ACM MANAGED DOLLAR INCOME FUND INC
Form N-CSR
December 10, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number: 811-7964

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

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

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

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

Date of fiscal year end: September 30, 2003

Date of reporting period: September 30, 2003

ITEM 1. REPORTS TO STOCKHOLDERS.

[LOGO] AllianceBernstein(SM)
Investment Research and Management

ACM Managed Dollar Income Fund

Annual Report--September 30, 2003

Investment Products Offered

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- Are Not FDIC Insured
- May Lose Value
- Are Not Bank Guaranteed

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You may obtain a description of the Fund's proxy voting policies and procedures, without charge, upon request by visiting Alliance Capital's web site at www.investor.alliancecapital.com or on the Securities and Exchange Commission's web site at http://www.sec.gov, or by calling Alliance Capital at (800) 227-4618.

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

November 20, 2003

Annual Report

This report provides management's discussion of fund performance for ACM Managed Dollar Income Fund (the "Fund") for the annual reporting period ended September 30, 2003.

Investment Objective and Policies

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

Investment Results

The following table shows how the Fund performed over the past six- and 12-month periods ended September 30, 2003. For comparison, we have included a composite benchmark consisting of 65% of the J.P. Morgan Emerging Markets Bond Index Plus (JPM EMBI+), a standard measure of the performance of a basket of unmanaged emerging market debt securities, and 35% of the Credit Suisse First Boston High Yield (CSFBHY) Index, a standard measure of the performance of a basket of unmanaged U.S. high yield debt securities. We compare the Fund's performance to this composite benchmark because it more closely resembles the composition of the Fund's portfolio.

INVESTMENT RESULTS*
Periods Ended September 30, 2003

	Returns	
	6 Months	12 Months
ACM Managed Dollar Income Fund (NAV)	17.76%	54.77%
J.P. Morgan Emerging Markets Bond Index Plus	13.73%	40.19%
Credit Suisse First Boston High Yield Index	13.08%	28.05%
Composite: 65%/35%		

(65% JPM EMBI+/35% CSFBHY Index)	13.54%	35.98%

The Fund's Market Price per share on September 30, 2003 was $8.15.

* The Fund's investment results are for the periods shown and are based on the net asset value (NAV) of the Fund as of September 30, 2003. All fees and expenses related to the operation of the Fund have been deducted. Returns for the Fund include the reinvestment of any distributions paid during each period. Past performance is no guarantee of future results.

The unmanaged J.P. Morgan Emerging Markets Bond Index Plus is comprised of dollar-denominated

restructured sovereign bonds; a large percentage of the index is made up of Brady bonds. The unmanaged Credit Suisse First Boston High Yield Index is a measure of lower-rated, fixed income, non-convertible U.S. dollar-denominated securities meeting certain criteria developed by Credit Suisse designed to enable the index to reflect the high yield market. The indices are unmanaged and reflect no fees or expenses. An investor cannot invest directly in an index, and its results are not indicative of any specific investment, including ACM Managed Dollar Income Fund.

The Fund significantly outperformed its composite benchmark for both the six- and 12-month periods ended September 30, 2003. The Fund benefited primarily from its emerging market debt country weightings, individual security selection and the Fund's ability to leverage. Country and security selection in the Fund's overweight allocation to Brazil was the largest contributor to both absolute and relative performance for the periods under review. Brazilian debt was also a top performer within the JPM EMBI+. The Fund's overweight position of Russia contributed positively to performance, as prospects for rating agency upgrades reflected the success of structural reforms that have led to economic growth and debt reduction. The Fund's holdings of Uruguayan and Venezuelan debt also had a positive impact on performance. Both countries conducted debt exchanges during this period that significantly improved the maturity structure of their external debt.

The Fund's high yield holdings contributed strong absolute returns, but modest underperformance relative to the composite benchmark. The Fund's underweighted position in the utility sector detracted from performance, as this sector showed strong performance throughout the reporting period. The Fund benefited from its overweighting in cable and wireless communications in which valuations significantly appreciated from previously oversold levels. In addition, the Fund's underweighting in energy, which languished at relatively overvalued levels versus the overall market, added to relative performance. Security selection also had a meaningful role in the Fund's performance. The Fund was underweighted versus the CSFBHY Index in more risky but stronger performing CCC-rated credits in most sectors.

Market Review and Investment Strategy

During the annual reporting period, investors' desire for higher yielding asset classes benefited both the emerging debt and high yield markets, as high levels of global liquidity encouraged more risk taking. The emerging market debt class, as represented by the JPM EMBI+, returned a strong 40.19% for the 12-month period under review. Latin countries outperformed non-Latin regions, which posted returns of 50.07% and 27.76%, respectively. All countries represented within the index posted positive returns. Top performing countries included Brazil at 108.78%, Ecuador at 87.90%, Nigeria at 63.32%, Peru at 47.66% and Colombia at 45.60%, while Bulgaria at 13.62%, Malaysia at 9.58% and Poland at 9.43% lagged. As risk aver-

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sion abated, the high yield sector rebounded strongly during the annual period, returning 28.05%, as measured by the CSFBHY Index. The telecommunication, media, utility and technology sectors, as well as the CCC credit tier, performed best during the 12-month period.

At the beginning of the annual period, we increased the Fund's exposure to Brazil on expectations of a victory for President Lula and our confidence that his administration would implement market-friendly policies. We further increased the Fund's exposure to the country as President Lula exceeded expectations in his ability to push forward crucial tax and social security reforms. Russia and Mexico continued to be a large percentage of the Fund's exposure; however, we reduced holdings of Mexico in the final three months of the period as bond valuations began to exceed interest rate risk. We have maintained the Fund's overweight position in Russian sovereign debt as credit statistics continued to improve. In April, Uruguay, with the support of the International Monetary Fund (IMF), announced an aggressive plan to swap its outstanding debt for longer maturity securities. We aggressively purchased Uruguay bonds after this announcement--a tactic that proved beneficial.

Within the high yield sector, we maintained the Fund's positions in certain cyclical sectors, such as paper and packaging and services, but continued to reduce allocations in specific names to enhance sector diversification. We continued to underweight credit challenged sectors, such as airlines, technology, utilities, wireline telecommunications and retail, but added some issuers in these sectors as we identified value in certain names. We maintained the Fund's underweighted positions in utilities and technology, due to credit concerns, as well as underweight positions in food/beverage and energy, due to unattractive valuation levels.

PERFORMANCE UPDATE

ACM MANAGED DOLLAR INCOME FUND (NAV)
GROWTH OF A $10,000 INVESTMENT
10/22/93* TO 9/30/03

ACM Managed Dollar Income Fund (NAV): $20,337

Composite: $25,475

[THE FOLLOWING TABLE WAS DEPICTED AS A MOUNTAIN CHART IN THE PRINTED MATERIAL.]

	ACM Managed Dollar Income Fund (NAV)	Composite**
10/22/93*	$10,000	$10,000
9/30/94	8,836	9,380
9/30/95	9,375	10,159
9/30/96	13,206	13,303
9/30/97	17,648	16,303
9/30/98	11,257	13,593
9/30/99	13,345	15,813
9/30/00	14,576	18,799
9/30/01	13,107	18,692
9/30/02	13,137	18,740
9/30/03	20,337	25,475

This chart illustrates the total value of an assumed $10,000 investment in ACM Managed Dollar Income Fund at net asset value (NAV) (from 10/22/93* to 9/30/03) as compared to the performance of an appropriate composite. The composite represents 65% of the J.P. Morgan Emerging Markets Bond Index Plus (JPM EMBI+) and 35% of the Credit Suisse First Boston High Yield (CSFBHY) Index. The composite is from the inception of the JPM EMBI+, which was 12/31/93. For the period 10/22/93 through 9/30/94, the J.P. Morgan Emerging Markets Bond Index was used in place of the JPM EMBI+. All other periods used the composite benchmark. The chart assumes the reinvestment of dividends and capital gains. Past performance is not indicative of future results, and is not representative of future gain or loss in capital value or dividend income.

* Fund and benchmark data are from the Fund's inception date of 10/22/93.

** The unmanaged JPM EMBI+ is comprised of dollar-denominated restructured sovereign bonds; a large percentage of the index is made up of Brady bonds. The CSFBHY Index is a measure of lower-rated, fixed-income, non-convertible U.S. dollar-denominated securities meeting certain criteria developed by Credit Suisse designed to enable the index to reflect the high yield market. The indices are unmanaged and reflect no fees or expenses. When comparing ACM Managed Dollar Income Fund to the composite shown above, you should note that no charges or expenses are reflected in the performance of the composite. An investor cannot invest directly in an index, and its results are not indicative of any specific investment, including ACM Managed Dollar Income Fund.

PORTFOLIO SUMMARY
September 30, 2003

INCEPTION DATE
10/22/93

PORTFOLIO STATISTICS

Net Assets ($mil): $173.2

SECURITY TYPE [PIE CHART OMITTED]

47.9% Sovereign
44.6% Corporate
4.0% Brady Bonds
2.4% Yankee Bonds
1.1% Preferred Stock

COUNTRY BREAKDOWN

39.8% United States
22.0% Russia
9.2% Mexico
9.1% Brazil
3.9% Turkey [PIE CHART OMITTED]
2.2% Colombia
2.0% Venezuela
1.7% Philippines
1.5% Peru
1.0% Luxembourg

7.6% Other

All data as of September 30, 2003. The Fund's security type and country breakdowns are expressed as a percentage of total investments before security lending collateral and may vary over time. OOtherO represents less than 1.0% weightings in each of the following countries: Bulgaria, Kazakhstan, Romania, Uruguay, Cayman Islands, Ukraine, Ecuador, Panama, Canada, El Salvador, Belize, Ireland, Liberia, United Kingdom, Argentina, France, Singapore and Bahamas.

