

WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

Form N-Q

April 20, 2016

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**

**MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number **811-07686**

**Western Asset Emerging Markets Income Fund Inc.**

(Exact name of registrant as specified in charter)

**620 Eighth Avenue, 49<sup>th</sup> Floor, New York, NY 10018**

(Address of principal executive offices) (Zip code)

**Robert I. Frenkel, Esq.**

**Legg Mason & Co., LLC**

**100 First Stamford Place**

**Stamford, CT 06902**

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-888-777-0102

Date of fiscal year end: **May 31**

Date of reporting period: **February 29, 2016**

**ITEM 1. SCHEDULE OF INVESTMENTS.**

**WESTERN ASSET EMERGING MARKETS INCOME FUND INC.**

FORM N-Q

FEBRUARY 29, 2016

## WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

## Schedule of investments (unaudited)

February 29, 2016

| SECURITY                                | RATE    | MATURITY DATE | FACE AMOUNT | VALUE                    |
|---|---------|---------------|-------------|--------------------------|
| <b>SOVEREIGN BONDS - 61.9%</b>          |         |               |             |                          |
| <b>Argentina - 3.9%</b>                 |         |               |             |                          |
| Republic of Argentina, Senior Bonds     | 7.000%  | 4/17/17       | 7,770,000   | \$ 7,855,882             |
| Republic of Argentina, Senior Notes     | 8.280%  | 12/31/33      | 4,584,664   | 5,407,611                |
| <i>Total Argentina</i>                  |         |               |             | <i>13,263,493</i>        |
| <b>Armenia - 0.4%</b>                   |         |               |             |                          |
| Republic of Armenia, Senior Notes       | 6.000%  | 9/30/20       | 1,330,000   | 1,293,425 <sup>(a)</sup> |
| <b>Cameroon - 0.1%</b>                  |         |               |             |                          |
| Republic of Cameroon, Senior Notes      | 9.500%  | 11/19/25      | 400,000     | 354,344 <sup>(b)</sup>   |
| <b>Chile - 0.7%</b>                     |         |               |             |                          |
| Banco del Estado de Chile, Senior Notes | 4.125%  | 10/7/20       | 380,000     | 400,025 <sup>(b)</sup>   |
| Republic of Chile, Senior Notes         | 3.875%  | 8/5/20        | 1,750,000   | 1,894,375 <sup>(c)</sup> |
| <i>Total Chile</i>                      |         |               |             | <i>2,294,400</i>         |
| <b>Colombia - 4.0%</b>                  |         |               |             |                          |
| Republic of Colombia, Senior Bonds      | 4.000%  | 2/26/24       | 1,850,000   | 1,785,250 <sup>(c)</sup> |
| Republic of Colombia, Senior Bonds      | 7.375%  | 9/18/37       | 5,781,000   | 6,286,837 <sup>(c)</sup> |
| Republic of Colombia, Senior Bonds      | 6.125%  | 1/18/41       | 760,000     | 727,700 <sup>(c)</sup>   |
| Republic of Colombia, Senior Notes      | 7.375%  | 3/18/19       | 4,076,000   | 4,565,120 <sup>(c)</sup> |
| <i>Total Colombia</i>                   |         |               |             | <i>13,364,907</i>        |
| <b>Costa Rica - 0.6%</b>                |         |               |             |                          |
| Republic of Costa Rica, Notes           | 7.000%  | 4/4/44        | 2,560,000   | 2,166,400 <sup>(b)</sup> |
| <b>Croatia - 1.0%</b>                   |         |               |             |                          |
| Republic of Croatia, Senior Notes       | 6.625%  | 7/14/20       | 1,360,000   | 1,480,468 <sup>(b)</sup> |
| Republic of Croatia, Senior Notes       | 5.500%  | 4/4/23        | 1,740,000   | 1,817,503 <sup>(a)</sup> |
| <i>Total Croatia</i>                    |         |               |             | <i>3,297,971</i>         |
| <b>Dominican Republic - 1.6%</b>        |         |               |             |                          |
| Dominican Republic, Senior Notes        | 5.500%  | 1/27/25       | 3,610,000   | 3,492,675 <sup>(b)</sup> |
| Dominican Republic, Senior Notes        | 6.850%  | 1/27/45       | 2,170,000   | 2,034,375 <sup>(b)</sup> |
| <i>Total Dominican Republic</i>         |         |               |             | <i>5,527,050</i>         |
| <b>Ecuador - 0.7%</b>                   |         |               |             |                          |
| Republic of Ecuador, Senior Bonds       | 10.500% | 3/24/20       | 3,070,000   | 2,417,625 <sup>(b)</sup> |
| <b>Egypt - 0.3%</b>                     |         |               |             |                          |
| Arab Republic of Egypt, Senior Notes    | 5.875%  | 6/11/25       | 970,000     | 835,412 <sup>(b)</sup>   |

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**El Salvador - 0.2%**

|                                |        |         |         |                        |
|--------------------------------|--------|---------|---------|------------------------|
| Republic of El Salvador, Notes | 6.375% | 1/18/27 | 840,000 | 716,100 <sup>(b)</sup> |
|--------------------------------|--------|---------|---------|------------------------|

**Gabon - 0.4%**

|                          |        |          |         |                        |
|--------------------------|--------|----------|---------|------------------------|
| Gabonese Republic, Bonds | 6.375% | 12/12/24 | 830,000 | 674,815 <sup>(b)</sup> |
|--------------------------|--------|----------|---------|------------------------|

|                                 |        |         |         |                        |
|---------------------------------|--------|---------|---------|------------------------|
| Gabonese Republic, Senior Bonds | 6.950% | 6/16/25 | 980,000 | 796,250 <sup>(b)</sup> |
|---------------------------------|--------|---------|---------|------------------------|

|                    |  |  |  |           |
|--------------------|--|--|--|-----------|
| <i>Total Gabon</i> |  |  |  | 1,471,065 |
|--------------------|--|--|--|-----------|

**Georgia - 0.3%**

|                            |        |         |         |                        |
|----------------------------|--------|---------|---------|------------------------|
| Republic of Georgia, Bonds | 6.875% | 4/12/21 | 790,000 | 833,434 <sup>(a)</sup> |
|----------------------------|--------|---------|---------|------------------------|

**Ghana - 0.8%**

|                          |        |         |           |                        |
|--------------------------|--------|---------|-----------|------------------------|
| Republic of Ghana, Bonds | 8.125% | 1/18/26 | 1,050,000 | 785,652 <sup>(b)</sup> |
|--------------------------|--------|---------|-----------|------------------------|

|                          |         |          |           |                          |
|--------------------------|---------|----------|-----------|--------------------------|
| Republic of Ghana, Bonds | 10.750% | 10/14/30 | 1,320,000 | 1,214,506 <sup>(b)</sup> |
|--------------------------|---------|----------|-----------|--------------------------|

|                          |        |        |         |                        |
|--------------------------|--------|--------|---------|------------------------|
| Republic of Ghana, Notes | 7.875% | 8/7/23 | 850,000 | 636,233 <sup>(a)</sup> |
|--------------------------|--------|--------|---------|------------------------|

|                    |  |  |  |           |
|--------------------|--|--|--|-----------|
| <i>Total Ghana</i> |  |  |  | 2,636,391 |
|--------------------|--|--|--|-----------|

**Honduras - 0.4%**

|                                    |        |         |           |                          |
|------------------------------------|--------|---------|-----------|--------------------------|
| Republic of Honduras, Senior Notes | 7.500% | 3/15/24 | 1,410,000 | 1,482,157 <sup>(a)</sup> |
|------------------------------------|--------|---------|-----------|--------------------------|

See Notes to Schedule of Investments.

## WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

## Schedule of investments (unaudited) (cont d)

February 29, 2016

| SECURITY                                 | RATE    | MATURITY DATE | FACE AMOUNT               | VALUE                       |
|--|---------|---------------|---------------------------|-----------------------------|
| <b>Hungary - 1.4%</b>                    |         |               |                           |                             |
| Republic of Hungary, Senior Notes        | 5.750%  | 11/22/23      | 4,076,000                 | \$ 4,623,448                |
| <b>Indonesia - 7.0%</b>                  |         |               |                           |                             |
| Republic of Indonesia, Notes             | 3.750%  | 4/25/22       | 10,040,000                | 9,999,388 <sup>(a)(c)</sup> |
| Republic of Indonesia, Senior Bonds      | 6.875%  | 1/17/18       | 420,000                   | 457,500 <sup>(a)</sup>      |
| Republic of Indonesia, Senior Bonds      | 6.625%  | 2/17/37       | 1,105,000                 | 1,204,212 <sup>(a)</sup>    |
| Republic of Indonesia, Senior Notes      | 4.875%  | 5/5/21        | 205,000                   | 218,535 <sup>(b)(c)</sup>   |
| Republic of Indonesia, Senior Notes      | 3.375%  | 4/15/23       | 1,595,000                 | 1,541,721 <sup>(b)</sup>    |
| Republic of Indonesia, Senior Notes      | 5.875%  | 1/15/24       | 2,399,000                 | 2,658,090 <sup>(b)</sup>    |
| Republic of Indonesia, Senior Notes      | 5.250%  | 1/17/42       | 7,140,000                 | 6,830,524 <sup>(b)</sup>    |
| Republic of Indonesia, Senior Notes      | 5.250%  | 1/17/42       | 600,000                   | 573,994 <sup>(a)</sup>      |
| <i>Total Indonesia</i>                   |         |               |                           | 23,483,964                  |
| <b>Ivory Coast - 0.8%</b>                |         |               |                           |                             |
| Republic of Cote D Ivoire, Senior Notes  | 5.375%  | 7/23/24       | 1,960,000                 | 1,736,874 <sup>(b)</sup>    |
| Republic of Cote D Ivoire, Senior Notes  | 6.375%  | 3/3/28        | 1,040,000                 | 938,402 <sup>(b)</sup>      |
| <i>Total Ivory Coast</i>                 |         |               |                           | 2,675,276                   |
| <b>Jamaica - 0.6%</b>                    |         |               |                           |                             |
| Government of Jamaica, Senior Notes      | 7.625%  | 7/9/25        | 750,000                   | 823,125                     |
| Government of Jamaica, Senior Notes      | 6.750%  | 4/28/28       | 1,150,000                 | 1,167,250                   |
| <i>Total Jamaica</i>                     |         |               |                           | 1,990,375                   |
| <b>Kazakhstan - 0.9%</b>                 |         |               |                           |                             |
| Republic of Kazakhstan, Senior Bonds     | 3.875%  | 10/14/24      | 3,320,000                 | 3,168,857 <sup>(a)</sup>    |
| <b>Kenya - 0.4%</b>                      |         |               |                           |                             |
| Republic of Kenya, Senior Notes          | 5.875%  | 6/24/19       | 1,290,000                 | 1,254,525 <sup>(b)</sup>    |
| <b>Lithuania - 1.4%</b>                  |         |               |                           |                             |
| Republic of Lithuania, Senior Notes      | 6.125%  | 3/9/21        | 3,920,000                 | 4,547,984 <sup>(b)(c)</sup> |
| <b>Mexico - 2.9%</b>                     |         |               |                           |                             |
| United Mexican States, Medium-Term Notes | 6.050%  | 1/11/40       | 4,000                     | 4,465                       |
| United Mexican States, Senior Bonds      | 8.000%  | 6/11/20       | 50,271,100 <sup>MXN</sup> | 3,051,448 <sup>(c)</sup>    |
| United Mexican States, Senior Bonds      | 10.000% | 12/5/24       | 3,130,000 <sup>MXN</sup>  | 220,634                     |
| United Mexican States, Senior Notes      | 5.125%  | 1/15/20       | 100,000                   | 109,850 <sup>(c)</sup>      |
| United Mexican States, Senior Notes      | 4.000%  | 10/2/23       | 5,460,000                 | 5,629,260 <sup>(c)</sup>    |
| United Mexican States, Senior Notes      | 4.750%  | 3/8/44        | 806,000                   | 759,655 <sup>(c)</sup>      |
| <i>Total Mexico</i>                      |         |               |                           | 9,775,312                   |
| <b>Namibia - 0.3%</b>                    |         |               |                           |                             |
| Republic of Namibia, Senior Notes        | 5.250%  | 10/29/25      | 1,170,000                 | 1,112,869 <sup>(b)</sup>    |

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**Nigeria - 0.2%**

|                                   |        |         |         |                        |
|-----------------------------------|--------|---------|---------|------------------------|
| Republic of Nigeria, Senior Notes | 6.375% | 7/12/23 | 560,000 | 501,570 <sup>(b)</sup> |
| Republic of Nigeria, Senior Notes | 6.375% | 7/12/23 | 220,000 | 197,045 <sup>(a)</sup> |

*Total Nigeria*

698,615

**Pakistan - 0.4%**

|                                    |        |         |           |                          |
|------------------------------------|--------|---------|-----------|--------------------------|
| Republic of Pakistan, Senior Bonds | 7.250% | 4/15/19 | 1,460,000 | 1,499,927 <sup>(b)</sup> |
|------------------------------------|--------|---------|-----------|--------------------------|

**Paraguay - 0.1%**

|                                    |        |         |         |                        |
|------------------------------------|--------|---------|---------|------------------------|
| Republic of Paraguay, Senior Bonds | 4.625% | 1/25/23 | 300,000 | 298,500 <sup>(a)</sup> |
|------------------------------------|--------|---------|---------|------------------------|

**Peru - 4.9%**

|                                |        |          |           |                          |
|--------------------------------|--------|----------|-----------|--------------------------|
| Republic of Peru, Senior Bonds | 7.350% | 7/21/25  | 4,300,000 | 5,504,000 <sup>(c)</sup> |
| Republic of Peru, Senior Bonds | 8.750% | 11/21/33 | 5,705,000 | 8,158,150 <sup>(c)</sup> |
| Republic of Peru, Senior Bonds | 6.550% | 3/14/37  | 1,620,000 | 1,956,150 <sup>(c)</sup> |
| Republic of Peru, Senior Bonds | 5.625% | 11/18/50 | 757,000   | 811,882 <sup>(c)</sup>   |

*Total Peru*

16,430,182

**See Notes to Schedule of Investments.**

## WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

Schedule of investments (unaudited) (cont d)

