

BLACKROCK LTD DURATION INCOME TRUST
Form N-Q
March 29, 2007

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

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number: 811-21349

BlackRock Limited Duration Income Trust
(Exact name of registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE
(Address of principal executive offices)

19809
(Zip code)

Robert S. Kapito, President
BlackRock Limited Duration Income Trust
40 East 52nd Street, New York, NY 10022

(Name and address of agent for service)

Registrant's telephone number, including area code: 888-825-2257

Date of fiscal year end: October 31, 2007

Date of reporting period: January 31, 2007

Item 1. Schedule of Investments.

The Registrant's unaudited schedule of investments as of the close of the reporting period pursuant to Rule 30b1-5 under the Investment Company Act of 1940 is as follows:

PORTFOLIO OF INVESTMENTS (unaudited)
JANUARY 31, 2007
BlackRock Limited Duration Income Trust (BLW)
(Percentage of Net Assets)

| Rating ¹ | Principal Amount (000) | Description | Value |
|-------------------------------------|-------------------------|---|--------------|
| LONG-TERM INVESTMENTS 145.2% | | | |
| Corporate Bonds 61.9% | | | |
| Aerospace & Defense 1.5% | | | |
| NR | \$ 1,560 ^{2,3} | AAR Corp., Ser. A2, 8.39%, 5/15/11 | \$ 1,575,600 |
| B | 680 | Argo-Tech Corp., 9.25%, 6/01/11 | 736,100 |
| BB | 745 ³ | Bombardier, Inc., 8.00%, 11/15/14 (Canada) | 772,938 |
| B | 5,676 | DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13 | 5,959,800 |
| B | 330 | DRS Technologies, Inc., 6.875%, 11/01/13 | 326,700 |
| B | 310 | 7.625%, 2/01/18 | 315,425 |
| BB | 755 | Sequa Corp., 9.00%, 8/01/09 | 800,300 |
| Total Aerospace & Defense | | | 10,486,863 |
| Automotive 2.6% | | | |
| BB+ | 690 | AutoNation, Inc., 7.00%, 4/15/14 | 693,450 |
| BB+ | 690 ⁴ | 7.36%, 4/15/13 | 695,175 |
| BB- | 130 ^{3,4} | Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 7.874%, 5/15/14 | 129,025 |
| BBB+ | 7,500 ⁵ | DaimlerChrysler NA Holding Corp., 4.05%, 6/04/08 | 7,344,675 |
| B- | 2,225 | Lear Corp., Ser. B, 8.75%, 12/01/16 | 2,219,438 |
| B3 | 1,000 ⁵ | Metaldyne Corp., 11.00%, 11/01/13 | 1,000,000 |
| B1 | 3,500 | Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13 | 3,640,000 |
| BB- | 2,629 | TRW Automotive, Inc., 9.375%, 2/15/13 | 2,813,030 |
| Total Automotive | | | 18,534,792 |
| Basic Materials 4.8% | | | |
| B+ | 1,905 | Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada) | 1,662,113 |
| B+ | 2,200 | AK Steel Corp., 7.75%, 6/15/12 | 2,227,500 |
| B | 1,100 ³ | American Pacific Corp., 9.00%, 2/01/15 | 1,100,000 |
| B+ | 670 ⁴ | Bowater, Inc., 8.36%, 3/15/10 | 676,700 |
| BB+ | 120 | Chemtura Corp., 6.875%, 6/01/16 | 116,400 |
| B- | 750 | CPG Intl. I, Inc., 10.50%, 7/01/13 | 781,875 |
| B+ | 300 | Domtar, Inc. (Canada) 7.125%, 8/15/15 | 296,250 |
| B+ | 140 | 7.875%, 10/15/11 | 145,950 |
| B+ | 740 | Donohue Forest Products, 7.625%, 5/15/07 (Canada) | 740,000 |
| BB- | 1,950 | Huntsman LLC, 11.625%, 10/15/10 | 2,125,500 |
| B | 310 | 12.00%, 7/15/12 | 351,850 |