PORTFOLIO OF INVESTMENTS
September 30, 2003

	Principal Amount (000)	U.S. $ Value
SOVEREIGN DEBT OBLIGATIONS-67.6%		
Argentina-0.3%		
Republic of Argentina FRN		
1.162%, 8/03/12(a)......................	$ 800	$ 492,000
Belize-0.5%		
Government of Belize		
9.50%, 8/15/12..........................	850	854,250
Brazil-11.8%		
Banco Nacional de Desenvolvimento		
6.50%, 6/15/06(b).......................	475	484,500

Republic of Brazil		
8.875%, 4/15/24..........................	1,550	1,243,875
10.00%, 1/16/07..........................	50	53,375
10.00%, 8/07/11..........................	1,150	1,124,125
10.125%, 5/15/27.........................	1,250	1,118,750
11.00%, 8/17/40(c).......................	5,275	4,984,875
11.50%, 3/12/08..........................	450	492,300
12.00%, 4/15/10..........................	200	215,300
12.75%, 1/15/20..........................	1,500	1,607,250
14.50%, 10/15/09.........................	1,000	1,201,500
Republic of Brazil-DCB FRN		
Series L		
2.1875%, 4/15/12(a)......................	3,075	2,460,000
C-Bonds		
8.00%, 4/15/14(c)........................	6,065	5,572,241
		20,558,091
Bulgaria-1.1%		
Republic of Bulgaria		
8.25%, 1/15/15(b)........................	1,624	1,848,875
Colombia-2.8%		
Republic of Colombia		
8.375%, 2/15/27..........................	625	566,562
9.75%, 4/23/09...........................	250	276,875
10.00%, 1/23/12..........................	900	980,100
10.50%, 7/09/10..........................	150	168,600
10.75%, 1/15/13..........................	550	616,000
11.75%, 2/25/20(c).......................	1,910	2,242,340
		4,850,477
Ecuador-0.8%		
Republic of Ecuador		
7.00%, 8/15/30(a)(b).....................	1,775	1,112,037
12.00%, 11/15/12(b)......................	275	227,563
		1,339,600

	Principal Amount (000)	U.S. $ Value
El Salvador-0.5%		
Republic of El Salvador		
7.75%, 1/24/23(b)........................	$ 450	$ 469,125
8.50%, 7/25/11(b)........................	400	434,600
		903,725
Mexico-7.8%		
United Mexican States		

11.375%, 9/15/16(c)......................	9,375	13,476,563
Panama-0.7%		
Republic of Panama		
9.375%, 4/01/29..........................	475	535,563
10.75%, 5/15/20..........................	550	654,500
		1,190,063
Peru-2.0%		
Republic of Peru		
9.125%, 2/21/12..........................	1,525	1,700,375
9.875%, 2/06/15(c).......................	1,025	1,186,438
Republic of Peru FLIRB VRN		
4.50%, 3/07/17(a)........................	650	567,125
		3,453,938
Philippines-2.2%		
Republic of Philippines		
9.00%, 2/15/13	150	160,500
9.875%, 1/15/19(c).......................	2,300	2,501,250
10.625%, 3/16/25(c)......................	1,075	1,243,238
		3,904,988
Russia-27.7%		
Ministry Finance of Russia		
Series V		
3.00%, 5/14/08...........................	650	570,375
Series VI		
3.00%, 5/14/06...........................	3,600	3,478,680
Russian Federation		
5.00%, 3/31/30(a)(b)(c)..................	44,550	42,252,891
5.00%, 3/31/30(a)(b).....................	1,850	1,751,025
		48,052,971
Turkey-5.1%		
Republic of Turkey		
9.50%, 1/15/14(c)........................	6,400	6,544,000
9.875%, 3/19/08..........................	400	431,600
11.75%, 6/15/10..........................	1,175	1,341,263
11.875%, 1/15/30.........................	400	464,000
		8,780,863

	Principal Amount (000)	U.S. $ Value
Ukraine-0.8%		
Ukraine Government		

11.00%, 3/15/07(b)	$ 1,241	$ 1,380,377
Uruguay-0.9%		
Republic of Uruguay		
7.50%, 3/15/15	151	117,219
7.875%, 1/15/33	2,065	1,393,875
		1,511,094
Venezuela-2.6%		
Republic of Venezuela		
5.375%, 8/07/10	400	287,000
9.25%, 9/15/27	3,675	2,844,450
10.75%, 9/19/13(b)	1,000	922,500
Republic of Venezuela DCB FRN		
Series DL		
1.875%, 12/18/07(a)	536	484,282
		4,538,232
Total Sovereign Debt Obligations		
(cost $84,462,440)		117,136,107
U.S. CORPORATE DEBT OBLIGATIONS-50.4%		
Aerospace/Defense-0.5%		
K&F Industries, Inc.		
Series B		
9.625%, 12/15/10	190	209,950
Sequa Corp.		
9.00%, 8/01/09	210	231,000
TD Funding Corp.		
8.375%, 7/15/11(b)	450	486,000
		926,950
Automotive-1.5%		
Dana Corp.		
10.125%, 3/15/10	575	645,438
Dura Operating Corp.		
Series D		
9.00%, 5/01/09	422	394,570
HLI Operating, Inc.		
10.50%, 6/15/10(b)	440	481,800
TRW Automotive, Inc.		
9.375%, 2/15/13(b)	410	463,300
11.00%, 2/15/13(b)	255	298,350
United Auto Group, Inc.		
9.625%, 3/15/12	280	307,300
		2,590,758

Principal

	Amount (000)	U.S. $ Value
Broadcasting & Media-1.4%		
Albritton Communications Co.		
7.75%, 12/15/12	$ 415	$ 425,375
Emmis Communications Corp.		
12.50%, 3/15/11(d)	350	313,250
PRIMEDIA, Inc.		
8.00%, 5/15/13(b)	80	81,200
8.875%, 5/15/11	325	338,813
Radio One, Inc.		
8.875%, 7/01/11	415	453,388
Sinclair Broadcast Group, Inc.		
8.00%, 3/15/12	270	286,200
8.75%, 12/15/11	285	311,363
Young Broadcasting, Inc.		
8.50%, 12/15/08	195	208,650
		2,418,239
Building & Real Estate-2.1%		
Beazer Homes USA, Inc.		
8.375%, 4/15/12	195	211,575
Jacuzzi Brands, Inc.		
9.625%, 7/01/10(b)	300	312,750
KB HOME		
7.75%, 2/01/10	560	593,600
LNR Property Corp.		
7.625%, 7/15/13(b)	125	129,375
10.50%, 1/15/09	725	775,750
M.D.C Holdings, Inc.		
7.00%, 12/01/12	200	220,209
Meritage Corp.		
9.75%, 6/01/11	470	517,000
Schuler Homes, Inc.		
10.50%, 7/15/11	385	438,419
Werner Holdings Co., Inc.		
Series A		
10.00%, 11/15/07	200	204,000
William Lyon Homes, Inc.		
10.75%, 4/01/13	285	310,650
		3,713,328
Cable-1.6%		
CSC Holdings, Inc.		
7.625%, 7/15/18	405	390,825
DirecTV Holdings LLC		
8.375%, 3/15/13	305	345,412
Echostar DBS Corp.		
5.75%, 10/01/08(b)	435	437,719
6.375%, 10/01/11(b)	255	256,275
9.375%, 2/01/09	795	851,644
Insight Midwest LP		
9.75%, 10/01/09	405	410,062
		2,691,937

	Principal Amount (000)	U.S. $ Value
Chemicals-2.3%		
Equistar Chemical Funding LP		
10.125%, 9/01/08	$ 555	$ 552,225
10.625%, 5/01/11(b)	130	129,350
FMC Corp.		
10.25%, 11/01/09	270	309,150
Georgia Gulf Corp.		
10.375%, 11/01/07	500	530,625
Huntsman Advanced Materials LLC		
11.00%, 7/15/10(b)	295	308,275
Huntsman International LLC		
9.875%, 3/01/09	780	822,900
Millennium America, Inc.		
9.25%, 6/15/08	275	286,688
Resolution Performance Products LLC		
9.50%, 4/15/10	560	574,000
Westlake Chemical Corp.		
8.75%, 7/15/11(b)	445	463,913
		3,977,126
Communications - Fixed-1.7%		
FairPoint Communications, Inc.		
11.875%, 3/01/10	300	343,500
Qwest Corp.		
8.875%, 3/15/12(b)	1,525	1,700,375
Time Warner Telecom, Inc.		
10.125%, 2/01/11	940	942,350
		2,986,225
Communications - Mobile-2.9%		
ACC Escrow Corp.		
10.00%, 8/01/11(b)	660	712,800
Dobson Communications Corp.		
8.875%, 10/01/13(b)	790	802,837
Dobson/Sygnet Communications		
12.25%, 12/15/08	675	727,312
Iridium LLC Capital Corp.		
Series B		
14.00%, 7/15/05(e)	5,000	400,000
Nextel Communications, Inc.		
7.375%, 8/01/15	460	466,900
9.50%, 2/01/11	500	555,000
9.95%, 2/15/08	430	454,188
TeleCorp PCS, Inc.		
10.625%, 7/15/10	203	240,514
Tritel PCS, Inc.		
10.375%, 1/15/11	234	282,607
Triton PCS, Inc.		

