

Edgar Filing: ACM MUNICIPAL SECURITIES INCOME FUND INC - Form N-Q

ACM MUNICIPAL SECURITIES INCOME FUND INC  
Form N-Q  
April 02, 2007

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: 811-07510

ACM MUNICIPAL SECURITIES 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  
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: October 31, 2007

Date of reporting period: January 31, 2007

ITEM 1. SCHEDULE OF INVESTMENTS.

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ACM Municipal Securities Income Fund  
Portfolio of Investments  
January 31, 2007 (unaudited)

	Principal Amount (000)	U.S. \$ Value
-----		
MUNICIPAL OBLIGATIONS - 169.4%		
Long-Term Municipal Bonds - 169.1%		
Alabama - 5.8%		
Jefferson Cnty Ltd Oblig Sch Warrants Ser 04A 5.25%, 1/01/18 - 1/01/23	\$1,825	\$ 1,943,095
Jefferson Cnty Swr Rev (Capital Improvement Warrants) FGIC Ser 02 5.00%, 2/01/41	1,535	1,621,589
Jefferson Cnty Wtr & Swr Rev FGIC Ser 02B		

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5.00%, 2/01/41	2,465	2,610,287
Montgomery Spl Care Facs Fin Auth (Baptist Health) Ser 04C		
5.25%, 11/15/29	1,000	1,085,570
		-----
		7,260,541
		-----
Alaska - 8.5%		
Alaska Intl Arpt Rev MBIA Ser 03B		
5.00%, 10/01/26	1,000	1,044,210
Alaska Muni Bond Bank Auth MBIA Ser 03E		
5.25%, 12/01/26	3,000	3,210,690
MBIA Ser 04G		
5.00%, 2/15/22	1,585	1,667,372
Anchorage Waste Wtr Rev MBIA Ser 04		
5.125%, 5/01/29	2,300	2,432,940
Four Dam Pool Alaska Ser 04		
5.25%, 7/01/25	2,195	2,294,807
		-----
		10,650,019
		-----
Arizona - 2.3%		
Arizona Cap Facs Fin Corp Student Hsg Rev (Arizona St Univ Proj) Ser 00		
6.25%, 9/01/32	1,550	1,605,149
Phoenix Civic Impt Corp Waste Wtr Sys Rev MBIA Ser 04		
5.00%, 7/01/23	1,250	1,322,000
		-----
		2,927,149
		-----
California - 14.2%		
Burbank Redev Agy FGIC Ser 03		
5.625%, 12/01/28	2,700	2,991,816
California GO 5.00%, 2/01/32	2,450	2,539,180
Ser 04 5.00%, 2/01/33	1,100	1,139,413
California State Dept of Wtr Res Pwr Sup Rev (Prerefunded) Ser 02A		
5.375%, 5/01/22	2,000	2,177,600
Golden St Tobacco Securitization Corp. RADIANT Ser 03		
5.50%, 6/01/43	2,250	2,456,437
XLCA Ser 03B 5.50%, 6/01/33	3,000	3,275,250
Pomona COP		





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Louisiana - 2.4%		
Ernest N Morial-New Orleans (Exhibit Hall Auth Spl Tax) AMBAC Ser A 5.25%, 7/15/16 - 7/15/17	1,185	1,268,349
New Orleans GO MBIA 5.25%, 12/01/20	1,000	1,076,680
New Orleans Ltd. Tax MBIA 5.00%, 3/01/18	660	698,128
		-----
		3,043,157
		-----
Massachusetts - 10.2%		
Massachusetts GO Ser 02C 5.25%, 11/01/30	1,690	1,808,892
Massachusetts GO Prerefunded Ser 02C 5.25%, 11/01/30	3,310	3,542,858
Massachusetts Hlth & Ed Fac Hosp Rev (New England Med Ctr) MBIA Ser 94 7.375%, 7/01/18 (d)	5,000	5,014,000
Massachusetts Hsg Fin Agy (Rental Rev) AMBAC Ser 95E 6.00%, 7/01/41	1,740	1,840,868
Massachusetts Hsg Fin Agy MFHR (Rental Rev) AMT MBIA Ser 00H 6.65%, 7/01/41	540	574,290
		-----
		12,780,908
		-----
Michigan - 5.3%		
Kent Hosp Fin Auth  (Metropolitan Hospital Proj) Ser 05A 5.75%, 7/01/25	310	333,486
Michigan Hosp Fin Auth (Trinity Health) Ser 00A 6.00%, 12/01/27	3,000	3,255,180
Saginaw Hosp Fin Auth (Covenant Med Ctr) Ser 00F 6.50%, 7/01/30	2,775	3,028,135
		-----
		6,616,801
		-----
Minnesota - 1.4%		
Shakopee Health Care Facs (St Francis Regl Med Center)		

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Ser 04		
5.10%, 9/01/25	1,200	1,246,512
St. Paul Hsg & Redev Auth Hosp Rev (Healtheast Proj)		
Ser 05		
6.00%, 11/15/25	500	548,490
		-----
		1,795,002
		-----
Mississippi - 4.1%		
Adams Cnty Poll Ctl Rev (International Paper Co) AMT		
Ser 99		
6.25%, 9/01/23	1,000	1,059,860
Gulfport Hosp Fac Rev (Mem Hosp at Gulfport Proj)		
Ser 01A		
5.75%, 7/01/31	4,000	4,131,440
		-----
		5,191,300
		-----
Nevada - 1.7%		
Carson City Hosp Rev (Carson-Tahoe Hosp Proj)		
RADIAN Ser 03A		
5.00%, 9/01/23	2,100	2,150,694
		-----
New Hampshire - 0.7%		
New Hampshire Health & Ed Facs (Covenant Health)		
Ser 04		
5.375%, 7/01/24	820	866,314
		-----
New Jersey - 5.2%		
Morris-Union Jointure Commn COP RADIAN Ser 04		
5.00%, 5/01/24	2,000	2,082,040
New Jersey St Edl Facs Auth Rev AMBAC Ser 02A		
5.25%, 9/01/21	4,200	4,509,666
		-----
		6,591,706
		-----
New Mexico - 4.9%		
Dona Ana Cnty Tax Rev		
AMBAC Ser 03		
5.25%, 5/01/25	500	530,775
University of New Mexico FSA Ser 04		
5.00%, 1/01/24 - 7/01/24	5,430	5,661,698
		-----
		6,192,473
		-----
New York - 3.5%		
Erie Cnty IDA Sch Fac Rev (Buffalo Sch Dist Proj)		