February 29, 2016

| SECURITY                                      | RATE    | MATURITY DATE | FACE AMOUNT | VALUE                     |
|---|---------|---------------|-------------|---------------------------|
| <b>Philippines - 2.9%</b>                     |         |               |             |                           |
| Republic of Philippines, Senior Bonds         | 6.375%  | 10/23/34      | 4,000,000   | \$ 5,533,208              |
| Republic of Philippines, Senior Bonds         | 5.000%  | 1/13/37       | 2,340,000   | 2,859,611                 |
| Republic of Philippines, Senior Bonds         | 3.950%  | 1/20/40       | 1,400,000   | 1,503,032                 |
| <i>Total Philippines</i>                      |         |               |             | 9,895,851                 |
| <b>Poland - 2.9%</b>                          |         |               |             |                           |
| Republic of Poland, Senior Notes              | 5.125%  | 4/21/21       | 3,910,000   | 4,399,329 <sup>(c)</sup>  |
| Republic of Poland, Senior Notes              | 5.000%  | 3/23/22       | 4,670,000   | 5,262,716 <sup>(c)</sup>  |
| <i>Total Poland</i>                           |         |               |             | 9,662,045                 |
| <b>Romania - 1.0%</b>                         |         |               |             |                           |
| Republic of Romania, Senior Notes             | 4.875%  | 1/22/24       | 2,490,000   | 2,742,790 <sup>(a)</sup>  |
| Republic of Romania, Senior Notes             | 4.875%  | 1/22/24       | 530,000     | 583,806 <sup>(b)</sup>    |
| <i>Total Romania</i>                          |         |               |             | 3,326,596                 |
| <b>Russia - 4.9%</b>                          |         |               |             |                           |
| Russian Foreign Bond - Eurobond, Senior Bonds | 11.000% | 7/24/18       | 110,000     | 130,093 <sup>(a)</sup>    |
| Russian Foreign Bond - Eurobond, Senior Bonds | 12.750% | 6/24/28       | 617,000     | 998,136 <sup>(a)</sup>    |
| Russian Foreign Bond - Eurobond, Senior Bonds | 7.500%  | 3/31/30       | 9,883,545   | 12,084,492 <sup>(a)</sup> |
| Russian Foreign Bond - Eurobond, Senior Bonds | 5.875%  | 9/16/43       | 3,400,000   | 3,384,704 <sup>(b)</sup>  |
| <i>Total Russia</i>                           |         |               |             | 16,597,425                |
| <b>Senegal - 0.2%</b>                         |         |               |             |                           |
| Republic of Senegal, Bonds                    | 6.250%  | 7/30/24       | 730,000     | 665,285 <sup>(a)</sup>    |
| <b>Sri Lanka - 0.3%</b>                       |         |               |             |                           |
| Republic of Sri Lanka, Senior Bonds           | 6.000%  | 1/14/19       | 930,000     | 920,700 <sup>(b)</sup>    |
| <b>Tunisia - 0.1%</b>                         |         |               |             |                           |
| Banque Centrale de Tunisie SA, Senior Bonds   | 5.750%  | 1/30/25       | 290,000     | 251,787 <sup>(b)</sup>    |
| <b>Turkey - 8.7%</b>                          |         |               |             |                           |
| Republic of Turkey, Senior Bonds              | 5.750%  | 3/22/24       | 920,000     | 978,903 <sup>(c)</sup>    |
| Republic of Turkey, Senior Bonds              | 4.250%  | 4/14/26       | 1,130,000   | 1,073,239 <sup>(c)</sup>  |
| Republic of Turkey, Senior Bonds              | 11.875% | 1/15/30       | 3,348,000   | 5,546,464 <sup>(c)</sup>  |
| Republic of Turkey, Senior Notes              | 6.875%  | 3/17/36       | 17,260,000  | 19,464,275 <sup>(c)</sup> |
| Republic of Turkey, Senior Notes              | 6.750%  | 5/30/40       | 1,900,000   | 2,125,625 <sup>(c)</sup>  |
| <i>Total Turkey</i>                           |         |               |             | 29,188,506                |
| <b>Uruguay - 1.0%</b>                         |         |               |             |                           |
| Republic of Uruguay, Senior Bonds             | 5.100%  | 6/18/50       | 1,950,000   | 1,755,000                 |
| Republic of Uruguay, Senior Notes             | 4.375%  | 10/27/27      | 1,665,485   | 1,682,140                 |



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|  |        |          |           |                             |
|--|--------|----------|-----------|-----------------------------|
| <i>Total Uruguay</i>                           |        |          |           | 3,437,140                   |
| <b>Venezuela - 1.9%</b>                        |        |          |           |                             |
| Bolivarian Republic of Venezuela, Senior Bonds | 8.250% | 10/13/24 | 6,817,000 | 2,522,290 <sup>(a)</sup>    |
| Bolivarian Republic of Venezuela, Senior Bonds | 9.250% | 9/15/27  | 815,000   | 332,112 <sup>(c)</sup>      |
| Bolivarian Republic of Venezuela, Senior Notes | 7.000% | 12/1/18  | 1,920,000 | 772,800 <sup>(a)(c)</sup>   |
| Bolivarian Republic of Venezuela, Senior Notes | 7.750% | 10/13/19 | 6,400,000 | 2,384,000 <sup>(a)(c)</sup> |
| Bolivarian Republic of Venezuela, Senior Notes | 7.650% | 4/21/25  | 933,000   | 340,545 <sup>(a)</sup>      |
| <i>Total Venezuela</i>                         |        |          |           | 6,351,747                   |
| <b>Vietnam - 1.1%</b>                          |        |          |           |                             |
| Republic of Vietnam, Senior Bonds              | 6.750% | 1/29/20  | 680,000   | 752,976 <sup>(a)</sup>      |
| Republic of Vietnam, Senior Bonds              | 4.800% | 11/19/24 | 2,830,000 | 2,780,863 <sup>(b)</sup>    |
| <i>Total Vietnam</i>                           |        |          |           | 3,533,839                   |

See Notes to Schedule of Investments.

## WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

## Schedule of investments (unaudited) (cont d)

February 29, 2016

| SECURITY   | RATE    | MATURITY DATE | FACE AMOUNT | VALUE                       |
|--|---------|---------------|-------------|-----------------------------|
| <b>Zambia - 0.2%</b>                                   |         |               |             |                             |
| Republic of Zambia, Senior Notes                       | 8.970%  | 7/30/27       | 980,000     | \$ 730,198 <sup>(b)</sup>   |
| <b>TOTAL SOVEREIGN BONDS</b>                           |         |               |             |                             |
| (Cost - \$205,179,078)                                 |         |               |             | 208,075,127                 |
| <b>CORPORATE BONDS &amp; NOTES - 49.0%</b>             |         |               |             |                             |
| <b>CONSUMER DISCRETIONARY - 0.4%</b>                   |         |               |             |                             |
| <b>Media - 0.4%</b>                                    |         |               |             |                             |
| Grupo Televisa SAB, Senior Bonds                       | 6.625%  | 1/15/40       | 500,000     | 514,272                     |
| Myriad International Holdings BV, Senior Notes         | 5.500%  | 7/21/25       | 930,000     | 905,969 <sup>(b)</sup>      |
| <b>TOTAL CONSUMER DISCRETIONARY</b>                    |         |               |             |                             |
|  |         |               |             | 1,420,241                   |
| <b>CONSUMER STAPLES - 0.9%</b>                         |         |               |             |                             |
| <b>Food &amp; Staples Retailing - 0.1%</b>             |         |               |             |                             |
| Prosperous Ray Ltd., Senior Bonds                      | 4.625%  | 11/12/23      | 270,000     | 291,130 <sup>(a)</sup>      |
| <b>Food Products - 0.8%</b>                            |         |               |             |                             |
| ESAL GmbH, Senior Notes                                | 6.250%  | 2/5/23        | 900,000     | 774,000 <sup>(b)</sup>      |
| Marfrig Holding Europe BV, Senior Notes                | 8.375%  | 5/9/18        | 540,000     | 538,380 <sup>(a)</sup>      |
| Marfrig Holding Europe BV, Senior Notes                | 6.875%  | 6/24/19       | 870,000     | 806,925 <sup>(b)</sup>      |
| Marfrig Overseas Ltd., Senior Notes                    | 9.500%  | 5/4/20        | 520,000     | 523,900 <sup>(b)</sup>      |
| Virgolino de Oliveira Finance SA, Senior Notes         | 10.500% | 1/28/18       | 1,430,000   | 41,184 <sup>*(a)(d)</sup>   |
| <i>Total Food Products</i>                             |         |               |             | 2,684,389                   |
| <b>TOTAL CONSUMER STAPLES</b>                          |         |               |             |                             |
|  |         |               |             | 2,975,519                   |
| <b>ENERGY - 21.2%</b>                                  |         |               |             |                             |
| <b>Oil, Gas &amp; Consumable Fuels - 21.2%</b>         |         |               |             |                             |
| CNOOC Curtis Funding No. 1 Pty Ltd., Senior Notes      | 4.500%  | 10/3/23       | 1,000,000   | 1,043,540 <sup>(a)(c)</sup> |
| Dolphin Energy Ltd., Senior Secured Bonds              | 5.888%  | 6/15/19       | 653,764     | 698,138 <sup>(a)</sup>      |
| Ecopetrol SA, Senior Notes                             | 7.625%  | 7/23/19       | 850,000     | 892,500 <sup>(c)</sup>      |
| Ecopetrol SA, Senior Notes                             | 5.875%  | 5/28/45       | 310,000     | 217,775                     |
| GNL Quintero SA, Senior Notes                          | 4.634%  | 7/31/29       | 632,000     | 600,167 <sup>(b)</sup>      |
| KazMunayGas National Co. JSC, Senior Notes             | 6.375%  | 4/9/21        | 5,110,000   | 5,103,101 <sup>(b)</sup>    |
| LUKOIL International Finance BV, Bonds                 | 6.656%  | 6/7/22        | 1,379,000   | 1,438,132 <sup>(a)</sup>    |
| ONGC Videsh Ltd., Senior Notes                         | 4.625%  | 7/15/24       | 920,000     | 929,461 <sup>(a)</sup>      |
| Pacific Exploration and Production Corp., Senior Notes | 5.625%  | 1/19/25       | 3,185,000   | 399,718 <sup>(b)</sup>      |
| Pan American Energy LLC, Senior Notes                  | 7.875%  | 5/7/21        | 484,000     | 470,690 <sup>(a)</sup>      |
| Pan American Energy LLC, Senior Notes                  | 7.875%  | 5/7/21        | 234,000     | 227,565 <sup>(b)</sup>      |
| Petrobras Global Finance BV, Senior Notes              | 3.500%  | 2/6/17        | 750,000     | 737,813                     |
| Petrobras Global Finance BV, Senior Notes              | 4.875%  | 3/17/20       | 4,805,000   | 3,688,318                   |
| Petrobras Global Finance BV, Senior Notes              | 5.375%  | 1/27/21       | 5,960,000   | 4,484,900                   |
| Petrobras Global Finance BV, Senior Notes              | 5.625%  | 5/20/43       | 610,000     | 357,430                     |
| Petrobras Global Finance BV, Senior Notes              | 6.850%  | 6/5/2115      | 610,000     | 382,013                     |
| Petroleos de Venezuela SA, Senior Bonds                | 6.000%  | 5/16/24       | 16,615,000  | 5,223,756 <sup>(a)</sup>    |
| Petroleos de Venezuela SA, Senior Notes                | 5.250%  | 4/12/17       | 520,000     | 239,928 <sup>(a)</sup>      |

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|   |        |         |           |                             |
|---|--------|---------|-----------|-----------------------------|
| Petroleos de Venezuela SA, Senior Notes               | 8.500% | 11/2/17 | 4,173,333 | 2,065,800 <sup>(a)(c)</sup> |
| Petroleos Mexicanos, Senior Bonds                     | 6.625% | 6/15/35 | 4,176,000 | 3,793,896 <sup>(c)</sup>    |
| Petroleos Mexicanos, Senior Notes                     | 8.000% | 5/3/19  | 130,000   | 142,350                     |
| Petroleos Mexicanos, Senior Notes                     | 5.500% | 1/21/21 | 9,100,000 | 9,211,930                   |
| Petroleos Mexicanos, Senior Notes                     | 6.875% | 8/4/26  | 866,000   | 898,908 <sup>(b)</sup>      |
| Petroleos Mexicanos, Senior Notes                     | 6.375% | 1/23/45 | 235,000   | 205,026                     |
| Petroleos Mexicanos, Senior Notes                     | 5.625% | 1/23/46 | 2,750,000 | 2,145,000 <sup>(b)(c)</sup> |
| Petroleum Co. of Trinidad & Tobago Ltd., Senior Notes | 9.750% | 8/14/19 | 1,740,000 | 1,766,100 <sup>(b)</sup>    |
| Petronas Capital Ltd., Senior Notes                   | 5.250% | 8/12/19 | 3,310,000 | 3,594,372 <sup>(b)(c)</sup> |
| Petronas Capital Ltd., Senior Notes                   | 5.250% | 8/12/19 | 558,000   | 605,939 <sup>(a)</sup>      |
| PT Pertamina Persero, Senior Notes                    | 5.250% | 5/23/21 | 2,280,000 | 2,314,756 <sup>(b)</sup>    |
| PT Pertamina Persero, Senior Notes                    | 4.875% | 5/3/22  | 830,000   | 817,230 <sup>(b)</sup>      |
| PT Pertamina Persero, Senior Notes                    | 4.300% | 5/20/23 | 1,100,000 | 1,037,444 <sup>(b)</sup>    |
| Puma International Financing SA, Senior Bonds         | 6.750% | 2/1/21  | 1,920,000 | 1,769,299 <sup>(b)</sup>    |

See Notes to Schedule of Investments.

## WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

## Schedule of investments (unaudited) (cont d)

February 29, 2016

| SECURITY   | RATE   | MATURITY DATE | FACE AMOUNT              | VALUE                          |
|--|--------|---------------|--------------------------|--------------------------------|
| <b>Oil, Gas &amp; Consumable Fuels - (continued)</b>                 |        |               |                          |                                |
| Ras Laffan Liquefied Natural Gas Co., Ltd. III, Senior Secured Bonds | 6.750% | 9/30/19       | 2,149,000                | \$ 2,453,808 <sup>(a)</sup>    |
| Reliance Holdings USA Inc., Senior Notes                             | 4.500% | 10/19/20      | 2,220,000                | 2,357,498 <sup>(b)(c)</sup>    |
| Rosneft Finance SA, Senior Notes                                     | 7.500% | 7/18/16       | 1,140,000                | 1,162,054 <sup>(a)</sup>       |
| Rosneft Finance SA, Senior Notes                                     | 6.625% | 3/20/17       | 187,000                  | 192,770 <sup>(a)</sup>         |
| Sinopec Group Overseas Development Ltd., Senior Notes                | 4.375% | 10/17/23      | 550,000                  | 581,836 <sup>(a)(c)</sup>      |
| Sinopec Group Overseas Development Ltd., Senior Notes                | 4.375% | 4/10/24       | 3,170,000                | 3,363,563 <sup>(b)(c)</sup>    |
| Transportadora de Gas del Peru SA, Senior Notes                      | 4.250% | 4/30/28       | 1,870,000                | 1,743,775 <sup>(b)(c)</sup>    |
| Transportadora de Gas del Peru SA, Senior Notes                      | 4.250% | 4/30/28       | 350,000                  | 326,375 <sup>(a)</sup>         |
| YPF SA, Senior Notes   | 8.750% | 4/4/24        | 1,740,000                | 1,718,424 <sup>(b)</sup>       |
| <b>TOTAL ENERGY</b>  |        |               |                          | 71,403,098                     |
| <b>FINANCIALS - 7.9%</b>   |        |               |                          |                                |
| <b>Banks - 4.1%</b>  |        |               |                          |                                |
| Banco Bilbao Vizcaya Argentaria Colombia SA, Subordinated Notes      | 4.875% | 4/21/25       | 880,000                  | 803,000 <sup>(b)(c)</sup>      |
| BBVA Banco Continental SA, Subordinated Notes                        | 5.250% | 9/22/29       | 330,000                  | 313,995 <sup>(b)(c)</sup>      |
| Export Credit Bank of Turkey, Senior Bonds                           | 5.000% | 9/23/21       | 1,200,000                | 1,188,270 <sup>(b)</sup>       |
| Export Credit Bank of Turkey, Senior Notes                           | 5.875% | 4/24/19       | 200,000                  | 207,762 <sup>(b)</sup>         |
| Export-Import Bank of China, Senior Notes                            | 2.850% | 9/16/20       | 1,710,000                | 1,739,152 <sup>(b)</sup>       |
| ICICI Bank Ltd., Junior Subordinated Bonds                           | 7.250% | 10/31/16      | 1,120,000                | 1,126,175 <sup>(a)(e)(f)</sup> |
| Industrial & Commercial Bank of China Ltd., Senior Notes             | 3.231% | 11/13/19      | 520,000                  | 535,129                        |
| Itau Unibanco Holding SA, Senior Notes                               | 2.850% | 5/26/18       | 1,880,000                | 1,825,950 <sup>(b)</sup>       |
| Russian Agricultural Bank, Senior Notes                              | 7.750% | 5/29/18       | 4,440,000                | 4,703,794 <sup>(a)</sup>       |
| Russian Agricultural Bank, Subordinated Notes                        | 6.000% | 6/3/21        | 1,180,000                | 1,158,984 <sup>(a)(e)</sup>    |
| <i>Total Banks</i>   |        |               |                          | 13,602,211                     |
| <b>Capital Markets - 1.6%</b>  |        |               |                          |                                |
| Magyar Export-Import Bank Zrt., Senior Bonds                         | 4.000% | 1/30/20       | 5,140,000                | 5,195,769 <sup>(b)</sup>       |
| <b>Diversified Financial Services - 0.7%</b>                         |        |               |                          |                                |
| Banco Nacional de Comercio Exterior SNC, Senior Notes                | 4.375% | 10/14/25      | 2,440,000                | 2,421,700 <sup>(b)(c)</sup>    |
| <b>Real Estate Management &amp; Development - 1.5%</b>               |        |               |                          |                                |
| China Overseas Finance Cayman III Ltd., Senior Bonds                 | 5.375% | 10/29/23      | 820,000                  | 895,786 <sup>(a)</sup>         |
| Country Garden Holdings Co., Ltd., Senior Bonds                      | 7.250% | 4/4/21        | 800,000                  | 813,752 <sup>(a)(c)</sup>      |
| Country Garden Holdings Co., Ltd., Senior Notes                      | 7.875% | 5/27/19       | 800,000                  | 854,023 <sup>(a)(c)</sup>      |
| Global Logistic Properties Ltd., Senior Notes                        | 3.375% | 5/11/16       | 5,500,000 <sup>CNY</sup> | 834,575 <sup>(a)</sup>         |
| Shimao Property Holdings Ltd., Senior Notes                          | 6.625% | 1/14/20       | 900,000                  | 924,601 <sup>(a)(c)</sup>      |
| Theta Capital Pte Ltd., Senior Notes                                 | 6.125% | 11/14/20      | 900,000                  | 855,176 <sup>(a)</sup>         |
| <i>Total Real Estate Management &amp; Development</i>                |        |               |                          | 5,177,913                      |
| <b>TOTAL FINANCIALS</b>  |        |               |                          | 26,397,593                     |
| <b>INDUSTRIALS - 1.9%</b>  |        |               |                          |                                |
| <b>Building Products - 0.2%</b>                                      |        |               |                          |                                |
| GTL Trade Finance Inc., Senior Notes                                 | 7.250% | 4/16/44       | 900,000                  | 549,000 <sup>(b)(c)</sup>      |

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**Construction & Engineering - 0.3%**

|  |        |         |           |                        |
|--|--------|---------|-----------|------------------------|
| CRCC Yuxiang Ltd., Senior Notes                                | 3.500% | 5/16/23 | 450,000   | 452,554 <sup>(a)</sup> |
| Odebrecht Finance Ltd., Senior Notes                           | 5.250% | 6/27/29 | 1,319,000 | 586,955 <sup>(b)</sup> |
| Odebrecht Offshore Drilling Finance Ltd., Senior Secured Notes | 6.625% | 10/1/22 | 344,588   | 72,363 <sup>(b)</sup>  |

*Total Construction & Engineering*

1,111,872

**Industrial Conglomerates - 0.6%**

|   |        |          |           |                             |
|---|--------|----------|-----------|-----------------------------|
| Alfa SAB de CV, Senior Notes                      | 6.875% | 3/25/44  | 300,000   | 277,500 <sup>(b)</sup>      |
| Sinochem Overseas Capital Co., Ltd., Senior Notes | 4.500% | 11/12/20 | 1,765,000 | 1,860,875 <sup>(b)(c)</sup> |

