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MERRILL LYNCH GLOBAL ALLOCATION FUND INC

CIK: **834237** | State of Incorporation: **NJ** | Fiscal Year End: **1031**
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MERRILL LYNCH
GLOBAL
ALLOCATION
FUND, INC.

FUND LOGO

Quarterly Report

January 31, 1999

This report is not authorized for use as an offer of sale or a solicitation of an offer to buy shares of the Fund unless accompanied or preceded by the Fund's current prospectus. Past performance results shown in this report should not be considered a representation of future performance. Investment return and principal value of shares will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Statements and other information herein are as dated and are subject to change. Please see the Fund's prospectus for a description of risks associated with global investments.

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MERRILL LYNCH GLOBAL ALLOCATION FUND, INC.

<TABLE>
Summary of
Fund's Overall
Asset Mix
As of 1/31/99
<CAPTION>

	Percent of Fund's Net Assets		Reference Portfolio
	1/31/99	10/31/98	Percentages
<S>	<C>	<C>	<C>
North & South American Equities	23.5%*	24.0%*	36.0%
European Equities	10.7	12.1	11.0
Pacific Basin Equities	11.8	9.9	13.0
Total Equities	46.0	46.0	60.0
US Dollar Denominated Fixed-Income Securities	43.2	44.4	24.0
US Issuers	19.9	22.7	--
Non-US Issuers	23.3	21.7	--

Non-US Dollar Denominated Fixed-Income Securities	5.0	4.0	16.0
Total Fixed-Income Securities	48.2++	48.4++	40.0
Cash & Cash Equivalents	5.8	5.6	--

<FN>

*Includes value of Financial Futures Contracts.

++Includes Preferred Stock.

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

DEAR SHAREHOLDER

For the three months ended January 31, 1999, Merrill Lynch Global Allocation Fund, Inc.'s Class A, Class B, Class C and Class D Shares had total returns of +5.87%, +5.63%, +5.53% and +5.73%, respectively. (Fund results do not reflect sales charges, and would be lower if sales charges were included. Complete performance information can be found on pages 6 and 7 of this report to shareholders.)

Investment Approach

In February 1999, Merrill Lynch Global Allocation Fund celebrated the completion of its tenth year. Throughout the Fund's history, our aim has been to own securities that offer the best investment value in the world's markets. The Fund historically has spread risk across many equity and fixed-income securities of a large number of issuers located in a number of countries (36 as of January 31, 1999). We have sought to add to the portfolio those securities that offer the best risk/return tradeoff from the perspective of the Fund's total holdings. In doing so, the Fund has taken advantage of well-researched portfolio theory, which holds that individual securities that may be perceived as having a higher level of risk can be combined together to create a lower-risk portfolio, as long as the securities are not highly correlated with each other. This strategy of selecting high potential return securities with low correlations is designed to allow the Fund to produce competitive returns with acceptable risk.

We proceed from the viewpoint that when buying securities it is preferable to buy them at a lower price than a higher one and, when selling, a higher price is preferable to a lower one. This common-sense view is far from universally applied in the securities markets. While its long-term benefits are self evident, it often has unpleasant consequences in the near term. Specifically, in the case of buying, low prices often result from a series a price declines, which in turn generally follow bad news. Both of these factors can discourage buyers while motivating sellers. This is the crux of many investments that offer good value: they are unpopular. While falling prices, bad news and unpopularity certainly do not automatically characterize a good investment, they often do accompany an attractively low price.

Throughout the course of the Fund's history, there have been many instances when the Fund purchased unpopular securities that not only increased in price, but also regained their popularity. More often than not, these purchases declined in value before they appreciated. Some examples of such unpopular purchases that proved to be good investments for the Fund include:

- * US bank and thrift stocks during the asset quality problems of the early 1990s.
- * European government bonds during the European currency crisis in 1992.
- * US pharmaceutical and healthcare stocks during the Clinton Administration's initiative to reform healthcare in 1994.
- * US dollar-denominated Latin American government bonds during the Mexican peso crisis of 1994--1995.

Currently, the Fund is invested in some unpopular securities that we believe offer attractive investment potential: emerging market

securities in general and, in particular, fixed-income securities that are US dollar denominated.

Emerging Markets Begin to Recover

Merrill Lynch Global Allocation Fund, Inc. has invested in emerging markets issues in varying amounts for at least the past four years. Historically, the Fund has never had a large exposure to equities of emerging market issuers; its emerging markets investments have emphasized fixed-income securities, generally sovereign (government) bonds denominated in US dollars. This continues to be the case. For example, as of January 31, 1999, the Fund's emerging markets equity exposure was small, with Hong Kong the largest single country exposure at 0.8% of net assets.

Our preference for debt securities over equities of emerging markets issuers reflects our view that they offer a return potential similar to that of equities for a lower level of risk. In addition to high current income, emerging markets debt securities have capital appreciation potential, since most of our purchases are made at prices that are below par, and in some cases far below par. The Fund's emerging markets exposure has varied over time, with greater allocations typically during or after periods of price weakness. Conversely, we use periods of price strength to take profits and reduce weightings. At this time, we do not believe that it is desirable to sell those emerging markets investments that are still at depressed prices, although we have sold some of our profitable holdings.

We think that it is important to note that securities of emerging market issuers are not all the same. While some investors appear to have indiscriminately lumped together securities of many issuers, the merits and risks of emerging markets securities vary widely. They literally span the world in terms of financial, economic, political and cultural differences. For example, a factor as basic as direct currency risk relative to the US dollar is completely different in a security that is US dollar-denominated than it is in one denominated in a local currency.

As of January 31, 1999, the Fund's largest emerging markets fixed-income exposure was Argentina at 6.2% of net assets. We view Argentina as attractive because of its sound currency policy (the currency board has successfully fixed the peso to the US dollar), responsible fiscal policies, democratic government and sound banking system. There are also expectations that its current BB credit rating will someday improve to investment grade. At 3.4% of net assets, South Korea was our second-largest emerging markets fixed-income allocation, with investments in corporate as well as sovereign debt. Before the Asian economic and financial crises struck, South Korean sovereign debt had an A credit rating. In the wake of the crises, its debt was downgraded, but recently was upgraded back to investment grade by all of the major rating agencies. With the resulting price appreciation, the Fund took profits and reduced its South Korean investments somewhat. As for our South Korean corporate bond investments, they are all issued by large, well-known, sound South Korean companies. At 2.9% of net assets, Malaysia was the Fund's third-largest emerging markets fixed-income exposure as of the end of January. Our Malaysian investments are in US dollar-denominated bonds of large investment-grade corporate issuers. Our most recent investment activities have involved taking profits in our Malaysian holdings, since their prices have risen well above our purchase prices.

Unfortunately, the Fund has also invested in the fixed-income securities of several Russian issuers. The market prices of these holdings performed very poorly in the summer and early autumn of 1998. However, prices recently began to appreciate, although they are still substantially lower than the Fund's purchase prices. None of our Russian investments are in default. However, the prices of these securities, which are marked to market like all the securities in the Fund, are very low. We believe that the depressed prices and very high current yields offered by these holdings support the Fund's continued investment. Also, it is important to be mindful that Russia is now benefiting from a growing trade surplus and industrial production has been expanding recently. All of the Fund's Russian fixed-income investments are US dollar denominated, and most of the holdings are Eurobonds issued by the Russian government. They are not old Soviet-era debts which, in contrast, are not being paid

currently by the Russian government.

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

Stocks in United States

As noted previously, throughout the Fund's history, we have emphasized investments that offer the best value for a given amount of risk. Currently, few large-capitalization stocks in the United States are selling at prices that represent good investment value, in our opinion. Conversely, there are an increasing number of small- and mid-capitalization companies in the United States that represent attractive values. The Fund's US common stock holdings currently emphasize these small and mid cap issues. Unfortunately, from the perspective of 1998 investment performance, these issues have been out of investor favor. However, when we consider the amount of profits, cash flow and book value that many small and mid cap issues offer per dollar of share price, we believe that they present more attractive long-term investment opportunities than their large cap counterparts.

Increase in Japanese Investments

After underweighting Japanese investments throughout the Fund's history, over the past two years, we have been increasing the Fund's Japanese equity exposure. We do not know when economic growth in Japan will resume, nor can we pinpoint when Japanese stocks will again provide superior returns. However, we do believe that at current prices Japanese stocks offer many intriguing long-term investment opportunities. We plan to discuss our Japanese investments in more detail in our next report to shareholders.

Investments in Continental European Equities

Continental European equities represent another important area of investment for the Fund at 10.6% of net assets spread across 13 countries as of the end of the January quarter. In past years, the Fund has often had substantial investments in European bonds. Over the past two years, we took profits in these investments and virtually eliminated our holdings in European bonds. With interest rates low, we believe that European equities offer greater return potential than fixed-income investments. Increasing economic and monetary integration can reduce costs and broaden markets for a wide range of European companies. At the same time, we are cognizant that Europe will have to meet the challenges of an aging population and high unemployment in a number of countries in the years ahead. However, these problems may actually allow and promote more stimulative economic policies. Furthermore, we believe that European companies will increasingly focus on strategies that will enable them to successfully compete in the global marketplace.

Investments in US Treasury Issues

Another significant allocation for the Fund in recent years has been US Treasury securities. As US interest rates have fallen and new investment opportunities became available, we reduced the Fund's US Treasury holdings somewhat to 9.2% of net assets as of the end of January. Some of these issues are relatively short term, with maturities under two years. The rest are US Treasury Inflation Indexed Notes (TIPs), which have interest rates and principal values that are effectively indexed to the Consumer Price Index. These securities currently have yields that represent unusually small discounts to other Treasury issues of comparable maturities. This means that holders of TIPs receive the majority of the interest that is available on traditional US Treasury securities without exposure to accelerating inflation, if it occurs. In our view, this represents an attractive risk/return tradeoff for the Fund.

In Conclusion

We thank you for your continued investment in Merrill Lynch Global Allocation Fund, Inc., and we look forward to reviewing our outlook and strategy with you again in our next report to shareholders.

Sincerely,

(Terry K. Glenn)
Terry K. Glenn
Executive Vice President

(Bryan N. Ison)
Bryan N. Ison
Senior Vice President and
Portfolio Manager

March 17, 1999

Officers and
Directors

Arthur Zeikel, President and Director
Donald Cecil, Director
Roland M. Machold, Director
Edward H. Meyer, Director
Charles C. Reilly, Director
Richard R. West, Director
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Terry K. Glenn, Executive Vice President
Bryan N. Ison, Senior Vice President and Portfolio Manager
Dennis W. Stattman, Vice President
Donald C. Burke, Vice President and Treasurer
Phillip Gillespie, Secretary

Gerald M. Richard, Treasurer and Norman R. Harvey, Senior Vice
President of Merrill Lynch Global Allocation Fund, Inc. have
recently retired. Their colleagues at Merrill Lynch Asset
Management, L.P. join the Fund's Board of Directors in wishing Mr.
Richard and Mr. Harvey well in their retirements.

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Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

PERFORMANCE DATA

About Fund
Performance

Investors are able to purchase shares of the Fund through the
Merrill Lynch Select Pricing SM System, which offers four pricing
alternatives:

- * Class A Shares incur a maximum initial sales charge (front-end
load) of 5.25% and bear no ongoing distribution or account
maintenance fees. Class A Shares are available only to eligible
investors.
- * Class B Shares are subject to a maximum contingent deferred sales

charge of 4% if redeemed during the first year, decreasing 1% each year thereafter to 0% after the fourth year. In addition, Class B Shares are subject to a distribution fee of 0.75% and an account maintenance fee of 0.25%. These shares automatically convert to Class D Shares after approximately 8 years. (There is no initial sales charge for automatic share conversions.)

- * Class C Shares are subject to a distribution fee of 0.75% and an account maintenance fee of 0.25%. In addition, Class C Shares are subject to a 1% contingent deferred sales charge if redeemed within one year of purchase.
- * Class D Shares incur a maximum initial sales charge of 5.25% and an account maintenance fee of 0.25% (but no distribution fee).

None of the past results shown should be considered a representation of future performance. Figures shown in the "Recent Performance Results" and "Average Annual Total Return" tables assume reinvestment of all dividends and capital gains distributions at net asset value on the ex-dividend date. Investment return and principal value of shares will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Dividends paid to each class of shares will vary because of the different levels of account maintenance, distribution and transfer agency fees applicable to each class, which are deducted from the income available to be paid to shareholders.