8.75%, 11/15/11..........................	405	406,012
		5,048,170

	Principal Amount (000)	U.S. $ Value
Consumer Manufacturing-2.2%		
Applica, Inc.		
10.00%, 7/31/08..........................	$ 162	$ 170,505
Broder Brothers Co.		
11.25%, 10/15/10(b)......................	500	508,750
Central Garden & Pet Company		
9.125%, 2/01/13..........................	195	213,525
Collins & Aikman Floorcoverings, Inc.		
9.75%, 2/15/10...........................	260	275,600
Hines Nurseries, Inc.		
10.25%, 10/01/11(b)......................	235	246,750
Jostens, Inc.		
12.75%, 5/01/10..........................	650	757,250
Rayovac Corp.		
8.50%, 10/01/13(b).......................	185	185,000
Salton, Inc.		
12.25%, 4/15/08..........................	490	481,425
Sealy Mattress Co.		
9.875%, 12/15/07.........................	410	414,100
St. John Knits International, Inc.		
12.50%, 7/01/09..........................	200	220,000
Warnaco, Inc.		
8.875%, 6/15/13(b).......................	280	301,700
		3,774,605
Energy-4.6%		
Chesapeake Energy Corp.		
7.75%, 1/15/15...........................	855	906,300
CITGO Petroleum Corp.		
11.375%, 2/01/11(b)......................	1,630	1,850,050
Frontier Escrow Corp.		
8.00%, 4/15/13(b)........................	90	91,800
Frontier Oil Corp.		
11.75%, 11/15/09.........................	260	295,100
Grant Prideco, Inc.		
9.00%, 12/15/09..........................	600	649,500
Grey Wolf, Inc.		
8.875%, 7/01/07..........................	90	92,250
Hilcorp Energy		
10.50%, 9/01/10(b).......................	1,055	1,126,212
Northwest Pipelines Corp.		
8.125%, 3/01/10..........................	330	359,700
Pioneer Natural Resources Co.		

8.875%, 4/15/05	395	427,588
Premco Refining Group, Inc.		
9.50%, 2/01/13	270	298,350
Pride International, Inc.		
9.375%, 5/01/07	145	150,075
Southern Natural Gas Co.		
7.35%, 2/15/31	365	337,625
8.875%, 3/15/10	290	311,750

	Principal Amount (000)	U.S. $ Value
Universal Compression, Inc.		
7.25%, 5/15/10	$ 220	$ 227,700
Westport Resources Corp.		
8.25%, 11/01/11(b)	80	87,800
8.25%, 11/01/11	190	208,525
XTO Energy, Inc.		
6.25%, 4/15/13	215	223,600
7.50%, 4/15/12	250	279,375
		7,923,300
Entertainment & Leisure-1.3%		
Cinemark USA, Inc.		
9.00%, 2/01/13	365	391,462
Premier Parks		
9.75%, 6/15/07	165	162,938
Six Flags, Inc.		
9.50%, 2/01/09	1,050	1,005,375
9.75%, 4/15/13(b)	85	80,325
Universal City Development Partners		
11.75%, 4/01/10(b)	455	514,150
		2,154,250
Financial-2.3%		
Crum & Forster Holdings Corp.		
10.375%, 6/15/13(b)	210	229,425
iStar Financial, Inc.		
7.00%, 3/15/08	85	88,825
8.75%, 8/15/08	350	393,750
Markel Capital Trust I		
Series B		
8.71%, 1/01/46(f)	660	676,500
Nationwide CSN Trust		
9.875%, 2/15/25(b)	1,000	1,162,100
PXRE Capital Trust I		
8.85%, 2/01/27	510	453,900
Western Financial Bank		
9.625%, 5/15/12	420	456,750
Williams Scotsman, Inc.		
9.875%, 6/01/07	550	544,500

		4,005,750
Food/Beverage-1.1%		
Del Monte Food Co.		
8.625%, 12/15/12(b)......................	145	159,137
9.25%, 5/15/11..........................	255	281,137
DIMON, Inc.		
7.75%, 6/01/13(b).......................	110	113,300
Series B		
9.625%, 10/15/11........................	175	195,562
Dole Food Company, Inc.		
8.625%, 5/01/09.........................	255	272,850
8.875%, 3/15/11(b)......................	145	155,150

	Principal Amount (000)	U.S. $ Value
Merisant Co.		
9.50%, 7/15/13(b).......................	$ 300	$ 322,500
Swift & Co.		
10.125%, 10/01/09.......................	345	382,950
		1,882,586
Gaming-3.4%		
Ameristar Casinos, Inc.		
10.75%, 2/15/09.........................	230	262,775
Argosy Gaming Co.		
9.00%, 9/01/11..........................	235	256,737
Boyd Gaming Corp.		
7.75%, 12/15/12.........................	255	264,563
Harrah's Operating Company, Inc.		
7.875%, 12/15/05........................	230	249,550
Horseshoe Gaming Holding Corp.		
Series B		
8.625%, 5/15/09.........................	195	209,869
MGM Mirage, Inc.		
8.375%, 2/01/11.........................	575	635,375
Mandalay Resort Group		
10.25%, 8/01/07.........................	570	658,350
Mohegan Tribal Gaming		
6.375%, 7/15/09(b)......................	140	141,925
8.375%, 7/01/11.........................	220	240,900
Park Place Entertainment		
7.00%, 4/15/13..........................	305	316,819
7.875%, 3/15/10.........................	295	317,125
9.375%, 2/15/07.........................	230	254,725
Riviera Holdings Corp.		
11.00%, 6/15/10.........................	320	318,800
Station Casinos, Inc.		
8.375%, 2/15/08.........................	235	254,681

Trump Holdings and Funding		
11.625%, 3/15/10........................	560	503,300
Turning Stone Casino Resort Enterprise		
9.125%, 12/15/10(b).....................	290	312,838
Venetian Casino Resort, LLC		
11.00%, 6/15/10.........................	610	698,450
		5,896,782
Healthcare-2.7%		
Alliance Imaging, Inc.		
10.375%, 4/15/11........................	425	444,125
AmerisourceBergen Corp.		
8.125%, 9/01/08.........................	190	207,100
Concentra Operating Corp.		
9.50%, 8/15/10(b).......................	200	210,000
13.00%, 8/15/09.........................	430	479,450
Extendicare Health Services		
9.50%, 7/01/10..........................	340	370,600

	Principal Amount (000)	U.S. $ Value
HCA, Inc.		
7.875%, 2/01/11.........................	$ 655	$ 732,268
Hanger Orthopedic Group, Inc.		
10.375%, 2/15/09........................	380	426,075
PacifiCare Health Systems, Inc.		
10.75%, 6/01/09.........................	585	675,675
Select Medical Corp.		
7.50%, 8/01/13(b).......................	390	404,625
Triad Hospitals, Inc.		
Series B		
8.75%, 5/01/09..........................	455	497,087
11.00%, 5/15/09.........................	245	270,725
		4,717,730
Hotels & Lodging-1.7%		
Extended Stay America, Inc.		
9.875%, 6/15/11.........................	405	449,044
Felcor Lodging LP		
8.50%, 6/01/11..........................	145	155,150
10.00%, 9/15/08.........................	200	216,000
Host Marriott LP		
9.25%, 10/01/07.........................	105	115,106
9.50%, 1/15/07..........................	330	363,000
La Quinta Corp.		
8.875%, 3/15/11(b)......................	400	435,500
MeriStar Hospitality Corp.		
9.125%, 1/15/11.........................	100	105,500
MeriStar Hospitality Operating Partnership, LP		

10.50%, 6/15/09..........................	210	227,850
Starwood Hotels & Resorts Worldwide, Inc.		
7.875%, 5/01/12..........................	515	566,500
Vail Resorts, Inc.		
8.75%, 5/15/09...........................	280	295,750
		2,929,400
Industrial-2.3%		
AMSTED Industries, Inc.		
10.25%, 10/15/11(b)......................	545	588,600
Case New Holland, Inc.		
9.25%, 8/01/11(b)........................	685	739,800
Dayton Superior Corp.		
10.75%, 9/15/08(b).......................	245	252,350
FastenTech, Inc.		
11.50%, 5/01/11(b).......................	350	367,500
Flowserve Corp.		
12.25%, 8/15/10..........................	370	429,200
H&E Equipment/Finance		
11.125%, 6/15/12.........................	260	222,300
NMHG Holding Co.		
10.00%, 5/15/09..........................	220	243,100
SPX Corp.		
7.50%, 1/01/13...........................	205	216,788

	Principal Amount (000)	U.S. $ Value
Terex Corp.		
10.375%, 4/01/11.........................	$ 400	$ 450,000
TriMas Corp.		
9.875, 6/15/12...........................	505	515,100
		4,024,738
Metals/Mining-0.8%		
AK Steel Corp.		
7.875%, 2/15/09..........................	1,315	946,799
Peabody Energy Corp.		
6.875%, 3/15/13..........................	410	429,475
		1,376,274
Paper & Packaging-3.8%		
Anchor Glass Container Corp.		
11.00%, 2/15/13(b).......................	45	50,625
11.00%, 2/15/13..........................	395	444,375
Ball Corp.		
6.875%, 12/15/12.........................	1,000	1,036,250
Berry Plastics Corp.		
10.75%, 7/15/12..........................	390	436,800

Constar International, Inc.		
11.00%, 12/01/12	140	118,300
Crown Paper Co.		
11.00%, 9/01/05(e)	5,000	0
Georgia-Pacific Corp.		
9.375%, 2/01/13	765	857,756
Graphic Packaging Int'l Corp.		
9.50%, 8/15/13(b)	655	722,137
Greif Bros. Corp.		
8.875%, 8/01/12	280	304,500
Owens-Brockway Glass Container, Inc.		
8.875%, 2/15/09	795	850,650
Plastipak Holdings, Inc.		
10.75%, 9/01/11	275	302,500
Pliant Corp.		
11.125%, 9/01/09(b)	385	412,913
Russell-Stanley Holdings, Inc.		
9.00%, 11/30/08(b)(f)(g)	782	359,596
Stone Container Corp.		
9.25%, 2/01/08	535	584,488
9.75%, 2/01/11	12	13,140
		6,494,030
Publishing-2.0%		
American Media, Inc.		
8.875%, 1/15/11	105	113,006
10.25%, 5/01/09	500	536,875
Dex Media East LLC		
9.875%, 11/15/09	110	125,125
12.125%, 11/15/12	320	388,000

