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

7.625%, 7/15/13	125	133,125
Meritage Corp.		
9.75%, 6/01/11	470	535,800
Schuler Homes, Inc.		
10.50%, 7/15/11	385	456,225
William Lyon Homes, Inc.		
10.75%, 4/01/13	285	338,437

		2,981,687

8 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value

Cable-2.1%		
Cablevision Systems Corp.		
8.00%, 4/15/12 (d)	\$ 950	\$ 950,000
CSC Holdings, Inc.		
6.75%, 4/15/12 (d)	935	935,000
7.625%, 7/15/18	405	429,300
DirectTV Holdings LLC		
8.375%, 3/15/13	305	349,225
Echostar DBS Corp.		
6.375%, 10/01/11 (d)	690	736,575
Insight Midwest LP		
9.75%, 10/01/09	405	424,238

		3,824,338

Chemicals-1.6%		
Equistar Chemical Funding LP		
10.125%, 9/01/08	555	599,400
10.625%, 5/01/11	130	140,725
Huntsman Advanced Materials LLC		
11.00%, 7/15/10 (d)	295	334,825
Huntsman International LLC		
9.875%, 3/01/09	780	861,900
Resolution Performance Products LLC		
9.50%, 4/15/10	560	574,000
Westlake Chemical Corp.		
8.75%, 7/15/11	445	493,950

		3,004,800

Communications - Fixed-1.8%		
FairPoint Communications, Inc.		
11.875%, 3/01/10	300	361,500
Qwest Communications International, Inc.		
7.50%, 2/15/14 (d)	205	194,238
Qwest Corp.		

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

9.125%, 3/15/12(d)	1,525	1,738,500
Time Warner Telecom, Inc.		
9.25%, 2/15/14(d)*	940	954,100

		3,248,338

Communications - Mobile-2.4%		
ACC Escrow Corp.		
10.00%, 8/01/11	660	636,900
Dobson Communications Corp.		
8.875%, 10/01/13	345	272,550
Iridium LLC Capital Corp.		
Series B		
14.00%, 7/15/05(f)	5,000	500,000
Nextel Communications, Inc.		
6.875%, 10/31/13	515	549,762
7.375%, 8/01/15	460	500,250
9.50%, 2/01/11	500	572,500
Rural Cellular Corp.		
8.25%, 3/15/12(d)	240	246,600

ACM MANAGED DOLLAR INCOME FUND o 9

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value
TeleCorp PCS, Inc.		
10.625%, 7/15/10	\$ 203	\$ 236,241
Tritel PCS, Inc.		
10.375%, 1/15/11	234	278,657
Triton PCS, Inc.		
8.75%, 11/15/11*	440	418,000
9.375%, 2/01/11*	225	218,250

		4,429,710

Consumer Manufacturing-1.5%		
Broder Brothers Co.		
11.25%, 10/15/10(d)	500	502,500
Collins & Aikman Floorcoverings, Inc.		
9.75%, 2/15/10	260	279,500
Hines Nurseries, Inc.		
10.25%, 10/01/11	235	262,025
Jostens, Inc.		
12.75%, 5/01/10	650	737,750
Playtex Products, Inc.		
8.00%, 3/01/11(d)	340	355,300
Solo Cup Co.		
8.50%, 2/15/14(d)	425	442,531
St. John Knits International, Inc.		
12.50%, 7/01/09	200	217,000

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

2,796,606

Energy-3.3%		
Chesapeake Energy Corp.		
7.75%, 1/15/15	855	951,188
CITGO Petroleum Corp.		
11.375%, 2/01/11	150	175,875
Frontier Oil Corp.		
11.75%, 11/15/09	260	289,900
Grant Prideco, Inc.		
9.00%, 12/15/09	600	679,500
Hilcorp Energy		
10.50%, 9/01/10 (d)	825	919,875
Northwest Pipelines Corp.		
8.125%, 3/01/10	330	366,300
Pioneer Natural Resources Co.		
8.875%, 4/15/05	395	419,912
Premco Refining Group, Inc.		
9.50%, 2/01/13	270	315,900
Pride International, Inc.		
9.375%, 5/01/07	145	147,900
Southern Natural Gas Co.		
7.35%, 2/15/31	365	352,225
8.875%, 3/15/10	290	323,350
Universal Compression, Inc.		
7.25%, 5/15/10	220	237,050
Westport Resources Corp.		
8.25%, 11/01/11	270	301,725

10 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value
XTO Energy, Inc.		
6.25%, 4/15/13	\$ 215	\$ 238,533
7.50%, 4/15/12	250	297,739
		6,016,972
Entertainment & Leisure-1.2%		
Gaylord Entertainment Co.		
8.00%, 11/15/13 (d)	340	364,225
Six Flags, Inc.		
9.50%, 2/01/09	1,050	1,113,000
9.625%, 6/01/14 (d)	165	176,138
9.75%, 4/15/13	85	90,738
Universal City Development Partners		
11.75%, 4/01/10	455	531,781
		2,275,882

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Financial-2.1%		
Crum & Foster Holdings Corp.		
10.375%, 6/15/13(d)	210	238,350
iStar Financial, Inc.		
7.00%, 3/15/08	85	92,862
8.75%, 8/15/08	240	279,600
Markel Capital Trust I		
Series B		
8.71%, 1/01/46(g)	660	699,600
Nationwide CSN Trust		
9.875%, 2/15/25(d)	1,000	1,105,825
PXRE Capital Trust I		
8.85%, 2/01/27	510	515,100
Western Financial Bank		
9.625%, 5/15/12	420	480,900
Williams Scotsman, Inc.		
9.875%, 6/01/07	520	522,600

		3,934,837

Food/Beverage-1.4%		
Del Monte Food Co.		
8.625%, 12/15/12	145	163,850
9.25%, 5/15/11	255	288,150
DIMON, Inc.		
7.75%, 6/01/13	110	110,000
Series B		
9.625%, 10/15/11	425	461,125
Dole Food Company, Inc.		
8.625%, 5/01/09 (a)	255	280,500
8.875%, 3/15/11	145	158,775
Merisant Co.		
9.50%, 7/15/13(d)	300	297,000
North Atlantic Trading Co.		
9.25%, 3/01/12(d)	340	341,700
Swift & Co.		
10.125%, 10/01/09	345	374,325

		2,475,425

ACM MANAGED DOLLAR INCOME FUND o 11

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value

Gaming-2.9%		
Ameristar Casinos, Inc.		
10.75%, 2/15/09	\$ 230	\$ 267,088
Argosy Gaming Co.		
9.00%, 9/01/11	235	265,550
Boyd Gaming Corp.		