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| Ineos Group Holdings Plc (United Kingdom) | | | |
|---|----------------------|--|-----------|
| B+ | 1,490 | 7.875%, 2/07/16 (EUR) | 1,830,326 |
| B+ | 2,885 ³ | 8.50%, 2/15/16 | 2,762,387 |
| B3 | 2,225 | Innophos, Inc., 8.875%, 8/15/14 | 2,297,312 |
| Lyondell Chemical Co., | | | |
| BB- | 1,100 | 8.00%, 9/15/14 | 1,144,000 |
| BB- | 1,835 | 8.25%, 9/15/16 | 1,945,100 |
| BB+ | 560 | 10.50%, 6/01/13 | 618,100 |
| BB+ | 3,020 | 11.125%, 7/15/12 | 3,250,275 |
| BB | 765 | Millennium America, Inc., 9.25%, 6/15/08 | 794,644 |
| B- | 215 | Nalco Co., 8.875%, 11/15/13 | 228,169 |
| NewPage Corp., | | | |
| B2 | 810 | 10.00%, 5/01/12 | 882,900 |
| B2 | 1,500 ^{4,5} | 11.61%, 5/01/12 | 1,642,500 |
| B3 | 300 | 12.00%, 5/01/13 | 327,000 |
| Nova Chemicals Corp. (Canada) | | | |
| BB- | 200 | 6.50%, 1/15/12 | 189,000 |
| BB- | 2,690 ⁴ | 8.502%, 11/15/13 | 2,676,550 |
| CCC+ | 2,020 ³ | Pregis Corp., 12.375%, 10/15/13 | 2,222,000 |
| B+ | 81 | Rhodia S.A., 10.25%, 6/01/10 (France) | 92,340 |
| BB- | 730 ³ | Terra Capital, Inc., 7.00%, 2/01/17 | 719,963 |