<TABLE>
Recent
Performance
Results
<CAPTION>

	12-Month Total Return <C>	3-Month Total Return <C>	Since Inception Total Return <C>
<S>			
ML Global Allocation Fund, Inc.--Class A Shares*	- 0.03%	+ 5.87%	+225.65%
ML Global Allocation Fund, Inc.--Class B Shares*	- 1.02	+ 5.63	+194.16
ML Global Allocation Fund, Inc.--Class C Shares*	- 1.03	+ 5.53	+ 51.98
ML Global Allocation Fund, Inc.--Class D Shares*	- 0.29	+ 5.73	+ 57.18
US Stocks: Standard & Poor's 500 Index**	+32.49	+16.86	+463.22/+200.44++
Non-US Stocks: Financial Times/Standard & Poor's-- Actuaries World Index (Ex-US)***	+11.29	+ 8.46	+ 63.91/+32.31++
US Bonds: ML Government Index GA05****	+ 8.35	- 0.37	+121.76/+42.41++
Non-US Bonds: Salomon Brothers World Government Bond Index (Ex-US)*****	+15.16	- 0.86	+137.14/+34.92+++

<FN>
*Investment results shown do not reflect sales charges; results shown would be lower if a sales charge was included. Total investment returns are based on changes in net asset values for the periods shown, and assume reinvestment of all dividends and capital gains distributions at net asset value on the ex-dividend date. The Fund's since inception periods are Class A & Class B Shares, from 2/03/89 to 1/31/99 and Class C & Class D Shares, from 10/21/94 to 1/31/99.

**An unmanaged broad-based index comprised of common stocks.

***An unmanaged capitalization-weighted index comprised of over 1,800 companies in 24 countries, excluding the United States.

****An unmanaged index designed to track the total return of the current coupon five-year US Treasury bond.

*****An unmanaged market capitalization-weighted index tracking ten government bond indexes, excluding the United States.

++Since inception total returns are from 2/03/89 to 1/31/99 and 10/21/94 to 1/31/99, respectively.

+++Since inception total returns are from 1/31/89 to 1/31/99 and 10/21/94 to 1/31/99, respectively.

</TABLE>

Average Annual
Total Return

% Return Without % Return With
Sales Charge Sales Charge**

Class A Shares*

Year Ended 12/31/98	+ 0.63%	- 4.65%
Five Years Ended 12/31/98	+ 9.56	+ 8.39
Inception (2/3/89) through 12/31/98	+12.54	+11.93

[FN]

*Maximum sales charge is 5.25%.

**Assuming maximum sales charge.

	% Return Without CDSC	% Return With CDSC**
--	--------------------------	-------------------------

Class B Shares*

Year Ended 12/31/98	- 0.42%	- 3.98%
Five Years Ended 12/31/98	+ 8.46	+ 8.46
Inception (2/3/89) through 12/31/98	+11.40	+11.40

[FN]

*Maximum contingent deferred sales charge is 4% and is reduced to 0% after 4 years.

**Assuming payment of applicable contingent deferred sales charge.

	% Return Without CDSC	% Return With CDSC**
--	--------------------------	-------------------------

Class C Shares*

Year Ended 12/31/98	- 0.42%	- 1.31%
Inception (10/21/94) through 12/31/98	+10.26	+10.26

[FN]

*Maximum contingent deferred sales charge is 1% and is reduced to 0% after 1 year.

**Assuming payment of applicable contingent deferred sales charge.

	% Return Without Sales Charge	% Return With Sales Charge**
--	----------------------------------	---------------------------------

Class D Shares*

Year Ended 12/31/98	+ 0.37%	- 4.90%
Inception (10/21/94) through 12/31/98	+11.13	+ 9.71

[FN]

*Maximum sales charge is 5.25%.

**Assuming maximum sales charge.

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

Portfolio
Abbreviations

To simplify the currency denmoniations of Merrill Lynch Global Allocation Fund, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the currencies according to the list at right.

ARS	Argentian Peso
CAD	Canadian Dollar
CHF	Swiss Franc
EUR	Euro Dollar
GBP	Great Britain Pound
IDR	Indonesian Rupiah
JPY	Japanese Yen
NOK	Norwegian Krone
NZD	New Zealand Dollar
SEK	Swedish Kroner
USD	United States Dollar

<TABLE>
SCHEDULE OF INVESTMENTS
<CAPTION>

(in US dollars)

COUNTRY <S>	Industries <S>	Shares Held <C>	Common Stocks <S>	Cost <C>	Value <C>	Percent of Net Assets <C>
Argentina	Banking	467,900	Banco Frances SA (ADR)++(USD)	\$ 11,254,989	\$ 7,310,938	0.1%
		2,433,900	Banco Rio de la Plata SA (ADR)++(USD)	25,177,689	20,840,269	0.2
			36,432,678	28,151,207	0.3	
	Oil--Related	480,000	YPF Sociedad Anonima (ADR)++(USD)	10,296,490	15,300,000	0.2
			Total Common Stocks in Argentina	46,729,168	43,451,207	0.5
Australia	Beverages	499,379	Foster's Brewing Group Limited	916,122	1,464,559	0.0
	Building Materials	718,547	Pioneer International Limited	1,814,681	1,460,688	0.0
	Foods	5,566,000	Goodman Fielder Limited	5,875,419	5,382,990	0.1
	Insurance	6,423,848	HIH Insurance Limited	10,503,236	9,278,606	0.1
		8,764,000	HIH Insurance Limited (Installment Receipts) (k)	8,334,519	7,430,119	0.1
			18,837,755	16,708,725	0.2	
	Metals & Mining	10,000,000	Normandy Mining Limited	8,030,489	8,678,960	0.1
		24,900,927	Pasminco Limited	24,889,527	19,390,850	0.2
		8,700,000	WMC Limited	29,191,616	26,717,004	0.3
			62,111,632	54,786,814	0.6	
Multi-Industry	3,162,634	Lend Lease Corporation Limited	26,521,530	41,820,041	0.5	
	2,300,000	Pacific Dunlop Limited	5,753,464	3,972,100	0.0	
		32,274,994	45,792,141	0.5		
Resources	9,309,046	Broken Hill Proprietary Company Limited	101,391,675	68,288,071	0.8	
Tobacco	592,149	W.D. & H.O. Wills Holdings Limited	668,811	1,617,633	0.0	
		Total Common Stocks in Australia	223,891,089	195,501,621	2.2	
Austria	Banking	203,400	Bank Austria AG	6,298,337	9,001,914	0.1
			Total Common Stocks in Austria	6,298,337	9,001,914	0.1
Brazil	Telecommunications	530,000	Telecomunicacoes Brasileiras SA-- Telebras (ADR)++(USD)	39,394,134	33,356,875	0.4
			Total Common Stocks in Brazil	39,394,134	33,356,875	0.4
Canada	Beverages	1,900,000	Cott Corporation (USD)	15,484,918	6,175,000	0.0
	Metals-- Non-Ferrous	1,427,400	Inco Limited (USD)	29,691,234	15,076,913	0.2
	Telecommuni- cations	1,165,200	Rogers Cantel Mobile Communications Inc. 'B'	22,391,634	17,825,245	0.2
		1,260,900	Rogers Cantel Mobile Communications Inc. 'B' (USD)	20,941,379	19,622,756	0.2
		2,893,700	Rogers Communications, Inc. 'B'	23,726,839	40,722,599	0.5
		67,059,852	78,170,600	0.9		
		Total Common Stocks in Canada	112,236,004	99,422,513	1.1	
Finland	Metals	738,438	Outokumpu Oyj	10,823,686	6,871,431	0.1
	Paper & Forest Products	2,909,250	Metsa-Serla Oyj 'B'	23,657,400	20,138,643	0.2
		449,845	Stora Enso Oyj 'A'	3,506,504	3,859,262	0.0
		1,799,671	Stora Enso Oyj 'R'	14,510,982	16,174,753	0.2
		548,478	UPM-Kymmene Oyj	10,217,646	14,315,495	0.2
		51,892,532	54,488,153	0.6		

		Total Common Stocks in Finland		62,716,218	61,359,584	0.7
France	Automobiles	46,568	PSA Peugeot Citroen	5,610,594	7,905,667	0.1
	Banking	119,155	Banque Nationale de Paris (BNP)	5,267,865	10,810,607	0.1
		149,509	Compagnie Financiere de Paribas	8,107,385	14,251,676	0.2
		147,499	Societe Generale 'A'	15,148,456	26,446,335	0.3
				-----	-----	-----
				28,523,706	51,508,618	0.6
	Energy & Petroleum	207,624	Elf Aquitaine SA	26,815,026	22,477,358	0.3
	Industrial	244,500	Alcatel (ADR)++(USD)	4,208,043	5,623,500	0.1
	Insurance	97,630	AXA	6,394,807	14,159,029	0.1
		277,598	CNP Assurances	7,729,298	7,903,807	0.1
			-----	-----	-----	
			14,124,105	22,062,836	0.2	
Metals--Steel	1,477,394	Usinor SA	22,060,574	18,861,151	0.2	
Multi-Industry	49,657	Societe Eurafrance SA	19,457,147	29,865,905	0.3	
		Total Common Stocks in France	120,799,195	158,305,035	1.8	
Germany	Automotive	207,026	Volkswagen AG	11,732,042	16,233,878	0.2
	Banking	263,857	Deutsche Bank AG	21,925,956	14,926,332	0.2
		132,450	Dresdner Bank AG	7,678,657	5,410,953	0.0
		108,616	HypoVereinsbank	5,184,800	7,050,325	0.1
				-----	-----	-----
				34,789,413	27,387,610	0.3
	Capital Goods	369,636	KloECKner-Werke AG	17,229,762	25,167,776	0.3
	Chemicals	377,381	Bayer AG	15,239,702	14,410,678	0.2
		101,451	Henkel KGaA	4,390,556	6,734,906	0.1
		495,625	Hoechst AG	18,935,461	21,260,052	0.2
			-----	-----	-----	
			38,565,719	42,405,636	0.5	
Electrical Equipment	285,465	Siemens AG	18,655,461	20,262,802	0.2	
Engineering & Construction	32,565	Philipp Holzmann AG	12,268,030	4,323,707	0.0	
Metals--Steel	148,815	Thyssen AG	32,698,586	25,162,414	0.3	
Utilities	385,848	VEBA AG	25,707,381	22,943,880	0.3	
		Total Common Stocks in Germany	191,646,394	183,887,703	2.1	

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

		Shares Held		Common Stocks		Cost		Value		Percent of Net Assets	
COUNTRY	Industries	<C>	<S>	<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<S>	<S>	<C>	<S>	<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Hong Kong	Banking	900,737	HSBC Holdings PLC		\$	14,386,653	\$	22,493,723			0.2%
	Multi-Industry	7,059,500	Hutchison Whampoa Limited			44,936,689		50,109,376			0.6
			Total Common Stocks in Hong Kong			59,323,342		72,603,099			0.8
Hungary	Oil & Gas Producers	302,914	MOL Magyar Olaj-es Gazipari Rt. (GDR)++++(USD)			8,160,139		8,398,291			0.1
			Total Common Stocks in Hungary			8,160,139		8,398,291			0.1
Indonesia	Paper & Pulp	2,184,800	Asia Pacific Resources International Holdings Ltd. 'A'			8,320,430		955,850			0.0
		553,765	Asia Pulp & Paper Company								