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

7.75%, 12/15/12	255	274,125
Harrah's Operating Company, Inc.		
7.875%, 12/15/05	230	249,550
Horseshoe Gaming Holding Corp.		
Series B		
8.625%, 5/15/09	195	205,237
MGM Mirage, Inc.		
8.375%, 2/01/11	575	667,000
Mandalay Resort Group		
10.25%, 8/01/07	570	674,025
Mohegan Tribal Gaming		
6.375%, 7/15/09	140	147,700
8.375%, 7/01/11	220	244,200
Park Place Entertainment		
7.00%, 4/15/13	305	333,975
7.875%, 3/15/10	295	330,400
9.375%, 2/15/07	230	259,900
Riviera Holdings Corp.		
11.00%, 6/15/10	320	338,000
Turning Stone Casino Resort Enterprise		
9.125%, 12/15/10(d)	290	315,375
Venetian Casino Resort, LLC		
11.00%, 6/15/10	610	704,550

		5,276,675

Healthcare-3.3%		
Alliance Imaging, Inc.		
10.375%, 4/15/11*	425	426,063
AmerisourceBergen Corp.		
8.125%, 9/01/08	190	212,800
Concentra Operating Corp.		
9.50%, 8/15/10(c)	200	223,000
13.00%, 8/15/09	430	475,150
Extencicare Health Services		
9.50%, 7/01/10	340	381,650
Genesis HealthCare Corp.		
8.00%, 10/15/13(d)	330	353,100
HCA, Inc.		
7.875%, 2/01/11	655	755,230
Hanger Orthopedic Group, Inc.		
10.375%, 2/15/09	380	429,400
PacificCare Health Systems, Inc.		
10.75%, 6/01/09	380	448,400
Select Medical Corp.		
7.50%, 8/01/13	390	422,175
Tenet Healthcare Corp.		
7.375%, 2/01/13*	330	299,475

12 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

Principal
Amount

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

	(000)	U.S. \$ Value

Triad Hospitals, Inc.		
7.00%, 11/15/13	\$ 580	\$ 597,400
Series B		
8.75%, 5/01/09	455	498,225
Universal Hospital Services, Inc.		
10.125%, 11/01/11(d)	470	509,950

		6,032,018

Hotels & Lodging-1.7%		
Corrections Corp. of America		
7.50%, 5/01/11	40	42,350
9.875%, 5/1/09	280	316,400
Extended Stay America, Inc.		
9.875%, 6/15/11	405	477,900
Felcor Lodging LP		
9.00%, 6/01/11	145	156,237
10.00%, 9/15/08	200	214,000
Host Marriott LP		
9.25%, 10/01/07	105	118,125
9.50%, 1/15/07	330	371,250
La Quinta Corp.		
8.875%, 3/15/11	400	454,000
Starwood Hotels & Resorts Worldwide, Inc.		
7.875%, 5/01/12	430	488,050
Vail Resorts, Inc.		
6.75%, 2/15/14(d)	380	382,850

		3,021,162

Industrial-2.6%		
AMSTED Industries, Inc.		
10.25%, 10/15/11(d)	465	527,775
Case New Holland, Inc.		
9.25%, 8/01/11(d)	685	777,475
Dayton Superior Corp.		
10.75%, 9/15/08	245	253,575
FastenTech, Inc.		
11.50%, 5/01/11(d)	350	393,750
Flowserve Corp.		
12.25%, 8/15/10	370	428,275
H & E Equipment/Finance		
11.125%, 6/15/12	260	271,700
NMHG Holding Co.		
10.00%, 5/15/09	220	243,100
SPX Corp.		
7.50%, 1/01/13	205	222,425
Terex Corp.		
10.375%, 4/01/11	400	458,000
Trinity Industries, Inc.		
6.50%, 3/15/14(d)	570	570,000
TriMas Corp.		
9.875%, 6/15/12	505	552,975

		4,699,050

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

ACM MANAGED DOLLAR INCOME FUND o 13

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value

Metals/Mining-0.4%		
AK Steel Corp.		
7.875%, 2/15/09*	\$ 355	\$ 326,600
Peabody Energy Corp.		
6.875%, 3/15/13	410	444,850

		771,450

Paper & Packaging-3.3%		
Anchor Glass Container Corp.		
11.00%, 2/15/13	440	513,700
Ball Corp.		
6.875%, 12/15/12	1,000	1,086,250
Berry Plastics Corp.		
10.75%, 7/15/12	390	443,625
Crown Paper Co.		
11.00%, 9/01/05 (f)	5,000	1
Georgia-Pacific Corp.		
9.375%, 2/01/13	765	904,612
Graphic Packaging Int'l Corp.		
9.50%, 8/15/13	655	743,425
Greif Bros. Corp.		
8.875%, 8/01/12	280	306,600
Owens-Brockway Glass Container, Inc.		
8.875%, 2/15/09	795	862,575
Pliant Corp.		
11.125%, 9/01/09	385	404,250
Russell-Stanley Holdings, Inc.		
9.00%, 11/30/08 (d) (g)	817	245,191
Stone Container Corp.		
9.25%, 2/01/08	535	599,200
9.75%, 2/01/11	12	13,470

		6,122,899

Publishing-1.9%		
American Media, Inc.		
8.875%, 1/15/11	105	104,738
10.25%, 5/01/09	500	526,250
Dex Media East LLC		
9.875%, 11/15/09	110	124,300
12.125%, 11/15/12	320	375,200
Dex Media West LLC		
8.50%, 8/15/10 (d)	160	177,200
9.875%, 8/15/13 (d)	625	696,875
Hollinger International Publishing, Inc.		
9.00%, 12/15/10	530	585,650
Houghton Mifflin Co.		
8.25%, 2/01/11	280	289,450
PEI Holdings, Inc.		

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

11.00%, 3/15/10	205	237,800
RH Donnelley, Inc.		
10.875%, 12/15/12(d)	255	305,362

		3,422,825

14 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value

Restaurants-0.2%		
Domino's, Inc.		
8.25%, 7/01/11	\$ 350	\$ 378,875

Retail-0.5%		
J.C. Penney Corporation, Inc.		
8.00%, 3/01/10	490	576,975
Petro Stopping Centers LP		
9.00%, 2/15/12(d)	395	408,825

		985,800

Service-2.3%		
Allied Waste North America		
8.50%, 12/01/08	85	95,625
8.875%, 4/01/08	645	727,237
10.00%, 8/01/09	1,230	1,325,325
Coinmach Corp.		
9.00%, 2/01/10	250	267,500
Iron Mountain, Inc.		
7.75%, 1/15/15	115	121,325
8.625%, 4/01/13	350	383,250
National Waterworks, Inc.		
10.50%, 12/01/12	235	266,725
Service Corp. International		
6.50%, 3/15/08	240	250,200
7.70%, 4/15/09	240	258,600
United Rentals North America, Inc.		
6.50%, 2/15/12(d)	494	494,000

		4,189,787

Supermarket & Drugstore-1.2%		
Couche-Tard, Inc.		
7.50%, 12/15/13(d)	298	320,350
Pathmark Stores, Inc.		
8.75%, 2/01/12	655	687,750
Rite Aid Corp.		
9.25%, 6/01/13	75	79,875
9.50%, 2/15/11	660	735,900

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Roundy's, Inc. Series B 8.875%, 6/15/12	270	298,350
Stater Bros. Holdings, Inc. 10.75%, 8/15/06	150	158,250
		----- 2,280,475 -----
Technology-1.3% Fairchild Semiconductor 10.50%, 2/01/09	505	559,919
ON Semiconductor Corp. 12.00%, 3/15/10	465	576,600

ACM MANAGED DOLLAR INCOME FUND o 15

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value
Unisys Corp. 6.875%, 3/15/10 7.875%, 4/01/08	\$ 1,000 185	\$ 1,105,000 191,244
		----- 2,432,763 -----
Utilities - Electric & Gas-2.3% AES Corporation 8.75%, 5/15/13(d) 9.00%, 5/15/15(d) 10.00%, 7/15/05(d)	65 105 175	71,825 116,419 180,370
Calpine Corp. 8.50%, 7/15/10(d)	1,215	1,123,875
NRG Energy, Inc. 8.00%, 12/15/13(d)	525	544,687
Ormat Funding Corp. 8.25%, 12/30/20(d)	395	396,975
PG&E Corp. 6.875%, 7/15/08(d)	395	433,019
SEMCO Energy, Inc. 7.125%, 5/15/08 7.75%, 5/15/13	125 235	131,875 251,450
Sierra Pacific Resources 8.625%, 3/15/14(d)	335	341,700
The Williams Companies, Inc. 8.625%, 6/01/10	485	535,925
		----- 4,128,120 -----
Total U.S. Corporate Debt Obligations (cost \$93,221,551)		86,555,918