	Principal Amount (000)	U.S. $ Value
Dex Media West LLC		
8.50%, 8/15/10(b)	$ 160	$ 174,800
9.875%, 8/15/13(b)	625	709,375
Hollinger International Publishing, Inc.		
9.00%, 12/15/10	530	561,137
Houghton Mifflin Co.		
8.25%, 2/01/11	280	294,700
9.875%, 2/01/13	100	106,500
PEI Holdings, Inc.		
11.00%, 3/15/10	205	227,550
RH Donnelley, Inc.		
10.875%, 12/15/12(b)	255	302,175
		3,539,243

Restaurants-0.2%

Domino's Inc.		
8.25%, 7/01/11(b)	350	371,437
Retail-0.8%		
J.C. Penney Corporation, Inc.		
8.00%, 3/01/10	490	540,225
Payless ShoeSource, Inc.		
8.25%, 8/01/13(b)	500	510,000
Saks, Inc.		
8.25%, 11/15/08	290	319,000
		1,369,225
Service-2.6%		
Allied Waste North America		
8.50%, 12/01/08	85	92,225
8.875%, 4/01/08	645	701,438
10.00%, 8/01/09	1,230	1,339,162
Coinmach Corp.		
9.00%, 2/01/10	250	267,500
Corrections Corp. of America		
7.50%, 5/01/11	40	41,450
9.875%, 5/1/09	280	315,700
Iron Mountain, Inc.		
7.75%, 1/15/15	115	119,313
8.625%, 4/01/13	350	374,500
National Waterworks, Inc.		
10.50%, 12/01/12	235	257,913
Service Corp. International		
6.50%, 3/15/08	240	238,800
7.70%, 4/15/09	240	246,600
United Rentals, Inc.		
10.75%, 4/15/08(b)	200	222,500
10.75%, 4/15/08	205	228,062
		4,445,163

	Principal Amount (000)	U.S. $ Value
Supermarket & Drugstore-1.0%		
Pathmark Stores, Inc.		
8.75%, 2/01/12	$ 310	$ 319,300
8.75%, 2/01/12(b)	185	189,625
Rite Aid Corp.		
9.25%, 6/01/13(b)	75	79,875
9.50%, 2/15/11	660	749,100
Roundy's, Inc.		
Series B		
8.875%, 6/15/12	270	283,500

Stater Bros. Holdings, Inc.		
10.75%, 8/15/06..........................	150	157,875
		1,779,275
Technology-1.7%		
Cooporative Computing, Inc.		
10.50%, 6/15/11(b).......................	305	330,925
Fairchild Semiconductor		
10.50%, 2/01/09..........................	505	564,337
ON Semiconductor Corp.		
12.00%, 3/15/10..........................	715	841,913
Unisys Corp.		
6.875%, 3/15/10..........................	1,000	1,045,000
7.875%, 4/01/08..........................	185	193,325
		2,975,500
Utilities - Electric & Gas-1.9%		
AES Corporation		
8.75%, 5/15/13(b)........................	65	68,575
9.00%, 5/15/15(b)........................	105	111,562
10.00%, 7/15/05(b).......................	290	300,150
Calpine Corp.		
8.50%, 7/15/10(b)........................	1,580	1,461,500
PG&E Corp.		
6.875%, 7/15/08(b).......................	395	416,725
SEMCO Energy, Inc.		
7.125%, 5/15/08(b).......................	125	126,250
7.75%, 5/15/13(b)........................	235	237,938
The Williams Companies, Inc.		
8.625%, 6/01/10..........................	485	517,738
		3,240,438
Total U.S. Corporate Debt Obligations		
(cost $94,979,445)		87,252,459
NON-U.S. CORPORATE DEBT OBLIGATIONS-10.9%		
Argentina-0.2%		
Supercanal Holdings, SA		
10.75%, 11/07/02(e)(f)...................	3,478	417,315

	Principal Amount (000)	U.S. $ Value
Bahamas-0.2%		
Sun International Hotels, Ltd.		
8.875%, 8/15/11	$ 245	$ 266,744
Canada-0.6%		

Fairfax Financial Holdings		
7.375%, 4/15/18..........................	250	225,000
Intrawest Corp.		
9.75%, 8/15/08...........................	220	232,375
10.50%, 2/01/10..........................	150	166,312
Norske Skog Canada, Ltd.		
Series D		
8.625%, 6/15/11..........................	335	350,494
		974,181
Cayman Islands-0.8%		
PF Export Receivables Master Trust		
6.436%, 6/01/15(b).......................	1,462	1,454,918
France-0.3%		
Crown Euro Holdings S.A.		
9.50%, 3/01/11(b)........................	405	437,400
Great Britian-0.3%		
Danka Business Systems		
11.00%, 6/15/10(b).......................	95	87,875
Royal & Sun Alliance Insurance Group PLC		
8.95%, 10/15/29..........................	450	408,162
		496,037
Ireland-0.4%		
Eircom Funding		
8.25%, 8/15/13(b)........................	245	264,600
MDP Acquisitions PLC		
9.625%, 10/01/12.........................	390	429,000
		693,600
Kazakhstan-0.7%		
Hurricane Finance BV		
9.625%, 2/12/10(b).......................	400	436,000
Kazkommerts International BV		
8.50%, 4/16/13(b)........................	850	830,875
		1,266,875
Liberia-0.4%		
Royal Caribbean Cruises, Ltd.		
8.00%, 5/15/10...........................	625	662,500
Luxembourg-1.3%		
Mobile Telesystems Finance S.A.		
10.95%, 12/21/04.........................	2,130	2,273,775

Shares or
Principal

	Amount (000)	U.S. $ Value
Mexico-4.2%		
Innova S. de R.L.		
9.375%, 9/19/13(b)	$ 2,865	$ 2,897,231
12.875%, 4/01/07	4,275	4,424,625
		7,321,856
Romania-0.3%		
Mobifon Holdings BV		
12.50%, 7/31/10(b)	425	465,375
Russia-1.0%		
Gazprom OAO		
9.625%, 3/01/13(b)	1,000	1,076,875
Tyumen Oil Company		
11.00%, 11/06/07(b)	550	615,000
		1,691,875
Singapore-0.2%		
Flextronics International, Ltd.		
6.50%, 5/15/13(b)	425	423,937
Total Non-U.S. Corporate Debt Obligations (cost $20,782,877)		18,846,388
CONVERTIBLE PREFERRED STOCK-0.0%		
PSINet, Inc.		
7.00%(b)(e)	15,000	0
Total Convertible Preferred Stock (cost $600,000)		0
NON-CONVERTIBLE PREFERRED STOCKS-1.5%		
CSC Holdings, Inc. Series M		
11.125%	12,187	1,276,588
Sovereign Real Estate Investment Trust		
12.00%(b)	870	1,287,600
Total Non-Convertible Preferred Stocks (cost $1,973,483)		2,564,188
COMMON STOCK & WARRANTS-0.0%		
Central Bank of Nigeria		
Warrants, expiring 11/15/20(h)	1,000	0
Republic of Venezuela		
Warrants, expiring 4/15/20(h)	7,140	0
Russell-Stanley Holdings, Inc.		
Common Stock(h)(i)	100,000	1
Total Common Stock & Warrants (cost $0)		1

	Contract Amount(j)	U.S. $ Value
CALL OPTION PURCHASED(h)-0.0%		
Federal Republic of Brazil C-Bonds		
Expiring Oct '03 @ 90.9375		
(cost $24,782).........................	2,154,968	$ 34,479
Total Investments Before Security Lending Collateral-130.4%		
(cost $202,823,027).....................		225,833,622
Investment of Cash Collateral for Securities Loaned*-2.1%		
Short-Term Investment	Shares	
UBS Private Money Market Fund, LLC		
1.03%		
(cost $3,594,750).......................	3,594,750	3,594,750
Total Investments-132.5%		
(cost $206,417,777).....................		229,428,372
Other assets less liabilities-(32.5)%.......		(56,246,705)
Net Assets-100.0%..........................		$ 173,181,667

* See Note F for securities lending information.