		Ltd. (ADR)++(USD)	6,368,297	4,014,796	0.1
			14,688,727	4,970,646	0.1
	Tobacco	19,327,000 PT Hanjaya Mandala Sampoerna Tbk	28,087,780	12,377,966	0.1
		Total Common Stocks in Indonesia	42,776,507	17,348,612	0.2
Ireland	Building & Construction	367,018 CRH PLC (GBP)	4,012,326	5,997,034	0.1
		Total Common Stocks in Ireland	4,012,326	5,997,034	0.1
Italy	Multi-Industry	30,971,990 Montedison SpA	23,376,406	31,456,578	0.4
	Telecommunications	6,511,641 Telecom Italia SpA	27,017,500	43,966,991	0.5
		Total Common Stocks in Italy	50,393,906	75,423,569	0.9
Japan	Automobiles & Equipment	3,282,000 Suzuki Motor Corporation	30,510,247	35,619,917	0.4
	Beverages	1,570,000 Chukyo Coca-Cola Bottling Co., Ltd.	16,445,371	17,187,909	0.2
		663,000 Hokkaido Coca-Cola Bottling Co., Ltd.	8,836,164	7,754,386	0.1
		691,000 Kinki Coca-Cola Bottling Co., Ltd.	10,472,103	9,056,450	0.1
		1,243,000 Mikuni Coca-Cola Bottling Co., Ltd.	17,391,669	28,755,332	0.3
		1,426,400 Sanyo Coca-Cola Bottling Co., Ltd.	17,532,122	26,251,256	0.3
			70,677,429	89,005,333	1.0
	Capital Goods	12,900,000 Kawasaki Heavy Industries Ltd.	35,297,925	28,067,595	0.3
		7,875,000 Mitsubishi Heavy Industries, Ltd.	44,268,610	31,898,220	0.4
			79,566,535	59,965,815	0.7
	Chemicals	34,000 Shin-Etsu Chemical Co., Ltd.	657,132	827,485	0.0
	Consumer Products	50,000 Amway Japan Ltd. (Premium Exchangeable Participating Shares) (USD)	721,750	346,875	0.0
	Electrical Construction	1,124,000 Chudenko Corporation	30,032,358	22,425,869	0.3
		1,386,000 Kinden Corporation	21,348,708	19,106,966	0.2
			51,381,066	41,532,835	0.5
	Electrical Equipment	788,000 Murata Manufacturing Co., Ltd.	25,168,052	36,526,660	0.4
	Electronics	1,299,000 Hitachi Ltd.	9,381,584	9,328,044	0.1
	Financial Services	9,387,000 Daiwa Securities Co. Ltd.	46,956,803	34,551,393	0.4
		879,000 The Nomura Securities Co., Ltd.	11,893,928	7,665,170	0.1
		1,720,000 Wako Securities Co., Ltd.	4,377,152	2,041,280	0.0
			63,227,883	44,257,843	0.5
	Industrial	28,000 Miura Co., Ltd.	466,635	381,906	0.0
	Insurance	743,000 The Chiyoda Fire & Marine Insurance Company, Limited	2,796,009	2,472,833	0.0
		2,897,000 The Dai-Tokyo Fire and Marine Insurance Co., Ltd.	17,990,037	9,791,202	0.1
		125,000 The Dowa Fire & Marine Insurance Co., Ltd.	441,340	477,296	0.0
		3,743,000 The Fuji Fire and Marine Insurance Company, Limited	13,980,452	7,113,889	0.1
		4,865,000 The Koa Fire & Marine Insurance Co., Ltd.	24,748,402	15,731,338	0.2
		765,000 Mitsui Marine & Fire Insurance Company, Ltd.	5,730,161	3,947,368	0.0
		3,508,000 The Nichido Fire & Marine Insurance Co., Ltd.	20,622,267	17,618,438	0.2
		4,816,000 The Nippon Fire & Marine Insurance Co., Ltd.	20,479,413	16,525,490	0.2
		999,000 The Nisshin Fire and Marine Insurance Company, Limited	2,688,731	2,903,870	0.0

		7,315,000	The Sumitomo Marine & Fire Insurance Co., Ltd.	46,067,731	43,281,046	0.5
		2,713,000	The Tokio Marine & Fire Insurance Co. Ltd.	28,580,732	30,797,730	0.4
		5,000,000	The Yasuda Fire & Marine Insurance Co. Ltd.	25,976,040	25,455,796	0.3
				-----	-----	-----
				210,101,315	176,116,296	2.0
	Office Equipment	1,612,000	Canon, Inc.	23,455,745	34,865,669	0.4
	Packaging & Containers	1,103,000	Toyo Seikan Kaisha, Ltd.	25,118,395	20,868,593	0.3
	Pharmaceuticals	1,261,000	Sankyo Company, Ltd.	28,124,373	26,352,167	0.3
		384,000	Taisho Pharmaceutical Company, Ltd.	7,984,458	10,765,738	0.1
				-----	-----	-----
				36,108,831	37,117,905	0.4
	Restaurants	647,000	Mos Food Service, Inc.	12,121,005	7,678,535	0.1
		618,000	Ohsho Food Service	10,180,663	6,882,611	0.1
				-----	-----	-----
				22,301,668	14,561,146	0.2
	Retail Stores	460,000	Ito-Yokado Co., Ltd.	21,319,319	28,918,129	0.4
		100,000	Sangetsu Co., Ltd.	3,160,832	1,616,787	0.0
				-----	-----	-----
				24,480,151	30,534,916	0.4
			Total Common Stocks in Japan	673,324,418	631,857,238	7.3
Mexico	Foods	700,000	Grupo Industrial Maseca, SA de CV (ADR)++(USD)	7,969,925	8,531,250	0.2
	Multi-Industry	433,800	Grupo Carso, SA de CV (ADR)++(USD)	3,832,850	2,476,391	0.0
	Telecommunications	433,800	Carso Global Telecom (ADR)++(USD)	2,060,550	3,394,398	0.0
			Total Common Stocks in Mexico	13,863,325	14,402,039	0.2
Netherlands	Chemicals	511,804	Akzo Nobel NV	15,945,293	20,443,990	0.2
		225,570	European Vinyls Corporation International NV	8,625,195	1,791,838	0.0
				-----	-----	-----
				24,570,488	22,235,828	0.2
	Electronics Distribution	319,466	Koninklijke (Royal) Philips Electronics NV	18,100,712	23,201,921	0.3
	Insurance	382,530	ING Groep NV	6,488,268	22,269,076	0.2
	Packaging	1,459,566	Buhrmann NV	30,706,655	24,016,575	0.3
	Steel	161,800	Ispat International NV	4,382,262	1,230,191	0.0
		799,183	Ispat International NV (NY Registered Shares) (USD)	13,831,820	6,043,821	0.1
				-----	-----	-----
				18,214,082	7,274,012	0.1
			Total Common Stocks in the Netherlands	98,080,205	98,997,412	1.1

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

SCHEDULE OF INVESTMENTS (continued)							
(in US dollars)							
COUNTRY	Industries	Shares Held	Common Stocks	Cost	Value	Percent of Net Assets	
<S>	<S>	<C>	<S>	<C>	<C>	<C>	<C>
New Zealand	Natural Gas Suppliers	1,227,104	Natural Gas Corporation Holdings Limited	\$ 867,270	\$ 1,287,594	0.0%	
			Total Common Stocks in New Zealand	867,270	1,287,594	0.0	
Norway	Banking	4,785,400	Christiania Bank Og Kreditkasse	10,697,335	20,959,347	0.2	

		2,434,000	Den Norske Bank ASA	7,189,721	10,402,124	0.1
				17,887,056	31,361,471	0.3
	Computer Software	668,518	Merkantildata ASA	8,071,807	8,074,210	0.1
	Oil & Gas Producers	781,330	Saga Petroleum ASA	11,845,630	7,414,572	0.1
			Total Common Stocks in Norway	37,804,493	46,850,253	0.5
Philippines	Banking	2,000,000	East-West Banking Corp.	20,000,000	19,500,000	0.3
	Multi-Industry	6,335,520	Ayala Corporation	1,948,253	2,023,732	0.0
			Total Common Stocks in the Philippines	21,948,253	21,523,732	0.3
Portugal	Banking	796,372	Banco Comercial Portugues, SA (BCP) (Registered Shares)	11,879,677	24,978,902	0.3
	Banking--International	50	Banco Portugues do Atlantico (BPA)	1,244	953	0.0
			Total Common Stocks in Portugal	11,880,921	24,979,855	0.3
Russia	Telecommunications	1,611,800	PLD Telekom Inc. (USD)	10,028,238	3,122,863	0.0
		18,700	PLD Telekom Inc. (Warrants) (a) (USD)	30,855	5,610	0.0
		149,000	PLD Telekom Inc. (Warrants) (a) (USD)	111,750	37,250	0.0
			Total Common Stocks in Russia	10,170,843	3,165,723	0.0
South Korea	Metals--Steel	716,660	Pohang Iron & Steel Company Ltd.	28,695,627	44,299,843	0.5
	Telecommunications	2,980	SK Telecom Co. Ltd.	1,016,559	2,281,798	0.0
		1,036,785	SK Telecom Co. Ltd. (ADR)++(USD)	5,226,630	10,562,243	0.2
				6,243,189	12,844,041	0.2
			Total Common Stocks in South Korea	34,938,816	57,143,884	0.7
Spain	Insurance	66,778	Corporacion Mapfre	1,272,758	1,502,711	0.0
			Total Common Stocks in Spain	1,272,758	1,502,711	0.0
Sweden	Appliances	937,679	Electrolux AB 'B'	10,152,244	14,557,618	0.2
	Automobiles & Equipment	43,916	Scania AB (Warrants) (a)	60,444	68,744	0.0
		391,430	Volvo AB 'B'	12,386,419	10,672,442	0.1
				12,446,863	10,741,186	0.1
	Industrial	119,420	SKF AB 'A'	2,217,257	1,501,599	0.0
	Insurance	1,022,258	Skandia Forsakrings AB	7,716,720	16,657,698	0.2
	Metals--Steel	901,522	Avesta Sheffield AB	7,672,265	2,926,494	0.1
	Multi-Industry	192,784	Svedala Industri AB	2,531,671	2,918,796	0.0
	Paper & Forest Products	411,853	Mo och Domsjo AB (MoDo) 'B'	10,072,522	10,753,687	0.1
			Total Common Stocks in Sweden	52,809,542	60,057,078	0.7
Switzerland	Banking	20,222	Banque Cantonale de Geneve (BCG)	6,737,471	3,988,841	0.0
		89,227	Credit Suisse Group (Registered Shares)	10,117,486	14,205,919	0.2
				16,854,957	18,194,760	0.2
	Banking & Financial	51,616	UBS AG	10,538,909	16,690,204	0.2
	Pharmaceuticals	8,212	Novartis AG (Registered Shares)	12,794,237	15,365,320	0.2
			Total Common Stocks in Switzerland	40,188,103	50,250,284	0.6

Thailand	Holding Companies	1,373,300	BEC World Public Company Limited 'Foreign'	8,876,272	7,220,060	0.1
			Total Common Stocks in Thailand	8,876,272	7,220,060	0.1
United Kingdom	Banking	874,699	Barclays PLC	13,450,733	19,535,457	0.2
		1,286,880	National Westminster Bank PLC	22,066,945	23,584,588	0.3
				-----	-----	-----
				35,517,678	43,120,045	0.5
	Building & Construction	325,351	Jarvis PLC	3,797,606	3,232,463	0.0
	Food & Beverage	1,256,839	Allied Domecq PLC	9,162,332	9,680,071	0.1
		672,142	Bass PLC	9,822,359	9,051,090	0.1
				-----	-----	-----
				18,984,691	18,731,161	0.2
	Holding Companies	8,595,618	BTR PLC	35,874,337	15,350,850	0.2
	Insurance	718,942	Allied Zurich AG	9,828,117	11,068,561	0.1
		1,758,447	Royal & Sun Alliance Insurance Group PLC	17,511,089	13,341,274	0.2
				-----	-----	-----
				27,339,206	24,409,835	0.3
	Manufacturing--Automotive Supplies	1,270,861	Lucas Varity PLC	3,986,954	6,052,323	0.1
	Retail--Food	1,610,493	Safeway PLC	9,038,358	7,206,948	0.1
	Retail Stores	301,675	Signet Group PLC (ADR)++(USD)	461,861	5,675,261	0.0
	Steel	3,909,076	British Steel PLC	9,053,760	8,586,061	0.1
	Telecommunications	568,677	Cable & Wireless PLC	4,292,301	8,213,487	0.1
			Total Common Stocks in the United Kingdom	148,346,752	140,578,434	1.6
United States	Aerospace & Defense	9,565	Raytheon Company (Class A)	307,416	533,249	0.0
	Apparel	700,000	Fruit of the Loom, Inc. (Class A)	18,572,062	10,150,000	0.1
	Banking	195,100	Banco Santander Puerto Rico	4,194,650	4,109,294	0.1
		465,000	Bank One Corporation	7,980,784	24,354,375	0.3
		259,000	Banknorth Group, Inc.	1,865,422	7,543,375	0.1
		2,760,939	Golden State Bancorp Inc.	27,171,636	51,595,048	0.6
		2,440,239	Golden State Bancorp Inc. (Warrants) (a)	4,603,013	10,294,758	0.1
		770,194	Golden State Bancorp Inc. (Warrants) (a)	0	8,712,820	0.1
		1,400,000	KeyCorp	20,571,401	44,625,000	0.5
		765,800	Mellon Bank Corporation	15,383,225	51,308,600	0.6
		265,900	Oriental Financial Group Inc.	3,509,880	8,608,513	0.1
		1,520,000	Republic New York Corporation	33,998,213	55,670,000	0.6
				-----	-----	-----
				119,278,224	266,821,783	3.1