NON-U.S. CORPORATE DEBT

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

OBLIGATIONS-9.4%		
Bahamas-0.1%		
Sun International Hotels, Ltd.		
8.875%, 8/15/11	245	273,175

Brazil-0.8%		
PF Export Receivables Master Trust		
6.436%, 6/01/15(d)	1,386	1,426,319

Canada-0.9%		
Fairfax Financial Holdings		
7.375%, 4/15/18	250	238,750
Intrawest Corp.		
7.50%, 10/15/13	195	202,312
10.50%, 2/01/10	150	165,188
Norske Skog Canada, Ltd.		
Series D		
8.625%, 6/15/11	335	361,800
North American Energy Partners, Inc.		
8.75%, 12/01/11(d)*	285	286,425

16 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

	Principal Amount (000)	U.S. \$ Value

Russel Metals, Inc.		
6.375%, 3/01/14(d)	\$ 345	\$ 355,350

		1,609,825

France-0.3%		
Crown Euro Holdings S.A.		
9.50%, 3/01/11	405	456,637

Great Britian-0.6%		
Dunlop Standard Aerospace Holdings PLC		
11.875%, 5/15/09(d)	275	294,250
Inmarsat Finance PLC		
7.625%, 6/30/12(d)	395	413,763
Royal & Sun Alliance Insurance Group PLC		
8.95%, 10/15/29	450	478,059

		1,186,072

Ireland-0.4%		
Eircom Funding		
8.25%, 8/15/13	245	274,400
MDP Acquisitions PLC		
9.625%, 10/01/12	390	442,650

		717,050

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Kazakhstan-0.4%		
Hurricane Finance BV		
9.625%, 2/12/10(d)	400	446,000
Kazkommerts International BV		
8.50%, 4/16/13(d)	350	372,750

		818,750

Liberia-0.4%		
Royal Caribbean Cruises, Ltd.		
8.00%, 5/15/10	625	709,375

Mexico-2.3%		
Innova S. de R.L.		
9.375%, 9/19/13	2,865	3,122,850
12.875%, 4/01/07	1,003	1,008,216

		4,131,066

Romania-0.3%		
Mobifon Holdings BV		
12.50%, 7/31/10	425	490,875

Russia-2.7%		
Gazprom OAO		
9.625%, 3/01/13(d)	1,220	1,407,300
Mobile Telesystems Finance S.A.		
9.75%, 1/30/08(d)	150	165,750
10.95%, 12/21/04	2,130	2,247,150

ACM MANAGED DOLLAR INCOME FUND o 17

Portfolio of Investments

	Contracts (h), Shares or Principal Amount (000)	U.S. \$ Value

Tyumen Oil Company		
11.00%, 11/06/07	\$ 675	\$ 784,688
11.00%, 11/06/07(d)	300	351,750

		4,956,638

Singapore-0.2%		
Flextronics International, Ltd.		
6.50%, 5/15/13	425	449,437

Total Non-U.S. Corporate Debt Obligations (cost \$15,934,356)		17,225,219

NON-CONVERTIBLE PREFERRED STOCK-0.8%		

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Sovereign Real Estate Investment Trust 12.00%(d)	870	1,350,675
Total Non-Convertible Preferred Stock (cost \$818,725)		1,350,675
WARRANTS-0.0%		
Central Bank of Nigeria		
Warrants, expiring 11/15/20(i)	1,000	0
Republic of Venezuela		
Warrants, expiring 4/15/20(i)	7,140	0
Total Warrants (cost \$0)		0
CALL OPTIONS PURCHASED(i)-0.0%		
Republic of Brazil C-Bonds		
Expiring Apr '04 @ 105.65	1,140,000	18,240
Expiring Apr '04 @ 110.75	380,000	38
Expiring Apr '04 @ 110.80	380,000	38
Total Call Options Purchased (cost \$34,808)		18,316
PUT OPTIONS PURCHASED(i)-0.0%		
Republic of Brazil C-Bonds		
Expiring Apr '04 @ 105.30	760,000	3,800
Russian Federation		
Expiring Apr '04 @ 97.662	760,000	76
Total Put Options Purchased (cost \$26,980)		3,876

18 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

	Shares or Principal Amount (000)	U.S. \$ Value
SHORT-TERM INVESTMENT-2.8%		
Repurchase Agreement-2.8%		
Greenwich Capital Markets Inc.		
1.03%, dated 3/31/04, due 4/01/04 in the amount of \$5,100,146 (collateralized by \$5,225,000 Freddie Mac 0% due 7/19/04, value-\$5,235,294) (cost \$5,100,000)	\$ 5,100	\$ 5,100,000
Total Investments Before Security Lending Collateral-132.1% (cost \$214,352,628)		242,119,604

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Investments of Cash Collateral for Securites Loaned + -1.1% Short-Term Investment UBS Private Money Market Fund, LLC 1.00% (cost \$2,084,190)	2,084	2,084,190
Total Investments-133.2% (cost \$216,436,818)		244,203,794
Other assets less liabilities-(33.2)%		(60,854,161)
Net Assets-100.0%		\$ 183,349,633

CALL OPTIONS WRITTEN (see Note C)

Description	Contracts (h)	Exercise Price	Expiration Month	U.S. \$ Value
Federal Republic of Brazil 11.00%, 8/17/40	760,000	\$107.00	Apr. '04	\$ (6,080)
Russian Federation 5.00%, 3/31/30	760,000	98.30	Apr. '04	(13,680)
(premiums received \$26,980)				\$ (19,760)

CREDIT DEFAULT SWAP CONTRACTS (see Note C)

Swap Counterparty & Referenced Obligation	Notional Amount (000)	Interest Rate	Termination Date	Unrealized Appreciation/ (Depreciation)
Buy Contracts:				
Citigroup Global Markets, Inc. Federal Republic of Brazil 12.25%, 3/06/30	1,150	5.85%	2/20/14	\$34,040
Citigroup Global Markets, Inc. Federal Republic of Hungary 4.50%, 2/06/13	350	0.50	11/26/13	(3,350)
Citigroup Global Markets, Inc. Federal Republic of Philippines 10.625%, 3/16/25	510	5.60	3/20/14	5,462

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

ACM MANAGED DOLLAR INCOME FUND o 19

Portfolio of Investments

CREDIT DEFAULT SWAP CONTRACTS (see Note C) continued

Swap Counterparty & Referenced Obligation	Notional Amount (000)	Interest Rate	Termination Date	Unrealized Appreciation/ (Depreciation)
Buy Contracts: (continued)				
Citigroup Global Markets, Inc. Federal Republic of Turkey 11.875%, 1/15/30	505	3.85%	1/31/09	\$ (6,201)
Deutsche Bank A.G. Federal Republic of Peru 9.875%, 2/06/15	700	3.90	9/20/08	(3,920)
Deutsche Bank A.G. Federal Republic of Turkey 11.875%, 1/15/30	1,010	3.25	1/24/09	12,756
Deutsche Bank A.G. Federal Republic of Venezuela 9.25%, 9/15/27	600	3.65	1/20/06	11,124
Sale Contracts:				
Citigroup Global Markets, Inc. Federal Republic of Brazil 12.25%, 3/06/30	1,000	6.35	8/20/05	54,600
Citigroup Global Markets, Inc. Federal Republic of Brazil 12.25%, 3/06/30	1,150	5.26	2/20/09	(21,505)
Citigroup Global Markets, Inc. Federal Republic of Philippines 10.625%, 3/16/25	510	4.95	3/20/09	(4,167)
Deutsche Bank A.G. Federal Republic of Turkey 11.875%, 1/15/30	1,262	1.50	1/24/05	3,597

