BLACKROCK BROAD INVESTMENT GRADE 2009 TERM TRUST INC
Form N-CSR
January 16, 2007

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: 811-07250

BlackRock Broad Investment Grade 2009 Term Trust, Inc.
(Exact name of Registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE 19809
(Address of principal executive offices) (Zip code)

Robert S. Kapito, President
BlackRock Broad Investment Grade 2009 Term Trust, Inc.
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, 2006

Date of reporting period: October 31, 2006

Item 1. Reports to Stockholders.

The Registrant's annual report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

ALTERNATIVES BLACKROCK SOLUTIONS EQUITIES FIXED INCOME LIQUIDITY REAL ESTATE

BlackRock Closed-End Funds

ANNUAL REPORT | OCTOBER 31, 2006

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

BlackRock Core Bond Trust (BHK)

BlackRock High Yield Trust (BHY)

BlackRock Income Opportunity Trust (BNA)

BlackRock Income Trust Inc. (BKT)

BlackRock Limited Duration Income Trust (BLW)

BlackRock Strategic Bond Trust (BHD)

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BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, Clients) and to safeguarding their nonpublic personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal nonpublic information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our Web sites.

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LETTER TO SHAREHOLDERS

October 31, 2006

Dear Shareholder:

We are pleased to report that during the annual period, the Trusts provided the opportunity to invest in various portfolios of fixed income securities. This report contains the Trusts audited financial statements and a listing of the Trusts holdings.

The portfolio management team continuously monitors the fixed income markets and adjusts the Trust investments in order to gain exposure to various issuers and security types. This strategy enables the Trusts to move among different sectors, credits and coupons to capitalize on changing market conditions.

The following table shows the Trusts yields, closing market prices per share and net asset values (NAV) per share as of October 31, 2006.

Trust	Yield[1]	Market Price	NAV
BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)	5.97%	$15.08	$13.79
BlackRock Core Bond Trust (BHK)	6.25	12.86	13.82
BlackRock High Yield Trust (BHY)	7.88	7.77	7.85
BlackRock Income Opportunity Trust (BNA)	6.24	10.58	11.17
BlackRock Income Trust Inc. (BKT)	6.13	6.07	6.48
BlackRock Limited Duration Income Trust (BLW)	7.96	18.85	19.01
BlackRock Strategic Bond Trust (BHD)	7.19	12.85	13.83

1 Yield is based on closing market price. Past performance does not guarantee future results. These yields may increase/decrease due to an increase/decrease in the monthly distribution per share.

On September 29, 2006, BlackRock, Inc. (BlackRock) and Merrill Lynch Investment Managers united to form one of the largest asset management firms in the world. Now with more than $1 trillion in assets under management, over 4,500 employees in 18 countries and representation in key markets worldwide, BlackRock s global presence means greater depth and scale to serve you.

BlackRock, a world leader in asset management, has a proven commitment to managing fixed income securities. As of September 30, 2006, BlackRock managed $448 billion in fixed income securities, including 37 open-end and 94 closed-end bond funds. BlackRock is recognized for its emphasis on risk management and proprietary analytics and for its reputation managing money for the world s largest institutional investors. BlackRock Advisors, LLC, and its affiliate, BlackRock Financial Management, Inc., which manage the Trusts, are wholly owned subsidiaries of BlackRock, Inc.

At a Meeting that occurred on November 21, 2006, the Board of Trustees of BNA approved an amendment to BNA s Dividend Reinvestment Plan (the Plan). The amendment to the Plan is described under Dividend Reinvestment Plans .

On behalf of BlackRock, we thank you for your continued confidence and assure you that we remain committed to excellence in managing your assets.

Sincerely,

Laurence D. Fink	Ralph L. Schlosstein
Chief Executive Officer	President
BlackRock Advisors, LLC	BlackRock Advisors, LLC

TRUST SUMMARIES
OCTOBER 31, 2006

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

Trust Information

Symbol on American Stock Exchange:	BCT
Initial Offering Date:	June 17, 1993
Closing Market Price as of 10/31/06:	$15.08
Net Asset Value as of 10/31/06:	$13.79
Yield on Closing Market Price as of 10/31/06 ($15.08):[1]	5.97%
Current Monthly Distribution per Share:[2]	$0.075
Current Annualized Distribution per Share:[2]	$0.900

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution is not constant and is subject to change.

The table below summarizes the changes in the Trust s market price and NAV:

	10/31/06	10/31/05	Change	High	Low
Market Price	$15.08	$15.86	(4.92)%	$15.86	$14.75
NAV	$13.79	$14.63	(5.74)%	$14.65	$13.77

The following unaudited chart shows the portfolio composition of the Trust s long-term investments:

Portfolio Composition

Composition	October 31, 2006	October 31, 2005
U.S. Government and Agency Securities	30%	46%
Agency Multiple Class Mortgage Pass-Through Securities	28	16
Corporate Bonds	14	18
Taxable Municipal Bonds	11	9
Inverse Floating Rate Mortgage Securities	8	4

Interest Only Mortgage-Backed Securities	7	6
Mortgage Pass-Through Securities	2	1

2

TRUST SUMMARIES
OCTOBER 31, 2006

BlackRock Core Bond Trust (BHK)

Trust Information

Symbol on New York Stock Exchange:	BHK
Initial Offering Date:	November 27, 2001
Closing Market Price as of 10/31/06:	$ 12.86
Net Asset Value as of 10/31/06:	$ 13.82
Yield on Closing Market Price as of 10/31/06 ($12.86):[1]	6.25%
Current Monthly Distribution per Share:[2]	$ 0.067
Current Annualized Distribution per Share:[2]	$ 0.804

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution is not constant and is subject to change.

The table below summarizes the changes in the Trust s market price and NAV:

	10/31/06	10/31/05	Change	High	Low
Market Price	$12.86	$13.69	(6.06)%	$13.85	$11.94
NAV	$13.82	$14.27	(3.15)%	$14.36	$13.12

The following unaudited charts show the portfolio composition of the Trust s long-term investments and credit quality allocations of the Trust s corporate bond investments:

Portfolio Composition

Composition	October 31, 2006	October 31, 2005
Corporate Bonds	58%	42%
Mortgage Pass-Through Securities	10	15
Agency Multiple Class Mortgage Pass-Through Securities	8	
Asset-Backed Securities	8	1

Commercial Mortgage-Backed Securities	6	6
U.S. Government and Agency Securities	5	31
Non-Agency Multiple Class Mortgage Pass-Through Securities	2	
Interest Only Asset-Backed Securities	1	
Interest Only Mortgage-Backed Securities	1	1
Foreign Government Bonds	1	2
Collateralized Mortgage Obligation Securities		2

Corporate Credit Breakdown[3]

Credit Rating	**October 31, 2006**	**October 31, 2005**
AAA/Aaa	7%	5%
AA/Aa	26	25
A	10	13
BBB/Baa	17	13
BB/Ba	12	12
B	23	23
CCC/Caa	5	6
Not Rated		3

3 Using the highest of Standard & Poor s (S&P s), Moody s Investors Service (Moody s) or Fitch Rating (Fitch s) ratings. Corporate bonds represented approximately 58.3% and 53.3% of net assets on October 31, 2006 and 2005, respectively.

TRUST SUMMARIES
OCTOBER 31, 2006

BlackRock High Yield Trust (BHY)

Trust Information

Symbol on New York Stock Exchange:	BHY
Initial Offering Date:	December 23, 1998
Closing Market Price as of 10/31/06:	$ 7.77
Net Asset Value as of 10/31/06:	$ 7.85
Yield on Closing Market Price as of 10/31/06 ($7.77):[1]	7.88%
Current Monthly Distribution per Share:[2]	$ 0.051
Current Annualized Distribution per Share:[2]	$ 0.612

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution is not constant and is subject to change.

The table below summarizes the changes in the Trust s market price and NAV:

	10/31/06	10/31/05	Change	High	Low
Market Price	$7.77	$7.36	5.57%	$8.89	$7.08
NAV	$7.85	$7.48	4.95%	$7.85	$7.33

The following unaudited charts show the portfolio composition and credit quality allocations of the Trust s corporate bond investments:

Corporate Portfolio Composition

Composition	October 31, 2006	October 31, 2005
Energy	16%	19%
Financial Institutions	14	14
Telecommunications	13	8
Basic Materials	11	12
Media	11	7
Consumer Products	6	7

Technology	5	5
Entertainment & Leisure	4	3
Aerospace & Defense	3	3
Automotive	3	2
Building & Development	3	3
Containers & Packaging	3	2
Health Care	3	4
Industrials	3	6
Transportation	2	3
Ecological Services & Equipment		1
Real Estate		1

Corporate Credit Breakdown[3]

Credit Rating	October 31, 2006	October 31, 2005
BBB/Baa	3%	3%
BB/Ba	26	32
B	55	51
CCC/Caa	12	14
C	2	
Not Rated	2	

3 Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 128.9% and 133.8% of net assets on October 31, 2006 and 2005, respectively.

TRUST SUMMARIES
OCTOBER 31, 2006

BlackRock Income Opportunity Trust (BNA)

Trust Information

Symbol on New York Stock Exchange:	BNA
Initial Offering Date:	December 20, 1991
Closing Market Price as of 10/31/06:	$ 10.58
Net Asset Value as of 10/31/06:	$ 11.17
Yield on Closing Market Price as of 10/31/06 ($10.58):[1]	6.24%
Current Monthly Distribution per Share:[2]	$ 0.055
Current Annualized Distribution per Share:[2]	$ 0.660

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 The distribution is not constant and is subject to change.