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

<TABLE>		SCHEDULE OF INVESTMENTS (continued)		(in US dollars)			
<CAPTION>							
COUNTRY	Industries	Shares Held	Common Stocks	Cost	Value	Percent of Net Assets	
<S>	<S>	<C>	<S>	<C>	<C>	<C>	
United States	Building Products	500,000	Chicago Bridge & Iron Company NV (NY Registered Shares)	\$ 8,322,525	\$ 5,687,500	0.1%	
(continued)		567,892	Flowserve Corporation	14,089,137	9,547,684	0.1	

			22,411,662	15,235,184	0.2
Business Data Processing	621,500	Imation Corp.	9,905,939	9,672,094	0.1
Business Data Systems	2,000,000	Information Resources, Inc.	19,613,837	17,250,000	0.2
Chemicals	200,000	The Geon Company	3,796,275	4,800,000	0.1
Commercial Services	1,000,000	Cendant Corporation	15,284,061	21,750,000	0.2
Computer Software	1,300,000	FileNET Corporation	5,900,936	13,162,500	0.2
	300,000	Hyperion Solutions Corporation	5,400,575	5,606,250	0.1
	2,400,000	Inprise Corporation	33,535,053	12,300,000	0.1
	300,000	PLATINUM technology International, Inc.	3,985,707	3,975,000	0.0
			48,822,271	35,043,750	0.4
Computers & Technology	2,000,000	Iomega Corporation	10,010,893	14,250,000	0.2
	750,000	Komag, Incorporated	12,619,584	8,250,000	0.1
	1,100,000	Silicon Graphics, Inc.	16,560,378	22,825,000	0.2
			39,190,855	45,325,000	0.5
Construction & Housing	200,000	Hovnanian Enterprises, Inc. (Class A)	1,750,602	1,762,500	0.0
Construction Products	500,000	TJ International, Inc.	8,846,801	12,062,500	0.1
Consumer--Miscellaneous	90,770	Ascent Entertainment Group, Inc.	631,090	1,089,240	0.0
Electronics	2,300,000	Cabletron Systems, Inc.	34,233,860	24,006,250	0.3
	2,101,000	Checkpoint Systems, Inc.	23,069,827	22,323,125	0.3
	1,198,400	MEMC Electronic Materials, Inc.	23,009,552	10,635,800	0.1
	1,020,000	Millipore Corporation	27,923,143	31,173,750	0.4
	1,656,900	Silicon Valley Group, Inc.	27,105,826	27,131,738	0.3
	400,000	Tektronix, Inc.	6,399,134	10,125,000	0.1
			141,741,342	125,395,663	1.5
Energy & Petroleum	1,079,400	Arch Coal, Inc.	28,887,320	13,762,350	0.2
	46,400	Mitchell Energy & Development Corp. (Class A)	675,716	545,200	0.0
	174,350	Mitchell Energy & Development Corp. (Class B)	2,755,451	2,201,169	0.0
	50,000	Murphy Oil Corporation	1,688,446	1,825,000	0.0
	1,500,000	Occidental Petroleum Corporation	28,058,743	22,593,750	0.3
	15,000	Plains Resources Inc.	85,955	170,625	0.0
	1,402,978	Santa Fe Energy Resources, Inc.	7,579,573	8,154,810	0.1
	1,000,000	TransTexas Gas Corporation	16,636,708	1,937,500	0.0
	200,000	USX-Marathon Group	3,413,440	4,550,000	0.1
			89,781,352	55,740,404	0.7
Finance	250,000	Friedman, Billings, Ramsey Group, Inc. (Class A)	1,536,900	1,593,750	0.0
Financial Services	163,600	American Capital Strategies, Ltd.	2,454,000	2,863,000	0.0
	1,972,900	Anthracite Capital, Inc.	29,662,250	13,563,687	0.2
			32,116,250	16,426,687	0.2
Forest Products	394,200	Deltic Timber Corporation	11,221,223	9,411,525	0.1
Gaming	1,235,000	Scientific Games Holdings Corp. (c)	27,568,304	21,303,750	0.2
Healthcare Services	300,000	Advocat, Inc.	2,852,500	1,631,250	0.0
	100,000	Baxter International Inc.	2,110,285	7,093,750	0.1
	2,004,700	Beverly Enterprises, Inc.	15,182,383	11,401,731	0.1
	2,100,000	Humana Inc.	32,795,915	37,537,500	0.4
	137,577	LTC Healthcare Inc.	619,051	386,935	0.0
	1,900,000	Oxford Health Plans, Inc.	38,599,541	33,012,500	0.4
	57,300	Sierra Health Services, Inc.	930,912	1,081,538	0.0

	350,000	United HealthCare Corporation	11,247,018	15,662,500	0.2
			104,337,605	107,807,704	1.2
Industrial	15,000	Bar Technologies Ltd. (Warrants) (a)	838,256	825,000	0.0
Information Processing	485,200	Billing Concepts Corp.	4,642,750	4,912,650	0.1
Insurance	2,498,000	AGCO Corporation	19,259,883	18,422,750	0.2
	186,300	Horace Mann Educators Corporation	2,143,166	4,471,200	0.0
	1,947,500	Risk Capital Holdings, Inc.	34,313,406	39,923,750	0.5
			55,716,455	62,817,700	0.7
Machinery	700,000	Weatherford International, Inc.	12,643,639	12,337,500	0.1
Metals & Mining	155,000	Alcoa Inc.	8,643,584	12,961,875	0.2
	1,400,000	Battle Mountain Gold Company	8,838,297	5,162,500	0.1
	1,100,000	Commonwealth Industries, Inc.	17,690,878	12,443,750	0.1
	850,000	Newmont Mining Corporation	31,553,907	15,034,375	0.2
	400,000	Nucor Corporation	18,363,133	19,600,000	0.2
	66,400	Reynolds Metals Company	2,836,501	3,245,300	0.0
	245,000	The Timken Company	4,388,743	5,313,438	0.1
			92,315,043	73,761,238	0.9
Metals--Non-Ferrous	600,000	USEC Inc.	8,550,000	8,700,000	0.1
Metals--Steel	245,000	Worthington Industries, Inc.	2,948,283	3,384,063	0.0
Multi-Industry	90,000	Loews Corporation	3,984,675	7,576,875	0.1
Natural Resources	210,519	Freeport-McMoRan Copper & Gold, Inc. (Class B)	3,665,657	2,078,875	0.0
Oil & Gas Producers	900,000	Rowan Companies, Inc.	12,395,215	7,931,250	0.1
	600,000	Tom Brown, Inc.	10,596,357	5,700,000	0.0
	300,000	Transocean Offshore Inc.	9,669,913	7,668,750	0.1
			32,661,485	21,300,000	0.2
Oil Field Equipment	201,900	Veritas DGC Inc.	2,715,091	2,511,131	0.0
Oil Services	200,000	Diamond Offshore Drilling, Inc.	5,150,000	4,600,000	0.0
	2,700,000	Input/Output, Inc.	24,438,350	17,212,500	0.2
	2,780,000	Noble Drilling Corporation	20,861,045	37,182,500	0.4
	350,000	Schlumberger Limited	19,517,500	16,668,750	0.2
	300,000	Tidewater Inc.	13,101,460	6,487,500	0.1
			83,068,355	82,151,250	0.9

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

COUNTRY		Shares Held	Common Stocks	Cost	Value	Percent of Net Assets
<S>	Industries <S>	<C>	<S>	<C>	<C>	<C>
United States (concluded)	Paper	160,200	Boise Cascade Corporation	\$ 4,225,000	\$ 4,816,012	0.1%
		165,000	Fort James Corporation	3,091,744	5,919,375	0.1
		240,000	Louisiana-Pacific Corporation	5,273,733	4,815,000	0.0
				12,590,477	15,550,387	0.2
	Pollution Control	500,000	Safety Kleen Corp.	5,574,398	7,562,500	0.1
	Publishing	300,000	The Reader's Digest Association, Inc. (Class A)	7,030,450	8,625,000	0.1
	Real Estate	2,574,465	Catellus Development Corporation	22,351,219	39,582,399	0.5
		3,633,600	Security Capital Group			

		Incorporated (Class B)	78,475,062	45,874,200	0.5
	3,453,682	Security Capital U.S. Realty	30,909,352	28,320,192	0.3
	700,000	United Dominion Realty Trust, Inc.	8,034,273	6,912,500	0.1
			-----	-----	-----
			139,769,906	120,689,291	1.4
Real Estate	1,638,300	AMB Property Corporation	35,614,536	36,247,387	0.4
Investment	382,713	Apartment Investment & Management			
Trusts		Company (Class A)	10,766,036	14,303,898	0.2
	100,000	CarrAmerica Realty Corporation	2,264,699	2,200,000	0.0
	455,000	Equity Office Properties Trust	11,602,500	11,602,500	0.2
	91,991	Horizon Group Properties, Inc.	551,946	413,959	0.0
	3,042,500	Imperial Credit Commercial			
		Mortgage Investment Corp.	42,303,825	28,903,750	0.3
	3,500,000	Meditrust Companies	68,896,350	54,906,250	0.6
	63,400	National Health Investors, Inc.	1,621,138	1,747,463	0.0
	874,400	Nationwide Health Properties, Inc.	17,980,378	18,143,800	0.2
	2,039,825	Prime Retail, Inc.	21,446,145	18,358,425	0.2
	400,000	Taubman Centers, Inc.	3,512,161	5,200,000	0.1
	920,000	Walden Residential Properties,			
		Inc. (Warrants) (a)	1,125,068	920,000	0.0
			-----	-----	-----
			217,684,782	192,947,432	2.2
Retail	206,500	Coinstar, Inc.	311,636	2,942,625	0.0
	850,000	Heilig-Meyers Company	11,224,247	5,578,125	0.1
			-----	-----	-----
			11,535,883	8,520,750	0.1
Retail--	1,000,000	Ugly Duckling Corporation	13,010,625	4,625,000	0.1
Automotive					
Retail Stores	1,110,000	Filene's Basement Corporation	10,092,619	2,636,250	0.1
	300,000	J. Baker, Inc.	5,134,145	1,771,875	0.0
	700,000	Toys 'R' Us, Inc.	15,851,134	10,500,000	0.1
			-----	-----	-----
			31,077,898	14,908,125	0.2
Savings Banks	572,886	Sovereign Bancorp, Inc.	1,552,137	7,268,491	0.1
Semiconductors	2,885,500	Cypress Semiconductor Corporation	22,983,735	28,855,000	0.3
Telecommuni-	300,000	Allen Telecom Inc.	3,338,218	2,025,000	0.0
cations	8,143,458	CAI Wireless Systems, Inc.	1,560,093	9,161,390	0.1
	485,300	CellNet Data Systems, Inc.	3,506,438	3,943,062	0.1
	120,363	CellNet Data Systems, Inc.			
		(Warrants) (a)	13,716,570	932,813	0.0
	2,770,200	General Communication, Inc.			
		(Class A)	18,631,175	13,158,450	0.2
	2,500,000	Glenayre Technologies, Inc.	25,609,813	12,500,000	0.1
	137,500	Leap Wireless International, Inc.	653,125	790,625	0.0
	800,000	QUALCOMM Incorporated	40,357,662	52,600,000	0.6
	47,000	United USN Inc. (Class A)			
		(Warrants) (a)	5,840,131	470	0.0
	14,113	United USN Inc. (Warrants) (a)	1,084,937	141	0.0
	526,600	Western Wireless Corporation			
		(Class A)	5,914,750	13,724,513	0.2
	18,315	Wireless One, Inc. (Warrants) (a)	18,315	183	0.0
			-----	-----	-----
			120,231,227	108,836,647	1.3
Textiles	2,600,000	Burlington Industries, Inc.	34,175,185	17,225,000	0.2
Tobacco	1,875,700	DIMON Incorporated	29,253,130	12,426,512	0.1
Transportation	500,000	J.B. Hunt Transport Services, Inc.	7,721,406	12,875,000	0.1
	450,000	Union Pacific Corporation	19,534,654	23,146,875	0.3
			-----	-----	-----
			27,256,060	36,021,875	0.4
Utilities--	47,570	BayCorp Holdings, Ltd.	2,549,753	220,011	0.0
Electric & Gas	4,105,623	Citizens Utilities Company (Class B)	35,740,872	32,075,180	0.4
	4,037,285	El Paso Electric Company	21,195,746	32,802,941	0.4
	1,590,000	Entergy Corporation	42,223,912	46,805,625	0.5
	1,127,900	Houston Industries Incorporated	22,955,631	34,259,962	0.4
	1,500,000	Niagara Mohawk Power Corporation	23,789,306	22,968,750	0.3
	1,117,500	Potomac Electric Power Company	26,018,509	26,051,719	0.3
	523,800	Unicom Corporation	12,074,658	18,660,375	0.2
			-----	-----	-----