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Deutsche Bank A.G.
Federal Republic
of Turkey

11.875%, 1/15/30 833 1.80 7/24/05 2,083

REVERSE REPURCHASE AGREEMENTS (see Note C)

Broker	Interest Rate	Maturity	Amount
Deutsche Bank	1.10%	5/11/04	\$ 22,000,861
JP Morgan Chase	0.80	12/31/04	5,882,222
JP Morgan Chase	0.85	4/8/04	2,399,210
JP Morgan Chase	0.00	5/6/04	6,013,280
Lehman Brothers	0.90	12/31/04	2,376,850
Merrill Lynch	0.70	12/31/04	1,213,700
Merrill Lynch	0.70	5/11/04	3,588,259
Merrill Lynch	0.75	5/11/04	1,721,554
Merrill Lynch	0.90	5/5/04	7,198,684
Merrill Lynch	0.90	5/4/04	2,970,065
Merrill Lynch	0.90	12/31/04	3,227,242
Merrill Lynch	1.10	12/31/04	6,843,059

			\$ 65,434,986
			=====

20 o ACM MANAGED DOLLAR INCOME FUND

Portfolio of Investments

* Represents entire or partial securities out on loan.

+ See Note F for securities lending information.

(a) Coupon changes periodically based upon a predetermined schedule. Stated interest rate in effect at March 31, 2004.

(b) A position, or portion of the underlying securities has been segregated by the Fund for the written call options outstanding at March 31, 2004. The value of these securities amounted to \$1,572,060 at March 31, 2004.

(c) Positions, or portions thereof, with an aggregate market value of \$66,732,041 have been segregated to collateralize reverse repurchase agreements.

(d) Security is 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 March 31, 2004, the aggregate market value of these securities amounted to \$81,736,198 or 44.6% of net assets.

(e) Indicates a security that has a zero coupon that remains in effect until a predetermined date at which time the stated coupon rate becomes effective until final maturity.

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

- (f) Security is in default and is non-income producing.
- (g) Illiquid security, valued at fair market value (see Note A).
- (h) One contract relates to principal amount of \$1.00.
- (i) Non-income producing security.

Glossary of Terms:

DCB - Debt Conversion Bond
 FLIRB - Front Loaded Interest Reduction Bond
 FRN - Floating Rate Note
 VRN - Variable Rate Note

See notes to financial statements.

ACM MANAGED DOLLAR INCOME FUND o 21

Statement of Assets & Liabilities

STATEMENT OF ASSETS & LIABILITIES

March 31, 2004 (unaudited)

ASSETS

Investments in securities, at value (cost \$216,436,818 -- including investment of cash collateral for securities loaned of \$2,084,190)	\$ 244,203,794 (a)
Cash	2,121,014
Unrealized appreciation on credit default swap contracts	123,662
Interest and dividends receivable	5,293,367
Receivable for investment securities sold	2,992,720
Receivable for credit default swap contracts	1,079,645
Paydown receivable	382,269
Prepaid expenses	14,010

Total assets	256,210,481

LIABILITIES

Outstanding options written, at value (premiums received \$26,980)	19,760
Reverse repurchase agreements	65,434,986
Unrealized depreciation on credit default swap contracts	39,143
Payable for investment securities purchased	3,401,378
Payable for collateral received on securities loaned	2,084,190
Dividends to shareholders	1,527,224
Advisory fee payable	123,947
Administrative fee payable	24,789
Accrued expenses and other liabilities	205,431

Total liabilities	72,860,848

NET ASSETS	\$ 183,349,633
	=====

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

COMPOSITION OF NET ASSETS

Common stock, at par	\$	226,255
Additional paid-in capital		296,789,531
Distributions in excess of net investment income		(1,686,596)
Accumulated net realized loss on investment transactions		(139,838,272)
Net unrealized appreciation of investments		27,858,715

		\$ 183,349,633
		=====

NET ASSET VALUE PER SHARE

(based on 22,625,536 shares outstanding)		\$8.10
		=====

(a) Includes securities on loan with a value of \$2,006,678 (see Note F).

See notes to financial statements.

22 o ACM MANAGED DOLLAR INCOME FUND

Statement of Operations

STATEMENT OF OPERATIONS

Six Months Ended March 31, 2004 (unaudited)

INVESTMENT INCOME

Interest	\$ 10,332,375	
Dividends	119,990	\$ 10,452,365

EXPENSES

Advisory fee	673,335	
Administrative fee	134,671	
Audit and legal	54,610	
Custodian	51,366	
Printing	48,541	
Transfer agency	24,048	
Directors' fees	21,046	
Registration	16,836	
Miscellaneous	24,491	

Total expenses before interest	1,048,944	
Interest expense	295,954	

Total expenses		1,344,898

Net investment income		9,107,467

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENT TRANSACTIONS

Net realized gain on:	
Investment transactions	5,168,966
Swap contracts	1,875,338
Written options	129,918

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Net change in unrealized appreciation/depreciation of:	
Investments	4,756,381
Swap contracts	(885,781)
Written options	7,220

Net gain on investment transactions	11,052,042

NET INCREASE IN NET ASSETS FROM OPERATIONS	\$ 20,159,509
	=====

See notes to financial statements.

ACM MANAGED DOLLAR INCOME FUND o 23

Statement of Changes in Net Assets

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended March 31, 2004 (unaudited)	Year Ended September 30, 2003
	=====	=====
INCREASE IN NET ASSETS FROM OPERATIONS		
Net investment income	\$ 9,107,467	\$ 18,293,615
Net realized gain on investment transactions	7,174,222	3,184,282
Net change in unrealized appreciation/depreciation of investments	3,877,820	43,772,735
	-----	-----
Net increase in net assets from operations	20,159,509	65,250,632
DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net investment income	(10,670,656)	(18,177,141)
COMMON STOCK TRANSACTIONS		
Reinvestment of dividends resulting in the issuance of Common Stock	679,113	1,273,690
	-----	-----
Total increase	10,167,966	48,347,181
NET ASSETS		
Beginning of period	173,181,667	124,834,486
	-----	-----
End of period (including distributions in excess of net investment income of (\$1,686,596) and (\$123,407), respectively)	\$ 183,349,633	\$ 173,181,667
	=====	=====

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

See notes to financial statements.