*Total Industrial Conglomerates*

2,138,375

**See Notes to Schedule of Investments.**

## WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

## Schedule of investments (unaudited) (cont d)

February 29, 2016

| SECURITY  | RATE   | MATURITY DATE | FACE AMOUNT | VALUE                        |
|---|--------|---------------|-------------|------------------------------|
| <b>Transportation Infrastructure - 0.8%</b>           |        |               |             |                              |
| Mersin Uluslararası Liman İşletmeciliği AS, Notes     | 5.875% | 8/12/20       | 750,000     | \$ 775,312 <sup>(b)(c)</sup> |
| PT Pelabuhan Indonesia II, Senior Bonds               | 4.250% | 5/5/25        | 2,120,000   | 1,958,350 <sup>(b)</sup>     |
| <i>Total Transportation Infrastructure</i>            |        |               |             | 2,733,662                    |
| <b>TOTAL INDUSTRIALS</b>                              |        |               |             | 6,532,909                    |
| <b>MATERIALS - 9.8%</b>                               |        |               |             |                              |
| <b>Chemicals - 3.4%</b>                               |        |               |             |                              |
| Alpek SAB de CV, Senior Notes                         | 4.500% | 11/20/22      | 1,990,000   | 1,923,086 <sup>(b)(c)</sup>  |
| Grupo Idesa SA de CV, Senior Notes                    | 7.875% | 12/18/20      | 3,750,000   | 3,543,750 <sup>(a)(c)</sup>  |
| Mexichem SAB de CV, Senior Notes                      | 4.875% | 9/19/22       | 930,000     | 946,275 <sup>(b)(c)</sup>    |
| Mexichem SAB de CV, Senior Notes                      | 5.875% | 9/17/44       | 1,670,000   | 1,394,450 <sup>(b)(c)</sup>  |
| OCP SA, Senior Notes                                  | 5.625% | 4/25/24       | 1,650,000   | 1,685,063 <sup>(b)</sup>     |
| OCP SA, Senior Notes                                  | 4.500% | 10/22/25      | 1,870,000   | 1,747,945 <sup>(b)</sup>     |
| <i>Total Chemicals</i>                                |        |               |             | 11,240,569                   |
| <b>Construction Materials - 0.9%</b>                  |        |               |             |                              |
| Cementos Pacasmayo SAA, Senior Notes                  | 4.500% | 2/8/23        | 720,000     | 673,200 <sup>(b)(c)</sup>    |
| Cementos Pacasmayo SAA, Senior Notes                  | 4.500% | 2/8/23        | 250,000     | 233,750 <sup>(a)</sup>       |
| Cemex SAB de CV, Senior Secured Notes                 | 6.500% | 12/10/19      | 890,000     | 883,325 <sup>(b)(c)</sup>    |
| Cemex SAB de CV, Senior Secured Notes                 | 6.125% | 5/5/25        | 990,000     | 893,475 <sup>(b)(c)</sup>    |
| Cimpor Financial Operations BV, Senior Notes          | 5.750% | 7/17/24       | 750,000     | 480,000 <sup>(b)</sup>       |
| <i>Total Construction Materials</i>                   |        |               |             | 3,163,750                    |
| <b>Metals &amp; Mining - 4.3%</b>                     |        |               |             |                              |
| Corporacion Nacional del Cobre de Chile, Senior Notes | 3.750% | 11/4/20       | 1,190,000   | 1,213,493 <sup>(b)(c)</sup>  |
| Corporacion Nacional del Cobre de Chile, Senior Notes | 3.875% | 11/3/21       | 1,970,000   | 1,985,047 <sup>(b)(c)</sup>  |
| Corporacion Nacional del Cobre de Chile, Senior Notes | 4.500% | 8/13/23       | 1,180,000   | 1,185,167 <sup>(b)(c)</sup>  |
| Evrax Group SA, Notes                                 | 9.500% | 4/24/18       | 810,000     | 841,339 <sup>(b)</sup>       |
| Evrax Group SA, Senior Notes                          | 9.500% | 4/24/18       | 750,000     | 779,018 <sup>(a)</sup>       |
| Gerdau Trade Inc., Senior Notes                       | 4.750% | 4/15/23       | 1,860,000   | 1,174,125 <sup>(a)</sup>     |
| Severstal OAO Via Steel Capital SA, Senior Notes      | 4.450% | 3/19/18       | 1,200,000   | 1,203,000 <sup>(b)</sup>     |
| Southern Copper Corp., Senior Notes                   | 7.500% | 7/27/35       | 100,000     | 95,310                       |
| Southern Copper Corp., Senior Notes                   | 6.750% | 4/16/40       | 2,880,000   | 2,547,844 <sup>(c)</sup>     |
| Southern Copper Corp., Senior Notes                   | 5.250% | 11/8/42       | 300,000     | 225,557                      |
| Vale Overseas Ltd., Senior Notes                      | 4.375% | 1/11/22       | 1,476,000   | 1,143,900                    |
| Vale Overseas Ltd., Senior Notes                      | 6.875% | 11/21/36      | 1,349,000   | 928,787 <sup>(c)</sup>       |
| Vedanta Resources PLC, Senior Bonds                   | 8.250% | 6/7/21        | 2,040,000   | 1,132,200 <sup>(b)(c)</sup>  |
| <i>Total Metals &amp; Mining</i>                      |        |               |             | 14,454,787                   |
| <b>Paper &amp; Forest Products - 1.2%</b>             |        |               |             |                              |
| Celulosa Arauco y Constitucion SA, Senior Notes       | 7.250% | 7/29/19       | 352,000     | 395,750                      |
| Celulosa Arauco y Constitucion SA, Senior Notes       | 4.750% | 1/11/22       | 625,000     | 642,830 <sup>(c)</sup>       |
| Inversiones CMPC SA, Notes                            | 4.375% | 5/15/23       | 690,000     | 679,638 <sup>(b)(c)</sup>    |

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|                                   |        |         |           |                             |
|-----------------------------------|--------|---------|-----------|-----------------------------|
| Inversiones CMPC SA, Senior Notes | 4.750% | 1/19/18 | 1,020,000 | 1,049,720 <sup>(b)(c)</sup> |
| Inversiones CMPC SA, Senior Notes | 4.500% | 4/25/22 | 790,000   | 794,771 <sup>(b)(c)</sup>   |
| Klabin Finance SA, Senior Notes   | 5.250% | 7/16/24 | 640,000   | 569,600 <sup>(b)</sup>      |

*Total Paper & Forest Products* 4,132,309

**TOTAL MATERIALS** 32,991,415

**TELECOMMUNICATION SERVICES - 2.6%**

**Diversified Telecommunication Services - 1.1%**

|  |        |          |         |                           |
|--|--------|----------|---------|---------------------------|
| Bharti Airtel International Netherlands BV, Senior Bonds | 5.350% | 5/20/24  | 950,000 | 1,008,898 <sup>(b)</sup>  |
| Bharti Airtel Ltd., Senior Notes                         | 4.375% | 6/10/25  | 770,000 | 765,444 <sup>(b)</sup>    |
| Empresa Nacional de Telecomunicaciones SA, Senior Notes  | 4.875% | 10/30/24 | 950,000 | 879,411 <sup>(b)(c)</sup> |
| Oi Brasil Holdings Cooperatief U.A., Senior Notes        | 5.750% | 2/10/22  | 910,000 | 227,500 <sup>(b)</sup>    |
| Ooredoo International Finance Ltd., Senior Notes         | 4.750% | 2/16/21  | 910,000 | 1,002,022 <sup>(b)</sup>  |