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(Richardson Regional Med Ctr)		
FSA Ser 04		
5.875%, 12/01/24	1,155	1,248,024
Ser 04		
6.00%, 12/01/19	915	996,471
Seguin Hgr Ed Auth		
(Texas Lutheran Univ Project)		
Ser 04		
5.25%, 9/01/28	1,000	1,023,790
		-----
		24,814,286
		-----
Utah - 2.1%		
Davis Cnty Sales Tax Rev		
AMBAC Ser 03B		
5.25%, 10/01/23	1,005	1,070,858
Salt Lake City Wtr Rev		
AMBAC Ser 04		
5.00%, 7/01/23	1,500	1,574,670
		-----
		2,645,528
		-----
Washington - 1.2%		
Seattle Hsg Auth Rev MFHR		
(Wisteria Ct Proj)		
GNMA Ser 03		
5.20%, 10/20/28	1,475	1,541,036
		-----
Wisconsin - 4.1%		
Wisconsin GO		
Ser 03		
5.00%, 11/01/26	3,700	3,808,447
Wisconsin Hlth & Ed Fac Auth Rev		
(Bell Tower Residence Proj)		
Ser 05		
5.00%, 7/01/20	1,300	1,349,634
		-----
		5,158,081
		-----
Total Long-Term Municipal Bonds		
(cost \$204,923,380)		212,460,722
		-----
Short-Term Municipal Notes - 0.3%		
Florida - 0.3%		
Jacksonville Hlth Facs Auth Hosp Rev		
(Baptist Med Ctr Proj)		
3.68%, 8/15/21 (e)		
(cost \$400,000)	400	400,000
		-----
Total Investments - 169.4%		
(cost \$205,323,380)		212,860,722
Other assets less liabilities - 2.2%		2,761,228
Preferred Stock at redemption value - (71.6)%		(90,000,000)
		-----
Net Assets Applicable to		
Common Shareholders - 100.0% (f)		\$125,621,950

INTEREST RATE SWAP TRANSACTIONS

Swap Counterparty	Notional Amount (000)	Termination Date	Rate Type		Unrealized Appreciation/ (Depreciation)
			Payments made by the Portfolio	Payments received by the Portfolio	
Citibank	\$2,700	11/10/26	3.884%	BMA Municipal Swap Index	\$31,111
J.P. Morgan	7,500	11/10/11	BMA Municipal Swap Index	3.482%	(41,052)

- (a) Position, or a portion thereof, has been segregated to collateralize interest rate swaps.
- (b) Private Placement
- (c) 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.
- (d) Inverse Floater Security - Security with variable or floating interest rate that moves in the opposite direction of short-term interest rates.
- (e) Variable rate coupon, rate shown as of January 31, 2007.
- (f) Portfolio percentages are calculated based on net assets applicable to common shareholders.

Glossary:

ACA	- American Capital Access Financial Guaranty Corporation
AMBAC	- American Bond Assurance Corporation
AMT	- Alternative Minimum Tax (subject to)
ASSURED GTY	- Assured Guaranty
BMA	- Bond Market Association
COP	- Certificate of Participation
FGIC	- Financial Guaranty Insurance Company
FNMA	- Federal National Mortgage Association
FSA	- Financial Security Assurance Inc.
GNMA	- Government National Mortgage Association
GO	- General Obligation
IDA	- Industrial Development Authority/Agency
MBIA	- Municipal Bond Investors Assurance
MFHR	- Multi-Family Housing Revenue
MTN	- Medium Term Note
RADIAN	- Radian Group, Inc.
SFMR	- Single Family Mortgage Revenue
SWR	- Solid Waste Revenue
XLCA	- XL Capital Assurance Inc.

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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 last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

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

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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 Municipal Securities Income Fund, Inc.

By: /s/ Marc O. Mayer

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Marc O. Mayer  
President

Date: March 26, 2007

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

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Marc O. Mayer  
President

Date: March 26, 2007

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By: /s/ Joseph J. Mantineo

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Joseph J. Mantineo  
Treasurer and Chief Financial Officer

Date: March 26, 2007

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Exhibit 3 (a) (1)

CERTIFICATIONS

I, Marc O. Mayer, certify that:

1. I have reviewed this report on Form N-Q of ACM Municipal Securities Income Fund, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the schedules of investments included in this report fairly present in all material respects the investments of the registrant as of the end of the fiscal quarter for which the report is filed;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report, based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Marc O. Mayer

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Marc O. Mayer  
President

Date: March 26, 2007

Exhibit 3 (a) (2)

CERTIFICATIONS

I, Joseph J. Mantineo, certify that:

1. I have reviewed this report on Form N-Q of ACM Municipal Securities Income Fund, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the schedules of investments included in this report fairly present in all material respects the investments of the registrant as of the end of the fiscal quarter for which the report is filed;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision,

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to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report, based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Joseph J. Mantineo

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Joseph J. Mantineo  
Treasurer and Chief Financial Officer

Date: March 26, 2007

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