24 o ACM MANAGED DOLLAR INCOME FUND

Statement of Cash Flows

STATEMENT OF CASH FLOWS

Six Months Ended March 31, 2004 (unaudited)

INCREASE (DECREASE) IN CASH FROM		
OPERATION ACTIVITIES:		
Interest and dividends received	\$ 9,774,819	
Interest expense paid	(249,237)	
Operating expenses paid	(986,348)	

Net increase in cash from operating activities		\$ 8,539,234
INVESTING ACTIVITIES:		
Purchases of long-term investments	(105,136,851)	
Proceeds from disposition of long-term investments	107,169,671	
Proceeds from disposition of short-term investments, net	(7,184,190)	
Cash collateral received on securities loaned	2,084,190	
Net premium received on option transactions	31,155	
Net premium received on swaps transactions	795,693	
Net decrease in cash from investing activities		(2,240,332)
FINANCING ACTIVITIES: *		
Cash dividends paid	(8,464,319)	
Proceeds from reverse repurchase agreements	3,593,648	
Net decrease in cash from financing activities		(4,870,671)

Net increase in cash		1,428,231
Cash at beginning of period		692,783

Cash at end of period		\$ 2,121,014
		=====

RECONCILIATION OF NET INCREASE IN NET
ASSETS FROM OPERATIONS TO NET INCREASE
IN CASH FROM OPERATING ACTIVITIES:

Net increase in net assets from operations	\$ 20,159,509
---	---------------

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

ADJUSTMENTS:

Decrease in dividends and interest receivable	\$ 274,023	
Accretion of bond discount and amortization of bond premium	(951,569)	
Increase in accrued expenses and other assets	62,596	
Increase in interest payable	46,717	
Net realized gain on investment transactions	(7,174,222)	
Net change in unrealized appreciation/depreciation of investments	(3,877,820)	

Total adjustments		(11,620,275)

NET INCREASE IN CASH FROM OPERATING ACTIVITIES		\$ 8,539,234
		=====

* Non-cash financing activities not included herein consist of reinvestment of dividends and distributions.

See notes to financial statements.

ACM MANAGED DOLLAR INCOME FUND o 25

Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS March 31, 2004 (unaudited)

NOTE A

Significant Accounting Policies

ACM Managed Dollar Income Fund, Inc. (the "Fund") was incorporated under the laws of the State of Maryland on August 10, 1993 and is registered under the Investment Company Act of 1940 as a non-diversified, closed-end management investment company. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States, which requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and amounts of income and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund.

1. Security Valuation

In accordance with Pricing Policies adopted by the Board of Directors of the Fund (the "Pricing Policies") and applicable law, portfolio securities are valued at current market value or at fair value. The Board of Directors has

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

delegated to Alliance Capital Management, L.P. (the "Adviser"), subject to the Board's continuing oversight, certain responsibilities with respect to the implementation of the Pricing Policies. Pursuant to the Pricing Policies, securities for which market quotations are readily available are valued at their current market value. In general, the market value of these securities is determined as follows:

Securities listed on a national securities exchange or on a foreign securities exchange are valued at the last sale price at the close of the exchange or foreign securities exchange. If there has been no sale on such day, the securities are valued at the mean of the closing bid and asked prices on such day. If no bid or asked prices are quoted on such day, then the security is valued in good faith at fair value in accordance with the Pricing Policies. Securities listed on more than one exchange are valued by reference to the principal exchange on which the securities are traded; securities not listed on an exchange but traded on The Nasdaq Stock Market, Inc. ("NASDAQ") are valued in accordance with the NASDAQ Official Closing Price; listed put or call options are valued at the last sale price. If there has been no sale on that day, such securities will be valued at the closing bid prices on that day; open futures contracts and options thereon are valued using the closing settlement price or, in the absence of such a price, the most recent quoted bid price. If there are no quotations available for the day of valuations, the last available closing settlement price is used; securities traded in the over-the-counter market, (but excluding securities traded on NASDAQ) are valued at the mean of the current bid and asked prices as reported by the National Quotation Bureau or other comparable sources; U.S. Government securities and other debt instruments having 60 days or less remaining until maturity are valued at amortized cost if their original maturity was 60 days or less, or by amortizing their fair value as of the 61st day prior to maturity if their original term to maturity exceeded 60 days; fixed-income securities, including

26 o ACM MANAGED DOLLAR INCOME FUND

Notes to Financial Statements

mortgage backed and asset backed securities, may be valued on the basis of prices provided by a pricing service or at a price obtained from one or more of the major broker/dealers. In cases where broker/dealer quotes are obtained, the Pricing Policies provide that the Adviser may establish procedures whereby changes in market yields or spreads are used to adjust, on a daily basis, a recently obtained quoted price on a security; and OTC and other derivatives are valued on the basis of a quoted bid price or spread from a major broker/dealer in such security.

Securities for which market quotations are not readily available are valued at fair value in accordance with the Pricing Policies. The Fund fair values a security that it holds when a significant event (e.g., an earthquake or a major terrorist attack) occurs after the time that the latest market quotation was established, and, as a result, such market quotation cannot be said to represent the current market value of the security as of the time the Fund prices its shares. Fair valuing securities is imprecise, and there is no assurance that the Fund could dispose of the security at the price used for determining the Fund's net asset value.

2. Taxes

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

It is the Fund's policy to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its investment company taxable income and net realized gains, if any, to shareholders. Therefore, no provisions for federal income or excise taxes are required.

3. Investment Income and Investment Transactions

Interest income is accrued daily. Dividend income is recorded on the ex-dividend date. Investment transactions are accounted for on the date the securities are purchased or sold. Investment gains and losses are determined on the identified cost basis. The Fund accretes discounts as adjustments to interest income. Additionally, the Fund amortizes premiums on debt securities for financial statement reporting purposes only.

4. Dividends and Distributions

Dividends and distributions to shareholders are recorded on the ex-dividend date. Income and capital gains distributions are determined in accordance with federal tax regulations and may differ from those determined in conformity with accounting principles generally accepted in the United States. To the extent these differences are permanent, such amounts are reclassified within the capital accounts based on their federal tax basis treatment; temporary differences do not require such reclassification.

5. Repurchase Agreements

The Fund's custodian or designated subcustodian will take control of securities as collateral under repurchase agreements and determine on a daily basis that the value of such securities are sufficient to cover the value of the repurchase agree-

ACM MANAGED DOLLAR INCOME FUND o 27

Notes to Financial Statements

ments. If the seller defaults and the value of collateral declines, or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of collateral by the Fund may be delayed or limited.

NOTE B

Advisory, Administrative Fees and Other Transactions with Affiliates

Under the terms of an Investment Advisory Agreement, the Fund pays the Adviser an advisory fee at an annual rate of .75 of 1% of the average adjusted weekly net assets of the Fund. Such fee is accrued daily and paid monthly.

Under the terms of a Shareholder Inquiry Agency Agreement with Alliance Global Investor Services, Inc. (AGIS), a wholly-owned subsidiary of the Adviser, the Fund reimburses AGIS for costs relating to servicing phone inquiries on behalf of the Fund. During the six months ended March 31, 2004, the Fund reimbursed to AGIS \$265.

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Under the terms of an Administration Agreement, the Fund pays Princeton Administrators, L.P. (the "Administrator") a fee at an annual rate of .15% of the average adjusted weekly net assets of the Fund. Such fee is accrued daily and paid monthly. The Administrator prepares certain financial and regulatory reports for the Fund and provides clerical and other services.

NOTE C

Investment Transactions

Purchases and sales of investment securities (excluding short-term investments) for the six months ended March 31, 2004, were as follows:

	Purchases =====	Sales =====
Investment securities (excluding U.S. government securities)	\$ 105,489,923	\$ 105,496,524
U.S. government securities	-0-	-0-

At March 31, 2004, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes.

Accordingly, gross unrealized appreciation and gross unrealized depreciation (excluding written options and swap contracts) are as follows:

Gross unrealized appreciation	\$ 42,004,342
Gross unrealized depreciation	(14,237,366)

Net unrealized appreciation	\$ 27,766,976
	=====

1. Option Transactions

For hedging and investment purposes, the Fund may purchase and write (sell) put and call options on U.S. and foreign government securities and foreign currencies that are traded on U.S. and foreign securities exchanges and over-the-counter markets.