CREDIT DEFAULT SWAP CONTRACTS (see Note C)

Swap Counterparty Referenced Obligation	Notional Amount (000)	Interest Rate	Termination Date	Unrealized Appreciation/ (Depreciation)
Buy Contracts:				
Deutsche Bank A.G. London				
Federal Republic of Peru				
9.875%, 2/06/15	700	3.90%	12/20/08	$ (4,760)
JP Morgan Chase				
Federal Republic of Venezuela				
1.875%, 12/18/07	1,050	5.00	9/20/04	(10,395)
Sales Contracts:				
Citigroup Global Markets, Inc.				
Federal Republic of Brazil				
12.25%, 3/06/30	1,000	6.35	8/20/05	33,300
Deutsche Bank A.G. London				
Federal Republic of Brazil				
12.25%, 3/06/30	600	17.85	2/06/08	219,420
Deutsche Bank A.G. London				
Federal Republic of Brazil				
12.25%, 3/06/30	1,500	14.50	3/08/08	374,550

CREDIT DEFAULT SWAP CONTRACTS (see Note C) (continued)

Swap Counterparty Referenced Obligation	Notional Amount (000)	Interest Rate	Termination Date	Unrealized Appreciation/ (Depreciation)
Sales Contracts (continued):				
Deutsche Bank A.G. London Federal Republic of Romania 8.50%, 5/08/12	1,550	3.55%	4/03/10	$ 105,865
JP Morgan Chase Federal Republic of Venezuela 1.875%, 12/18/07	1,050	7.70	9/20/06	7,770
JP Morgan Chase Federal Republic of Brazil 8.00%, 4/15/14	500	8.60	9/20/08	20,550
JP Morgan Chase Federal Republic of Brazil 8.00%, 4/15/14	500	9.05	9/20/13	44,800
JP Morgan Chase Federal Republic of Brazil 8.00%, 4/15/14	2,000	9.34	9/20/13	179,200

REVERSE REPURCHASE AGREEMENTS (see Note C)

Broker	Interest Rate	Maturity	Amount
Deutsche Bank	1.05%	10/01/03	$15,184,024
Deutsche Bank	1.10	10/01/03	945,029
Deutsche Bank	0.25	12/31/03	2,641,922
Deutsche Bank	0.45	12/31/03	2,103,471
Deutsche Bank	1.05	12/31/03	13,005,379
Deutsche Bank	1.10	12/31/03	26,730,084
JP Morgan Chase	0.95	12/31/03	4,408,567
Lehman Brothers	0.15	12/31/03	1,154,628
Lehman Brothers	0.25	12/31/03	6,180,215
Lehman Brothers	0.75	12/31/03	1,124,179
Lehman Brothers	0.85	12/31/03	1,322,123
			$74,799,621

(a) Coupon changes periodically based upon a predetermined schedule. Stated interest rate in effect at September 30, 2003.
(b) Security is exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2003, the aggregate market value of these securities amounted to $85,971,468 or 50% of net assets.
(c) Positions, or portions thereof, with an aggregate market value of $73,502,438 have been segregated to collateralize reverse repurchase agreements.
(d) Indicates a security that has a zero coupon that remains in effect until a predetermined date at which time the stated coupon rate becomes effective until final maturity.
(e) Security is in default and is non-income producing.
(f) Illiquid security, valued at fair market value (see Note A).
(g) Coupon is paid in-kind.
(h) Non-income producing security.
(i) Common stock, par value is $0.01 per share.
(j) One contract relates to principal amount of $1.00.

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

See notes to financial statements.

STATEMENT OF ASSETS & LIABILITIES
September 30, 2003

Assets	
Investments in securities, at value (cost $206,417,777) --including investment of cash collareral for securities loaned of $3,594,750	$ 229,428,372(a)
Cash	692,783
Due from broker	13,005,000
Interest and dividends receivable	5,567,390
Receivable for investment securities sold	4,870,809
Unrealized appreciation on credit default swap contracts	985,455
Paydown receivable	177,327
Other assets	14,010
Total assets	254,741,146

Liabilities

Reverse repurchase agreements..........................	74,799,621
Payable for collateral on securities loaned............	3,594,750
Payable for investment securities purchased............	2,858,382
Advisory fee payable...................................	112,173
Administrative fee payable.............................	22,433
Unrealized depreciation on credit default swap contracts......................................	15,155
Accrued expenses and other liabilities.................	156,965
Total liabilities......................................	81,559,479
Net Assets...	$ 173,181,667
Composition of Net Assets	
Common stock, at par...................................	$ 225,406
Additional paid-in capital.............................	296,111,267
Distributions in excess of net investment income........	(123,407)
Accumulated net realized loss on investment transactions..	(147,012,494)
Net unrealized appreciation of investments.............	23,980,895
	$ 173,181,667
Net Asset Value Per Share (based on 22,540,621 shares outstanding)............	$7.68

(a) Includes securities on loan with a value of $3,420,869 (see Note F).

See notes to financial statements.

STATEMENT OF OPERATIONS
Year Ended September 30, 2003

Investment Income		
Interest.............................	$ 20,898,974	
Dividends............................	43,912	$ 20,942,886
Expenses		
Advisory fee.........................	1,154,590	
Administrative fee...................	230,916	
Printing.............................	126,309	
Custodian............................	98,912	
Audit and legal......................	98,072	
Transfer agency......................	51,746	
Directors' fees......................	38,548	
Registration fees....................	24,938	
Miscellaneous........................	45,797	
Total expenses before interest........	1,869,828	
Interest expense......................	779,443	

Total expenses........................	2,649,271
Net investment income.................	18,293,615
Realized and Unrealized Gain (Loss) on Investment Transactions	
Net realized gain (loss) on:	
Investment transactions.............	3,255,229
Swap contracts......................	(191,781)
Written options.....................	120,834
Net change in unrealized appreciation/ depreciation of:	
Investments.........................	42,802,435
Swap contracts......................	970,300
Net gain on investment transactions....	46,957,017
Net Increase in Net Assets from Operations.....................	$ 65,250,632

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended September 30, 2003	Year Ended September 30, 2002
Increase (Decrease) in Net Assets from Operations		
Net investment income.................	$ 18,293,615	$ 18,676,310
Net realized gain (loss) on investment transactions........................	3,184,282	(30,457,612)
Net change in unrealized appeciation/depreciation of investments......................	43,772,735	14,551,799
Net increase in net assets from operations.....................	65,250,632	2,770,497
Dividends and Distributions to Shareholders from		
Net investment income.................	(18,177,141)	(18,835,190)
Tax return of capital.................	-0-	(730,704)
Common Stock Transactions		
Reinvestment of dividends resulting in the issuance of Common Stock.........	1,273,690	1,520,333
Total increase (decrease).............	48,347,181	(15,275,064)
Net Assets		
Beginning of period...................	124,834,486	140,109,550

End of period	$ 173,181,667	$ 124,834,486

See notes to financial statements.

STATEMENT OF CASH FLOWS
Year Ended September 30, 2003

Increase (Decrease) in Cash from		
Operating Activities:		
Interest and dividends received	$ 17,558,683	
Interest expense paid	(1,014,107)	
Operating expenses paid	(1,852,491)	
Net increase in cash from operating activities		$ 14,692,085
Investing Activities:		
Purchases of long-term investments	(168,937,890)	
Proceeds from disposition of long-term investments	162,118,133	
Proceeds from disposition of short-term investments, net	247,250	
Cash collateral received on securities loaned	3,594,750	
Net premium received on option transactions	39,607	
Net premium paid on swaps transactions	(191,781)	
Net decrease in cash from investing activities		(3,129,931)
Financing Activities:*		
Cash dividends paid	(16,903,451)	
Proceeds from reverse repurchase agreements	6,033,839	
Net decrease in cash from financing activities		(10,869,612)
Net increase in cash		692,542
Cash at beginning of period		241
Cash at end of period		$ 692,783

Reconciliation of Net Increase in Net Assets from Operations to Net Increase in Cash from Operating Activities:	
Net increase in net assets from operations	$ 65,250,632
Adjustments:	

Increase in dividends and interest receivable	$ (1,031,452)	
Accretion of bond discount and amortization of bond premium	(2,352,751)	
Increase in accrued expenses and other assets	17,337	
Decrease in interest payable	(234,664)	
Net realized loss on investment transactions	(3,184,282)	
Net change in unrealized appreciation/depreciation of investments	(43,772,735)	
Total adjustments		(50,558,547)
Net Increase in Cash from Operating Activities		$ 14,692,085

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

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS
September 30, 2003

NOTE A
Significant Accounting Policies

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

1. Security Valuation

In accordance with Pricing Policies adopted by the Board of Directors of the Fund (the "Pricing Policies") and applicable law, portfolio securities are valued at current market value or at fair value. The Board of Directors has delegated to the Adviser, subject to the Board's continuing oversight, certain responsibilities with respect to the implementation of the Pricing Policies. Pursuant to the Pricing Policies, securities for which market quotations are readily available are valued at their current market value. In general, the market value of these securities is determined as follows:

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

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mortgage backed and asset backed securities, may be valued on the basis of prices provided by a pricing service or at a price obtained from one or more of the major broker/dealers. In cases where broker/dealer quotes are obtained, the Pricing Policies provide that the Adviser may establish procedures whereby changes in market yields or spreads are used to adjust, on a daily basis, a recently obtained quoted price on a security; and OTC and other derivatives are valued on the basis of a quoted bid price or spread from a major broker/dealer in such security. Securities for which market quotations are not readily available are valued at fair value in accordance with the Pricing Policies.

2. Taxes

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

3. Investment Income and Investment Transactions

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

4. Dividends and Distributions

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

5. Repurchase Agreements
The Fund's custodian or designated subcustodian will take control of securities as collateral under repurchase agreements and determine on a daily basis that the value of such securities are sufficient to cover the value of the repurchase agreements. If the seller defaults and the value of collateral declines, or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of collateral by the Fund may be delayed or limited.

NOTE B
Advisory, Administrative Fees and Other Transactions with Affiliates
Under the terms of an Investment Advisory Agreement, the Fund pays Alliance Capital Management L.P. (the "Adviser") an advisory fee at an annual rate of

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..75 of 1% of the average adjusted weekly net assets of the Fund. Such fee is accrued daily and paid monthly.

Under the terms of a Shareholder Inquiry Agency Agreement with Alliance Global Investor Services, Inc. (AGIS), a wholly-owned subsidiary of the Adviser, the Fund reimburses AGIS for costs relating to servicing phone inquiries on behalf of the Fund. During the year ended September 30, 2003, the Fund reimbursed to AGIS $1,130.

Under the terms of an Administration Agreement, the Fund pays Princeton Administrators, L.P. (the "Administrator") a fee at an annual rate of .15 of 1% of the average adjusted weekly net assets of the Fund. Such fee is accrued daily and paid monthly. The Administrator prepares certain financial and regulatory reports for the Fund and provides clerical and other services.