The table below summarizes the changes in the Trust s market price and NAV:

	10/31/06	10/31/05	Change	High	Low
Market Price	$ 10.58	$ 10.90	(2.94)%	$ 11.06	$ 9.63
NAV	$ 11.17	$ 11.56	(3.37)%	$ 11.63	$ 10.58

The following unaudited charts show the portfolio composition of the Trust s long-term investments and credit quality allocations of the Trust s corporate bond investments:

Portfolio Composition

Composition	October 31, 2006	October 31, 2005
Corporate Bonds	48%	35%
Asset-Backed Securities	13	
Mortgage Pass-Through Securities	12	13
Agency Multiple Class Mortgage Pass-Through Securities	7	5

U.S. Government and Agency Securities	7	37
Non-Agency Multiple Class Mortgage Pass-Through Securities	6	1
Commercial Mortgage-Backed Securities	4	4
Federal Housing Administration Securities	1	1
Interest Only Mortgage-Backed Securities	1	1
Inverse Floating Rate Mortgage Securities	1	1
Interest Only Asset-Backed Securities		1
Collateralized Mortgage Obligation Securities		1

Corporate Credit Breakdown[3]

Credit Rating	October 31, 2006	October 31, 2005
AAA/Aaa	9%	8%
AA/Aa	17	17
A	10	9
BBB/Baa	19	19
BB/Ba	13	15
B	25	24
CCC/Caa	6	6
Not Rated	1	2

3 Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 52.1% and 46.6% of net assets on October 31, 2006 and 2005, respectively.

TRUST SUMMARIES
OCTOBER 31, 2006

BlackRock Income Trust Inc. (BKT)

Trust Information

Symbol on New York Stock Exchange:	BKT
Initial Offering Date:	July 22, 1988
Closing Market Price as of 10/31/06:	$ 6.07
Net Asset Value as of 10/31/06:	$ 6.48
Yield on Closing Market Price as of 10/31/06 ($6.07):[1]	6.13%
Current Monthly Distribution per Share:[2]	$ 0.031
Current Annualized Distribution per Share:[2]	$ 0.372

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution is not constant and is subject to change.

The table below summarizes the changes in the Trust s market price and NAV:

	10/31/06	10/31/05	Change	High	Low
Market Price	$ 6.07	$ 5.90	2.88%	$ 6.52	$ 5.86
NAV	$ 6.48	$ 6.54	(0.92)%	$ 6.57	$ 6.36

The following unaudited chart shows the portfolio composition of the Trust s long-term investments:

Portfolio Composition

Composition	October 31, 2006	October 31, 2005
Agency Multiple Class Mortgage Pass-Through Securities	28%	14%
Mortgage Pass-Through Securities	22	23
U.S. Government and Agency Securities	20	30
Interest Only Mortgage-Backed Securities	10	7

Non-Agency Multiple Class Mortgage Pass-Through Securities	9	2
Principal Only Mortgage-Backed Securities	5	5
Inverse Floating Rate Mortgage Securities	3	1
Federal Housing Administration Securities	2	2
Corporate Bonds	1	
Collateralized Mortgage Obligation Residual Securities		2
Interest Only Asset-Backed Securities		1
Collateralized Mortgage Obligation Securities		13

TRUST SUMMARIES
OCTOBER 31, 2006

BlackRock Limited Duration Income Trust (BLW)

Trust Information

Symbol on New York Stock Exchange:	BLW
Initial Offering Date:	July 30, 2003
Closing Market Price as of 10/31/06:	$ 18.85
Net Asset Value as of 10/31/06:	$ 19.01
Yield on Closing Market Price as of 10/31/06 ($18.85):[1]	7.96%
Current Monthly Distribution per Share:[2]	$ 0.125
Current Annualized Distribution per Share:[2]	$ 1.500

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution is not constant and is subject to change.

The table below summarizes the Trust s market price and NAV:

	10/31/06	10/31/05	Change	High	Low
Market Price	$ 18.85	$ 17.48	7.84%	$ 18.90	$ 16.54
NAV	$ 19.01	$ 19.17	(0.83)%	$ 19.22	$ 18.67

The following unaudited charts show the portfolio composition of the Trust s long-term investments and credit quality allocations of the Trust s corporate bond investments:

Portfolio Composition

Composition	October 31, 2006	October 31, 2005
Corporate Bonds	43%	43%
Bank Loans	36	32
Mortgage Pass-Through Securities	14	15
U.S. Government and Agency Securities	4	4

Foreign Government Bonds	2	2
Non-Agency Multiple Class Mortgage Pass-Through Securities	1	1
Asset-Backed Securities		2
Interest Only Asset-Backed Securities		1

Corporate Credit Breakdown[3]

Credit Rating	October 31, 2006	October 31, 2005
AA/Aa	2%	%
A	1	3
BBB/Baa	9	9
BB/Ba	24	33
B	51	43
CCC/Caa	11	8
Not Rated	2	4

3 Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 64.3% and 59.8% of net assets on October 31, 2006 and 2005, respectively.

TRUST SUMMARIES
OCTOBER 31, 2006

BlackRock Strategic Bond Trust (BHD)

Trust Information

Symbol on New York Stock Exchange:	BHD
Initial Offering Date:	February 26, 2002
Closing Market Price as of 10/31/06:	$ 12.85
Net Asset Value as of 10/31/06:	$ 13.83
Yield on Closing Market Price as of 10/31/06 ($12.85):[1]	7.19%
Current Monthly Distribution per Share:[2]	$ 0.077
Current Annualized Distribution per Share:[2]	$ 0.924

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution is not constant and is subject to change.

The table below summarizes the changes in the Trust s market price and NAV:

	10/31/06	10/31/05	Change	High	Low
Market Price	$ 12.85	$ 12.45	3.21%	$ 13.23	$ 11.56
NAV	$ 13.83	$ 13.68	1.10%	$ 13.85	$ 13.23

The following unaudited charts show the portfolio composition and credit quality allocations of the Trust s corporate bond investments:

Corporate Portfolio Composition

Composition	October 31, 2006	October 31, 2005
Financial Institutions	18%	21%
Media	14	10
Energy	13	12
Telecommunications	12	8

Consumer Products	7	9
Aerospace & Defense	6	5
Basic Materials	6	5
Technology	5	3
Health Care	4	7
Entertainment & Leisure	3	3
Industrials	3	4
Automotive	2	3
Building & Development	2	2
Ecological Services & Equipment	2	2
Containers & Packaging	1	1
Real Estate	1	2
Transportation	1	2
Conglomerates		1

Corporate Credit Breakdown[3]

Credit Rating	**October 31, 2006**	**October 31, 2005**
AAA/Aaa	3%	3%
AA/Aa	6	8
A	12	11
BBB/Baa	13	19
BB/Ba	16	11
B	40	36
CCC/Caa	9	9
Not Rated	1	3

3

Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 107.6% and 122.7% of net assets on October 31, 2006 and 2005, respectively.

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CONSOLIDATED PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2006

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 46.3%	
		Mortgage Pass-Through Securities 1.0%	
		Federal National Mortgage Assoc.,	
	$ 375	5.50%, 1/01/17-2/01/17	$ 376,888
	15	6.50%, 7/01/29	15,499
		Total Mortgage Pass-Through Securities	392,387
		Agency Multiple Class Mortgage Pass-Through Securities 13.1%	
		Federal Home Loan Mortgage Corp.,	
	2,168	Ser. 1510, Class G, 7.05%, 5/15/13	2,188,610
	2,000	Ser. 1598, Class J, 6.50%, 10/15/08	2,002,862
	81	Ser. 2564, Class NC, 5.00%, 2/15/33	76,072
		Federal National Mortgage Assoc.,	
	23	Ser. 17, Class JA, 4.00%, 4/25/34	23,165
	966	Ser. 49, Class H, 7.00%, 4/25/13	991,795
	57[2]	Government National Mortgage Assoc., REMIC Trust 2000, Ser. 16, Class FD, 5.97%, 12/16/27	57,524
		Total Agency Multiple Class Mortgage Pass-Through Securities	5,340,028
		Inverse Floating Rate Mortgage Securities 3.5%	
AAA	166[2]	Citicorp Mortgage Securities, Inc., Ser. 14, Class A-4, 4.192%, 11/25/23	165,379
		Federal Home Loan Mortgage Corp.,	
	97[2]	Ser. 1425, Class SB, 7.966%, 12/15/07	97,272
	20[2]	Ser. 1506, Class S, 9.71%, 5/15/08	19,650
	102[2]	Ser. 1515, Class S, 8.756%, 5/15/08	103,024
	181[2]	Ser. 1618, Class SA, 8.25%, 11/15/08	187,548
	22[2]	Ser. 1661, Class SB, 8.834%, 1/15/09	22,752
	84[2]	Ser. 1688, Class S, 9.206%, 12/15/13	85,598
	172[2]	Ser. 2517, Class SE, 2.95%, 10/15/09	162,563
		Federal National Mortgage Assoc.,	
	26[2]	Ser. 13, Class SJ, 8.75%, 2/25/09	26,883
	252[2]	Ser. 179, Class SB, 7.437%, 10/25/07	254,487
	53[2]	Ser. 187, Class SB, 11.795%, 10/25/07	54,461
	37[2]	Ser. 191, Class SD, 6.83%, 10/25/08	36,968
	87[2]	Ser. 214, Class SH, 4.359%, 12/25/08	87,256
	121[2]	Ser. 214, Class SK, 10.00%, 12/25/08	126,866
		Total Inverse Floating Rate Mortgage Securities	1,430,707
		Interest Only Mortgage-Backed Securities 3.1%	
		Federal Home Loan Mortgage Corp.,	
	1	Ser. 65, Class I, 918.03%, 8/15/20	1,242
		Ser. 141, Class H, 1,060.00%, 5/15/21	249
	104	Ser. 1645, Class IB, 5.50%, 9/15/08	1,151
	1,970	Ser. 2523, Class EH, 5.50%, 4/15/20	167,571
	673	Ser. 2633, Class PI, 4.50%, 3/15/12	15,876
	5,605	Ser. 2739, Class PI, 5.00%, 3/15/22	314,814

	1,243	Ser. 2775, Class UB, 5.00%, 12/15/17	26,360
	2,255	Ser. 2976, Class KI, 5.50%, 11/15/34	179,326
		Federal National Mortgage Assoc.,	
	1	Ser. 8, Class HA, 1,199.999%, 1/25/08	4,830
	1,607	Ser. 13, Class IG, 5.00%, 10/25/22	77,528
	103[2]	Ser. 20, Class SL, 10.123%, 9/25/08	7,963
	3	Ser. 49, Class L, 444.917%, 4/25/13	29,462
	1	Ser. 51, Class K, 1,006.50%, 4/25/07	1,755
	10,408	Ser. 70, Class ID, 5.00%, 4/25/22	394,743
	3[2]	Ser. 174, Class S, 97.242%, 9/25/22	12,318
		Ser. G-21, Class L, 949.50%, 7/25/21	9,447
NR	14,857[2]	Vendee Mortgage Trust, Ser. 1, 0.043%, 10/15/31	28,532
		Total Interest Only Mortgage-Backed Securities	1,273,167

See Notes to Financial Statements.