28 o ACM MANAGED DOLLAR INCOME FUND

Notes to Financial Statements

The risk associated with purchasing an option is that the Fund pays a premium whether or not the option is exercised. Additionally, the Fund bears the risk of loss of the premium and a change in market value should the counterparty not perform under the contract. Put and call options purchased are accounted for in the same manner as portfolio securities. The cost of securities acquired through the exercise of call options is increased by the premiums paid. The proceeds from securities sold through the exercise of put options are decreased by the premiums paid.

When the Fund writes an option, the premium received by the Fund is recorded as a liability and is subsequently adjusted to the current market value of the option written. Premiums received from written options which expire unexercised are recorded by the Fund on the expiration date as realized gains from options

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

written. The difference between the premium received and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or if the premium received is less than the amount paid for the closing purchase transaction, as a realized loss. If a call option is exercised, the premium received is added to the proceeds from the sale of the underlying security or currency in determining whether the Fund has realized a gain or loss. If a put option is exercised, the premium received reduces the cost basis of the security or currency purchased by the Fund. In writing an option, the Fund bears the market risk of an unfavorable change in the price of the security or currency underlying the written option. Exercise of an option written by the Fund could result in the Fund selling or buying a security or currency at a price different from the current market value.

Transactions in written options for the six months ended March 31, 2004 were as follows:

	Number of Contracts (000)	Premiums Received
	=====	=====
OPTIONS OUTSTANDING AT SEPTEMBER 30, 2003	-0-	\$ -0-
Options written	8,588	156,898
Options terminated in closing purchase transactions	-0-	-0-
Options expired	(7,068)	(129,918)
	-----	-----
OPTIONS OUTSTANDING AT MARCH 31, 2004	1,520	\$ 26,980
	=====	=====

2. Swap Agreements

The Fund may enter into swaps on sovereign debt obligations to hedge its exposure to interest rates and credit risk or for investment purposes. A swap is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

ACM MANAGED DOLLAR INCOME FUND ◦ 29

Notes to Financial Statements

Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the net interest payment to be received by the Fund, and/or the termination value at the end of the contract. Therefore the Fund considers the creditworthiness of each counterparty to a swap contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in interest rates or in the value of the underlying securities.

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

The Fund records a net receivable or payable on a daily basis for the net interest income or expense expected to be received or paid in the interest period. Net interest received or paid on these contracts is recorded as interest income (or as an offset to interest income). Fluctuations in the value of swap contracts are recorded for financial statement purposes as a component of net change in unrealized appreciation/depreciation of investments. Realized gains and/or losses from terminated swap contracts are included in net realized gain or loss on investment transactions.

The Fund may enter into credit default swaps. A sell/(buy) in a credit default swap provides, upon the occurrence of a credit event, as defined in the swap agreement, for the Fund to buy/(sell) from/(to) the counterparty at par and take/(deliver) the principal amount (the "Notional Amount") of the referenced obligation. During the term of the swap agreement, the Fund receives/(pays) semi-annual fixed interest payments from/(to) the respective counterparty, calculated at the agreed upon interest rate applied to the Notional Amount.

Credit default swaps may involve greater risks than if a Fund had invested in the referenced obligation directly. Credit default swaps are subject to general market risk, liquidity risk and credit risk. If the Fund is a buyer and no credit event occurs, it will lose its investment. In addition, the value of the referenced obligation received by the Fund as a seller if a credit event occurs, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the Fund.

3. Reverse Repurchase Agreements

Under a reverse repurchase agreement, the Fund sells securities and agrees to repurchase them at a mutually agreed upon date and price. At the time the Fund enters into a reverse repurchase agreement, it will establish a segregated account with the custodian containing liquid assets having a value at least equal to the repurchase price.

For the six months ended March 31, 2004, the average amount of reverse repurchase agreements outstanding was \$62,862,826 and the daily weighted average annual interest rate was 0.9310%.

30 o ACM MANAGED DOLLAR INCOME FUND

Notes to Financial Statements

NOTE D

Capital Stock

There are 300,000,000 shares of \$.01 par value common stock authorized of which 22,625,536 shares were issued and outstanding at March 31, 2004. During the six months ended March 31, 2004 and the year ended September 30, 2003, the Fund issued 84,915 and 182,814 shares, respectively, in connection with the Fund's dividend reinvestment plan.

NOTE E

Risks Involved in Investing in the Fund

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect the value of the Fund's investments in fixed-income debt securities such as bonds or notes. Increases in interest rates may cause the value of the Fund's investments to decline.

Concentration of Risk

Investing in securities of foreign companies and foreign governments involves special risks which include the possibility of future political and economic developments which could adversely affect the value of such securities. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of comparable U.S. companies and the United States government.

The Fund invests in the Sovereign Debt Obligations of countries that are considered emerging market countries at the time of purchase. Therefore, the Fund is susceptible to governmental factors and economic and debt restructuring developments adversely affecting the economics of these emerging market countries. In addition, these debt obligations may be less liquid and subject to greater volatility than debt obligations of more developed countries.

NOTE F

Securities Lending

The Fund has entered into a securities lending agreement with AG Edwards & Sons, Inc. (the "Lending Agent"). Under the terms of the agreement, the Lending Agent, on behalf of the Fund, administers the lending of portfolio securities to certain broker-dealers. In return, the Fund receives fee income from the lending transactions or it retains a portion of interest on the investment of any cash received as collateral. The Fund also continues to receive dividends or interest on the securities loaned. Unrealized gain or loss on the value of the securities loaned that may occur during the term of the loan will be reflected in the accounts of the Fund. All loans are continuously secured by collateral exceeding the value of the securities loaned. All collateral consists of either cash or U.S. Government securities. The Lending Agent may invest the cash collateral received in accordance with the investment restrictions of the Fund in one or

ACM MANAGED DOLLAR INCOME FUND o 31

Notes to Financial Statements

more of the following investments: U.S. Government or U.S. Government agency obligations, bank obligations, corporate debt obligations, asset-backed securities, structured products, repurchase agreements and an eligible money market fund. The Lending Agent will indemnify the Fund for any loss resulting from a borrower's failure to return a loaned security when due. As of March 31, 2004, the Fund had loaned securities with a value of \$2,006,678 and received cash collateral of \$2,084,190, which was invested in a money market fund as included in the portfolio of investments. For the six months ended March 31, 2004, the Fund earned fee income of \$8,530, which is included in interest

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

income in the accompanying statement of operations.

NOTE G

Distributions to Shareholders

The tax character of distributions to be paid for the year ended September 30, 2004 will be determined at the end of the current fiscal year. The tax character of distributions paid to shareholders during the fiscal years ended September 30, 2003 and September 30, 2002 were as follows:

	2003 =====	2002 =====
Distributions paid from:		
Ordinary income	\$ (18,177,141)	\$ (18,835,190)
	-----	-----
Total taxable distributions	(18,177,141)	(18,835,190)
Tax return of capital	-0-	(730,704)
	-----	-----
Total distributions paid	\$ (18,177,141)	\$ (19,565,894)
	=====	=====

As of September 30, 2003, the components of accumulated earnings/(deficit) on a tax basis were as follows:

Undistributed ordinary income	\$ 124,846
Accumulated capital and other losses	(146,463,599) (a)
Unrealized appreciation/(depreciation)	23,183,747 (b)

Total accumulated earnings/(deficit)	\$ (123,155,006)
	=====

(a) On September 30, 2003, the Fund had a net capital loss carryforward of \$146,463,599 of which \$57,455,739 expires in the year 2007, \$24,635,181 expires in the year 2008, \$10,899,598 expires in the year 2009, \$33,249,705 expires in 2010 and \$20,223,376 expires in the year 2011. To the extent future capital gains are offset by capital loss carryforwards, such gains will not be distributed.