NOTE C
Investment Transactions
Purchases and sales of investment securities (excluding short-term investments) for the year ended September 30, 2003, were as follows:

	Purchases	Sales
Investment securities (excluding U.S. government securities).........	$ 169,585,665	$ 163,816,231
U.S. government securities............	-0-	-0-

The cost of investments for federal income tax purposes, gross unrealized appreciation and unrealized depreciation (excluding swap contracts) are as follows:

Cost..	$ 207,214,925
Gross unrealized appreciation..........................	$ 40,637,969
Gross unrealized depreciation..........................	(18,424,522)
Net unrealized appreciation............................	$ 22,213,447

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

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

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

Transactions in written options for the year ended September 30, 2003 were as follows:

	Number of Contracts (000)	Premiums Received
Options outstanding at September 30, 2002..................	-0-	$ -0-
Options written.......................	95,826	125,734
Options terminated in closing purchase transactions........................	(31,628)	(41,392)
Options expired.......................	(64,198)	(84,342)
Options outstanding at September 30, 2003..................	-0-	$ -0-

2. Swap Agreements
The Fund may enter into swaps on sovereign debt obligations to hedge its exposure to interest rates and credit risk or for investment purposes. A swap is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in

specified prices or rates for a specified amount of an underlying asset. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the net interest payment to be received by the Fund, and/or the termination value at the end of the contract. Therefore the Fund considers the creditworthiness of each counterparty to a swap contract in

evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in interest rates or in the value of the underlying securities.

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

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

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

3. Reverse Repurchase Agreements

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

"Due from broker" shown on the statement of assets and liabilities represents the receivable from the respective broker for the reverse repurchase agreement entered into on September 30, 2003.

For the year ended September 30, 2003, the average amount of reverse repurchase agreements outstanding was $60,189,635 and the daily weighted average annual interest rate was 1.28%.

NOTE D
Capital Stock
There are 300,000,000 shares of $.01 par value common stock authorized of which 22,540,621 shares were issued and outstanding at September 30, 2003. During the years ended September 30, 2003 and September 30, 2002, the Fund issued 182,814 and 223,517 shares, respectively, in connection with the Fund's dividend reinvestment plan.

NOTE E
Concentration of Risk
Investing in securities of foreign companies and foreign governments involves special risks which include changes in foreign exchange rates and the possibility of future political and economic development which could adversely affect the value of such securities. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of comparable U.S. companies and the United States Government.

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

NOTE F
Securities Lending
The Fund has entered into a securities lending agreement with AG Edwards & Sons, Inc. (the "Lending Agent"). Under the terms of the agreement, the Lending Agent, on behalf of the Fund, administers the lending of portfolio securities to certain broker-dealers. In return, the Fund receives fee income from the lending transactions or it retains a portion of interest on the investment of any cash received as collateral. The Fund also continues to receive dividends or interest on the securities loaned. Unrealized gain or loss on the value of the securities loaned that may occur during the term of the loan will be reflected in the accounts of the Fund. All loans are continuously secured by collateral exceeding the value of the securities loaned. All collateral consists of either cash or U.S. Government securities. The Lending Agent may invest the cash collateral received in accordance with the investment restrictions of the Fund in one or more of the following investments: U.S. Government or U.S. Government agency obligations, bank obligations, corporate debt obligations, asset-backed securities, structured products, repurchase agreements and an eligible money market fund. The Lending Agent will indemnify the Fund for any loss resulting from a borrower's failure to return a loaned security when due. As of September 30, 2003, the Fund had loaned securities with a value of $3,420,869 and

received cash collateral of $3,594,750, which was invested in a money market fund as included in the portfolio of investments. For the year ended September 30, 2003, the Fund earned fee income of $10,189, which is included in interest income in the accompanying statement of operations.

NOTE G
Distributions to Shareholders
The tax character of distributions paid to shareholders during the fiscal years ended September 30, 2003 and September 30, 2002 were as follows:

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

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

Undistributed ordinary income.........................	$ 124,846
Accumulated capital and other losses..................	(146,463,599)(a)
Unrealized appreciation/(depreciation)................	23,183,747(b)
Total accumulated earnings/(deficit)..................	$ (123,155,006)

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

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

During the current fiscal year, permanent differences, primarily due to the tax treatment of bond premium and the tax character of paydown gains, resulted in a net increase in distributions in excess of net investment income and a decrease in accumulated net realized loss on investment transactions. This reclassification had no effect on net assets.

FINANCIAL HIGHLIGHTS

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

	Year Ended September 30,				
	2003	2002(a)	2001	2000	1999
Net asset value, beginning of period.....	$ 5.58	$ 6.33	$ 8.09	$ 8.39	$ 8.18
Income From Investment Operations					
Net investment income(b)	.81	.84	.98	1.08	1.25
Net realized and unrealized gain (loss) on investment transactions..........	2.10	(.71)	(1.72)	(.22)	.34
Net increase (decrease) in net asset value from operations.............	2.91	.13	(.74)	.86	1.59
Less: Dividends and Distributions					
Dividends from net investment income................	(.81)	(.85)	(.95)	(1.02)	(1.25)
Distributions in excess of net investment income...	-0-	-0-	-0-	-0-	(.13)
Tax return of capital...	-0-	(.03)	(.07)	(.14)	-0-
Total dividends and distributions..........	(.81)	(.88)	(1.02)	(1.16)	(1.38)
Net asset value, end of period.........	$ 7.68	$ 5.58	$ 6.33	$ 8.09	$ 8.39
Market value, end of period	$ 8.15	$ 6.29	$ 7.62	$ 8.50	$ 10.25
Premium/(Discount)......	6.12%	12.72%	20.38%	5.07%	22.17%
Total Return					
Total investment return based on:(c)					
Market value..........	45.71%	(6.14)%	3.02%	(5.41)%	27.06%
Net asset value.......	54.77%	.23%	(10.08)%	9.99%	18.69%
Ratios/Supplemental Data					
Net assets, end of period (000's omitted)........	$173,182	$124,834	$140,110	$179,653	$184,618
Ratios to average net assets of:					
Expenses.............	1.72%	2.12%	2.75%	2.70%	2.46%
Expenses, excluding interest expense(d)...	1.21%	1.15%	1.13%	1.09%	1.11%
Net investment income.	11.88%	10.81%	9.90%	9.55%	11.27%
Portfolio turnover rate.	80%	63%	129%	134%	223%

See footnote summary on page 35.

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

(b) Based on average shares outstanding.

(c) Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total investment return based on net asset value will be higher than total investment return based on market value in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. Total investment return calculated for a period of less than one year is not annualized.

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

REPORT OF ERNST & YOUNG LLP
INDEPENDENT AUDITORS

To the Shareholders and Board of Directors of ACM Managed Dollar Income Fund, Inc.

We have audited the accompanying statement of assets and liabilities of ACM Managed Dollar Income Fund, Inc. (the "Fund"), including the portfolio of investments, as of September 30, 2003, and the related statements of operations and cash flows for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights. Our procedures included confirmation of securities owned as of September 30, 2003, by correspondence with the custodian and others. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of ACM Managed Dollar Income Fund, Inc. at September 30, 2003, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States.

/s/ Ernst & Young LLP

New York, New York
November 14, 2003

TAX INFORMATION (unaudited)

For the fiscal year ended September 30, 2003 certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The Fund designates a maximum amount of $43,912 as qualified dividend income, which is taxed at a maximum rate of 15%. The information and distributions reported herein may differ from the information and distributions taxable to the shareholders for the calendar year ending December 31, 2003. Complete information will be computed and reported in conjunction with year 2003 Form 1099-DIV.

ADDITIONAL INFORMATION
(unaudited)

Shareholders whose shares are registered in their own names may elect to be participants in the Dividend Reinvestment and Cash Purchase Plan (the "Plan"), pursuant to which dividends and capital gain distributions to shareholders will be paid in or reinvested in additional shares of the Fund. State Street Bank and Trust Company (the "Agent") will act as agent for participants under the Plan. Shareholders whose shares are held in the name of a broker or nominee should contact such broker or nominee to determine whether or how they may participate in the Plan.

If the Board declares an income distribution or determines to make a capital gain distribution payable either in shares or in cash, as holders of the Common Stock may have elected, non-participants in the Plan will receive cash and participants in the Plan will receive the equivalent in shares of Common Stock of the Fund valued as follows:

(i) If the shares of Common Stock are trading at net asset value or at a premium above net asset value at the time of valuation, the Fund will issue new shares at the greater of net asset value or 95% of the then current market price.

(ii) If the shares of Common Stock are trading at a discount from net asset value at the time of valuation, the Plan Agent will receive the dividend or distribution in cash and apply it to the purchase of the Fund's shares of Common Stock in the open market on the New York Stock Exchange or elsewhere, for the participants' accounts. Such purchases will be made on or shortly after the payment date for such dividend or distribution and in no event more than 30 days after such date except where temporary curtailment or suspension of purchase is necessary to comply with Federal securities laws. If, before the Plan agent has completed its purchases, the market price exceeds the net asset value of a share of Common Stock, the average purchase price per share paid by the Plan agent may exceed the net asset value of the Fund's shares of Common Stock, resulting in the acquisition of fewer shares than if the dividend or distribution had been paid in shares issued by the Fund.

The Agent will maintain all shareholders' accounts in the Plan and furnish written confirmation of all transactions in the account, including information needed by shareholders for tax records. Shares in the account of each Plan participant will be held by the Agent in non-certificate form in the name of the participant, and each shareholder's proxy will include those shares purchased or received pursuant to the Plan.