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Principal Only Mortgage-Backed Security 0.0%	
Aaa	$ 21[3]	Salomon Brothers Mortgage Securities, Inc. VI, Ser. 3, Class A, 12.50%, 10/23/17	$ 18,787
		Asset-Backed Securities 0.0%	
NR	235[2,4,5,6]	Global Rated Eligible Asset Trust, Ser. A, Class 1, 7.33%, 9/15/07	23
		Structured Mortgage Asset Residential Trust,	
NR	568[2,5,6]	Ser. 2, 8.24%, 12/15/06	57
NR	629[2,5,6]	Ser. 3, 8.724%, 4/15/07	63
		Total Asset-Backed Securities	143
		Corporate Bonds 6.6%	
Caa2	100	American Airlines, Inc., 10.44%, 3/04/07	101,250
BBB+	500[4]	Israel Electric Corp. Ltd., 7.25%, 12/15/06 (Israel)	500,665
AA-	1,000	Morgan Stanley Group, Inc., 10.00%, 6/15/08	1,073,919
Aa1	500	U.S. Bank NA, 2.85%, 11/15/06	499,570
AA-	500	Wachovia Corp., 4.95%, 11/01/06	500,000
		Total Corporate Bonds	2,675,404
		U.S. Government and Agency Securities 13.9%	
		U.S. Treasury Notes,	
	3,200	3.50%, 11/15/06	3,197,751
	2,000	6.00%, 8/15/09	2,070,860
	385	6.625%, 5/15/07	388,128
		Total U.S. Government and Agency Securities	5,656,739
		Taxable Municipal Bonds 5.1%	
AAA	500	Fresno California Pension Oblig., 7.80%, 6/01/14	551,920
AAA	500	Kern County California Pension Oblig., 6.98%, 8/15/09	524,580
AAA	500	Los Angeles County California Pension Oblig., Ser. D, 6.97%, 6/30/08	514,320
AAA	500	Orleans Parish Louisiana School Board, Ser. A, 6.60%, 2/01/08	508,340
		Total Taxable Municipal Bonds	2,099,160
		Total Long-Term Investments (cost $19,176,252)	18,886,522
		SHORT-TERM INVESTMENTS 53.1%	
		U.S. Government and Agency Discount Notes 53.1%	
		Federal Home Loan Bank Discount Notes,	
	1,400[7]	4.981%, 11/01/06	1,400,000
	20,300[7]	5.105%, 11/15/06	20,259,857
		Total Short-Term Investments (cost $21,659,857)	21,659,857
		Total Investments 99.4% (cost $40,836,109[8])	$ 40,546,379
		Other assets in excess of liabilities 0.6%	234,939
		Net Assets 100%	$ 40,781,318

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1 Using the highest of S&P s, Moody s or Fitch s ratings.
2 Variable rate security. Rate shown is interest rate as of October 31, 2006.
3 Rate shown is effective yield as of October 31, 2006 of the underlying collateral.
4 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2006, the Trust held 1.2% of its net assets, with a current market value of $500,688, in securities restricted as to resale.
5 Security is fair valued.
6 Illiquid security. As of October 31, 2006, the Trust held less than 0.1% of its net assets, with a current market value of $143, in these securities.
7 Rate shown is the yield to maturity as of the date of purchase.
8 Cost for federal income tax purposes is $40,836,108. The net unrealized depreciation on a tax basis is $289,729, consisting of $402,723 gross unrealized appreciation and $692,452 gross unrealized depreciation.

KEY TO ABBREVIATION

REMIC Real Estate Mortgage Investment Conduit

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2006

BlackRock Core Bond Trust (BHK)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 101.0%	
		Mortgage Pass-Through Securities 10.0%	
		Federal Home Loan Mortgage Corp.,	
	$ 1,875[2]	3.01%, 4/19/07	$ 1,855,324
	83	5.00%, 8/01/33	79,991
	5,884	5.50%, 11/01/18-5/01/36	5,827,530
	1,747[2]	5.50%, 11/01/18	1,751,440
	3,008	6.00%, 2/01/13-12/01/18	3,053,783
	115[3]	6.276%, 5/01/32	118,233
	28	7.00%, 9/01/31	28,550
		Federal National Mortgage Assoc.,	
	3,675[2]	2.35%, 4/05/07	3,628,886
	47	4.50%, 2/01/20	45,515
	12,612	5.00%, 11/01/17-6/01/36	12,417,281
	4,138	5.50%, 1/01/18-4/01/36	4,128,134
	977	6.00%, 8/01/29-3/01/36	983,099
	332	7.00%, 1/01/31-7/01/32	348,043
	271	Government National Mortgage Assoc., 5.50%, 8/15/33	270,157
		Small Business Administration,	
	877	Ser. P10B, Class 1, 4.754%, 8/01/14	855,457
	1,831	Ser. P10B, Class 1, 5.136%, 8/10/13	1,831,785
		Total Mortgage Pass-Through Securities	37,223,208
		Federal Housing Administration Security 0.3%	
	1,051	FHA Hebre Home Hospital, 6.25%, 9/01/28	1,077,172
		Agency Multiple Class Mortgage Pass-Through Securities 7.7%	
		Federal Home Loan Mortgage Corp.,	
	2,416	Ser. 82, Class HJ, 5.50%, 9/25/32	2,419,852
	1,200	Ser. 2562, Class PG, 5.00%, 1/15/18	1,181,088
	3,120	Ser. 2806, Class VC, 6.00%, 12/15/19	3,195,004
	1,440	Ser. 2825, Class VP, 5.50%, 6/15/15	1,454,425
	1,300	Ser. 2883, Class DR, 5.00%, 11/15/19	1,269,858
	3,392	Ser. 2922, Class GA, 5.50%, 5/15/34	3,416,276
	1,821	Ser. 2927, Class BA, 5.50%, 10/15/33	1,835,232
	1,754	Ser. 2933 Class HD, 5.50%, 2/15/35	1,769,474
	1,600	Ser. 2968, Class EG, 6.00%, 10/15/34	1,636,881
		Federal National Mortgage Assoc.,	
	1,552	Ser. 3 Class AP, 5.50%, 2/25/35	1,565,014
	3,234	Ser. 5, Class PK, 5.00%, 12/25/34	3,207,705
	2,040	Ser. 27, Class PC, 5.50%, 5/25/34	2,050,707
	2,011	Ser. 70, Class NA, 5.50%, 8/25/35	2,023,175
	1,828[3]	Ser. 118, Class FD, 5.72%, 12/25/33	1,833,587
		Total Agency Multiple Class Mortgage Pass-Through Securities	28,858,278
		Non-Agency Multiple Class Mortgage Pass-Through Securities 2.8%	
		First Union National Bank Commercial Mortgage,	
AAA	3,150	Ser. C3, Class A3, 6.423%, 8/15/33	3,302,827
AAA	2,265	Ser. C4, Class A2, 6.223%, 12/12/33	2,363,523
AAA	2,350	General Motor Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C4, Class A2, 4.93%, 7/10/39	2,321,153

AAA	2,584	Structured Asset Securities Corp., Ser. AL1, Class A2, 3.45%, 2/25/32	2,317,368
		Total Non Agency Multiple Class Mortgage Pass-Through Securities	10,304,871
		Asset-Backed Securities 8.2%	
AAA	2,800	Chase Manhattan Auto Owner Trust, Ser. B, Class A4, 4.88%, 6/15/12	2,792,323
AAA	2,825	Citibank Credit Card Issuance Trust, Ser. A2, Class A2, 4.85%, 2/10/11	2,815,182
		Countrywide Asset-Backed Certificates,	
AAA	1,242[3]	Ser. 15, Class 2AV1, 5.42%, 4/25/36	1,242,234
AAA	1,870[3]	Ser. 16, Class 4AV1, 5.42%, 5/25/36	1,870,245
AAA	2,825	DaimlerChrysler Auto Trust, Ser. A, Class A3, 5.00%, 5/08/10	2,820,494
AAA	2,850	Ford Credit Auto Owner Trust, Ser. A, Class A4, 5.07%, 12/15/10	2,850,545
AAA	2,300	Harley-Davidson Motorcycle Trust, Ser. 2, Class A2, 4.07%, 2/15/12	2,260,300