				186,548,387	213,844,563	2.5
			Total Common Stocks in the United States	1,880,738,040	1,859,437,638	21.3
			Total Investments in Common Stocks	4,003,486,770	3,983,310,992	45.7
			Equity Closed-End Funds			
Austria	Financial Services	320,000	The Austria Fund (USD)	2,642,432	3,180,000	0.0
			Total Equity Closed-End Funds in Austria	2,642,432	3,180,000	0.0
Indonesia	Financial Services	25,600	Jakarta Growth Fund (USD)	158,080	57,600	0.0
			Total Equity Closed-End Funds in Indonesia	158,080	57,600	0.0
Ireland	Financial Services	150,000	Irish Investment Fund (USD)	1,086,041	3,206,250	0.1
			Total Equity Closed-End Funds in Ireland	1,086,041	3,206,250	0.1
Italy	Financial Services	150,000	Italy Fund (USD)	1,198,520	2,240,625	0.0
			Total Equity Closed-End Funds in Italy	1,198,520	2,240,625	0.0
South Korea	Financial Services	125,000	Fidelity Advisor Korea Fund (USD)	1,088,750	734,375	0.0
		200,000	Korea Equity Fund (USD)	1,369,598	775,000	0.0
		1,400,528	Korea Fund (USD)	19,847,163	13,217,483	0.2
		200,000	Korean Investment Fund (USD)	1,561,000	900,000	0.0
			Total Equity Closed-End Funds in South Korea	23,866,511	15,626,858	0.2
			Total Investments in Equity Closed-End Funds	28,951,584	24,311,333	0.3

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

<TABLE> SCHEDULE OF INVESTMENTS (continued) <CAPTION>			(in US dollars)			
COUNTRY <S>	Industries <S>	Shares Held <C>	Preferred Stocks <S>	Cost <C>	Value <C>	Percent of Net Assets <C>
Australia	Publishing	600,000	The News Corporation Limited (ADR) ++ (USD)	\$ 10,451,056	\$ 16,800,000	0.2%
			Total Preferred Stocks in Australia	10,451,056	16,800,000	0.2
Germany	Chemicals	138,305	Henkel KGaA	5,886,677	9,495,385	0.1
	Machinery & Equipment	157,130	Jungheinrich AG	3,186,845	1,943,591	0.0
	Medical Equipment	31,335	Fresenius AG	6,199,809	5,771,219	0.1
	Multi-Industry	450,000	RWE AG	8,725,424	14,043,150	0.2
			Total Preferred Stocks in Germany	23,998,755	31,253,345	0.4
Norway	Financial Services	175,000	A/S Eksportfinans (8.70%) (USD)	4,377,500	4,900,000	0.1
			Total Preferred Stocks in Norway	4,377,500	4,900,000	0.1
Portugal	Banking	181,400	BCP International Bank			

				(8% Convertible) (USD)	13,480,528	21,790,675	0.2
				Total Preferred Stocks in Portugal	13,480,528	21,790,675	0.2
Spain	Banking	188,100		Santander Overseas Bank (8% Convertible, Series D) (USD)	4,568,425	4,831,819	0.0
				Total Preferred Stocks in Spain	4,568,425	4,831,819	0.0
United States	Banking	140,000		California Federal Bank (9.125%, Series A)	3,485,500	3,692,500	0.0
	Cable Television	1,000,000		Diva Systems Corp. (Convertible, Series C)	8,410,000	5,000,000	0.1
		1,000,000		Diva Systems Corp. (Convertible, Series D)	11,440,000	5,000,000	0.1
					-----	-----	-----
					19,850,000	10,000,000	0.2
	Natural Resources	150,000		Cyprus Amax Minerals Co. (Convertible, Series A)	9,188,313	5,081,250	0.1
		219,000		Freeport-McMoRan Copper & Gold Inc.: (3.50% Convertible-Gold, Series B)	7,703,330	3,723,000	0.0
		348,700		(5% Convertible, Series A)	7,918,834	5,535,612	0.1
					-----	-----	-----
					24,810,477	14,339,862	0.2
	Publishing	198,500		Reader's Digest Association, Inc. (Trust Automatic Common Exchange Securities) (Convertible)	4,652,344	5,570,406	0.1
	Railroads	40,000		Union Pacific Capital Trust (6.25% Convertible)	1,793,600	1,990,000	0.0
	Real Estate Investment Trusts	476,800		Apartment Investment & Management Co. (9.375%, Series G)	11,751,900	10,728,000	0.1
		298,746		Bradley Real Estate Inc. (8.40% Convertible, Series A)	6,852,856	6,983,188	0.1
		97,300		Carramerica Realty Corp. (8.55%, Series C)	2,398,445	2,164,925	0.0
		400,000		Crown American Realty Trust (11%, Series A)	20,000,000	19,525,000	0.2
		139,200		First Union CV PFA (8.40% Convertible, Series A)	3,480,000	2,801,400	0.0
		350,000		National Health Investors, Inc. (8.50% Convertible)	8,750,000	8,837,500	0.1
		717,500		Prime Retail, Inc. (10.50%) Walden Residential Properties, Inc.:	16,366,161	17,623,594	0.2
		50,000		(9.16% Convertible, Series B)	1,418,750	1,162,500	0.0
		1,078,000		(9.20% Convertible, Series S)	26,269,636	23,446,500	0.3
					-----	-----	-----
					97,287,748	93,272,607	1.0
	Utilities	77,600		Citizens Utilities Trust (5% Convertible)	3,398,931	3,142,800	0.0
				Total Preferred Stocks in the United States	155,278,600	132,008,175	1.5
				Total Investments in Preferred Stocks	212,154,864	211,584,014	2.4
				Fixed-Income Securities			
Argentina	Banking	USD	45,000,000	Banco Rio de la Plata SA, 8.75% due 12/15/2003	36,900,950	41,400,000	0.5
	Food/Dairy Products	USD	23,500,000	Mastellone Hermanos SA, 11.75% due 4/01/2008	23,687,500	19,270,000	0.2
	Government Obligations	ARS	36,550,000	City of Buenos Aires: 10.50% due 5/28/2004	31,996,453	27,240,374	0.3
		USD	38,000,000	11.25% due 4/11/2007	37,715,000	33,440,000	0.4
		USD	14,229,000	11.25% due 4/11/2007 (Regulation S)	13,888,779	12,521,520	0.1

				Republic of Argentina:					
		USD	131,271,000	6.187% due 3/31/2005 (d) (1) (n)	96,814,548	104,688,622	1.2		
		USD	85,000,000	11.375% due 1/30/2017	82,988,125	77,881,250	0.9		
		USD	185,750,000	9.75% due 9/19/2027	141,356,855	152,779,375	1.8		
		USD	30,000,000	Par 'L' Bonds, 5.75% due 3/31/2023 (1)	18,786,154	20,850,000	0.2		
		USD	80,000,000	Series L, 6.437% due 3/31/2023 (1)	55,087,021	54,400,000	0.6		
					-----	-----	-----		
					478,632,935	483,801,141	5.5		
				Total Fixed-Income Securities in Argentina	539,221,385	544,471,141	6.2		
Brazil	Banking			Banco Nacional de Desenvolvimento Economico e Social:					
		USD	7,500,000	9% due 9/24/2007	6,675,000	4,350,000	0.0		
		USD	61,100,000	15.224% due 6/16/2008	39,616,937	41,242,500	0.5		
					-----	-----	-----		
					46,291,937	45,592,500	0.5		
	Government			Republic of Brazil:					
	Obligations	USD	35,000,000	Exit Bonds, 6% due 9/15/2013 (1)	20,187,780	21,000,000	0.2		
		USD	10,000,000	Par 'L' Bonds, 5.50% due 4/15/2024 (d) (1)	6,100,000	5,437,500	0.1		
					-----	-----	-----		
					26,287,780	26,437,500	0.3		
	Industrial	USD	9,500,000	Companhia Vale Do Rio Doce, 10% due 4/02/2004	8,265,000	8,265,000	0.1		
		USD	13,000,000	Globo Comunicacoes e Participacoes SA, 10.625% due 12/05/2008	12,954,500	6,110,000	0.1		
					-----	-----	-----		
					21,219,500	14,375,000	0.2		
	Utilities	USD	32,250,000	Espirito Santo-Escelsa, 10% due 7/15/2007	31,726,875	17,415,000	0.2		
				Total Fixed-Income Securities in Brazil	125,526,092	103,820,000	1.2		
Canada	Cable/Telecommunications	CAD	7,545,000	Rogers Cablesystem Inc., 9.65% due 1/15/2014	4,397,424	5,383,932	0.1		
		CAD	3,000,000	Rogers Communications, Inc., 7.50% due 9/01/1999 (Convertible Bonds)	2,041,006	2,071,192	0.0		
					-----	-----	-----		
					6,438,430	7,455,124	0.1		
	Industrial--Services	USD	17,100,000	Ainsworth Lumber Company, 12.50% due 7/15/2007+++	16,668,015	17,100,000	0.2		
	Paper & Forest Products	CAD	2,000,000	MacMillan Bloedel Ltd., 5% due 5/01/2007 (Convertible Bonds)	1,024,416	1,099,338	0.0		
	Real Estate	CAD	16,501,370	First Place Tower, Inc., 10.92% due 12/15/2015 (Convertible Bonds) (e)	26,874,771	29,505,761	0.3		
				Total Fixed-Income Securities in Canada	51,005,632	55,160,223	0.6		

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

<TABLE>

SCHEDULE OF INVESTMENTS (continued)

(in US dollars)

<CAPTION>

COUNTRY	Industries	Currency Denomina- tion	Face Amount	Fixed-Income Securities	Cost	Value	Percent of Net Assets
<S>	<S>	<S>	<C>	<S>	<C>	<C>	<C>
Cayman Islands	Multi-Industry	USD	50,000,000	Beta Finance Corp., 0.20% due 5/27/2000	\$ 51,191,648	\$ 50,170,000	0.6%