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description | Value |
|---|------------------------|---|------------|
| Basic Materials (cont'd) | | | |
| B- | \$ 60 ³ | Verso Paper Holdings LLC/Verson Paper, Inc., 11.375%, 8/01/16 | \$ 63,600 |
| | | Total Basic Materials | 33,910,304 |
| Building & Development 0.9% | | | |
| BBB- | 3,000 ⁵ | DR Horton, Inc., 5.875%, 7/01/13 | 2,970,336 |
| | | Goodman Global Holding Co., Inc., | |
| B- | 2,000 | 7.875%, 12/15/12 | 2,010,000 |
| B1 | 269 ⁵ | 8.36%, 6/15/12 | 272,363 |
| B3 | 890 | Nortek, Inc., 8.50%, 9/01/14 | 885,550 |
| B3 | 270 | North American Energy Partners, Inc., 8.75%, 12/01/11 (Canada) | 270,000 |
| | | Total Building & Development | 6,408,249 |
| Business Equipment & Services 0.1% | | | |
| Ba2 | 350 ³ | FTI Consulting, Inc., 7.75%, 10/01/16 | 361,375 |
| Commercial Services 0.4% | | | |
| B2 | 1,050 | Education Management LLC/Education Management Corp., 8.75%, 6/01/14 | 1,102,500 |
| B- | 750 ^{3,4} | NCO Group, Inc., 10.244%, 11/15/13 | 750,000 |
| B+ | 875 ³ | Quebecor World, Inc., 9.75%, 1/15/15 (Canada) | 913,281 |
| | | Total Commercial Services | 2,765,781 |
| Conglomerates 1.1% | | | |
| Baa3 | 7,500 ⁵ | Tyco Intl. Group S.A., 6.125%, 11/01/08 (Luxembourg) | 7,583,430 |
| Consumer Products 4.6% | | | |
| B3 | 300 | ALH Finance LLC, 8.50%, 1/15/13 | 300,750 |
| CCC+ | 2,085 ⁴ | Ames True Temper, Inc., 9.36%, 1/15/12 | 2,126,700 |
| B- | 1,108 | Finlay Fine Jewelry Corp., 8.375%, 6/01/12 | 1,052,600 |
| Ba3 | 5,000 ⁵ | Group 1 Automotive, Inc., 8.25%, 8/15/13 | 5,150,000 |
| BBB | 4,400 ⁵ | JC Penney Co., Inc., 8.00%, 3/01/10 | 4,690,981 |
| B- | 1,505 | Lazy Days RV Center, Inc., 11.75%, 5/15/12 | 1,463,612 |
| B | 2,075 ⁴ | Levi Strauss & Co., 10.11%, 4/01/12 | 2,126,875 |
| | | Michaels Stores, Inc., | |
| B2 | 2,210 ³ | 10.00%, 11/01/14 | 2,348,125 |
| Caa1 | 2,496 ³ | 11.375%, 11/01/16 | 2,682,931 |
| B2 | 223 | Neiman-Marcus Group, Inc., 9.00%, 10/15/15 | 244,185 |
| B3 | 210 ^{3,4} | Nutro Products, Inc., 9.40%, 10/15/13 | 216,825 |
| BB- | 600 | Quiksilver, Inc., 6.875%, 4/15/15 | 586,500 |
| BB+ | 1,000 | Reynolds American, Inc., 7.625%, 6/01/16 | 1,057,971 |
| B+ | 5,000 ⁵ | Rite Aid Corp., 8.125%, 5/01/10 | 5,112,500 |
| CCC | 1,345 | Spectrum Brands, Inc., 7.375%, 2/01/15 | 1,173,512 |
| B | 2,450 | United Rentals NA, Inc., 7.00%, 2/15/14 | 2,407,125 |
| | | Total Consumer Products | 32,741,192 |
| Containers & Packaging 1.0% | | | |
| | | Berry Plastics Holding Corp., | |
| B2 | 1,210 ³ | 8.875%, 9/15/14 | 1,249,325 |
| B2 | 835 ^{3,4} | 9.235%, 9/15/14 | 857,962 |
| B+ | 885 | | 915,975 |

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Crown Americas LLC/Crown Americas Capital Corp., 7.75%,
11/15/15

| | | | |
|---|----------------------|---|-----------|
| CCC+ | 585 | Graham Packaging Co., Inc., 8.50%, 10/15/12 | 593,775 |
| B1 | 1,370 ^{3,4} | Impress Holdings BV, 8.585%, 9/15/13 (Netherlands) | 1,373,028 |
| B+ | 2,114 | Smurfit-Stone Container Enterprises, Inc., 9.75%, 2/01/11 | 2,182,705 |
| | | Total Containers & Packaging | 7,172,770 |
| Ecological Services & Equipment 0.6% | | | |
| B | 2,000 | Casella Waste Systems, Inc., 9.75%, 2/01/13 | 2,100,000 |
| Caa1 | 2,065 | Waste Services, Inc., 9.50%, 4/15/14 | 2,147,600 |
| | | Total Ecological Services & Equipment | 4,247,600 |
| Energy 7.3% | | | |
| BB+ | 5,500 ^{3,5} | AES Corp., 8.75%, 5/15/13 | 5,864,375 |
| | | ANR Pipeline Co., | |
| B+ | 460 | 7.375%, 2/15/24 | 517,642 |
| B+ | 980 | 9.625%, 11/01/21 | 1,303,930 |
| B | 550 | Berry Petroleum Co., 8.25%, 11/01/16 | 541,750 |
| CCC+ | 1,210 | Chaparral Energy, Inc., 8.50%, 12/01/15 | 1,194,875 |