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Asset-Backed Securities (cont d)	
A1	$ 2,500	Maryland Trust, Ser. 1, Class A, 5.55%, 12/10/65	$ 2,485,937
AAA	2,825	MBNA Credit Card Master Note Trust, Ser. A1, Class A, 4.90%, 7/15/11	2,821,472
AAA	1,510[3,4]	Merrill Lynch Mortgage Investors, Inc., Ser. HE2, Class A2A, 5.43%, 9/25/36	1,509,838
AAA	1,541[3]	New Century Home Equity Loan Trust, Ser. C, Class A2A, 5.40%, 1/25/36	1,541,455
AAA	1,160[3]	SLM Student Loan Trust, Ser. 5, Class A1, 5.377%, 1/25/18	1,160,762
AAA	1,741[3]	Structured Asset Investment Loan Trust, Ser. 1, Class A1, 5.40%, 1/25/36	1,740,806
AAA	2,725	USAA Auto Owner Trust, Ser. 1 Class A4, 5.04%, 12/15/11	2,730,162
		Total Asset-Backed Securities	30,641,755
		Interest Only Asset-Backed Securities 0.5%	
		Sterling Coofs Trust,	
NR	21,411	Ser. 1, 2.362%, 4/15/29	963,503
AAA	17,972[3]	Ser. 2, 2.418%, 3/30/30	786,260
		Total Interest Only Asset-Backed Securities	1,749,763
		Interest Only Mortgage-Backed Securities 0.8%	
		Federal Home Loan Mortgage Corp.,	
	2,611	Ser. 2579, Class HI, 5.00%, 8/15/17	337,982
	6,656	Ser. 2611, Class QI, 5.50%, 9/15/32	1,239,324
	29,152[3]	Federal National Mortgage Assoc., Ser. 90, Class JH, 1.38%, 11/25/34	1,453,055
		Total Interest Only Mortgage-Backed Securities	3,030,361
		Commercial Mortgage-Backed Securities 6.5%	
AAA	2,180[3]	Banc of America Commerical Mortgage, Inc., Ser. 1, Class A4, 4.885%, 11/10/42	2,170,441
AAA	1,366	Commercial Mortgage Acceptance Corp., Ser. C2, Class A2, 6.03%, 9/15/30	1,373,856
AAA	2,720	Credit Suisse First Boston Mortgage Securities Corp., Ser. CP5, Class A2, 4.94%, 12/15/35	2,679,590
AAA	1,573	General Motor Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C3, Class A2, 7.179%, 8/15/36	1,638,821
AAA	2,584	Goldman Sachs Mortgage Securities Corp. II, Ser. C1, Class A3, 6.135%, 10/18/30	2,612,055
AAA	1,615	Heller Financial Commercial Mortgage Asset Co., Ser. PH1, Class A2, 6.847%, 5/15/31	1,659,716
		JP Morgan Chase Commercial Mortgage Securities Corp.,	
AAA	2,140	Ser. C1, Class A3, 5.857%, 10/12/35	2,199,539
AAA	2,180	Ser. CBX, Class A4, 4.529%, 1/12/37	2,122,052
AAA	1,691	JP Morgan Commercial Mortgage Finance Corp., Ser. C10, Class A2, 7.371%, 8/15/32	1,788,462
AAA	2,387	Morgan Stanley Capital Trust I, Ser. HF2, Class A2, 6.48%, 11/15/30	2,423,872
AAA	3,500	Salomon Brothers Mortgage Securities VII, Ser. C1, Class A2, 7.52%, 12/18/09	3,709,492
		Total Commercial Mortgage-Backed Securities	24,377,896
		Corporate Bonds 58.3%	
		Aerospace & Defense 1.2%	
B	100	Argo-Tech Corp., 9.25%, 6/01/11	103,750
B	1,305	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	1,357,200
		DRS Technologies, Inc.,	
B	70	6.875%, 11/01/13	70,000
B	80	7.625%, 2/01/18	81,800
		Northrop Grumman Corp.,	
BBB+	615	4.079%, 11/16/06	614,683

BBB+	960	7.875%, 3/01/26	1,192,609
BB	15	Sequa Corp., 9.00%, 8/01/09	15,825
A+	1,125	United Technologies Corp., 4.875%, 5/01/15	1,094,504
		Total Aerospace & Defense	4,530,371
		Automotive 0.6%	
		Autonation, Inc.,	
BB+	150	7.00%, 4/15/14	149,250
BB+	150[3]	7.374%, 4/15/13	151,125
BB-	30[3,5]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 7.905%, 5/15/14	29,325
BBB+	660	DaimlerChrysler NA Holding Corp., 7.45%, 3/01/27	709,073
B	300	Lear Corp., Ser. B, 8.11%, 5/15/09	304,125
CCC+	250	Metaldyne Corp., 10.00%, 11/01/13	256,250
BB-	517	TRW Automotive, Inc., 9.375%, 2/15/13	553,836
		Total Automotive	2,152,984
		Basic Materials 3.5%	
B+	750	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	596,250
B+	995	AK Steel Corp., 7.75%, 6/15/12	995,000
B-	80[3,5]	BCI US Finance Corp./Borden 2 Nova Scotia Finance ULC, 11.874%, 7/15/10	81,600

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Basic Materials (cont d)	
BB-	$ 80[3]	Bowater, Inc., 8.39%, 3/15/10	$ 80,800
BB+	30	Chemtura Corp., 6.875%, 6/01/16	29,325
B-	200	CPG Intl. I, Inc., 10.50%, 7/01/13	204,000
		Domtar, Inc.,	
B2	60	7.125%, 8/15/15	57,300
B2	180	7.875%, 10/15/11	183,825
B+	150	Donohue Forest Products, 7.625%, 5/15/07 (Canada)	150,000
B2	66	Huntsman LLC, 11.50%, 7/15/12	74,745
BB	70	IMC Global, Inc., Ser. B, 10.875%, 6/01/08	75,513
		Ineos Group Holdings PLC, (United Kingdom)	
B2	285	7.875%, 2/07/16 (EUR)	348,741
B2	730[5]	8.50%, 2/15/16	702,625
B3	1,045	Innophos, Inc., 8.875%, 8/15/14	1,042,387
BBB	130	Ispat Inland ULC, 9.75%, 4/01/14 (Canada)	145,600
		Lyondell Chemical Co.,	
BB-	240	8.00%, 9/15/14	245,400
BB-	385	8.25%, 9/15/16	396,550
BB+	2,120	9.50%, 12/15/08	2,175,650
BB	190	Millennium America, Inc., 9.25%, 6/15/08	195,700
B3	510	NewPage Corp., 10.00%, 5/01/12	534,225
		Noranda, Inc.,	
BBB+	825	6.00%, 10/15/15	829,616
BBB+	1,250	6.20%, 6/15/35	1,218,867
		Nova Chemicals Corp.,	
BB	50	6.50%, 1/15/12	47,000
BB	610[3]	8.405%, 11/15/13	620,675
CCC+	545[5]	Pregis Corp., 12.375%, 10/15/13	577,700
B+	16	Rhodia SA, 10.25%, 6/01/10 (France)	18,120
BBB	1,430	Teck Cominco Ltd., 6.125%, 10/01/35 (Canada)	1,394,932
B-	80[5]	Verso Paper Holdings LLC/Verson Paper, Inc., 11.375%, 8/01/16	81,200
		Total Basic Materials	13,103,346
		Building & Development 1.2%	
B	635	ERICO Intl. Corp., 8.875%, 3/01/12	661,987
B-	440	Goodman Global Holding Co., Inc., 7.875%, 12/15/12	422,400
BB+	3,000	Hovnanian Enterprises, Inc., 10.50%, 10/01/07	3,112,500
B3	190	Nortek, Inc., 8.50%, 9/01/14	181,450
		North American Energy Partners, Inc.,	
Caa1	85	8.75%, 12/01/11	84,150
B1	175	9.00%, 6/01/10	190,750
		Total Building & Development	4,653,237
		Business Equipment & Services 0.0%	
Ba2	100[5]	FTI Consulting, Inc., 7.75%, 10/01/16	102,250
		Consumer Products 2.4%	
B3	90	ALH Finance LLC, 8.50%, 1/15/13	89,325
CCC+	650[3]	Ames True Temper, Inc., 9.374%, 1/15/12	656,500
B2	165[5]	Education Management LLC/Education Management Corp., 8.75%, 6/01/14	169,125
BBB+	530	Federated Department Stores, Inc., 6.79%, 7/15/27	534,044
B-	205	Finlay Fine Jewelry Corp., 8.375%, 6/01/12	184,500
B	80	Gold Kist, Inc., 10.25%, 3/15/14	91,800
B2	605[5]	Knowledge Learning Corp., Inc., 7.75%, 2/01/15	573,237
B-	320	Lazydays RV Center, Inc., 11.75%, 5/15/12	310,400

B	385[3]	Levi Strauss & Co., 10.122%, 4/01/12	397,031
		May Deptartment Stores Co.,	
BBB+	30	6.65%, 7/15/24	29,934
BBB+	230	7.875%, 3/01/30	260,152
		Michaels Stores, Inc.,	
B2	470[5]	10.00%, 11/01/14	470,588
Caa1	600[5]	11.375%, 11/01/16	606,750
B3	50[3,5]	Nutro Products, Inc., 9.40%, 10/15/13	51,375
B	1,000	Pantry, Inc., 7.75%, 2/15/14	1,012,500
BB-	200	Quiksilver, Inc., 6.875%, 4/15/15	192,500