				Total Fixed-Income Securities in the Cayman Islands	51,191,648	50,170,000	0.6
Chile	Utilities-- Electric	USD	28,500,000	Empresa Electricidad del Norte: 10.50% due 6/15/2005	28,625,000	17,100,000	0.2
		USD	11,800,000	10.50% due 6/15/2005 (Regulation S)	8,904,750	7,080,000	0.1
				Total Fixed-Income Securities in Chile	37,529,750	24,180,000	0.3
China	Multi- Industry	USD	18,300,000	Shanghai Industrial Investment Treasury Co., 1% due 2/24/2003 (Convertible Bonds)	12,667,385	13,816,500	0.2
		USD	4,450,000	Shanghai Investment Holdings, 1% due 6/12/2002 (Convertible Bonds)	4,103,654	3,571,125	0.0
					-----	-----	-----
					16,771,039	17,387,625	0.2
	Utilities --Electric	USD	55,250,000	Huaneng Power International PLC, 1.75% due 5/21/2004 (Convertible Bonds)	45,890,393	46,410,000	0.5
				Total Fixed-Income Securities in China	62,661,432	63,797,625	0.7
France	Insurance	EUR	77,059	Finaxa, 3% due 1/01/2007 (Convertible Bonds)	9,985,472	12,286,241	0.1
	Real Estate	EUR	164,800,000	Societe Fonciere Lyonnaise SA, 4% due 10/31/2004 (Convertible Bonds)	28,280,170	33,460,553	0.4
				Total Fixed-Income Securities in France	38,265,642	45,746,794	0.5
Germany	Elec- trical Equipment	USD	1,000,000	Siemens AG, 8% due 6/24/2002	1,027,467	1,071,250	0.0
	Financial Services	USD	5,875,000	Veba International Finance (with Warrants), 6% due 4/06/2000 (a)	2,965,841	5,875,000	0.1
				Total Fixed-Income Securities in Germany	3,993,308	6,946,250	0.1
Hong Kong	Multi- Industry	USD	17,250,000	First Pacific Capital Ltd., 2% due 3/27/2002 (Convertible Bonds)	16,927,221	15,180,000	0.2
		USD	16,000,000	Hutchison Delta Finance, 7% due 11/08/2001 (Convertible Bonds)	16,640,000	16,800,000	0.2
		USD	49,250,000	Hutchison Whampoa Limited: 7.45% due 8/01/2017	41,025,000	42,108,750	0.5
		USD	24,400,000	7.50% due 8/01/2027	19,671,062	20,496,000	0.2
					-----	-----	-----
					94,263,283	94,584,750	1.1
	Utilities --Infra- structure	USD	21,750,000	Cathay International Ltd., 13% due 4/15/2008	21,618,750	6,090,000	0.0
				Total Fixed-Income Securities in Hong Kong	115,882,033	100,674,750	1.1
Indonesia	Paper & Forest Products	USD	7,650,000	APP Finance VII Mauritius, 3.50% due 4/30/2003 (Convertible Bonds)	6,196,500	3,805,875	0.1
		USD	35,000,000	APP Global Finance V Ltd., 2% due 7/25/2000 (Convertible Bonds)	35,135,500	27,475,000	0.3
		USD	3,965,000	PT Indah Kiat Pulp & Paper, 8.875% due 11/01/2000	3,300,862	2,577,250	0.0
				Total Fixed-Income Securities in Indonesia	44,632,862	33,858,125	0.4
Japan	Banking	JPY	1,990,000,000	Asahi Bank, Ltd., 0.50% due 8/01/2007 (Convertible Bonds)	11,572,219	17,584,494	0.2

	JPY	8,991,000,000	Fuji International Finance Trust, 0.25% due 2/01/2002 (Convertible Preference Shares)	57,009,671	31,315,402	0.4
	USD	23,250,000	MBL International Finance (Bermuda), 3% due 11/30/2002 (Convertible Bonds)	22,298,437	23,947,500	0.3
	JPY	5,410,000,000	Sumitomo Bank International Finance NV, 0.75% due 5/31/2001 (Convertible Bonds)	44,571,881	54,318,670	0.6
				-----	-----	-----
				135,452,208	127,166,066	1.5
Beverages	JPY	1,711,000,000	Kinki Coca-Cola Bottling Co., Ltd., #1, 0.85% due 12/30/2003 (Convertible Bonds)	15,008,695	15,818,068	0.2
	JPY	1,706,000,000	Sanyo Coca-Cola Bottling Co., Ltd., #1, 0.90% due 6/30/2003 (Convertible Bonds)	15,066,042	20,994,892	0.2
	JPY	582,000,000	Shikoku Coca-Cola Bottling Co., Ltd., #1, 2.40% due 3/29/2002 (Convertible Bonds)	5,406,026	6,356,553	0.1
				-----	-----	-----
				35,480,763	43,169,513	0.5
Chemicals			Shin-Etsu Chemical Co., Ltd. (Convertible Bonds):			
	JPY	148,000,000	#5, 1.30% due 3/31/1999	1,577,446	2,125,559	0.0
	JPY	301,000,000	#6, 0.40% due 9/30/2005	2,987,802	3,908,755	0.0
	USD	4,700,000	Shin-Etsu Chemical Co., Ltd. (with Warrants), 3.375% due 8/08/2000 (a)	3,274,060	4,488,500	0.1
				-----	-----	-----
				7,839,308	10,522,814	0.1
Elec- trical Equipment	JPY	1,339,000,000	Matsushita Electric Works, Ltd., #9, 1% due 11/30/2005 (Convertible Bonds)	13,252,580	12,494,109	0.1
Elec- tronics	JPY	650,000,000	Matsushita Electric Industrial Company, Ltd., #5, 1.30% due 3/29/2002 (Convertible Bonds)	6,133,347	7,155,143	0.1
Financial Services	JPY	862,000,000	Kokusai Securities Co., Ltd., 1.25% due 9/30/2013 (Convertible Bonds)	7,747,314	7,894,995	0.1
Indus- trial	JPY	1,492,000,000	Fuji Heavy Industries, #4, 0.90% due 9/30/2003 (Convertible Bonds)	13,672,391	16,423,805	0.2
	JPY	923,000,000	Toyoda Automatic Loom Works, #2, 0.35% due 9/30/2003 (Convertible Bonds)	8,689,380	8,588,631	0.1
				-----	-----	-----
				22,361,771	25,012,436	0.3
Insur- ance	JPY	456,000,000	Mitsui Marine & Fire Insurance Company, Ltd., #3, 0.70% due 3/31/2003 (Convertible Bonds)	3,786,983	3,886,275	0.0
	JPY	117,000,000	Nichido Fire & Marine Insurance Co., Ltd., #5, 1% due 3/31/2003 (Convertible Bonds)	1,109,381	996,130	0.0
			Nisshin Fire and Marine Insurance Company, Limited (Convertible Bonds):			
	JPY	900,000,000	#1, 0.65% due 3/31/2004	7,132,646	6,803,406	0.1
	JPY	1,626,000,000	#2, 0.75% due 3/31/2006	12,682,239	12,165,635	0.1

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

<TABLE>

SCHEDULE OF INVESTMENTS (continued)

(in US dollars)

<CAPTION>

COUNTRY	Industries	Currency Denomina- tion	Face Amount	Fixed-Income Securities	Cost	Value	Percent of Net Assets
<S>	<S>	<S>	<C>	<S>	<C>	<C>	<C>
Japan (con-	Insurance (concluded)			Sumitomo Marine & Fire Insurance Co., Ltd. (Convertible Bonds):			

cluded)		JPY	300,000,000	#3, 1.10% due 3/29/2002	\$ 2,522,005	\$ 2,902,477	0.0%
		JPY	1,527,000,000	#4, 1.20% due 3/31/2004	13,104,977	14,773,607	0.2
		JPY	588,000,000	Yasuda Fire & Marine Insurance Co. Ltd., #3, 0.60% due 3/30/2001 (Convertible Bonds)	4,903,719	4,996,078	0.1
					-----	-----	-----
				45,241,950	46,523,608	0.5	
			Total Fixed-Income Securities in Japan	273,509,241	279,938,684	3.2	
Malaysia	Oil-- Related	USD	24,950,000	Petroliam Nasional Berhad: 7.125% due 8/15/2005	16,615,125	21,550,562	0.2
		USD	74,125,000	7.75% due 8/15/2015	40,801,875	52,628,750	0.6
		USD	117,464,000	7.625% due 10/15/2026	76,021,344	83,399,440	1.0
					-----	-----	-----
					133,438,344	157,578,752	1.8
	Tele-communications	USD	3,000,000	Telekom Malaysia Berhad: 4% due 10/03/2004 (Convertible Bonds)	2,523,750	2,220,000	0.0
		USD	62,350,000	4% due 10/03/2004 (Convertible Bonds) (Regulation S)	52,446,837	46,139,000	0.5
		USD	5,250,000	7.875% due 8/01/2025	4,213,125	3,806,250	0.1
		USD	61,825,000	7.875% due 8/01/2025 (Regulation S)	42,609,110	44,823,125	0.5
					-----	-----	-----
				101,792,822	96,988,375	1.1	
			Total Fixed-Income Securities in Malaysia	235,231,166	254,567,127	2.9	
Mexico	Oil-- Related	USD	61,500,000	Petroleos Mexicanos: 9.25% due 3/30/2018 (Regulation S)	54,948,750	47,355,000	0.5
		USD	45,150,000	8.625% due 12/01/2023	25,007,000	33,862,500	0.4
				Total Fixed-Income Securities in Mexico	79,955,750	81,217,500	0.9
New Zealand	Government Obligations	NZD	15,000,000	New Zealand Index Linked Notes, Series 216, 4.50% due 2/14/2016	8,418,821	8,434,717	0.1
					Total Fixed-Income Securities in New Zealand	8,418,821	8,434,717
Philippines	Multi-Industry	USD	26,750,000	AC International Finance (Convertible Bonds): 0% due 12/08/2000 (b)	22,113,484	22,336,250	0.2
		USD	4,750,000	0.50% due 7/30/2002	4,373,252	4,702,500	0.1
				Total Fixed-Income Securities in the Philippines	26,486,736	27,038,750	0.3
Russia	Government Obligations	USD	64,400,000	City of St. Petersburg, 9.50% due 6/18/2002	22,912,562	16,100,000	0.2
		USD	13,800,000	Russian Federation Bonds: 9.25% due 11/27/2001 (Regulation S)	7,349,645	5,244,000	0.1
		USD	116,300,000	8.75% due 7/24/2005	26,747,198	29,656,500	0.3
		USD	142,750,000	12.75% due 6/24/2028	131,353,237	45,680,000	0.5
					-----	-----	-----
				205,198,942	106,888,500	1.2	
	Oil & Gas Producers	USD	13,250,000	Lukinter Finance, 3.50% due 5/06/2002 (Convertible Bonds)	11,016,687	4,902,500	0.1
Tele-communications	Tele-communications	USD	74,500,000	PLD Telekom Inc. (i): 14% due 6/01/2004	74,500,000	40,975,000	0.5
		USD	18,700,000	9% due 6/01/2006 (Convertible Bonds)	18,756,250	9,350,000	0.1
				-----	-----	-----	
				93,256,250	50,325,000	0.6	
	Utilities	USD	56,850,000	Mosenergo Finance BV, 8.375%			

				due 10/09/2002	28,102,613	10,517,250	0.1
				Total Fixed-Income Securities in Russia	337,574,492	172,633,250	2.0
Singapore	Multi- Industry	USD	11,290,000	Far East Livingston Shipyards, 1.50% due 5/02/2001 (Convertible Bonds)	9,273,312	9,878,750	0.1
				Keppel Corporation Limited (Redeemable Cumulative Convertible Preference Shares):			
		USD	47,500,000	2% due 8/12/2002	47,492,500	46,075,000	0.5
		USD	5,000,000	2% due 8/12/2002 (Regulation S)	4,599,690	4,850,000	0.1
					-----	-----	-----
					61,365,502	60,803,750	0.7
	Tele- communi- cations	USD	38,250,000	Fullerton Global Corp., 0% due 4/02/2003 (Convertible Bonds) (b)	35,544,153	35,526,600	0.4
				Total Fixed-Income Securities in Singapore	96,909,655	96,330,350	1.1
South Africa	Insurance	USD	36,300,000	LibLife International, 6.50% due 9/30/2004 (Convertible Bonds)	37,208,125	32,942,250	0.4
				Total Fixed-Income Securities in South Africa	37,208,125	32,942,250	0.4
South Korea	Banking	USD	4,000,000	Export-Import Bank of Korea: 6.50% due 2/10/2002	2,780,000	3,680,000	0.0
		USD	21,000,000	Series D, 6.50% due 11/15/2006	16,459,400	19,005,000	0.2
		USD	1,500,000	Koram Bank Ltd. (Convertible Bonds): 0.25% due 8/26/2007	1,447,500	1,245,000	0.0
		USD	5,750,000	0.25% due 8/26/2007 (Regulation S)	5,291,426	4,772,500	0.1
		USD	7,500,000	Korea Development Bank: 7.125% due 9/17/2001	6,374,100	7,327,800	0.1
		USD	10,000,000	6.625% due 11/21/2003	8,047,500	9,426,300	0.1
					-----	-----	-----
					40,399,926	45,456,600	0.5
	Elec- tronics	USD	7,000,000	Samsung Electronics Co. (Convertible Bonds): 0.25% due 12/31/2006 (Regulation S)	5,676,375	8,330,000	0.1
		USD	1,500,000	0% due 12/31/2007 (b)	1,548,018	1,485,000	0.0
		USD	36,000,000	0% due 12/31/2007 (Regulation S) (b)	33,204,532	35,640,000	0.4
					-----	-----	-----
					40,428,925	45,455,000	0.5
	Energy Related	USD	9,755,000	Ssangyong Oil Refining Co. (Convertible Bonds): 3% due 12/31/2004	7,206,837	5,560,350	0.1
		USD	16,535,000	3.75% due 12/31/2008	17,448,950	16,535,000	0.2
					-----	-----	-----
					24,655,787	22,095,350	0.3
	Machinery & Equipment	CHF	10,000,000	Medison Co., 0.25% due 3/06/2002 (Convertible Bonds)	6,433,041	7,537,865	0.1