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description | Value |
|---------------------------------|------------------------|---|------------|
| Energy (cont'd) | | | |
| Chesapeake Energy Corp., | | | |
| BB | \$ 650 | 6.375%, 6/15/15 | \$ 630,500 |
| BB | 100 | 6.875%, 11/15/20 | 96,000 |
| BB | 4,000 ⁵ | 7.50%, 9/15/13 | 4,100,000 |
| BB- | 200 | ChipPAC, Inc., 2.50%, 6/01/08 | 213,500 |
| Ba3 | 150 | CMS Energy Corp., 7.50%, 1/15/09 | 153,750 |
| Ba3 | 255 | Compagnie Generale de Geophysique S.A., 7.50%, 5/15/15 (France) | 255,638 |
| B | 925 | Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada) | 883,375 |
| CCC+ | 1,640 ² | East Cameron Gas Co., 11.25%, 7/09/19 (Cayman Islands) | 1,574,400 |
| BB- | 590 | Edison Mission Energy, 7.50%, 6/15/13 | 612,125 |
| El Paso Corp., | | | |
| B2 | 400 | 7.80%, 8/01/31 | 427,000 |
| B2 | 525 | 9.625%, 5/15/12 | 594,563 |
| B2 | 225 | 10.75%, 10/01/10 | 254,250 |
| Ba1 | 400 | El Paso Natural Gas Co., 8.875%, 6/15/32 | 480,307 |
| Ba1 | 161 | Elwood Energy LLC, 8.159%, 7/05/26 | 170,118 |
| Encore Acquisition Co., | | | |
| B | 250 | 6.00%, 7/15/15 | 225,000 |
| B | 200 | 7.25%, 12/01/17 | 190,000 |
| B- | 495 | Exco Resources, Inc., 7.25%, 1/15/11 | 502,425 |
| BB+ | 380 ⁵ | Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15 | 363,850 |
| B | 2,434 ³ | Hilcorp Energy I LP/Hilcorp Finance Corp., 10.50%, 9/01/10 | 2,607,422 |
| B- | 895 | KCS Energy, Inc., 7.125%, 4/01/12 | 854,725 |
| Ba2 | 4,324 ⁵ | Midwest Generation LLC, Ser. B, 8.56%, 1/02/16 | 4,756,692 |
| Mirant Americas Generation LLC, | | | |
| Caa1 | 625 | 8.30%, 5/01/11 | 637,500 |
| Caa1 | 480 | 8.50%, 10/01/21 | 487,200 |
| Caa1 | 295 | 9.125%, 5/01/31 | 314,913 |
| BB- | 500 | Mission Energy Holdings Co., 13.50%, 7/15/08 | 548,125 |
| NRG Energy, Inc., | | | |
| B+ | 210 | 7.25%, 2/01/14 | 210,525 |
| B+ | 1,185 | 7.375%, 2/01/16 | 1,186,481 |
| BB | 1,990 ³ | OPTI, Inc., 8.25%, 12/15/14 (Canada) | 2,079,550 |
| B2 | 580 | Orion Power Holdings, Inc., 12.00%, 5/01/10 | 665,550 |
| Reliant Energy, Inc., | | | |
| B | 1,035 | 6.75%, 12/15/14 | 1,019,475 |
| B | 170 | 9.25%, 7/15/10 | 178,500 |
| BB | 1,515 ³ | Sabine Pass LNG LP, 7.50%, 11/30/16 | 1,488,487 |
| B+ | 1,240 ³ | SemGroup LP, 8.75%, 11/15/15 | 1,243,100 |
| B3 | 1,890 ^{3,4} | Stone Energy Corp., 8.11%, 7/15/10 | 1,887,637 |
| B | 5,000 ⁵ | Swift Energy Co., 9.375%, 5/01/12 | 5,250,000 |
| B3 | 725 ³ | Targa Resources, Inc., 8.50%, 11/01/13 | 726,812 |
| BBB- | 100 | Transcontinental Gas Pipe Line Corp., 7.25%, 12/01/26 | 105,000 |
| B+ | 1,040 | Utilicorp Finance Corp., 7.75%, 6/15/11 (Canada) | 1,101,716 |