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Consumer Products (cont d)	
BB+	$ 250[5]	Reynolds American, Inc., 7.625%, 6/01/16	$ 265,444
B1	2,100	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	2,136,750
CCC	370	Spectrum Brands, Inc., 7.375%, 2/01/15	299,700
		United Rentals NA, Inc.,	
B	780	7.00%, 2/15/14	746,850
B	25	7.75%, 11/15/13	24,938
		Total Consumer Products	9,103,443
		Containers & Packaging 0.8%	
		Berry Plastics Holding Corp.,	
B2	270[5]	8.875%, 9/15/14	272,700
B2	180[3,5]	9.265%, 9/15/14	182,025
B+	250	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	256,563
CCC+	75	Graham Packaging Co., Inc., 8.50%, 10/15/12	74,625
B1	190[3,5]	Impress Holdings BV, 8.512%, 9/15/13	191,499
B	1,500	Owens Brockway, 8.25%, 5/15/13	1,545,000
B+	421	Smurfit-Stone Container Enterprises, Inc., 9.75%, 2/01/11	434,156
		Total Containers & Packaging	2,956,568
		Ecological Services & Equipment 0.2%	
Caa1	590	Waste Services, Inc., 9.50%, 4/15/14	604,750
		Energy 6.5%	
BBB-	425	Amerada Hess Corp., 7.125%, 3/15/33	473,304
BBB	2,350	Anadarko Petroleum Corp., 6.45%, 9/15/36	2,435,810
		ANR Pipeline Co.,	
Ba1	260	7.375%, 2/15/24	271,780
Ba1	810	9.625%, 11/01/21	1,008,088
B	140	Berry Petroleum Co., 8.25%, 11/01/16	139,650
CCC+	320	Chaparral Energy, Inc., 8.50%, 12/01/15	319,200
		Chesapeake Energy Corp.,	
BB	150	6.375%, 6/15/15	144,750
BB	20	6.875%, 11/15/20	19,000
BB-	30	CMS Energy Corp., 7.50%, 1/15/09	30,825
BB-	160	Compagnie Generale de Geophysique SA, 7.50%, 5/15/15 (France)	158,000
B	415	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	393,212
A1	375	ConocoPhillips Holding Co., 6.95%, 4/15/29	432,888
BBB	725	DTE Energy Co., 6.35%, 6/01/16	754,054
BB-	165[5]	Edison Mission Energy, 7.50%, 6/15/13	169,538
		El Paso Corp.,	
B	100	7.80%, 8/01/31	104,250
B	65	9.625%, 5/15/12	72,150
B	150	10.75%, 10/01/10	167,250
		El Paso Natural Gas Co.,	
Ba1	850	7.625%, 8/01/10	877,625
Ba1	225	8.375%, 6/15/32	260,388
Ba1	265	8.625%, 1/15/22	305,667
Ba1	131	Elwood Energy LLC, 8.159%, 7/05/26	139,115
A-	1,000	EnCana Corp., 6.50%, 8/15/34 (Canada)	1,047,586
		Encore Acquisition Co.,	
B1	40	6.00%, 7/15/15	36,500
B1	60	7.25%, 12/01/17	57,750
BBB	1,500	Energy East Corp., 6.75%, 7/15/36	1,602,643
B-	130	Exco Resources, Inc., 7.25%, 1/15/11	125,125

AA-	950	Florida Power & Light Co., 4.95%, 6/01/35	857,447
BB+	80	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	76,500
BBB+	175	Halliburton Co., 7.60%, 8/15/96	203,870
B	495	Hilcorp Energy I LP/Hilcorp Finance Corp., 10.50%, 9/01/10	52,553
B-	170	KCS Energy, Inc., 7.125%, 4/01/12	163,200
Ba2	75	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16	81,143
		Mirant Americas Generation LLC,	
Caa1	155	8.30%, 5/01/11	156,938
Caa1	50	8.50%, 10/01/21	49,250
Caa1	75	9.125%, 5/01/31	77,625

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Energy (cont d)	
BB-	$ 590	Mission Energy Holdings Co., 13.50%, 7/15/08	$ 657,850
		NRG Energy, Inc.,	
B+	50	7.25%, 2/01/14	50,563
B+	285	7.375%, 2/01/16	288,206
A-	360	Occidental Petroleum Corp., 7.20%, 4/01/28	420,832
BBB	1,000	Ohio Edison Co., 6.875%, 7/15/36	1,111,528
BBB	425	ONEOK Partners LP, 6.65%, 10/01/36	437,319
B2	130	Orion Power Holdings, Inc., 12.00%, 5/01/10	147,550
BBB+	790	Peco Energy Capital Trust IV, 5.75%, 6/15/33	706,258
BBB	1,650	Pemex Project Funding Master Trust, 9.375%, 12/02/08	1,773,750
		Reliant Energy, Inc.,	
BB-	210	6.75%, 12/15/14	200,288
BB-	50	9.25%, 7/15/10	51,750
A-	700	Scottish Power PLC, 5.375%, 3/15/15 (United Kingdom)	687,345
B+	315[5]	SemGroup LP, 8.75%, 11/15/15	317,363
B	360[3,5]	Stone Energy Corp., 8.124%, 7/15/10	357,750
A-	295	Suncor Energy, Inc., 5.95%, 12/01/34 (Canada)	302,323
B3	320[5]	Targa Resources, Inc., 8.50%, 11/01/13	319,200
AA	1,050	Texaco Capital, Inc., 8.875%, 9/01/21	1,401,672
A2	550	Transcanada Pipelines Ltd., 5.85%, 3/15/36 (Canada)	548,423
BBB-	20	Transcontinental Gas Pipe Line Corp., 7.25%, 12/01/26	20,700
B+	270	Utilicorp Finance Corp., 7.75%, 6/15/11 (Canada)	285,125
B1	375	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	370,412
BB+	415	Williams Cos., Inc., 8.75%, 3/15/32	460,650
		Total Energy	24,181,531
		Entertainment & Leisure 1.0%	
		AMC Entertainment, Inc.,	
B3	170	9.50%, 2/01/11	170,638
B3	185	11.00%, 2/01/16	204,656
B3	80	Cinemark, Inc., Zero Coupon, 3/15/14	65,100
B	1,000	Circus & Eldorado Joint Venture, 10.125%, 3/01/12	1,050,000
B-	150	Gaylord Entertainment Co., 6.75%, 11/15/14	143,625
B3	335[5]	Greektown Holdings LLC, 10.75%, 12/01/13	354,263
B	140[5]	Pokagon Gaming Authority, 10.375%, 6/15/14	150,150
B3	110	Poster Financial Group, Inc., 8.75%, 12/01/11	114,675
BB	260	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	261,625
		Travelport, Inc.,	
B-	510[5]	9.875%, 9/01/14	502,987
B-	510[5]	11.875%, 9/01/16	502,350
BB-	40	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	39,200
		Total Entertainment & Leisure	3,559,269
		Financial Institutions 22.0%	
		American Real Estate Partners LP/American Real Estate Finance Corp.,	
BB+	320	7.125%, 2/15/13	319,200
BB+	3,165	8.125%, 6/01/12	3,236,213
Aa3	545	BAC Capital Trust XI, 6.625%, 5/23/36	587,083
Aa2	325	Bank One Corp., 3.70%, 1/15/08	318,680
Aa2	1,400	BankBoston NA, 6.375%, 3/25/08-4/15/08	1,422,020

AA+	4,970[3]	Barclays Bank PLC NY, 5.40%, 3/13/09	4,970,875
B	40	BCP Crystal US Holdings Corp., 9.625%, 6/15/14 (Luxembourg)	43,900
AA	350[5]	Belvoir Land LLC, Ser. A1, 5.27%, 12/15/47	330,652
		Berkshire Hathaway Finance Corp.,	
AAA	1,200	3.40%, 7/02/07	1,185,715
AAA	1,075	4.75%, 5/15/12	1,055,321
AA+	600	CitiFinancial, 6.25%, 1/01/08	605,668
		Citigroup, Inc.,	
AA+	3,950[6]	3.625%, 2/09/09	3,828,087
AA+	5,470	4.125%, 2/22/10	5,317,907
AA+	1,020	4.25%, 7/29/09	999,198
AA+	525	6.875%, 2/15/98	588,480
BB	980	Crum & Forster Holdings Corp., 10.375%, 6/15/13	1,016,750

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Financial Institutions (cont d)	
AAA	$ 1,100[5]	Depfa ACS Bank, 4.25%, 8/16/10 (Ireland)	$ 1,072,678
AA-	900[3]	Deutsche Bank AG, 5.37%, 3/15/07	900,000
AAA	1,700	Eksportfinans A/S, 5.50%, 5/25/16 (Norway)	1,756,348
Aaa	525[5]	Fort Irwin Land LLC, Ser. A-1, 5.03%, 12/15/25	492,135
AAA	3,625[3]	General Electric Capital Corp., 5.424%, 1/15/08	3,628,368
BB	460	General Motors Acceptance Corp., 6.875%, 8/28/12	461,235
AA-	1,415	Goldman Sachs Group, Inc., 5.35%, 1/15/16	1,397,839
		HBOS Treasury Services PLC,	
AA+	855[5]	3.60%, 8/15/07	843,542
AA+	825[5]	3.75%, 9/30/08	803,342
AA-	775	HSBC Bank NA, 5.875%, 11/01/34	780,850
		HSBC Finance Corp.,	
AA-	1,820	4.75%, 5/15/09	1,806,783
AA-	635	6.375%, 8/01/10	660,357
		iPayment, Inc.,	
CCC+	240[5]	9.75%, 5/15/14	246,600
NR	960[3,5,7]	12.75%, 7/15/14	958,800
AA	1,500[5]	Irwin Land LLC, 5.40%, 12/15/47	1,394,865
Aa3	600	JP Morgan Chase & Co., 5.35%, 3/01/07	599,768
B-	255	K&F Acquisition, Inc., 7.75%, 11/15/14	258,188
BBB	630[5]	Liberty Mutual Group, Inc., 7.50%, 8/15/36	700,726
A	1,525	MetLife, Inc., 5.70%, 6/15/35	1,504,852
AA	1,150[5]	Metropolitan Global Funding I, 4.25%, 7/30/09	1,121,712
		Morgan Stanley,	
AA-	3,300[3]	5.44%, 3/07/08	3,302,881
AA-	1,900	6.25%, 8/09/26	1,990,218
AA	2,125[5]	Nationwide Building Society, 3.50%, 7/31/07 (United Kingdom)	2,096,478
B+	645[5]	Nell AF SARL, 8.375%, 8/15/15 (Luxembourg)	654,675
AAA	850[5]	New York Life Global Funding, 3.875%, 1/15/09	827,107
AA	350	Ohana Military Communities LLC, Ser. 04l, 6.193%, 4/01/49	375,743
A	500	Prudential Financial, Inc., 5.90%, 3/17/36	506,264
AA-	1,000[5]	Prudential Funding LLC, 6.60%, 5/15/08	1,019,865
AAA	5,550[3,5]	Rabobank Nederland Global, 5.37%, 4/06/09 (Netherlands)	5,550,755
		Rainbow National Services LLC,	
B+	200[5]	8.75%, 9/01/12	210,250
B+	1,455[5]	10.375%, 9/01/14	1,618,688
B-	630	Standard Aero Holdings, Inc., 8.25%, 9/01/14	625,275
AA+	2,888[8]	Structured Asset Receivable Trust, 1.649%, 1/21/10	2,887,082
		SunTrust Bank,	
Aa3	1,635	3.625%, 10/15/07	1,608,014
Aa3	995	4.00%, 10/15/08	973,235
Aa2	1,265	4.415%, 6/15/09	1,243,353
AAA	235[5]	TIAA Global Markets, Inc., 3.875%, 1/22/08	230,970
Aa2	375	U.S. Bancorp, Ser. N, 3.95%, 8/23/07	370,854
B-	50[3]	Universal City Florida Holding Co. I/II, 10.121%, 5/01/10	51,438
		US Bank NA,	
Aa1	1,380	2.87%, 2/01/07	1,370,844
Aa2	2,790	6.50%, 2/01/08	2,824,459
AAA	495[5]	USAA Capital Corp., 4.00%, 12/10/07	487,197
		Wells Fargo & Co.,	
Aa1	1,031	3.12%, 8/15/08	994,625
Aa1	355	4.20%, 1/15/10	345,263
Aa1	1,665	4.625%, 8/09/10	1,640,221
Aa1	435	4.875%, 1/12/11	431,835
Aa1	475	Wells Fargo Bank NA, 5.95%, 8/26/36	489,367
Aa3	50	Western Financial Bank, 9.625%, 5/15/12	55,097