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

<TABLE>
SCHEDULE OF INVESTMENTS (continued) (in US dollars)
<CAPTION>

COUNTRY	Industries	Currency Denomina- <S>	Face Amount <C>	Fixed-Income Securities <S>	Cost <C>	Value <C>	Percent of Net Assets <C>
South Korea (concluded)	Metals-- Steel	USD	6,485,000	Pohang Iron & Steel Company Ltd.: 7.375% due 5/15/2005	\$ 4,474,650	\$ 5,860,819	0.1%
		USD	5,000,000	7.125% due 11/01/2006	3,800,000	4,356,250	0.0
					-----	-----	-----
					8,274,650	10,217,069	0.1

Multi-Industry	CHF	5,250,000	Daewood Corporation, 0.125% due 12/31/2001 (Convertible Bonds)	3,642,719	3,217,682	0.0	
Tele-communications	USD	3,350,000	Korea Telecom: 7.50% due 6/01/2006	2,202,625	3,049,270	0.0	
	USD	19,000,000	7.625% due 4/15/2007	15,407,100	17,907,500	0.2	
	USD	40,000,000	SK Telecom Co. Ltd., 7.75% due 4/29/2004	31,591,662	37,600,000	0.5	
				-----	-----	-----	
				49,201,387	58,556,770	0.7	
Utilities--Electric	USD	40,750,000	Korea Electric Power Corp.: 5% due 8/01/2001 (Convertible Bonds)	38,392,275	38,712,500	0.4	
	USD	9,250,000	8% due 7/01/2002	8,044,570	9,111,250	0.1	
	USD	10,600,000	7% due 10/01/2002	9,179,140	9,964,000	0.1	
	USD	45,000,000	6.375% due 12/01/2003	34,280,000	40,893,750	0.5	
	USD	5,000,000	6% due 12/01/2026	3,786,500	4,525,000	0.1	
	USD	3,300,000	7% due 2/01/2027	2,450,250	3,019,500	0.0	
				-----	-----	-----	
				96,132,735	106,226,000	1.2	
			Total Fixed-Income Securities in South Korea	269,169,170	298,762,336	3.4	
Thailand	Metals --Steel	USD	44,000,000	NSM Steel Inc., 12% due 2/01/2006	40,139,219	7,920,000	0.1
				Total Fixed-Income Securities in Thailand	40,139,219	7,920,000	0.1
Turkey	Tele-communications	USD	37,000,000	Cellco Finance NV, 15% due 8/01/2005	37,000,000	34,965,000	0.4
				Total Fixed-Income Securities in Turkey	37,000,000	34,965,000	0.4
United Kingdom	Financial Services	GBP	11,600,000	Liberty International Holdings PLC, 5.50% due 4/30/2009 (Convertible Bonds)	14,179,895	19,001,896	0.2
	Tele-communications	USD	29,200,000	International Cabletel, Inc., Series B, 0/11.50% due 2/01/2006 (b)	23,573,206	25,112,000	0.3
		USD	10,000,000	Millicom International Cellular, 0/13.50% due 6/01/2006 (b)	7,308,564	7,250,000	0.1
		GBP	14,250,000	NTL Incorporated, 0/10.75% due 4/01/2008 (b)	12,677,644	15,912,918	0.2
				-----	-----	-----	
				43,559,414	48,274,918	0.6	
				Total Fixed-Income Securities in the United Kingdom	57,739,309	67,276,814	0.8
United States	Airlines	USD	15,000,000	Trans World Airlines, 11.375% due 3/01/2006	15,000,000	8,100,000	0.1
	Banking	USD	14,250,000	Ocwen Federal Bank FSB, 12% due 6/15/2005	14,250,000	12,967,500	0.1
	Bio-technology	USD	7,200,000	Cetus Corporation, 5.25% due 5/21/2002 (Convertible Bonds)	5,220,250	6,984,000	0.1
	Chemicals	USD	9,000,000	Philipp Brothers Chemical, 9.875% due 6/01/2008	9,000,000	8,685,000	0.1
	Financial Services	USD	4,500,000	Hawthorne Financial Corp., 12.50% due 12/31/2004	4,500,000	4,365,000	0.1
	Food & Beverage	USD	15,000,000	Tom's Foods Inc., 10.50% due 11/01/2004	15,000,000	14,175,000	0.2
	Health-care	USD	17,450,000	American Retirement Corp., 5.75% due 10/01/2002 (Convertible Bonds)	17,174,000	15,268,750	0.2
	Indust-	USD	8,000,000	Bar Technologies Ltd., 13.50%			

rial			due 4/01/2001	7,412,450	8,460,000	0.1
	USD	25,000,000	CTI Holdings SA, 0/11.50% due 4/15/2008 (b)	15,433,318	9,250,000	0.1
	USD	13,700,000	Camargo Correa, 8.75% due 7/22/2005	11,841,750	9,110,500	0.1
				-----	-----	-----
				34,687,518	26,820,500	0.3
Metals --Steel	USD	2,442,500	Worthington Industries, Inc. (Convertible, Series DECS), 7.25%	38,015,300	28,088,750	0.3
Oil-- Related	USD	6,500,000	PDV America Inc., 7.75% due 8/01/2000	6,540,625	6,248,125	0.1
Real Estate	USD	53,100,000	Security Capital U.S. Realty, 2% due 5/22/2003 (Convertible Bonds)	43,598,701	40,356,000	0.5
Real Estate Investment Trusts	USD	25,500,000	Alexander Haagen Properties, Inc., 7.25% due 12/27/2003 (Exchangeable Debentures)	25,291,250	24,543,750	0.3
	USD	6,500,000	Centerpoint Properties Trust, 8.22% due 1/15/2004 (Convertible Bonds)	6,500,000	11,602,500	0.1
	USD	25,000,000	First Washington Realty, 8.25% due 6/27/1999 (Exchangeable Debentures)	25,000,000	29,000,000	0.3
			HRPT Properties Trust (Convertible Bonds):			
	USD	40,000,000	7.25% due 10/01/2001	40,000,000	37,950,000	0.4
	USD	15,000,000	Series A, 7.50% due 10/01/2003	15,000,000	13,950,000	0.2
	USD	4,500,000	Healthcare Realty Trust, Inc., 6.55% due 3/14/2002 (Convertible Bonds)	4,205,446	4,061,250	0.0
			LTC Properties, Inc. (Convertible Bonds):			
	USD	10,000,000	8.25% due 9/30/1999	10,000,000	9,975,000	0.1
	USD	8,000,000	8.50% due 1/01/2001	8,000,000	7,980,000	0.1
	USD	3,700,000	8.25% due 7/01/2001	3,644,500	3,589,000	0.0
	USD	25,000,000	Leperq Corporate Income Fund, 8% due 3/17/2004 (Exchangeable Secured Notes)	25,000,000	24,312,500	0.3
	USD	12,500,000	Liberty Property LP, 8.40% due 7/01/2001	12,500,000	14,812,500	0.2
	USD	27,000,000	Malan Realty Investors, Inc., 8.50% due 7/15/2003 (Convertible Bonds)	27,000,000	26,122,500	0.3
	USD	9,415,000	Meditrust Corporation, 8.54% due 7/01/2000 (Convertible Bonds)	9,602,637	9,061,937	0.1
	USD	5,000,000	Mid-Atlantic Realty Trust, 7.625% due 9/15/2003 (Convertible Bonds)	4,875,000	4,818,750	0.1
	USD	22,000,000	National Health Investors, Inc., 7.75% due 1/01/2001 (Convertible Bonds)	22,000,000	20,460,000	0.2
	USD	32,800,000	Omega Healthcare Investors, Inc., 8.50% due 2/01/2001 (Convertible Bonds)	32,846,000	34,645,000	0.4
	USD	5,500,000	Sizeler Property Investors, Inc., 8% due 7/15/2003 (Convertible Bonds)	5,505,000	5,183,750	0.1
				-----	-----	-----
				276,969,833	282,068,437	3.2
Retail	USD	14,500,000	Coinstar, Inc., 0/13% due 10/01/2006 (b) (j)	13,252,229	13,050,000	0.2
Retail-- Automotive	USD	3,445,000	Ugly Duckling Corporation, 12% due 10/15/2003	3,100,500	3,100,500	0.0
Savings Banks	USD	21,400,000	FirstFed Financial Corp., 11.75% due 10/01/2004	21,401,250	23,219,000	0.3

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

<TABLE>

SCHEDULE OF INVESTMENTS (continued)

(in US dollars)

<CAPTION>

COUNTRY <S>	Industries <S>	Currency Denomina- <S>	Face Amount <C>	Fixed-Income Securities <S>	Cost <C>	Value <C>	Percent of Net Assets <C>
United States (concluded)	Semi-conductors	USD	3,800,000	Cypress Semiconductor Corporation (Convertible Bonds): 6% due 10/01/2002	\$ 3,294,500	\$ 3,462,750	0.0%
		USD	3,600,000	6% due 10/01/2002 (Regulation S)	3,092,550	3,280,500	0.0
					-----	-----	-----
					6,387,050	6,743,250	0.0
	Tele-communications	USD	30,000,000	CAI Wireless Systems, Inc.: 10.50% due 10/14/2000	30,000,000	29,400,000	0.3
		USD	50,000,000	13% due 10/14/2000	50,000,000	49,250,000	0.6
		USD	81,795,736	13% due 10/14/2004	59,437,154	15,541,190	0.2
		USD	122,500,000	CS Wireless Systems Inc., Series B, 0/11.375% due 3/01/2006 (b) (m)	74,853,578	22,050,000	0.3
		USD	120,363,000	CellNet Data Systems, Inc., 0/14% due 10/01/2007 (b)	59,722,978	34,905,270	0.4
		USD	40,000,000	Centennial Communications Corp. (b): 0/14% due 1/01/2005	23,525,832	17,200,000	0.2
		USD	11,925,186	0/9% due 7/01/2006	10,770,054	6,916,608	0.1
		USD	118,922,000	Geotek Communications, Inc., Series B, 0/15% due 7/15/2005 (b)	62,888,627	38,055,040	0.4
		USD	4,210,000	Heartland Wireless Communications, Inc.: 13% due 4/15/2003	1,178,800	799,900	0.0
		USD	13,000,000	Series B, 14% due 10/15/2004	9,665,000	3,120,000	0.0
		USD	53,000,000	People's Choice TV Corporation, 0/13.125% due 6/01/2004 (b) (g)	33,275,000	9,805,000	0.1
		USD	5,000,000	Telegroup Inc.: 12% due 2/01/1999	5,000,000	4,962,500	0.1
		USD	21,750,000	0/10.50% due 11/01/2004 (b)	19,160,587	10,875,000	0.1
		USD	22,000,000	8% due 4/15/2005 (Convertible Bonds)	22,000,000	4,400,000	0.1
		USD	12,500,000	USN Communications, Inc.: 17% due 2/15/1999	12,500,000	12,312,500	0.1
		USD	32,032,000	Series B, 0/14.625% due 8/15/2004 (b)	20,201,944	960,960	0.0
		USD	12,697,035	Series B, 0/9% due 1/13/2006 (b)	10,688,736	63,485	0.0
		USD	33,000,000	United International Holdings, Series B, 0/10.75% due 2/15/2008 (b) (f)	21,601,770	21,780,000	0.3
		USD	17,000,000	United USN Inc. (b): 0/14% due 9/15/2003 (h)	12,406,754	510,000	0.0
		USD	35,000,000	0/9% due 9/30/2004 (Convertible Bonds)	33,007,710	175,000	0.0
		USD	12,500,000	Wireless One, Inc.: 13% due 4/15/1999	12,500,000	12,343,750	0.1
		USD	44,050,000	13% due 10/15/2003	22,563,375	3,964,500	0.0
		USD	34,750,000	0/13.50% due 8/01/2006 (b)	8,656,976	2,432,500	0.0
					-----	-----	-----
					615,604,875	301,823,203	3.4
	Trucking	USD	28,250,000	Ameritruck Distribution Corp., 12.25% due 11/15/2005	26,444,325	1,412,500	0.0
	US Government Obligations	USD	135,000,000	US Treasury Inflation Indexed Notes: 3.375% due 1/15/2007	133,163,156	135,767,379	1.6
		USD	30,000,000	3.625% due 1/15/2008	29,759,464	30,102,089	0.3
		USD	400,000,000	US Treasury Notes & Bonds (c): 5.875% due 2/28/1999	398,683,594	400,328,000	4.6
		USD	230,000,000	5.875% due 2/15/2000	226,233,594	232,803,700	2.7
					-----	-----	-----
					787,839,808	799,001,168	9.2
				Total Fixed-Income Securities in the United States	1,953,986,264	1,602,476,683	18.4
Venezuela	Finance	USD	8,443,000	CANTV Finance Ltd., 9.25% due 2/01/2004	8,231,925	5,952,315	0.1
				Total Fixed-Income Securities in Venezuela	8,231,925	5,952,315	0.1
				Total Investments in			

