

ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC
Form N-Q
August 29, 2006

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-07732

ALLIANCE WORLD DOLLAR GOVERNMENT FUND II, 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
AllianceBernstein 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: March 31, 2007

Date of reporting period: June 30, 2006

ITEM 1. SCHEDULE OF INVESTMENTS.

2

ALLIANCE WORLD DOLLAR GOVERNMENT FUND II
PORTFOLIO OF INVESTMENTS
June 30, 2006 (unaudited)

	Principal Amount (000)	U.S. \$ Value
	-----	-----
SOVEREIGN DEBT OBLIGATIONS--83.0%		
Argentina--5.5%		
Republic of Argentina		
0.00%, 12/15/35(a)	\$ 3	\$ 257
4.889%, 8/03/12(b)	40,342	37,279,354
8.28%, 12/31/33(c)	13,461	11,980,020
Series V		
7.00%, 3/28/11	2,985	2,769,914

		52,029,545

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

Brazil--14.0%

Federal Republic of Brazil

7.125%, 1/20/37(c)	29,261	27,505,340
8.00%, 1/15/18	9,038	9,526,052
8.25%, 1/20/34	28,324	29,740,200
8.875%, 10/14/19	8,144	8,958,400
11.00%, 8/17/40(c)	45,915	56,934,599

		132,664,591

Bulgaria--0.4%

Republic of Bulgaria

8.25%, 1/15/15(d)	3,204	3,609,306

Colombia--2.5%

Republic of Colombia

10.75%, 1/15/13	8,057	9,458,918
11.75%, 2/25/20	10,919	14,276,593

		23,735,511

Costa Rica--0.4%

Republic of Costa Rica

8.05%, 1/31/13(d)	1,669	1,752,450
8.11%, 2/01/12(d)	1,964	2,067,110

		3,819,560

Dominican Republic--0.2%

Dominican Republic

4.75%, 9/27/11(d)	2,101	2,205,828

Ecuador--2.2%

Republic of Ecuador

9.00%, 8/15/30(d)(e)	17,823	17,193,453
9.375%, 12/15/15(d)	3,834	3,795,660

		20,989,113

El Salvador--1.1%

Republic of El Salvador

7.625%, 9/21/34(d)	2,290	2,370,150
7.65%, 6/15/35(d)	3,691	3,580,270
8.50%, 7/25/11(d)	3,700	4,005,250

		9,955,670

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

Indonesia--1.8%

Republic of Indonesia

6.75%, 3/10/14(d)	\$ 8,585	\$ 8,370,375
6.875%, 3/09/17(d)	3,954	3,855,150
7.25%, 4/20/15(d)	2,480	2,458,920
8.50%, 10/12/35(d)	2,048	2,191,360

		16,875,805

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

Jamaica--0.3%		
Government of Jamaica		
10.625%, 6/20/17	2,332	2,530,220

Lebanon--1.2%		
Lebanese Republic		
7.875%, 5/20/11(d)	2,475	2,518,313
10.125%, 8/06/08(d)	7,501	7,951,060
11.625%, 5/11/16(d)	1,114	1,378,575

		11,847,948

Malaysia--1.1%		
Malaysia		
8.75%, 6/01/09	9,420	10,127,593

Mexico--13.5%		
United Mexican States		
7.50%, 1/14/12	7,400	7,844,000
8.125%, 12/30/19	42,200	47,685,999
11.375%, 9/15/16	11,110	15,081,825
Series A		
6.375%, 1/16/13	2,782	2,788,955
8.00%, 9/24/22	37,632	41,865,599
9.875%, 2/01/10	11,800	13,275,000

		128,541,378

Nigeria--1.8%		
Central Bank of Nigeria		
6.25%, 11/15/20(e)	17,250	17,186,175

Panama--3.0%		
Republic of Panama		
6.70%, 1/26/36	2,929	2,596,559
7.125%, 1/29/26	4,794	4,626,210
7.25%, 3/15/15	600	606,000
8.875%, 9/30/27	6,113	6,871,012
9.375%, 7/23/12-4/01/29	6,885	7,854,225
9.625%, 2/08/11	5,206	5,752,630

		28,306,636

Peru--2.4%		
Republic of Peru		
7.35%, 7/21/25(c)	2,097	2,055,060
8.375%, 5/03/16	4,791	5,126,370
8.75%, 11/21/33(c)	13,866	15,217,935
9.875%, 2/06/15	157	183,690

		22,583,055

Philippines--6.5%		
Republic of Philippines		
7.75%, 1/14/31(c)	6,378	6,314,220
8.25%, 1/15/14	12,842	13,323,575

Principal
Amount

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

	(000)	U.S. \$ Value
8.375%, 2/15/11	\$ 684	\$ 707,940
8.875%, 3/17/15(c)	17,505	18,756,608
9.00%, 2/15/13	4,775	5,001,813
9.875%, 1/15/19	12,750	14,694,375
10.625%, 3/16/25(c)	2,055	2,537,925