(b) The difference between book-basis and tax-basis unrealized appreciation/(depreciation) is attributable primarily to the tax deferral of losses on wash sales and the difference between book and tax amortization methods for premium.

32 o ACM MANAGED DOLLAR INCOME FUND

Notes to Financial Statements

NOTE H

Legal Proceedings

As has been previously reported in the press, the Staff of the U.S. Securities and Exchange Commission ("SEC") and the Office of the New York Attorney General

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

("NYAG") have been investigating practices in the mutual fund industry identified as "market timing" and "late trading" of mutual fund shares. Certain other regulatory authorities have also been conducting investigations into these practices within the industry and have requested that Alliance Capital Management L.P. ("Alliance Capital"), the Fund's Adviser, provide information to them. Alliance Capital has been cooperating and will continue to cooperate with all of these authorities. The shares of the Fund are not redeemable by the Fund, but are traded on an exchange at prices established by the market. Accordingly, the Fund and its shareholders are not subject to the market timing and late trading practices that are the subject of the investigations mentioned above or the lawsuits described below. Please see below for a description of the agreements reached by Alliance Capital and the SEC and NYAG in connection with the investigations mentioned above.

In addition, numerous lawsuits have been filed against Alliance Capital and certain other defendants in which plaintiffs make claims purportedly based on or related to the same practices that are the subject of the SEC and NYAG investigations referred to above. Some of these lawsuits name the Fund as a party. Management of the Fund's Adviser believes that these private lawsuits are not likely to have a material adverse effect on the results of operations or financial condition of the Fund.

On December 18, 2003, Alliance Capital confirmed that it had reached terms with the SEC and the NYAG for the resolution of regulatory claims relating to the practice of "market timing" mutual fund shares in some of the AllianceBernstein Mutual Funds. The agreement with the SEC is reflected in an Order of the Commission ("SEC Order"). The agreement with the NYAG is subject to final, definitive documentation. Among the key provisions of these agreements are the following:

(i) Alliance Capital agreed to establish a \$250 million fund (the "Reimbursement Fund") to compensate mutual fund shareholders for the adverse effects of market timing attributable to market timing relationships described in the SEC Order. According to the SEC Order, the Reimbursement Fund is to be paid, in order of priority, to fund investors based on (i) their aliquot share of losses suffered by the fund due to market timing, and (ii) a proportionate share of advisory fees paid by such fund during the period of such market timing;

ACM MANAGED DOLLAR INCOME FUND o 33

Notes to Financial Statements

(ii) Alliance Capital agreed to reduce the advisory fees it receives from some of the AllianceBernstein long-term, open-end retail funds, commencing January 1, 2004, for a period of at least five years; and

(iii) Alliance Capital agreed to implement changes to its governance and compliance procedures. Additionally, the SEC Order contemplates that Alliance Capital's registered investment company clients, including the Fund, will introduce governance and compliance changes.

The shares of the Fund are not redeemable by the Fund, but are traded on an exchange at prices established by the market. Accordingly, the Fund and its shareholders are not subject to the market timing practices described in the

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

SEC Order and are not expected to participate in the Reimbursement Fund. Since the Fund is a closed-end fund, it will not have its advisory fee reduced pursuant to the terms of the agreements mentioned above.

34 o ACM MANAGED DOLLAR INCOME FUND

Financial Highlights

FINANCIAL HIGHLIGHTS

Selected Data For A Share Of Common Stock Outstanding Throughout Each Period

	Six Months Ended March 31, 2004 (unaudited)	----- 2003 -----	----- 2002 (a) -----	Year Ended Septem 2001 -----
Net asset value, beginning of period	\$7.68	\$5.58	\$6.33	\$8.09
INCOME FROM INVESTMENT OPERATIONS				
Net investment income (b)	.39	.81	.84	.98
Net realized and unrealized gain (loss) on investment transactions	.50	2.10	(.71)	(1.72)
Net increase (decrease) in net asset value from operations	.89	2.91	.13	(.74)
LESS: DIVIDENDS AND DISTRIBUTIONS				
Dividends from net investment income	(.47)	(.81)	(.85)	(.95)
Distributions in excess of net investment income	-0-	-0-	-0-	-0-
Tax return of capital	-0-	-0-	(.03)	(.07)
Total dividends and distributions	(.47)	(.81)	(.88)	(1.02)
Net asset value, end of period	\$8.10	\$7.68	\$5.58	\$6.33
Market value, end of period	\$8.58	\$8.15	\$6.29	\$7.62
Premium/(Discount)	5.93%	6.12%	12.72%	20.38%
TOTAL RETURN				
Total investment return based on: (c)				
Market value	11.59%	45.71%	(6.14)%	3.02%
Net asset value	11.85%	54.77%	.23%	(10.08)%

RATIOS/SUPPLEMENTAL DATA

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Net assets, end of period (000's omitted)	\$183,350	\$173,182	\$124,834	\$140,110	\$
Ratios to average net assets of:					
Expenses	1.50% (d)	1.72%	2.12%	2.75%	
Expenses, excluding interest expense(e)	1.17% (d)	1.21%	1.15%	1.13%	
Net investment income	10.14% (d)	11.88%	10.81%	9.90%	
Portfolio turnover rate	46%	80%	63%	129%	

See footnote summary on page 36.

ACM MANAGED DOLLAR INCOME FUND o 35

Financial Highlights

(a) As required, effective October 1, 2001, the Fund has adopted the provisions of the AICPA Audit and Accounting Guide, Audits of Investment Companies, and began amortizing premium on debt securities for financial statement reporting purposes only. The effect of this change for the year ended September 30, 2002 was to decrease net investment income per share by \$0.01, decrease net realized and unrealized loss on investment by \$0.01 and decrease the ratio of net investment income to average net assets from 10.91% to 10.81%. Per share, ratios and supplemental data for periods prior to October 1, 2001 have not been restated to reflect this change in presentation.

(b) Based on average shares outstanding.

(c) 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. Generally, total investment return based on net asset value will be higher than total investment return based on market value in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. Total investment return calculated for a period of less than one year is not annualized.

(d) Annualized.

(e) Net of interest expense of .33%, .51%, .97%, 1.62%, 1.61%, and 1.35%, respectively, on borrowings.