		Total Financial Institutions	81,996,790
		Health Care 1.6%	
B	730[5]	Angiotech Pharmaceuticals, Inc., 7.75%, 4/01/14 (Canada)	693,500
		Healthsouth Corp.,	
CCC+	695[5]	10.75%, 6/15/16	712,375
CCC+	360[3,5]	11.418%, 6/15/14	368,100

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Health Care (cont d)	
B-	$ 460	Tenet Healthcare Corp., 6.875%, 11/15/31	$ 356,500
BBB	995	Teva Pharmaceutical Finance LLC, 6.15%, 2/01/36	973,753
A	870	UnitedHealth Group, Inc., 5.80%, 3/15/36	867,494
B-	410	Universal Hospital Services, Inc., 10.125%, 11/01/11	433,575
		WellPoint, Inc.,	
A-	955	5.85%, 1/15/36	939,151
A-	85	5.95%, 12/15/34	84,534
A	675	Wyeth, 6.00%, 2/15/36	693,842
		Total Health Care	6,122,824
		Industrials 1.4%	
B2	360[5]	AGY Holding Corp., 11.00%, 11/15/14	359,550
B	140	Hexcel Corp., 6.75%, 2/01/15	135,800
B3	320	Park-Ohio Industries, Inc., 8.375%, 11/15/14	297,600
CCC+	300	Polypore, Inc., 8.75%, 5/15/12	293,250
		RBS Global, Inc./Rexnord Corp.,	
B3	480[5]	9.50%, 8/01/14	496,800
CCC+	325[5]	11.75%, 8/01/16	338,000
B3	950[5]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	992,750
B+	2,000	Terex Corp., 9.25%, 7/15/11	2,100,000
B3	210	Trimas Corp., 9.875%, 6/15/12	197,925
		Total Industrials	5,211,675
		Media 5.9%	
		Affinion Group, Inc.,	
B-	515	10.125%, 10/15/13	545,900
B-	100	11.50%, 10/15/15	104,250
Caa2	450	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	427,500
		AOL Time Warner, Inc.,	
BBB+	90	6.625%, 5/15/29	91,532
BBB+	3,040	7.57%, 2/01/24	3,340,507
BBB+	205[6]	7.625%, 4/15/31	231,131
BBB+	85	7.70%, 5/01/32	96,806
BBB	55[5]	BSKYB Finance UK PLC, 6.50%, 10/15/35 (United Kingdom)	54,926
B+	180[3]	Cablevision Systems Corp., Ser. B, 9.87%, 4/01/09	188,550
		Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
CCC	710	10.25%, 9/15/10	733,075
CCC	130	Ser. B, 10.25%, 9/15/10	133,900
B3	645[5]	CMP Susquehanna Corp., 9.875%, 5/15/14	623,231
		Comcast Corp.,	
BBB+	790	6.45%, 3/15/37	800,499
BBB+	2,375	6.50%, 1/15/17-11/15/35	2,473,341
B+	270	CSC Holdings, Inc., 7.875%, 12/15/07	273,713
B	75	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	81,469
BB	125	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	129,688
		Echostar DBS Corp.,	
BB-	175	5.75%, 10/01/08	173,906
BB-	290[5]	7.00%, 10/01/13	287,462
BB-	75[5]	7.125%, 2/01/16	73,313
B	250	General Cable Corp., 9.50%, 11/15/10	266,250
CCC+	100[5]	Iesy Repository GMBH, 10.375%, 2/15/15 (Germany)	94,500

Ba3	450	LIN Television Corp., 6.50%, 5/15/13	426,937
B	180	Medianews Group, Inc., 6.875%, 10/01/13	167,175
B2	485	Network Communications, Inc., 10.75%, 12/01/13	488,031
		News America Holdings, Inc.,	
BBB	985	7.625%, 11/30/28	1,105,441
BBB	825	7.70%, 10/30/25	927,237
BBB	625	8.45%, 8/01/34	759,851
B3	560	Nexstar Finance, Inc., 7.00%, 1/15/14	515,900
CCC+	965[5]	Nielsen Finance LLC/Nielsen Finance Co., 10.00%, 8/01/14	1,006,012
B1	600[3,5]	Paxson Communications Corp., 8.624%, 1/15/12	606,750

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Media (cont d)	
		Primedia, Inc.,	
B2	$ 260	8.00%, 5/15/13	$ 242,450
B2	190	8.875%, 5/15/11	189,525
B2	250[3]	10.78%, 5/15/10	258,750
B	865	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	892,031
Caa1	165	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	160,875
		TCI Communications, Inc.,	
BBB+	200	7.125%, 2/15/28	213,723
BBB+	620	7.875%, 8/01/13-2/15/26	708,878
BBB+	70	Time Warner Cos., Inc., 6.95%, 1/15/28	73,423
		Vertis, Inc.,	
B1	645	9.75%, 4/01/09	658,706
Caa3	65[5]	13.50%, 12/07/09	58,825
Caa1	225	Ser. B, 10.875%, 6/15/09	223,875
Caa1	1,155	Young Broadcasting, Inc., 10.00%, 3/01/11	1,091,475
		Total Media	22,001,319
		Real Estate 1.0%	
		AvalonBay Communities, Inc.,	
BBB+	350	6.625%, 9/15/11	369,260
BBB+	775	8.25%, 7/15/08	810,976
		Rouse Co.,	
BB+	895	3.625%, 3/15/09	845,839
BB+	1,650	5.375%, 11/26/13	1,540,077
		Total Real Estate	3,566,152
		Technology 1.2%	
BB-	50	Advanced Micro Devices, Inc., 7.75%, 11/01/12	50,875
CCC+	825	Amkor Technology, Inc., 9.25%, 6/01/16	767,250
B+	250	Celestica, Inc., 7.625%, 7/01/13 (Canada)	250,625
B+	455[5]	NXP BV/NXP Funding LLC, 9.50%, 10/15/15	458,981
B-	175[5]	Sensata Technologies BV, 8.00%, 5/01/14 (Netherlands)	168,875
CCC+	280	SS&C Technologies, Inc., 11.75%, 12/01/13	301,000
		Sungard Data Systems, Inc.,	
B-	120	9.125%, 8/15/13	124,500
B-	340[3]	9.973%, 8/15/13	353,600
B-	560	10.25%, 8/15/15	586,600
B	945	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	966,263
B-	180[3,5]	UGS Capital Corp. II, 10.38%, 6/01/11	185,850
B-	410	UGS Corp., 10.00%, 6/01/12	442,800
		Total Technology	4,657,219
		Telecommunications 7.6%	
A	1,700	Bellsouth Telecommunications, Zero Coupon, 12/15/95	899,528
BB-	210	Cincinnati Bell, Inc., 7.25%, 7/15/13	216,300
CCC	415[5]	Cricket Communications, Inc., 9.375%, 11/01/14	424,337
		Deutsche Telekom Intl. Finance BV,	
A-	3,000	5.75%, 3/23/16	2,963,874
A-	25	8.25%, 6/15/30	31,055
B3	190[3]	Hawaiian Telcom Communications, Inc., Ser. B, 10.889%, 5/01/13	194,750
		Intelsat Ltd., (Bermuda)	
BB-	295	8.625%, 1/15/15	306,062
BB-	500[5]	9.25%, 6/15/16	533,750

BB-	105[3]	10.484%, 1/15/12	106,444
B	200[5]	11.25%, 6/15/16	217,750
B	800[3,5]	11.64%, 6/15/13	848,000
		Lucent Technologies, Inc.,	
B1	155	6.45%, 3/15/29	138,725
B1	805	6.50%, 1/15/28	720,475
B+	770[5]	Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (Denmark)	806,575
B-	70	Nortel Networks Corp., 6.875%, 9/01/23 (Canada).	57,750
		Nortel Networks Ltd.,	
B-	530[3,5]	9.624%, 7/15/11	547,225
B-	185[5]	10.125%, 7/15/13	196,100