		61,336,456

Russia--12.4%		
Russian Federation		
5.00%, 3/31/30(d)(e)	37,641	39,898,930
11.00%, 7/24/18(d)	4,340	5,978,350
Russian Ministry of Finance		
Series V		
3.00%, 5/14/08	70,752	66,775,737
Series VII		
3.00%, 5/14/11	5,870	5,033,525

		117,686,542

Turkey--4.2%		
Republic of Turkey		
6.875%, 3/17/36	18,028	14,963,240
7.00%, 6/05/20(c)	12,100	10,799,250
7.375%, 2/05/25	2,142	1,927,800
8.00%, 2/14/34	900	846,000
11.00%, 1/14/13	5,500	6,223,250
11.875%, 1/15/30(c)	3,935	5,347,665

		40,107,205

Ukraine--0.9%		
Government of Ukraine		
7.65%, 6/11/13(d)	4,970	4,994,850
11.00%, 3/15/07(d)	3,743	3,804,896

		8,799,746

Uruguay--1.4%		
Republic of Uruguay		
5.875%, 1/15/33(f)	4,246	3,842,730
7.50%, 3/15/15	3,691	3,534,133
8.00%, 11/18/22	2,296	2,204,160
9.25%, 5/17/17	3,488	3,737,392

		13,318,415

Venezuela--6.2%		
Republic of Venezuela		
5.75%, 2/26/16	3,751	3,338,390
6.09%, 4/20/11(b)(d)	3,050	3,042,375
7.00%, 12/01/18(d)	3,540	3,363,000
8.50%, 10/08/14	5,081	5,373,158
9.25%, 9/15/27(c)	11,981	14,065,694
10.75%, 9/19/13	19,646	23,437,678
13.625%, 8/15/18	4,499	6,411,075

		59,031,370

Total Sovereign Debt Obligations		

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

(cost \$758,899,847)

787,287,668

	Principal Amount (000)	U.S. \$ Value
CORPORATE DEBT OBLIGATIONS--11.4%		
Brazil--0.3%		
Banco BMG, SA		
9.15%, 1/15/16(d)	\$ 3,300	\$ 3,250,500
Cayman Islands--0.2%		
C&M Finance Ltd.		
8.10%, 2/01/16(d)	1,405	1,341,775
Hong Kong--0.4%		
Noble Group Ltd.		
6.625%, 3/17/15(d)	4,731	4,101,091
Indonesia--0.5%		
Freeport-McMoran Copper & Gold		
10.125%, 2/01/10	4,800	5,094,000
Jamaica--0.3%		
Digicel Ltd.		
9.25%, 9/01/12(d)	3,009	3,144,405
Kazakhstan--0.6%		
Kazkommerts International BV		
8.50%, 4/16/13(d)	3,000	3,075,000
TengizChevroil Finance Co.		
6.124%, 11/15/14(d)	2,569	2,482,296
		5,557,296
Mexico--0.4%		
America Movil SA de CV		
6.375%, 3/01/35	923	800,703
Monterrey Power SA de CV		
9.625%, 11/15/09(d)	2,526	2,725,582
		3,526,285
Panama--0.3%		
AES El Salvador Trust		
6.75%, 2/01/16(d)	3,100	2,855,881
People's Republic of China--0.4%		
Choad Modern Agricultural Holdings Ltd.		
7.75%, 2/08/10(d)	3,808	3,750,880
Peru--0.5%		
Southern Copper Corp.		
6.375%, 7/27/15	4,524	4,325,034
Romania--0.4%		
MobiFon Holdings BV		
12.50%, 7/31/10	3,075	3,482,438

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

Russia--6.8%		
Aries Vermogensverwaltnng		
9.60%, 10/25/14(d)	21,750	27,009,149
Citigroup (JSC Severstal)		
9.25%, 4/19/14(d)	2,256	2,340,374
Evrast Group, SA		
8.25%, 11/10/15(d)	3,933	3,824,843
Gallery Capital, SA		
10.125%, 5/15/13(d)	1,667	1,488,631

	Shares or Principal Amount (000)	U.S. \$ Value
	-----	-----
Gazprom Oao		
9.625%, 3/01/13(d)	\$ 16,100	\$ 18,233,250
Gazstream, SA		
5.625%, 7/22/13(d)	1,898	1,845,708
Mobile Telesystems Finance		
9.75%, 1/30/08(d)	5,390	5,545,055
Russian Standard Finance		
7.50%, 10/07/10(d)	3,412	3,181,690
Tyumen Oil		
11.00%, 11/06/07(d)	1,075	1,129,288

		64,597,988

Ukraine--0.3%		
Kyivstar		
7.75%, 4/27/12(d)	900	867,375
10.375%, 8/17/09(d)	1,800	1,912,500

		2,779,875

Total Corporate Debt Obligations		
(cost \$108,772,339)		107,807,448

WARRANTS(g)--0.1%		
Central Bank of Nigeria		
Warrants, expiring 11/15/20	9,500	1,425,000
Republic of Venezuela		
Warrants, expiring 4/15/20	25,000	0