There will be no charges with respect to shares issued directly by the Fund to satisfy the dividend reinvestment requirements. However, each participant will pay a pro-rata share of brokerage commissions incurred with respect to the Agent's open market purchases of shares. In each case, the cost per share of shares purchased for each shareholder's account will be the average cost, including brokerage commissions, of any shares purchased in the open market plus the cost of any shares issued by the Fund.

The automatic reinvestment of dividends and distributions will not relieve participants of any income taxes that may be payable (or required to be withheld) on dividends and distributions.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to participants in the Plan at least 90 days before the record date for such dividend or distribution. The Plan may also be amended or terminated by the Agent on at least 90 days written notice to participants in the Plan. All correspondence concerning the Plan should be directed to the Agent at State Street Bank and Trust Company, P.O. Box 366, Boston, Massachusetts 02101.

Since the filing of the most recent amendment to the Fund's registration statement with the Securities and Exchange Commission, there have been (i) no material changes in the Fund's investment objectives or policies, (ii) no changes to the Fund's charter or by-laws that would delay or prevent a change of control of the Fund's, (iii) no material changes in the principal risk factors associated with investment in the Fund. There has been a change to one of the persons primarily responsible for the day-to-day management of the Fund's portfolio. James E. Kennedy, Jr. has replaced George Caffrey, as a Vice President of the Fund. Paul J. DeNoon, a Vice President of the Fund, continues to act in that capacity.

BOARD OF DIRECTORS

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

OFFICERS

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

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

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

Dividend Paying Agent, Transfer Agent And Registrar
Equiserve Trust Company, N.A.
P.O. Box 43011
Providence, RI 02940-3011

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

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

(1) Member of the Audit Committee

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

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

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

MANAGEMENT OF THE FUND

Board of Directors Information

The business and affairs of the Fund are managed under the direction of the Board of Directors. Certain information concerning the Fund's Directors is set forth below.

NAME, AGE OF DIRECTOR, ADDRESS (YEARS OF SERVICE*)	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	PORTFOLIOS IN FUND COMPLEX OVERSEEN BY DIRECTOR	OTHER DIRECTORSHIP HELD BY DIRECTOR
DISINTERESTED DIRECTORS			
William H. Foulk, Jr.,#, 71 2 Sound View Drive Suite 100 Greenwich, CT 06830 (10) Chairman of the Board	Investment adviser and an independent consultant. He was formerly Senior Manager of Barrett Associates, Inc., a registered investment adviser, with which he had been associated since prior to 1998. He was formerly Deputy Comptroller and Chief Investment Officer of the State of New York and, prior thereto, Chief Investment Officer of the New York Bank for Savings.	113	None
Ruth Block,#, 73 500 SE Mizner Blvd. Boca Raton, FL 33432 (10)	Formerly Executive Vice President and Chief Insurance Officer of The Equitable Life Assurance Society of the United States; Chairman and Chief Executive Officer of Evlico; Director of Avon, BP (oil and gas),	96	None

	Ecolab Incorporated (specialty chemicals), Tandem Financial Group and Donaldson, Lufkin & Jenrette Securities Corporation; former Governor at Large National Association of Securities Dealers, Inc.		
David H. Dievler,#, 74 P.O. Box 167 Spring Lake, NJ 07762 (10)	Independent consultant. Until December 1994 he was Senior Vice President of Alliance Capital Management Corporation ("ACMC") responsible for mutual fund administration. Prior to joining ACMC in 1984 he was Chief Financial Officer of Eberstadt Asset Management since 1968. Prior to that he was a Senior Manager at Price Waterhouse & Co. Member of American Institute of Certified Public Accountants since 1953.	100	None

NAME, AGE OF DIRECTOR, ADDRESS (YEARS OF SERVICE*)	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	PORTFOLIOS IN FUND COMPLEX OVERSEEN BY DIRECTOR	OTHER DIRECTORSHIP HELD BY DIRECTOR
DISINTERESTED DIRECTORS (continued)			
John H. Dobkin,#, 61 P.O. Box 12 Annandale, NY 12504 (10)	Consultant. Formerly President of Save Venice, Inc. (preservation organization) from 2001-2002, a Senior Advisor from June 1999-June 2000 and President of Historic Hudson Valley (historic preservation) from December 1989-May 1999. Previously, Director of the National Academy of Design and during 1988-1992, he was Director and Chairman of the Audit Committee of ACMC.	98	None
Dr. James M. Hester, #,79 25 Cleveland Lane Princeton, NJ 08540 (10)	President of the Harry Frank Guggenheim Foundation, with which he has been associated since prior to 1998. He was formerly President of New York University and the New York Botanical Garden, Rector of the United Nations University and Vice Chairman of the Board of the Federal Reserve Bank of New York.	11	None

Clifford L. Michel,#, 64 15 St. Bernard's Road Gladstone, NJ 07934 (10)	Senior Counsel of the law firm of Cahill Gordon & Reindel since February 2001 and a partner of that firm for more than twenty-five years prior thereto. He is President and Chief Executive Officer of Wenonah Development Company (investments) and a Director of Placer Dome, Inc.(mining).	97	Placer Dome, Inc.
Donald J. Robinson,# 69 98 Hell's Peak Road Weston, VT 05161 (7)	Senior Counsel to the law firm of Orrick, Herrington & Sutcliffe LLP since prior to 1998. Formerly a senior partner and a member of the Executive Committee of that firm. He was also a member and Chairman of the Municipal Securities Rulemaking Board and Trustee of the Museum of the City of New York.	96	None

NAME, AGE OF DIRECTOR, ADDRESS (YEARS OF SERVICE*)	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	PORTFOLIOS IN FUND COMPLEX OVERSEEN BY DIRECTOR	OTHER DIRECTORSHIP HELD BY DIRECTOR
INTERESTED DIRECTOR			
Marc O.Mayer, +, 46 1345 Avenue of the Americas, New York, NY 10105 (1 month)	Executive Vice President of ACMC since 2001; prior thereto, Chief Executive Officer of Sanford C. Bernstein & Co., LLC and its predecessor since prior to 1998.	68	None

* There is no stated term of office for the Fund's Directors.
\# Member of the Audit Committee and Nominating Committee.
\+ Mr. Mayer is an "interested director", as defined in the 1940 Act, due to his position as Executive Vice President of ACMC.

Officer Information

Certain information concerning the Fund's Officers is listed below.

NAME, ADDRESS* AND AGE	POSITION(S) HELD WITH FUND	PRINCIPAL OCCUPATION DURING PAST 5 YEARS**
Marc O.Mayer,46	President	See biography above.
Kathleen A. Corbet, 43	Senior Vice President	Executive Vice President of Alliance Capital Management Corporation ("ACMC")**, with which she has been associated since prior to 1998.
Paul J. DeNoon, 41	Vice President	Senior Vice President of ACMC, with which he has been associated since prior to 1998.
James E. Kennedy, Jr., 43	Vice President	Senior Vice President of ACMC, with which he has been associated since prior to 1998.
Mark R. Manley, 41	Secretary	Senior Vice President and Acting General Counsel of ACMC**, with which he has been associated since prior to 1998.
Mark D. Gersten, 53	Treasurer and Chief Financial Officer	Senior Vice President of Alliance Global Investor Services, Inc. ("AGIS")**, and Vice President of AllianceBernstein Investment Research and Management, Inc. ("ABIRM")**, with which he has been associated since prior to 1998.
Vincent S. Noto, 39	Controller	Vice President of AGIS**, with which he has been associated since prior to 1998.

* The address for each of the Fund's Officers is 1345 Avenue of the Americas, New York, NY 10105.

** ACMC, ABIRM and AGIS are affiliates of the Fund.

ALLIANCEBERNSTEIN FAMILY OF FUNDS

Wealth Strategies Funds

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

Blended Style Series

U.S. Large Cap Portfolio

Growth Funds

Domestic

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

Global & International

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

Select Investor Series

Biotechnology Portfolio
Premier Portfolio
Technology Portfolio

Value Funds

Domestic

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

Global & International

Global Value Fund
International Value Fund

Taxable Bond Funds

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

Municipal Bond Funds

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

Intermediate Municipal Bond Funds

Intermediate California
Intermediate Diversified
Intermediate New York

Closed-End Funds

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

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

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

* Formerly Growth Investors Fund.

** Formerly Conservative Investors Fund.
+ Quasar Fund changed its name to Small Cap Growth Fund on 11/3/03.
++ An investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the Fund.

SUMMARY OF GENERAL INFORMATION

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

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

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

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Investment Research and Management

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Management L.P.

MDIAR0903

ITEM 2. CODE OF ETHICS.

(a) The registrant has adopted a code of ethics that applies to its principal executive officer, principal financial officer and principal accounting officer. A copy of the registrant's code of ethics is filed herewith as Exhibit 10(a)(1).

(b) During the period covered by this report, no amendments were made to the provisions of the code of ethics adopted in 2(a) above.

(c) During the period covered by this report, no implicit or explicit waivers to the provisions of the code of ethics adopted in 2(a) above were granted.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The registrant's Board of Directors has determined that independent directors David H. Dievler and William H. Foulk, Jr. qualify as audit committee financial experts.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

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

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

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

ITEM 6. [RESERVED]

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

The registrant has adopted the following proxy voting policies and procedures of its investment adviser, Alliance Capital Management L.P.

July 2003

ALLIANCE CAPITAL MANAGEMENT L.P.

Statement of Policies and Procedures for
Voting Proxies on Behalf of Discretionary Client Accounts

Introduction

As a registered investment adviser, Alliance Capital Management L.P. ("Alliance Capital", "we" or "us") has a fiduciary duty to act solely in the best interests of our clients. As part of this duty, we recognize that we must vote client securities in a timely manner and make voting decisions that are in the best interests of our clients.