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Telecommunications (cont d)	
		PanAmSat Corp.,	
B	$ 155	9.00%, 8/15/14	$ 161,975
B	475[5]	9.00%, 6/15/16	496,375
		Qwest Corp.,	
BB+	200	7.875%, 9/01/11	211,750
BB+	470[3]	8.64%, 6/15/13	506,425
BB+	155	Rogers Wireless, Inc., 7.25%, 12/15/12 (Canada)	162,750
A	780	SBC Communications, Inc., 6.45%, 6/15/34	806,610
BBB+	1,715	Sprint Capital Corp., 6.875%, 11/15/28	1,757,232
		Telecom Italia Capital SA,	
BBB+	1,075	4.95%, 9/30/14	997,138
BBB+	1,550	6.00%, 9/30/34	1,419,136
BBB+	1,975	Telefonica Emisones SAU, 7.045%, 6/20/36 (Spain)	2,126,451
BBB+	725	Telefonica Europe BV, 7.75%, 9/15/10 (Netherlands)	784,512
A+	70	Verizon Global Funding Corp., 7.75%, 12/01/30	81,809
A+	125	Verizon Maryland, Inc., 5.125%, 6/15/33	103,777
		Verizon New Jersey, Inc.,	
A+	230	7.85%, 11/15/29	258,765
A+	335	Ser. A, 5.875%, 1/17/12	340,618
A+	3,150	Verizon Virginia, Inc., 4.625%, 3/15/13	2,953,812
		Vodafone Group PLC,	
A-	1,465[3]	5.457%, 12/28/07	1,465,435
A-	2,504	7.75%, 2/15/10	2,687,290
		West Corp.,	
B-	65[5]	9.50%, 10/15/14	64,675
B-	460[5]	11.00%, 10/15/16	462,300
B+	350[5]	Wind Acquisition Finance SA, 10.75%, 12/01/15 (Luxembourg)	388,937
		Windstream Corp.,	
BB+	500[5]	8.125%, 8/01/13	533,750
BB+	280[5]	8.625%, 8/01/16	302,050
		Total Telecommunications	28,282,272
		Transportation 0.2%	
BB-	115	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	114,713
A-	350	Canadian National Railway Co., 6.25%, 8/01/34 (Canada)	380,246
B1	405	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	386,775
B3	47	Horizon Lines LLC, 9.00%, 11/01/12	49,115
		Total Transportation	930,849
		Total Corporate Bonds	217,716,849
		U.S. Government and Agency Securities 4.5%	
	1,670	Aid to Israel, 5.50%, 4/26/24-9/18/33	1,754,110
	1,050	Resolution Funding Corp., Zero Coupon, 7/15/18-10/15/18	591,295
		Tennessee Valley Authority,	
	1,655	Ser. C, 5.88%, 4/01/36	1,843,900
	2,650[2]	Ser. D, 4.875%, 12/15/16	2,647,207
		U.S. Treasury Bonds,	
	6,718	2.00%, 1/15/26	6,420,943
	865	4.50%, 2/15/36	834,860
	2,900	U.S. Treasury Notes, 4.875%, 8/15/16	2,960,719
		Total U.S. Government and Agency Securities	17,053,034

		Foreign Government Bonds 1.4%	
		United Mexican States,	
Baa1	2,000	5.625%, 1/15/17	1,999,000
Baa1	400	6.75%, 9/27/34	431,000
Baa1	2,255	8.00%, 9/24/22	2,734,188
		Total Foreign Government Bonds	5,164,188
	Shares		
		Common Stocks 0.0%	
	1,895[7,8]	Critical Care Systems Intl., Inc.	15,160
		Preferred Security 0.0%	
	45,000	Superior Essex Holding Corp., Ser. A, 9.50%	36,000
		Total Long-Term Investments (cost $380,313,478)	377,248,535

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Principal Amount (000)	Description	Value
	SHORT-TERM INVESTMENT 0.2%	
	U.S. Government and Agency Discount Note 0.2%	
$ 800[10]	Federal Home Loan Bank Discount Note, 4.981%, 11/01/06 (cost $800,000)	$ 800,000

Contracts/ Notional Amount (000)	Description	Value
	OUTSTANDING OPTIONS PURCHASED 0.2%	
	Interest Rate Swaps,	
4,900	Trust pays 3-month LIBOR, Trust receives 5.52%, expires 9/21/36	334,056
4,900	Trust pays 5.52%, Trust receives 3-month LIBOR, expires 9/21/36	288,565
43,600	Trust pays 5.40%, Trust receives 3-month LIBOR, expires 3/14/08	18,870
43,600	Trust pays 5.90%, Trust receives 3-month LIBOR, expires 3/14/08	1,024
74	U.S. Treasury Notes Future, expiring 2/23/07	17,344
	Total Outstanding Options Purchased (cost $690,998)	659,859
	Total Investments before outstanding options written (cost $381,804,476[11])	378,708,394
	OUTSTANDING OPTIONS WRITTEN (0.6)%	
	Interest Rate Swaps,	
(4,500)	Trust pays 3-month LIBOR, Trust receives 5.485%, expires 10/28/19	(138,531)
(4,500)	Trust pays 5.485%, Trust receives 3-month LIBOR, expires 10/28/19	(208,665)
(5,300)	Trust pays 3-month LIBOR, Trust receives 5.135%, expires 4/21/08	(140,057)
(5,300)	Trust pays 5.135%, Trust receives 3-month LIBOR, expires 4/21/08	(140,057)
(11,500)	Trust pays 3-month LIBOR, Trust receives 5.67%, expires 1/04/10	(315,813)
(11,500)	Trust pays 5.67%, Trust receives 3-month LIBOR, expires 1/04/10	(617,520)
(13,300)	Trust pays 3-month LIBOR, Trust receives 4.725%, expires 6/13/07	(476,406)
(13,300)	Trust pays 4.725%, Trust receives 3-month LIBOR, expires 6/13/07	(77,805)
(87,200)	Trust pays 3-month LIBOR, Trust receives 5.65%, expires 3/14/08	(10,028)
(37)	U.S. Treasury Notes Future, expiring 11/21/06	(2,890)
	Total Outstanding Options Written (premium received $3,059,631)	(2,127,772)
	Total Investments net of outstanding options written 100.8%	$ 376,580,622
	Liabilities in excess of other assets (0.8)%	(3,062,498)
	Net Assets 100%	$ 373,518,124

1 Using the highest of S&P s, Moody s or Fitch s ratings.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

3 Variable rate security. Rate shown is interest rate as of October 31, 2006.

4 Represents an investment in an affiliate.

5 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2006, the Trust held 11.0% of its net assets, with a current market value of $41,146,258, in securities restricted as to resale.

6 Security, or a portion thereof, pledged as collateral with a value of $3,154,652 on 26 long U.S. Treasury Note futures contracts expiring March 2007, 1,495 long U.S. Treasury Bond futures contracts expiring December 2006, 163 short Eurodollar futures contracts expiring December 2007 and 1,558 short U.S. Treasury Note futures contracts expiring December 2006. The notional value of such contracts on October 31, 2006 was $32,137,119, with an unrealized gain of $2,423,434.

7 Security is fair valued.

8 Illiquid security. As of October 31, 2006, the Trust held 0.8% of its net assets, with a current market value of $2,887,082, in these securities.

9 Non-income producing security.

10 Rate shown is the yield to maturity as of the date of purchase.

11 Cost for federal income tax purposes is $382,268,326. The net unrealized depreciation on a tax basis is $3,559,932, consisting of $5,026,453 gross unrealized appreciation and $8,586,385 gross unrealized depreciation.

A category in the Corporate Bonds section may contain multiple industries as defined by the SEC s Standard Industry Codes.

KEY TO ABBREVIATIONS

EUR	Euro
LIBOR	London Interbank Offered Rate

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2006

BlackRock High Yield Trust (BHY)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 132.7%	
		Corporate Bonds 128.9%	
		Aerospace & Defense 3.7%	
		AAR Corp.,	
BB	$ 370	6.875%, 12/15/07	$ 370,000
NR	350[2]	Ser. A2, 8.39%, 5/15/11	353,500
B	325	Argo-Tech Corp., 9.25%, 6/01/11	337,188
NR	1,500[3]	Condor Systems, Inc., Ser. B, 11.875%, 5/01/09	
B	565	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	587,600
		DRS Technologies, Inc.,	
B	40	6.875%, 11/01/13	40,000
B	100	7.625%, 2/01/18	102,250
BB+	20	L-3 Communications Corp., 5.875%, 1/15/15	19,350
BB	40	Sequa Corp., 9.00%, 8/01/09	42,200
		Total Aerospace & Defense	1,852,088
		Automotive 3.3%	
		Autonation, Inc.,	
BB+	90	7.00%, 4/15/14	89,550
BB+	80[4]	7.374%, 4/15/13	80,600
BB-	20[4,5]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 7.905%, 5/15/14	19,550
B3	150[4]	Delco Remy Intl., Inc., 9.374%, 4/15/09	145,500
B-	150	Keystone Automotive Operations, Inc., 9.75%, 11/01/13	144,750
B	305	Lear Corp., Ser. B, 8.11%, 5/15/09	309,194
CCC+	255	Metaldyne Corp., 10.00%, 11/01/13	261,375
B+	250	Rent-A-Center, Inc., 7.50%, 5/01/10	249,375
CCC+	350	Stanadyne Corp., 10.00%, 8/15/14	357,000
		Total Automotive	1,656,894
		Basic Materials 13.8%	
B+	265	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	210,675
B+	185	AK Steel Corp., 7.75%, 6/15/12	185,000
B-	205	Alpha Natural Resources LLC/Alpha Natural Resources Capital Corp., 10.00%, 6/01/12	220,375
B-	70[4,5]	BCI US Finance Corp./Borden 2 Nova Scotia Finance ULC, 11.874%, 7/15/10	71,400
BB-	130[4]	Bowater, Inc., 8.39%, 3/15/10	131,300
BB-	175	Cascades, Inc., 7.25%, 2/15/13 (Canada)	171,500
B+	170	Catalyst Paper Corp., 7.375%, 3/01/14 (Canada)	157,675
BB+	50	Chemtura Corp., 6.875%, 6/01/16	48,875
B-	150	CPG Intl. I, Inc., 10.50%, 7/01/13	153,000
		Domtar, Inc.,	
B2	40	7.125%, 8/15/15	38,200
B2	180	7.875%, 10/15/11	183,825
B+	90	Donohue Forest Products, 7.625%, 5/15/07 (Canada)	90,000
		Equistar Chemicals LP/Equistar Funding Corp.,	
BB-	50	8.75%, 2/15/09	52,000
BB-	115	10.125%, 9/01/08	121,900
BB-	100	10.625%, 5/01/11	107,000
Baa3	50	Hercules, Inc., 6.60%, 8/01/27	50,000
		Huntsman LLC,	