Total Warrants		
(cost \$0)		1,425,000

SHORT-TERM INVESTMENT--20.0%		
Time Deposit--20.0%		
Societe Generale		
5.281%, 7/03/06		
(cost \$189,800,000)	\$189,800	189,800,000

Total Investments--114.5%		
(cost \$1,057,472,186)		1,086,320,116
Other assets less liabilities--(14.5%)		(137,588,588)

Net Assets--100%		\$ 948,731,528

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

CREDIT DEFAULT SWAP CONTRACTS

Swap Counterparty & Referenced Obligation	Notional Amount (000)	Interest Rate	Termination Date	Unrealized Appreciation/ (Depreciation)
-----	-----	-----	-----	-----
Buy Contracts:				
Citigroup Global Markets, Inc. Republic of Colombia 8.375%, 2/15/27	\$ 4,250	3.02%	1/20/10	\$ (294,395)
Citigroup Global Markets, Inc. Republic of Hungary 4.50%, 2/06/13	3,075	0.50	11/26/13	30,969
JPMorgan Chase & Co. Republic of Hungary 4.50%, 2/06/13	11,300	0.30	10/20/15	343,671
Sale Contracts:				
Citigroup Global Markets, Inc. Federal Republic of Brazil 12.25%, 3/06/30	19,047	1.98	4/20/07	332,105
Citigroup Global Markets, Inc. Federal Republic of Brazil 12.25%, 3/06/30	18,840	3.09	8/20/10	1,328,688
Citigroup Global Markets, Inc. Republic of Colombia 8.375%, 2/15/27	8,600	1.13	1/20/07	85,057
Citigroup Global Markets, Inc. Republic of Philippines 10.625%, 3/16/25	4,070	4.95	3/20/09	397,434
Credit Suisse First Boston Federal Republic of Brazil 12.25%, 3/6/30	5,800	6.90	6/20/07	378,938
Credit Suisse First Boston Federal Republic of Brazil 12.25%, 3/06/30	13,570	3.17	10/20/15	663,659
Deutsche Bank AG London Federal Republic of Brazil 12.25%, 3/06/30	19,047	1.90	4/20/07	316,920
JPMorgan Chase & Co. Oao Gazprom 5.875%-10.50%, 4/25/07-6/01/15	12,210	1.04	10/20/10	(62,950)
Morgan Stanley Federal Republic of Brazil 10.125%, 5/15/27	7,200	17.75	2/13/08	2,436,855
Morgan Stanley Federal Republic of Brazil 12.25%, 3/06/30	5,120	3.80	8/20/06	96,367

REVERSE REPURCHASE AGREEMENTS

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

Broker	Rate	Interest Maturity	Amount
-----	----	-----	-----
JPMorgan Chase & Co	1.35%	7/03/06	\$ 1,474,776
JPMorgan Chase & Co	1.50	7/03/06	5,250,494
JPMorgan Chase & Co	2.00	7/03/06	5,626,804
JPMorgan Chase & Co	2.50	7/13/06	5,294,494
JPMorgan Chase & Co	3.50	7/03/06	2,441,186
JPMorgan Chase & Co	3.50	7/03/06	2,035,455
JPMorgan Chase & Co	4.25	12/29/06	5,412,443
JPMorgan Chase & Co	4.40	7/03/06	18,706,765
JPMorgan Chase & Co	4.75	7/13/06	56,788,380
JPMorgan Chase & Co	4.75	12/29/06	15,245,374
JPMorgan Chase & Co	4.80	7/03/06	10,410,936
UBS AG LONDON	4.85	12/29/06	20,771,948
UBS AG LONDON	5.10	12/29/06	13,348,725

			\$162,807,780
			=====

- (a) Variable rate coupon, rate shown as of June 30,2006.
- (b) Floating rate security, stated interest rate was in effect at June 30, 2006.
- (c) Security or a portion of the security has been pledged as collateral for reverse repurchase agreements. At the period end, the value of securities pledged amounted to \$164,197,617.
- (d) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities are considered liquid and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At June 30, 2006, the aggregate market value of these securities amounted to \$224,490,904 or 23.7% of net assets.
- (e) Coupon increases periodically based upon a predetermined schedule. Stated interest rate in effect at June 30, 2006. (f) Pay-In-Kind Payments (PIK).
- (g) Non-income producing security.

Glossary of Terms:

DCB - Debt Conversion Bonds

FRN - Floating Rate Note

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended) 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 changes in the registrant's internal controls over financial reporting that occurred during the second fiscal quarter of the period that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Edgar Filing: ALLIANCE WORLD DOLLAR GOVERNMENT FUND II INC - Form N-Q

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

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
3 (a) (1)	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
3 (a) (2)	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

3

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 Alliance World Dollar Government Fund II, Inc.

By: /s/ Marc O. Mayer

Marc O. Mayer
President

Date: August 21, 2006

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: August 21, 2006

By: /s/ Joseph J. Mantineo

Joseph J. Mantineo
Treasurer and Chief Financial Officer

Date: August 21, 2006

4