This statement is intended to comply with Rule 206(4)-6 of the Investment Advisers Act of 1940. It sets forth our policies and procedures for voting proxies for our discretionary investment advisory clients, including investment companies registered under the Investment Company Act of 1940. This statement is applicable to Alliance Capital's growth and value investment groups investing on behalf of clients in both US and global securities.

PROXY POLICIES

This statement is designed to be responsive to the wide range of subjects that can have a significant effect on the investment value of the securities held in our clients' accounts. These policies are not exhaustive due to the variety of proxy voting issues that we may be required to consider. Alliance Capital reserves the right to depart from these guidelines in order to avoid voting decisions that we believe may be contrary to our clients' best interests. In reviewing proxy issues, we will apply the following general policies:

Elections of Directors: Unless there is a proxy fight for seats on the Board or we determine that there are other compelling reasons for withholding votes for directors, we will vote in favor of the management proposed slate of directors. That said, we believe that directors have a duty to respond to shareholder actions that have received significant shareholder support. We may withhold votes for directors that fail to act on key issues such as failure to implement proposals to declassify boards, failure to implement a majority vote requirement, failure to submit a rights plan to a shareholder vote and failure to act on tender offers where a majority of shareholders have tendered their shares. In addition, we will withhold votes for directors who fail to attend at least seventy-five percent of board meetings within a given year without a reasonable excuse. Finally, we may withhold votes for directors of non-U.S. issuers where there is insufficient information about the nominees disclosed in the proxy statement.

Appointment of Auditors: Alliance Capital believes that the company remains in the best position to choose the auditors and will generally support management's recommendation. However, we recognize that there may be inherent conflicts when a company's independent auditor performs substantial non-audit related services for the company. Therefore, we may vote against the appointment of auditors if the fees for non-audit related services are disproportionate to the total audit fees paid by the company or there are other reasons to question the independence of the company's auditors.

Changes in Capital Structure: Changes in a company's charter, articles of incorporation or by-laws are often technical and administrative in nature. Absent a compelling reason to the contrary, Alliance Capital will cast its votes in accordance with the company's management on such proposals. However, we will review and analyze on a case-by-case basis any non-routine proposals that are likely to affect the structure and operation of the company or have a material economic effect on the company. For example, we will generally support proposals to increase authorized common stock when it is necessary to implement a stock split, aid in a restructuring or acquisition or provide a sufficient number of shares for an employee savings plan, stock option or executive compensation plan. However, a satisfactory explanation of a company's intentions must be disclosed in the proxy statement for proposals requesting an increase of greater than one hundred percent of the shares outstanding. We will oppose increases in authorized common stock where there is evidence that the shares will be used to implement a poison pill or another form of anti-takeover device, or if the issuance of new shares could excessively dilute the value of the outstanding shares upon issuance.

Corporate Restructurings, Mergers and Acquisitions: Alliance Capital believes proxy votes dealing with corporate reorganizations are an extension of the investment decision. Accordingly, we will analyze such proposals on a case-by-case basis, weighing heavily the views of the research analysts that cover the company and the investment professionals managing the portfolios in which the stock is held.

Proposals Affecting Shareholder Rights: Alliance Capital believes that certain fundamental rights of shareholders must be protected. We will generally vote in favor of proposals that give shareholders a greater voice in the affairs of the company and oppose any measure that seeks to limit those rights. However, when analyzing such proposals we will weigh the financial impact of the proposal against the impairment of shareholder rights.

Corporate Governance: Alliance Capital recognizes the importance of good corporate governance in ensuring that management and the board of directors fulfill their obligations to the shareholders. We favor proposals promoting transparency and accountability within a company. For example, we will vote for proposals providing for equal access to proxies, a majority of independent directors on key committees, and separating the positions of chairman and chief executive officer.

Anti-Takeover Measures: Alliance Capital believes that measures that impede takeovers or entrench management not only infringe on the rights of shareholders but may also have a detrimental effect on the value of the company. We will generally oppose proposals, regardless of whether they are advanced by management or shareholders, the purpose or effect of which is to entrench management or dilute shareholder ownership. Conversely, we support proposals that would restrict or otherwise eliminate anti-takeover measures that have already been adopted by corporate issuers. For example, we will support shareholder proposals that seek to require the company to submit a shareholder rights plan to a shareholder vote. We will evaluate, on a case-by-case basis, proposals to completely redeem or eliminate such plans. Furthermore, we will generally oppose proposals put forward by management (including blank check preferred stock, classified boards and supermajority vote requirements) that appear to be intended as management entrenchment mechanisms.

Executive Compensation: Alliance Capital believes that company management and the compensation committee of the board of directors should, within reason, be given latitude to determine the types and mix of compensation and benefit awards offered. Whether proposed by a shareholder or management, we will review proposals relating to executive compensation plans on a case-by-case basis to ensure that the long-term interests of management and shareholders are properly aligned. We will analyze the proposed plans to ensure that shareholder equity will not be excessively diluted, the option exercise price is not below market price on the date of grant and an acceptable number of employees are eligible to participate in such programs. We will generally oppose plans that permit repricing of underwater stock options without shareholder approval. Other factors such as the company's performance and industry practice will generally be factored into our analysis. We will support proposals to submit severance packages triggered by a change in control to a shareholder vote and proposals that seek additional disclosure of executive compensation. Finally, we will support shareholder proposals requiring companies to expense stock options because we view them as a large corporate expense.

Social and Corporate Responsibility: Alliance Capital will review and analyze on a case-by-case basis proposals relating to social, political and environmental issues to

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determine whether they will have a financial impact on shareholder value. We will vote against proposals that are unduly burdensome or result in unnecessary and excessive costs to the company. We may abstain from voting on social proposals that do not have a readily determinable financial impact on shareholder value.

Proxy Voting Procedures

Proxy Voting Committees

Our growth and value investment groups have formed separate proxy voting committees to establish general proxy policies for Alliance Capital and consider specific proxy voting matters as necessary. These committees periodically review new types of corporate governance issues, evaluate proposals not covered by these policies and recommend how we should generally vote on such issues. In addition, the committees, in conjunction with the analyst that covers the company, contact management and interested shareholder groups as necessary to discuss proxy issues. Members of the committees include senior investment personnel and representatives of the Corporate Legal Department. The committees may also evaluate proxies where we face a potential conflict of interest (as discussed below). Finally, the committees monitor adherence to guidelines, industry trends and review the policies contained in this statement from time to time.

Conflicts of Interest

Alliance Capital recognizes that there may be a potential conflict of interest when we vote a proxy solicited by an issuer whose retirement plan we manage, whose retirement plan we administer, or with whom we have another business or personal relationship that may affect how we vote on the issuer's proxy. We believe that centralized management of proxy voting, oversight by the proxy voting committees and adherence to these policies ensures that proxies are voted with only our clients' best interests in mind. That said, we have implemented additional procedures to ensure that our votes are not the product of a conflict of interests, including: (i) requiring anyone involved in the decision making process to disclose to the chairman of the appropriate proxy committee any potential conflict that they are aware of and any contact that they have had with any interested party regarding a proxy vote; (ii) prohibiting employees involved in the decision making process or vote administration from revealing how we intend to vote on a proposal in order to reduce any attempted influence from interested parties; and (iii) where a material conflict of interests exists, reviewing our proposed vote by applying a series of objective tests and, where necessary, considering the views of a third party research service to ensure that our voting decision is consistent with our clients' best interests. For example, if our proposed vote is consistent with our stated proxy voting policy, no further review is necessary. If our proposed vote is contrary to our stated proxy voting policy but is also contrary to management's recommendation, no further review is necessary. If our proposed vote is contrary to our stated proxy voting policy or is not covered by our policy, is consistent with management's recommendation, and is also consistent with the views of an independent source, no further review is necessary. If our proposed vote is contrary to our stated proxy voting policy or is not covered by our policy, is consistent with management's recommendation and is contrary to the views of an independent source, the proposal is reviewed by the appropriate proxy committee for final determination.

Proxies of Certain Non-US Issuers

Proxy voting in certain countries requires "share blocking." Shareholders wishing to vote their proxies must deposit their shares shortly before the date of the meeting (usually one-week) with a designated depositary. During this blocking period, shares that will be voted at the meeting cannot be sold until the meeting has taken place and the shares are returned to the clients' custodian banks. Alliance Capital may determine that the value of exercising the vote does not outweigh the detriment of not being able to transact in the shares during this period. Accordingly, if share blocking is required we may abstain from voting those shares. In such a situation we would have determined that the cost of voting exceeds the expected benefit to the client.

Proxy Voting Records

Clients may obtain information about how we voted proxies on their behalf by contacting their Alliance Capital administrative representative. Alternatively, clients may make a written request for proxy voting information to: Mark R. Manley, Senior Vice President & Assistant General Counsel, Alliance Capital Management L.P., 1345 Avenue of the Americas, New York, NY 10105.

ITEM 8. [RESERVED]

ITEM 9. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, as amended) are effective at the reasonable assurance level based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

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

ITEM 10. EXHIBITS.

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

Exhibit No.	DESCRIPTION OF EXHIBIT
10(a)(1)	Code of ethics that is subject to the disclosure of Item 2 hereof

10(b)(1)	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
10(b)(2)	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
10(c)	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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SIGNATURES

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

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

By: /s/ Marc O. Mayer

Marc O. Mayer
President

Date: November 25, 2003

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

By: /s/ Marc O. Mayer

Marc O. Mayer
President

Date: November 25, 2003

By: /s/ Mark D. Gersten

Mark D. Gersten
Treasurer and Chief Financial Officer

Date: November 25, 2003