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| | | | |
|------|--------------------|--|------------|
| B1 | 1,550 | Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13 | 1,538,375 |
| | | Williams Cos., Inc., | |
| BB+ | 1,000 | 7.125%, 9/01/11 | 1,037,500 |
| BB+ | 635 | 8.75%, 3/15/32 | 722,313 |
| | | Total Energy | 51,796,971 |
| | | Entertainment & Leisure 1.4% | |
| | | AMC Entertainment, Inc., | |
| B3 | 500 | 9.50%, 2/01/11 | 501,250 |
| B3 | 505 | 11.00%, 2/01/16 | 570,650 |
| B3 | 370 | Cinemark, Inc., Zero Coupon, 3/15/14 | 326,525 |
| CCC+ | 1,430 ³ | Greektown Holdings LLC, 10.75%, 12/01/13 | 1,530,100 |
| B+ | 4,425 ⁵ | MGM Mirage, 9.75%, 6/01/07 | 4,474,781 |
| B3 | 250 | Poster Financial Group, Inc., 8.75%, 12/01/11 | 260,000 |
| Caa1 | 2,090 ³ | TDS Investor, 9.875%, 9/01/14 | 2,184,050 |
| BB- | 100 | Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14 | 99,000 |
| | | Total Entertainment & Leisure | 9,946,356 |

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description | Value |
|------------------------------------|------------------------|--|-------------------|
| Financial Institutions 8.4% | | | |
| | | American Real Estate Partners LP/American Real Estate Finance Corp., | |
| BB+ | \$ 1,480 ⁵ | 7.125%, 2/15/13 | \$ 1,465,200 |
| BB+ | 5,860 ⁵ | 8.125%, 6/01/11 | 6,021,150 |
| B | 1,733 | BCP Crystal US Holdings Corp., 9.625%, 6/15/14 (Luxembourg) | 1,914,965 |
| BB | 3,010 | Crum & Forster Holdings Corp., 10.375%, 6/15/13 | 3,250,800 |
| | | Ford Motor Credit Co., | |
| BB- | 2,800 | 7.375%, 2/01/11 | 2,765,465 |
| BB- | 9404 | 8.11%, 1/13/12 | 943,863 |
| BB- | 60 ⁴ | 9.81%, 4/15/12 | 65,049 |
| BB+ | 2,735 | General Motors Acceptance Corp., 6.875%, 8/28/12 | 2,779,553 |
| CCC+ | 950 ^{3,4} | iPayment, Inc., 9.75%, 5/15/14 | 978,500 |
| NR | 3,494 | iPayment Investors LP, 11.625%, 7/15/14 | 3,528,683 |
| B- | 900 | K&F Acquisition, Inc., 7.75%, 11/15/14 | 924,750 |
| Baa1 | 5,000 ^{3,5} | Kazkommerts Intl. BV, 10.125%, 5/08/07 (Netherlands) | 5,045,000 |
| BBB | 200 ⁴ | Marsh & McLennan Cos., Inc., 5.50%, 7/13/07 | 200,009 |
| | | Momentive Performance Materials, Inc., | |
| B- | 3,430 ³ | 10.125%, 12/01/14 | 3,541,475 |
| CCC+ | 1,125 ³ | 11.50%, 12/01/16 | 1,136,250 |
| B+ | 2,460 ³ | Nell AF SARM, 8.375%, 8/15/15 (Luxembourg) | 2,539,950 |
| | | Rainbow National Services LLC, | |
| B+ | 925 ³ | 8.75%, 9/01/12 | 985,125 |
| B+ | 4,835 ^{3,5} | 10.375%, 9/01/14 | 5,439,375 |
| B- | 1,915 | Standard Aero Holdings, Inc., 8.25%, 9/01/14 | 1,943,725 |
| AA+ | 5,509 ⁶ | Structured Asset Receivable Trust, 5.114%, 1/21/10 | 5,509,139 |
| B- | 220 ⁴ | Universal City Florida Holding Co. I/II, 10.11%, 5/01/10 | 227,150 |
| Aa3 | 4,425 ⁵ | Western Financial Bank, 9.625%, 5/15/12 | 4,808,723 |
| B3 | 2,930 ³ | Wimar Opco LLC/Wimar Opco Finance Corp., 9.625%, 12/15/14 | 2,911,688 |
| | | Total Financial Institutions | 58,925,587 |
| Health Care 2.3% | | | |
| B2 | 160 ³ | Angiotech Pharmaceuticals, Inc., 7.75%, 4/01/14 (Canada) | 147,200 |
| B- | 5,000 ⁵ | Concentra Operating Corp., 9.50%, 8/15/10 | 5,262,500 |
| | | HealthSouth Corp., | |
| CCC+ | 2,460 ³ | 10.75%, 6/15/16 | 2,702,925 |
| CCC+ | 1,740 ^{3,4} | 11.354%, 6/15/14 | 1,911,825 |
| B2 | 3,000 | Norcross Safety Products LLC/Norcross Capital Corp., 9.875%, 8/15/11 | 3,195,000 |
| B- | 1,145 | Tenet Healthcare Corp., 6.875%, 11/15/31 | 895,962 |
| B- | 1,830 | Universal Hospital Services, Inc., 10.125%, 11/01/11 | 1,944,375 |
| | | Total Health Care | 16,059,787 |
| Industrials 2.4% | | | |
| B2 | 1,700 ³ | AGY Holding Corp., 11.00%, 11/15/14 | 1,753,125 |
| B | 500 | Baldor Electric Co., 8.625%, 2/15/17 | 516,875 |
| B- | 4,000 ⁵ | Fasten Tech, Inc., 11.50%, 5/01/11 | 4,240,000 |