Fixed-Income Securities

4,531,469,657

3,999,280,684

45.8

Short-Term Securities

Indonesia	Certi- ficates of Deposit	IDR	60,000,000,000	UBS Singapore: 27% due 2/08/1999	7,523,511	6,741,573	0.1
		IDR	30,000,000,000	26% due 2/11/1999	3,797,468	3,370,787	0.0
		IDR	27,000,000,000	26% due 2/16/1999	3,406,940	3,033,708	0.0
		IDR	60,000,000,000	26% due 2/16/1999	7,594,937	6,741,573	0.1
		IDR	50,000,000,000	27% due 2/16/1999	6,250,000	5,617,978	0.1
		IDR	35,000,000,000	30% due 2/22/1999	4,216,867	3,932,584	0.1
		IDR	25,000,000,000	30% due 2/26/1999	2,881,844	2,808,989	0.0
				Total Short-Term Investments in Indonesia	35,671,567	32,247,192	0.4
United States	Commer- cial Paper+++++USD	USD	86,528,000	Ford Motor Credit Company, 4.83% due 2/01/1999	86,504,782	86,504,782	1.0
		USD	100,000,000	General Electric Capital Corp., 4.83% due 2/01/1999	99,973,167	99,973,167	1.1
				Total Short-Term Investments in the United States	186,477,949	186,477,949	2.1
				Total Investments in Short-Term Securities	222,149,516	218,725,141	2.5
				Total Investments	8,998,212,391	8,437,212,164	96.7

</TABLE>

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

<TABLE> SCHEDULE OF INVESTMENTS (concluded) <CAPTION>		(in US dollars)					
OPTIONS WRITTEN	Nominal Value Covered by Options	Issue	Premiums Received	Value	Percent of Net Assets		
<S>	<C>	<S>	<C>	<C>	<C>	<C>	
Call Options Written	60,000	Baxter International, Inc., expiring February 1999 at USD 65	\$ (159,445)	\$ (397,500)	0.0%		
	200,000	Glenayre Technologies, Inc., expiring March 1999 at USD 10	(306,490)	(50,000)	0.0		
		Total Options Written	(465,935)	(447,500)	0.0		
		Total Investments, Net of Options Written	\$ 8,997,746,456	8,436,764,664	96.7		
		Foreign Time Deposits*		5,459,438	0.1		
		Variation Margin on Financial Futures Contracts**		2,777,089	0.0		
		Unrealized Appreciation on Forward Foreign Exchange Contracts--Net***		24,810,031	0.3		
		Other Assets Less Liabilities		255,993,318	2.9		
		Net Assets		\$ 8,725,804,540	100.0%		
		Net Asset Value:					
	Class A--Based on net assets of \$1,376,220,844 and 108,034,577 shares outstanding			\$ 12.74			
	Class B--Based on net assets of \$5,713,027,896 and 455,730,038 shares outstanding			\$ 12.54			
	Class C--Based on net assets of \$413,998,970 and 33,461,892 shares outstanding			\$ 12.37			
	Class D--Based on net assets of \$1,222,556,830 and 96,076,291 shares outstanding			\$ 12.72			

<FN>

- (a) Warrants entitle the Fund to purchase a predetermined number of shares of stock/face amount of bonds and are non-income producing. The purchase price and number of shares of stock/face amount of bonds are subject to adjustment under certain conditions until the expiration date.
- (b) Represents a zero coupon or step bond. The interest rate on a step bond represents the fixed rate of interest that will commence

its accrual on a predetermined date until maturity.

- (c) All or a portion of security held as collateral in connection with open financial futures contracts.
- (d) Floating Rate Note.
- (e) Each \$10 face amount contains 40 shares of First Place Tower, Inc.
- (f) Each \$1,000 face amount contains one warrant of United International Holdings.
- (g) Each \$1,000 face amount contains one warrant of People's Choice TV Corporation.
- (h) Each \$1,000 face amount contains one warrant of United USN Inc.
- (i) Each \$1,000 face amount contains one warrant of PLD Telekom Inc.
- (j) Each \$1,000 face amount contains one warrant of Coinstar, Inc.
- (k) Receipts evidence payment by the Fund of 62% of the purchase price of common stock of HIH Insurance Limited. The Fund is obligated to pay the remaining 38%, approximately \$5,344,000, over the next year.
- (l) Represents a Brady Bond. Brady Bonds are securities which have been issued to refinance commercial bank loans and other debt. The risk associated with these instruments is the amount of any uncollateralized principal or interest payments since there is a high default rate of commercial bank loans by countries issuing these securities.
- (m) Each \$1,000 face amount contains 1.1 shares of common stock of CS Wireless Systems Inc.
- (n) Subject to principal paydowns as a result of prepayments or refinancings of the underlying mortgage instruments. As a result, the average life may be less than the original maturity.
- ++American Depositary Receipts (ADR).
- +++Global Depositary Receipts (GDR).
- +++Represents a pay-in-kind security which may pay interest in additional face.
- ++++Commercial Paper is traded on a discount basis. The interest rates shown reflect the discount rates paid at January 31, 1999.
- *Foreign time deposits bear interest at 4.50% and 4.55% with both maturing on 2/16/1999.
- **Financial futures contracts purchased as of January 31, 1999 were as follows:

Number of Contracts	Issue	Exchange	Expiration Date	Value
1,948	Nikkei 225	OSAKA	March 1999	\$ 245,091,503

Total Financial Futures Contracts Purchased (Total Contract Price--\$246,316,391)				\$ 245,091,503
				=====

Financial futures contracts sold as of January 31, 1999 were as follows:

Number of Contracts	Issue	Exchange	Expiration Date	Value
224	Japanese Govern- ment Bond	Tokyo	March 1999	\$ 248,349,499
375	Standard & Poor's 500 Index	NYSE	March 1999	120,140,625
200	US Treasury Bond	NYSE	March 1999	23,837,500

Total Financial Futures Contracts Sold (Total Contract Price--\$393,873,367)				\$ 392,327,624
				=====

***Forward foreign exchange contracts as of January 31, 1999 were as follows:

Foreign Currency Sold	Expiration Date	Unrealized Appreciation
CHF 47,000,000	March 1999	\$ 649,421
EUR 47,952,746	February 1999	1,784,531
EUR 106,165,275	March 1999	2,649,397
GBP 41,000,000	February 1999	1,998,470
GBP 66,000,000	March 1999	330,950
JPY 31,000,000,000	February 1999	3,013,557
JPY 37,000,000,000	March 1999	13,618,769
NOK 122,000,000	February 1999	136,597
NOK 50,000,000	March 1999	56,636

SEK	400,000,000	March 1999	571,703

Total Unrealized Appreciation on Forward			
Foreign Exchange Contracts--Net			
(USD Commitment--\$1,069,870,144)			\$ 24,810,031
			=====

Merrill Lynch Global Allocation Fund, Inc., January 31, 1999

COMMON STOCK PORTFOLIO CHANGES

For the Quarter Ended January 31, 1999

Additions

Banco Santander Puerto Rico
Equity Office Properties Trust
Hyperion Solutions Corporation
*Lend Lease Corporation Limited
PLATINUM technology International, Inc.
*Panfon Hellenic Telecom Co.
*Smurfit-Stone Container Corporation
Stora Enso Oyj 'A'
The Timken Company
Worthington Industries, Inc.

Deletions

3Com Corporation
Aetna Inc.
Alcatel Alsthom Cie Generale
d'Electricite SA
Allegheny Energy, Inc.
American General Corporation
BASF AG
Boole & Babbage, Inc.
Brierley Investments Limited
Central & South West Corporation
Compania Anonima Nacional Telefonos de
Venezuela (CANTV) (ADR)
Consolidated Freightways Corporation
Cooper Industries, Inc.
E.I. du Pont de Nemours and Company
Electronic Data Systems Corporation
GIO Australia Holdings, Ltd.
General Motors Corporation
HSBC Holdings PLC
Kokusai Securities Co., Ltd.
Koninklijke Pakhoed NV
Koninklijke Ten Cate NV
Korea Electric Power Corporation
*Lend Lease Corporation Limited
M.I.M. Holdings Limited
Misys PLC
Motorola, Inc.
National Steel Corp.
Newbridge Networks Corporation
Nitto Kohki Co., Ltd.
Oracle Corporation
*Panfon Hellenic Telecom Co.
PharMerica, Inc.
Rio Tinto PLC
STMicroelectronics NV
Shell Transport & Trading Co., PLC
SmithKline Beecham PLC
*Smurfit-Stone Container Corporation
SpeedFam International, Inc.
Stone Container Corporation
Stora Kopparbergs Bergslags AB
Swatch Group AG (Registered)
Taihei Dengyo Kaisha, Ltd.
Telecom Italia Mobile SpA-RISP
Texas Utilities Company
Wilshire Real Estate Investment Trust

<FN>

*Added and deleted in the same quarter.

PORTFOLIO INFORMATION

Worldwide
Investments
As of 1/31/99

Breakdown of Stocks &
Fixed-Income Securities by
Country

Percent of
Net Assets

United States*	43.3%
Japan	10.5
Argentina	6.7
South Korea	4.3
Malaysia	2.9
Germany	2.6
Australia	2.4
United Kingdom	2.4
France	2.3
Russia	2.0
Hong Kong	1.9
Canada	1.7
Brazil	1.6
Netherlands	1.1
Singapore	1.1
Mexico	1.1
Indonesia*	1.0
Italy	0.9
China	0.7
Finland	0.7
Sweden	0.7
Norway	0.6
Switzerland	0.6
Cayman Islands	0.6
Philippines	0.6
Portugal	0.5
Turkey	0.4
South Africa	0.4
Chile	0.3
Thailand	0.2
Ireland	0.2
Austria	0.1
New Zealand	0.1
Hungary	0.1
Venezuela	0.1
Spain**	0.0

<FN>

*Includes investments in short-term securities.

**Holdings are less than 0.1%.

Ten Largest Holdings
(Equity Investments)

Percent of
Net Assets

Broken Hill Proprietary Company Limited	0.8%
Republic New York Corporation	0.6
Meditrust Companies	0.6
QUALCOMM Incorporated	0.6
Golden State Bancorp Inc.	0.6
Mellon Bank Corporation	0.6
Hutchison Whampoa Limited	0.6
Entergy Corporation	0.5
Security Capital Group Incorporated (Class B)	0.5
KeyCorp	0.5

Ten Largest Industries (Equity Investments)	Percent of Net Assets
Banking++	6.3%
Insurance	3.8
Telecommunications	3.4
Utilities--Electric & Gas	2.5
Real Estate Investment Trusts	2.2
Multi-Industry	1.9
Electronics	1.6
Metals & Mining	1.5
Real Estate	1.4
Healthcare Services	1.2

<FN>

++Includes savings banks.

</TABLE>