*Total Diversified Telecommunication Services* 3,883,275

**See Notes to Schedule of Investments.**

## WESTERN ASSET EMERGING MARKETS INCOME FUND INC.

## Schedule of investments (unaudited) (cont d)

February 29, 2016

| SECURITY   | RATE   | MATURITY DATE | FACE AMOUNT   | VALUE                       |
|--|--------|---------------|---------------|-----------------------------|
| <b>Wireless Telecommunication Services - 1.5%</b>                  |        |               |               |                             |
| VimpelCom Holdings BV, Senior Notes                                | 5.950% | 2/13/23       | 5,250,000     | \$ 4,998,000 <sup>(a)</sup> |
| <b>Total Telecommunication Services</b>                            |        |               |               | 8,881,275                   |
| <b>UTILITIES - 4.3%</b>  |        |               |               |                             |
| <b>Electric Utilities - 1.8%</b>                                   |        |               |               |                             |
| Comision Federal de Electricidad, Senior Notes                     | 4.875% | 1/15/24       | 780,000       | 784,875 <sup>(b)</sup>      |
| Comision Federal de Electricidad, Senior Notes                     | 6.125% | 6/16/45       | 910,000       | 875,875 <sup>(b)</sup>      |
| Eskom Holdings SOC Ltd., Senior Notes                              | 5.750% | 1/26/21       | 1,090,000     | 955,908 <sup>(a)</sup>      |
| Majapahit Holding BV, Senior Notes                                 | 7.750% | 1/20/20       | 1,970,000     | 2,246,549 <sup>(a)</sup>    |
| PT Perusahaan Listrik Negara, Senior Notes                         | 5.500% | 11/22/21      | 400,000       | 423,000 <sup>(a)</sup>      |
| State Grid Overseas Investment 2013 Ltd., Senior Bonds             | 3.125% | 5/22/23       | 750,000       | 766,255 <sup>(b)(c)</sup>   |
| <i>Total Electric Utilities</i>                                    |        |               |               | 6,052,462                   |
| <b>Gas Utilities - 0.6%</b>  |        |               |               |                             |
| Empresa de Energia de Bogota SA, Senior Notes                      | 6.125% | 11/10/21      | 860,000       | 882,575 <sup>(b)(c)</sup>   |
| Transportadora de Gas Internacional SA ESP, Senior Notes           | 5.700% | 3/20/22       | 1,270,000     | 1,249,363 <sup>(b)(c)</sup> |
| <i>Total Gas Utilities</i>   |        |               |               | 2,131,938                   |
| <b>Independent Power and Renewable Electricity</b>                 |        |               |               |                             |
| <b>Producers - 1.6%</b>  |        |               |               |                             |
| AES Gener SA, Notes  | 5.250% | 8/15/21       | 1,000,000     | 1,007,113 <sup>(b)(c)</sup> |
| Empresa Nacional de Electricidad SA, Senior Notes                  | 4.250% | 4/15/24       | 500,000       | 507,729                     |
| First Gen Corp., Senior Notes                                      | 6.500% | 10/9/23       | 830,000       | 888,100 <sup>(a)</sup>      |
| Korea East-West Power Co., Ltd., Senior Notes                      | 2.500% | 6/2/20        | 1,730,000     | 1,759,649 <sup>(b)</sup>    |
| Three Gorges Finance Ltd., Senior Notes                            | 3.700% | 6/10/25       | 980,000       | 1,029,857 <sup>(b)</sup>    |
| <i>Total Independent Power and Renewable Electricity Producers</i> |        |               |               | 5,192,448                   |
| <b>Multi-Utilities - 0.3%</b>                                      |        |               |               |                             |
| Empresas Publicas de Medellin ESP, Senior Notes                    | 7.625% | 7/29/19       | 870,000       | 970,050 <sup>(b)(c)</sup>   |
| <b>TOTAL UTILITIES</b>   |        |               |               | 14,346,898                  |
| <b>TOTAL CORPORATE BONDS &amp; NOTES</b>                           |        |               |               |                             |
| (Cost - \$176,328,410)   |        |               |               | 164,948,948                 |
|  |        |               | <b>SHARES</b> |                             |
| <b>COMMON STOCKS - 0.3%</b>  |        |               |               |                             |
| <b>TELECOMMUNICATION SERVICES - 0.3%</b>                           |        |               |               |                             |
| <b>Diversified Telecommunication Services - 0.3%</b>               |        |               |               |                             |
| Axtel SAB de CV, ADR (Cost - \$906,816)                            |        |               | 319,792       | 944,314 <sup>*(b)</sup>     |



|  | EXPIRATION<br>DATE | WARRANTS  |             |
|--|--------------------|-----------|-------------|
| <b>WARRANTS - 0.0%</b>   |                    |           |             |
| Bolivarian Republic of Venezuela, Oil-linked payment obligations<br>(Cost - \$356,500) | 4/15/20            | 11,500    | 51,750      |
| <br>   |                    |           |             |
| <b>CONTRACTS</b>   |                    |           |             |
| <b>PURCHASED OPTIONS - 0.0%</b>  |                    |           |             |
| U.S. Dollar/Saudi Arabian Riyal, Call @ 3.84 <sup>SAR</sup><br>(Cost - \$220,581)      | 1/17/17            | 9,966,000 | 102,580     |
| <br>   |                    |           |             |
| <b>TOTAL INVESTMENTS BEFORE SHORT-TERM<br/>INVESTMENTS</b>                             |                    |           |             |
| (Cost - \$382,991,385)   |                    |           | 374,122,719 |

See Notes to Schedule of Investments.

**WESTERN ASSET EMERGING MARKETS INCOME FUND INC.**

Schedule of investments (unaudited) (cont d)

February 29, 2016

| SECURITY  | RATE   | SHARES    | VALUE                 |
|---|--------|-----------|-----------------------|
| <b>SHORT-TERM INVESTMENTS - 1.3%</b>  |        |           |                       |
| State Street Institutional U.S. Government Money Market Fund, Premier Class<br>(Cost - \$4,407,134) | 0.276% | 4,407,134 | \$ 4,407,134          |
| <b>TOTAL INVESTMENTS - 112.5%</b><br>(Cost - \$387,398,519#)  |        |           | 378,529,853           |
| Liabilities in Excess of Other Assets - (12.5)%   |        |           | (42,054,914)          |
| <b>TOTAL NET ASSETS - 100.0%</b>  |        |           | <b>\$ 336,474,939</b> |

Face amount denominated in U.S. dollars, unless otherwise noted.

\* Non-income producing security.

- (a) Security is exempt from registration under Regulation S of the Securities Act of 1933. Regulation S applies to securities offerings that are made outside of the United States and do not involve direct selling efforts in the United States. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors, unless otherwise noted.
- (b) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors, unless otherwise noted.
- (c) All or a portion of this security is pledged as collateral pursuant to the loan agreement.
- (d) The coupon payment on these securities is currently in default as of February 29, 2016.
- (e) Variable rate security. Interest rate disclosed is as of the most recent information available.
- (f) Security has no maturity date. The date shown represents the next call date.

# Aggregate cost for federal income tax purposes is substantially the same.

Abbreviations used in this schedule:

ADR American Depositary Receipts

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CNY Chinese Yuan Renminbi

MXN Mexican Peso

SAR Saudi Arabian Riyal

This Schedule of Investments is unaudited and is intended to provide information about the Fund's portfolio holdings as of the date of the schedule. Other information regarding the Fund is available in the Fund's most recent annual or semi-annual shareholder report.