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| | | | |
|------|--------------------|--|------------|
| B | 650 | Hexcel Corp., 6.75%, 2/01/15 | 635,375 |
| B- | 905 | Park-Ohio Industries, Inc., 8.375%, 11/15/14 | 871,063 |
| CCC+ | 950 | Polypore, Inc., 8.75%, 5/15/12 | 969,000 |
| | | RBS Global, Inc./Rexnord Corp., | |
| B3 | 2,000 ³ | 9.50%, 8/01/14 | 2,070,000 |
| CCC+ | 1,090 ³ | 11.75%, 8/01/16 | 1,152,675 |
| B- | 3,125 ³ | Sunstate Equipment Co. LLC, 10.50%, 4/01/13 | 3,312,500 |
| B3 | 1,415 | Trimas Corp., 9.875%, 6/15/12 | 1,418,537 |
| | | Total Industrials | 16,939,150 |
| | | Media 9.0% | |
| | | Affinion Group, Inc., | |
| B2 | 1,975 | 10.125%, 10/15/13 | 2,123,125 |
| B- | 850 | 11.50%, 10/15/15 | 913,750 |
| Caa2 | 1,870 | American Media Operations, Inc., Ser. B, 10.25%, 5/01/09 | 1,795,200 |
| B+ | 800 ⁴ | Cablevision Systems Corp., Ser. B, 9.87%, 4/01/09 | 848,000 |
| B2 | 520 | CanWest MediaWorks, Inc., 8.00%, 9/15/12 (Canada) | 539,500 |
| B3 | 3,500 | CBD Media, Inc., 8.625%, 6/01/11 | 3,605,000 |

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description | Value |
|----------------|-------------------------------|--|--------------|
| | | Media (cont'd) | |
| | | Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp., | |
| CCC | \$ 2,255 | 10.25%, 9/15/10 | \$ 2,342,381 |
| CCC | 865 | Ser. B, 10.25%, 9/15/10 | 896,356 |
| B3 | | | |