36 o ACM MANAGED DOLLAR INCOME FUND

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Supplemental Proxy Information

SUPPLEMENTAL PROXY INFORMATION
(unaudited)

A Special Meeting of Shareholders of ACM Managed Dollar Income Fund, Inc. ("ACM VIII") was held on March 25, 2004. The description of each proposal and number of shares voted at the meeting are as follows:

		Voted For	Authority Withheld
1. To elect directors	Class One Nominees (terms expire in 2007)		
	David H. Dievler	18,321,442	411,125
	Clifford L. Michel	18,334,026	398,541
	Donald J. Robinson	18,332,780	399,787
	Class Three Nominee (terms expire in 2006)		
	Marc O. Mayer	18,318,189	414,378

ACM MANAGED DOLLAR INCOME FUND o 37

Board of Directors

BOARD OF DIRECTORS

William H. Foulk, Jr., (1) Chairman
 Marc O. Mayer, President
 Ruth Block (1)
 David H. Dievler (1)
 John H. Dobkin (1)
 Dr. James M. Hester (1)
 Clifford L. Michel (1)
 Donald J. Robinson (1)

OFFICERS

Paul J. DeNoon (2), Vice President
 James E. Kennedy, Jr. (2), Vice President
 Mark R. Manley, Secretary
 Mark D. Gersten, Treasurer & Chief Financial Officer
 Vincent S. Noto, Controller

Administrator

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Princeton Administrators, L.P.
P.O.Box 9095
Princeton, NJ 08543-9095

Custodian

State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110

Dividend Paying Agent, Transfer Agent And Registrar

Equiserve Trust Company, N.A.
P.O. Box 43011
Providence, RI 02940-3011

Legal Counsel

Seward & Kissel LLP
One Battery Park Plaza
New York, NY 10004

Independent Auditors

Ernst & Young LLP
5 Times Square
New York, NY 10036

(1) Member of the Audit Committee.

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that the Fund may purchase at market prices from time to time shares of its Common Stock in the open market.

This report, including the financial statements therein, is transmitted to the shareholders of ACM Managed Dollar Income Fund for their information. This is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report.

(2) Messrs. DeNoon and Kennedy are the persons responsible for the day-to-day management of the Fund's investment portfolio.

38 o ACM MANAGED DOLLAR INCOME FUND

Alliancebernstein Family of Funds

ALLIANCEBERNSTEIN FAMILY OF FUNDS

Wealth Strategies Funds

Balanced Wealth Strategy
Wealth Appreciation Strategy
Wealth Preservation Strategy

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Tax-Managed Balanced Wealth Strategy*
Tax-Managed Wealth Appreciation Strategy
Tax-Managed Wealth Preservation Strategy**

Blended Style Funds

U.S. Large Cap Portfolio
International Portfolio
Tax-Managed International Portfolio

Growth Funds

Domestic

Growth Fund
Health Care Fund
Mid-Cap Growth Fund
Premier Growth Fund
Small Cap Growth Fund
Technology Fund

Global & International

All-Asia Investment Fund
Global Research Growth Fund
Global Small Cap Fund
Greater China '97 Fund
International Premier Growth Fund
New Europe Fund
Worldwide Privatization Fund

Select Investor Series

Biotechnology Portfolio
Premier Portfolio
Technology Portfolio

Value Funds

Domestic

Balanced Shares
Disciplined Value Fund
Growth & Income Fund
Real Estate Investment Fund
Small Cap Value Fund
Utility Income Fund
Value Fund

Global & International

Global Value Fund
International Value Fund

Taxable Bond Funds

Americas Government Income Trust
Corporate Bond Portfolio

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

Emerging Market Debt Fund
Global Strategic Income Trust
High Yield Fund
Multi-Market Strategy Trust
Quality Bond Portfolio
Short Duration Portfolio
U.S. Government Portfolio

Municipal Bond Funds

National
Insured National
Arizona
California
Insured California
Florida
Massachusetts
Michigan
Minnesota
New Jersey
New York
Ohio
Pennsylvania
Virginia

Intermediate Municipal Bond Funds

Intermediate California
Intermediate Diversified
Intermediate New York

Closed-End Funds

All-Market Advantage Fund
ACM Income Fund
ACM Government Opportunity Fund
ACM Managed Dollar Income Fund
ACM Managed Income Fund
ACM Municipal Securities Income Fund
California Municipal Income Fund
National Municipal Income Fund
New York Municipal Income Fund
The Spain Fund
World Dollar Government Fund
World Dollar Government Fund II

We also offer Exchange Reserves,+ which serves as the money market fund exchange vehicle for the AllianceBernstein mutual funds.

For more complete information on any AllianceBernstein mutual fund, including investment objectives and policies, sales charges, expenses, risks and other matters of importance to prospective investors, visit our web site at www.alliancebernstein.com or call us at (800) 227-4618 for a current prospectus. Please read the prospectus carefully before you invest or send money.

* Formerly Growth Investors Fund.

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

** Formerly Conservative Investors Fund.

+ An investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

ACM MANAGED DOLLAR INCOME FUND o 39

Summary of General Information

SUMMARY OF GENERAL INFORMATION

Shareholder Information

The daily net asset value of the Fund's shares is available from the Fund's Transfer Agent by calling (800) 426-5523. The Fund also distributes its daily net asset value to various financial publications or independent organizations such as Lipper Analytical Services, Inc., Morningstar, Inc. and Bloomberg. Daily market prices for the Fund's shares are published in the New York Stock Exchange Composite Transaction section of newspapers each day. The Fund's NYSE trading symbol is "ADF." Weekly comparative net asset value (NAV) and market price information about the Fund is published each Monday in The Wall Street Journal, each Sunday in The New York Times and each Saturday in Barron's and other newspapers in a table called "Closed-End Funds."

Dividend Reinvestment Plan

Pursuant to the Fund's Dividend Reinvestment Plan shareholders whose shares are registered in their own names may elect to have all distributions reinvested automatically in additional shares of the Fund by Equiserve Trust Company, N.A., as agent under the Plan. Shareholders whose shares are held in the name of a broker or nominee should contact the broker or nominee for details. All distributions to investors who elect not to participate in the Plan will be paid by check mailed directly to the record holder by or under the direction of Equiserve Trust Company, N.A. For questions concerning Shareholder account information, or if you would like a brochure describing the Dividend Reinvestment Plan, please call Equiserve Trust Company, N.A. at (800) 219-4218.

40 o ACM MANAGED DOLLAR INCOME FUND

ACM MANAGED DOLLAR INCOME FUND
1345 Avenue of the Americas
New York, NY 10105
(800) 221-5672

AllianceBernstein [LOGO] (SM)
Investment Research and Management

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

(SM) This service mark used under license from the owner, Alliance Capital Management L.P.

MDISR0304

ITEM 2. CODE OF ETHICS.

Not applicable when filing a Semi-Annual report to shareholders.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable when filing a Semi-Annual report to shareholders.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable when filing a Semi-Annual report to shareholders.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable when filing a Semi-Annual report to shareholders.

ITEM 6. SCHEDULE OF INVESTMENTS.

Form N-CSR disclosure requirement not yet effective with respect to the registrant.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable when filing a Semi-Annual report to shareholders.

ITEM 8. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Form N-CSR disclosure requirement not yet effective with respect to the registrant

ITEM 9. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the Fund's Board of Directors since the Fund last provided disclosure in response to the requirements of Item 7(d)(2)(ii)(G) of Schedule 14A in its proxy statement filed with the Commission on February 23, 2004.

ITEM 10. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, as amended)

are effective at the

reasonable assurance level based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of

Edgar Filing: ACM MANAGED DOLLAR INCOME FUND INC - Form N-CSR

this document.

(b) There were no significant changes in the registrant's internal controls that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

ITEM 11. EXHIBITS.

The following exhibits are attached to this Form N-CSR:

Exhibit No.	DESCRIPTION OF EXHIBIT
11 (b) (1)	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
11 (b) (2)	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
11 (c)	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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.

(Registrant): ACM Managed Dollar Income Fund, Inc.

By: /s/Marc O. Mayer

Marc O. Mayer
President

Date: June 7, 2004

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/Marc O. Mayer

Marc O. Mayer
President

Date: June 7, 2004

By: /s/Mark D. Gersten

Mark D. Gersten
Treasurer and Chief Financial Officer

Date: June 7, 2004