**See Notes to Schedule of Investments.**

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**Notes to Schedule of Investments (unaudited)**

**1. Organization and significant accounting policies**

Western Asset Emerging Markets Income Fund Inc. (the Fund) was incorporated in Maryland and is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act). The Fund's primary investment objective is to seek high current income. As a secondary objective, the Fund seeks capital appreciation. In pursuit of these objectives, the Fund, under normal conditions, invests at least 80% of its net assets plus any borrowings for investment purposes in debt securities of government and government related issuers located in emerging market countries (including participations in loans between governments and financial institutions), and of entities organized to restructure the outstanding debt of such issuers, and in debt securities of corporate issuers located in emerging market countries.

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP).

**(a) Investment valuation.** The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. Short-term fixed income securities that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. Investments in open-end funds are valued at the closing net asset value per share of each fund on the day of valuation. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. Equity securities for which market quotations are available are valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. When the Fund holds securities or other assets that are denominated in a foreign currency, the Fund will normally use the currency exchange rates as of 4:00 p.m. (Eastern Time). If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market price may be determined by the manager using quotations from one or more broker/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund values these securities as determined in accordance with procedures approved by the Fund's Board of Directors.

The Board of Directors is responsible for the valuation process and has delegated the supervision of the daily valuation process to the Legg Mason North Atlantic Fund Valuation Committee (the Valuation Committee). The Valuation Committee, pursuant to the policies adopted by the Board of Directors, is responsible for making fair value determinations, evaluating the effectiveness of the Fund's pricing policies, and reporting to the Board of Directors. When determining the reliability of third party pricing information for investments owned by the Fund, the Valuation Committee, among other things, conducts due diligence reviews of pricing vendors, monitors the daily change in prices and reviews transactions among market participants.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making fair value determinations. Examples of possible methodologies include, but are not limited to, multiple of earnings; discount from market of a similar freely traded security; discounted cash-flow analysis; book value or a multiple thereof; risk premium/yield analysis; yield to maturity; and/or fundamental investment analysis. The Valuation Committee will also consider factors it deems relevant and appropriate in light of the facts and circumstances. Examples of possible factors include, but are not limited to, the type of security; the issuer's financial statements; the purchase price of the security; the discount from market value of unrestricted securities of the same class at the time of purchase; analysts' research and observations from financial institutions; information regarding any transactions or offers with respect to the security; the existence of merger proposals or tender offers affecting the security; the price and extent of public trading in similar securities of the issuer or comparable companies; and the existence of a shelf registration for restricted securities.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board of Directors, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such back testing monthly and fair valuation occurrences are reported to the Board of Directors quarterly.

The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows

to present value.

**Notes to Schedule of Investments (unaudited) (continued)**

GAAP establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical investments

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

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)  
The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Fund's assets and liabilities carried at fair value:

| DESCRIPTION                        | ASSETS                     |   |  | TOTAL          |
|------------------------------------|----------------------------|---|--|----------------|
|                                    | QUOTED PRICES<br>(LEVEL 1) | OTHER SIGNIFICANT<br>OBSERVABLE INPUTS<br>(LEVEL 2) | SIGNIFICANT<br>UNOBSERVABLE<br>INPUTS<br>(LEVEL 3) |                |
| Long-term investments :            |                            |   |  |                |
| Sovereign Bonds                    |                            | \$ 208,075,127                                      |  | \$ 208,075,127 |
| Corporate Bonds & Notes            |                            | 164,948,948   |  | 164,948,948    |
| Common Stocks                      |                            | 944,314   |  | 944,314        |
| Warrants                           |                            | 51,750  |  | 51,750         |
| Purchased Options                  |                            | 102,580   |  | 102,580        |
| Total Long-Term Investments        |                            | \$ 374,122,719                                      |  | \$ 374,122,719 |
| Short-Term Investments             | \$ 4,407,134               |   |  | \$ 4,407,134   |
| Total investments                  | \$ 4,407,134               | \$ 374,122,719                                      |  | \$ 378,529,853 |
| Other Financial Instruments:       |                            |   |  |                |
| Forward Foreign Currency Contracts |                            | \$ 184,903  |  | \$ 184,903     |
| Total                              | \$ 4,407,134               | \$ 374,307,622                                      |  | \$ 378,714,756 |

| DESCRIPTION                        | LIABILITIES                |   |  | TOTAL      |
|------------------------------------|----------------------------|---|--|------------|
|                                    | QUOTED PRICES<br>(LEVEL 1) | OTHER SIGNIFICANT<br>OBSERVABLE INPUTS<br>(LEVEL 2) | SIGNIFICANT<br>UNOBSERVABLE<br>INPUTS<br>(LEVEL 3) |            |
| Other Financial Instruments:       |                            |   |  |            |
| Forward Foreign Currency Contracts |                            | \$ 102,610  |  | \$ 102,610 |

See Schedule of Investments for additional detailed categorizations.

**2. Investments**

At February 29, 2016, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

|                               |                |
|-------------------------------|----------------|
| Gross unrealized appreciation | \$ 18,393,614  |
| Gross unrealized depreciation | (27,262,280)   |
| Net unrealized depreciation   | \$ (8,868,666) |

**Notes to Schedule of Investments (unaudited) (continued)**

At February 29, 2016, the Fund had the following open forward foreign currency contracts:

| <b>Currency Purchased</b> |             | <b>Currency Sold</b> |            | <b>Counterparty</b>   | <b>Settlement Date</b> | <b>Unrealized Appreciation (Depreciation)</b> |
|---------------------------|-------------|----------------------|------------|-----------------------|------------------------|---|
| USD                       | 824,897     | CNY                  | 5,500,000  | Citibank, N.A.        | 3/8/16                 | \$ (14,924)                                   |
| INR                       | 229,867,701 | USD                  | 3,352,063  | Bank of America, N.A. | 5/13/16                | (40,114)                                      |
| USD                       | 636,324     | MXN                  | 11,801,015 | Barclays Bank PLC     | 5/13/16                | (10,773)                                      |
| USD                       | 3,413,190   | SGD                  | 4,859,700  | Citibank, N.A.        | 5/13/16                | (36,799)                                      |
| USD                       | 6,541,107   | BRL                  | 26,030,335 | JPMorgan Chase & Co.  | 5/13/16                | 184,903                                       |
| <b>Total</b>              |             |                      |            |                       |                        | <b>\$ 82,293</b>                              |

Abbreviations used in this table:

|     |                       |
|-----|-----------------------|
| BRL | Brazilian Real        |
| CNY | Chinese Yuan Renminbi |
| INR | Indian Rupee          |
| MXN | Mexican Peso          |
| SGD | Singapore Dollar      |
| USD | United States Dollar  |



**ITEM 2. 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-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.
  
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are likely to materially affect the registrant's internal control over financial reporting.

**ITEM 3. EXHIBITS.**

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940, as amended, are attached hereto.

**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.

Western Asset Emerging Markets Income Fund Inc.

By                    /s/ JANE TRUST  
                         **Jane Trust**  
                         **Chief Executive Officer**

Date: April 20, 2016

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/ JANE TRUST  
                         **Jane Trust**  
                         **Chief Executive Officer**

Date: April 20, 2016

By                    /s/ RICHARD F. SENNETT  
                         **Richard F. Sennett**  
                         **Principal Financial Officer**

Date: April 20, 2016