B2	95	11.50%, 7/15/12	107,588
Ba3	365	11.625%, 10/15/10	402,412
BB	35	IMC Global, Inc., Ser. B, 10.875%, 6/01/08	37,756
B2	190[5]	Ineos Group Holdings PLC, 8.50%, 2/15/16 (United Kingdom)	182,875
B3	645	Innophos, Inc., 8.875%, 8/15/14	643,387
Baa3	325	Ipsco, Inc., 8.75%, 6/01/13 (Canada)	346,125
BBB	366	Ispat Inland ULC, 9.75%, 4/01/14 (Canada)	409,920
B	75	Jacuzzi Brands, Inc., 9.625%, 7/01/10	80,344
		Lyondell Chemical Co.,	
BB-	130	8.00%, 9/15/14	132,925
BB-	225	8.25%, 9/15/16	231,750
BB+	260	10.50%, 6/01/13	286,000

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Basic Materials (cont d)	
BB	$ 100	Millennium America, Inc., 9.25%, 6/15/08	$ 103,000
B-	340	Nalco Co., 8.875%, 11/15/13	357,850
		NewPage Corp.,	
B3	450	10.00%, 5/01/12	471,375
Caa1	80	12.00%, 5/01/13	83,600
		Nova Chemicals Corp.,	
BB	75	6.50%, 1/15/12	70,500
BB	390[4]	8.405%, 11/15/13	396,825
CCC+	310[5]	Pregis Corp., 12.375%, 10/15/13	328,600
B+	153	Rhodia SA, 10.25%, 6/01/10 (France)	173,272
BB	125	Russel Metals, Inc., 6.375%, 3/01/14 (Canada)	117,813
B-	10[5]	Verso Paper Holdings LLC/Verson Paper, Inc., 11.375%, 8/01/16	10,150
		Total Basic Materials	6,966,792
		Building & Development 3.8%	
B+	40[4]	Ainsworth Lumber Co. Ltd., 9.122%, 10/01/10 (Canada)	31,800
B	575	ERICO Intl. Corp., 8.875%, 3/01/12	599,437
		Goodman Global Holding Co., Inc.,	
B-	160	7.875%, 12/15/12	153,600
B1	32[4]	8.329%, 6/15/12	32,480
BB+	250	K Hovnanian Enterprises, Inc., 6.25%, 1/15/15	230,000
B3	110	Nortek, Inc., 8.50%, 9/01/14	105,050
		North American Energy Partners, Inc.,	
Caa1	335	8.75%, 12/01/11	331,650
B1	375	9.00%, 6/01/10	408,750
		Total Building & Development	1,892,767
		Business Equipment & Services 0.2%	
Ba2	100[5]	FTI Consulting, Inc., 7.75%, 10/01/16	102,250
		Consumer Products 8.2%	
B3	50	ALH Finance LLC, 8.50%, 1/15/13	49,625
CCC+	265[4]	Ames True Temper, Inc., 9.374%, 1/15/12	267,650
B3	160[5]	Burlington Coat Factory Warehouse Corp., 11.125%, 4/15/14	157,400
B2	90[5]	Education Management LLC/Education Management Corp., 8.75%, 6/01/14	92,250
B-	190	Finlay Fine Jewelry Corp., 8.375%, 6/01/12	171,000
B	294	Gold Kist, Inc., 10.25%, 3/15/14	337,365
B2	175[5]	Knowledge Learning Corp., Inc., 7.75%, 2/01/15	165,813
B-	485	Lazydays RV Center, Inc., 11.75%, 5/15/12	470,450
B	50[4]	Levi Strauss & Co., 10.122%, 4/01/12	51,563
CC	380	Merisant Co., 9.50%, 7/15/13	235,600
		Michaels Stores, Inc.,	
B2	260[5]	10.00%, 11/01/14	260,325
Caa1	330[5]	11.375%, 11/01/16	333,712
C	1,200[2,3]	Nebco Evans Holding Co., 12.375%, 7/15/07	
B2	95	Neiman-Marcus Group, Inc., 9.00%, 10/15/15	101,888
B3	60[4,5]	Nutro Products, Inc., 9.40%, 10/15/13	61,650
B	265	Pantry, Inc., 7.75%, 2/15/14	268,312
BB-	100	Quiksilver, Inc., 6.875%, 4/15/15	96,250
BB+	120[5]	Reynolds American, Inc., 7.625%, 6/01/16	127,413
CCC	150	Spectrum Brands, Inc., 7.375%, 2/01/15	121,500

		United Rentals NA, Inc.,	
B	640	7.00%, 2/15/14	612,800
B	130	7.75%, 11/15/13	129,675
		Total Consumer Products	4,112,241
		Containers & Packaging 4.1%	
		Berry Plastics Holding Corp.,	
B2	340[5]	8.875%, 9/15/14	343,400
B2	100[4,5]	9.265%, 9/15/14	101,125
B+	160	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	164,200
B	540	Crown Cork & Seal, Inc., 8.00%, 4/15/23	518,400
B	115	Crown European Holdings SA, 7.375%, 12/15/26	106,087
CCC+	110	Graham Packaging Co., Inc., 8.50%, 10/15/12	109,450

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Containers & Packaging (cont d)	
B-	$ 65	Graphic Packaging Intl., Inc., 9.50%, 8/15/13	$ 66,788
B1	210[4,5]	Impress Holdings BV, 8.512%, 9/15/13	211,657
B+	412	Smurfit-Stone Container Enterprises, Inc., 9.75%, 2/01/11	424,875
		Total Containers & Packaging	2,045,982
		Ecological Services & Equipment 0.5%	
BB-	80	Allied Waste NA, Inc., Ser. B, 8.50%, 12/01/08	84,200
Caa1	185	Waste Services, Inc., 9.50%, 4/15/14	189,625
		Total Ecological Services & Equipment	273,825
		Energy 20.9%	
B+	135	AES Red Oak LLC, Ser. A, 8.54%, 11/30/19	144,677
Ba1	195	ANR Pipeline Co., 9.625%, 11/01/21	242,688
B	80	Berry Petroleum Co., 8.25%, 11/01/16	79,800
Ba1	146	CE Generation LLC, 7.416%, 12/15/18	150,293
CCC+	100	Chaparral Energy, Inc., 8.50%, 12/01/15	99,750
		Chesapeake Energy Corp.,	
BB	90	6.375%, 6/15/15	86,850
BB	250	6.625%, 1/15/16	244,687
BB	20	6.875%, 11/15/20	19,000
BB-	10	CMS Energy Corp., 7.50%, 1/15/09	10,275
Ba1	40	Colorado Interstate Gas Co., 6.80%, 11/15/15	40,651
BB-	140	Compagnie Generale de Geophysique SA, 7.50%, 5/15/15 (France)	138,250
B	290	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	274,775
B	70	Copano Energy LLC, 8.125%, 3/01/16	71,225
B+	30	Denbury Resources, Inc., 7.50%, 12/15/15	30,000
CCC+	260[2]	East Cameron Gas Co., 11.25%, 7/09/19 (Cayman Islands)	249,600
		El Paso Corp.,	
B	60	7.75%, 6/15/10	62,250
B	250	9.625%, 5/15/12	277,500
B	215	10.75%, 10/01/10	239,725
Ba1	65	El Paso Natural Gas Co., 7.625%, 8/01/10	67,113
Ba1	509	Elwood Energy LLC, 8.159%, 7/05/26	539,069
		Encore Acquisition Co.,	
B1	40	6.00%, 7/15/15	36,500
B1	30	7.25%, 12/01/17	28,875
B-	370	Exco Resources, Inc., 7.25%, 1/15/11	356,125
BB-	65	Frontier Oil Corp., 6.625%, 10/01/11	64,188
BB+	50	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	47,813
B	195	Hanover Compressor Co., 8.625%, 12/15/10	202,800
B	170[5]	Hilcorp Energy I LP/Hilcorp Finance Corp., 10.50%, 9/01/10	182,325
BBB-	98	Homer City Funding LLC, 8.734%, 10/01/26	110,458
BB-	5	Hornbeck Offshore Services, Inc., 6.125%, 12/01/14	4,656
B-	420	KCS Energy, Inc., 7.125%, 4/01/12	403,200
		Midwest Generation LLC,	
BB+	95	8.75%, 5/01/34	102,719
Ba2	96	Ser. B, 8.56%, 1/02/16	103,683
		Mirant Americas Generation LLC,	
Caa1	350	8.30%, 5/01/11	354,375
Caa1	135	8.50%, 10/01/21	132,975
Caa1	90	9.125%, 5/01/31	93,150
BB-	610	Mission Energy Holdings Co., 13.50%, 7/15/08	680,150

BB-	30	Newfield Exploration Co., 6.625%, 9/01/14	29,513
		NRG Energy, Inc.,	
B+	130	7.25%, 2/01/14	131,463
B+	385	7.375%, 2/01/16	389,331
B2	345	Orion Power Holdings, Inc., 12.00%, 5/01/10	391,575
BB-	70	Plains Exploration & Production Co., 7.125%, 6/15/14	75,075
BB	210	Pride Intl., Inc., 7.375%, 7/15/14	216,825
B	185	Range Resources Corp., 7.375%, 7/15/13	186,850

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Energy (cont d)	
		Reliant Energy, Inc.,	
BB-	$ 390	6.75%, 12/15/14	$ 371,962
BB-	180	9.25%, 7/15/10	186,300
B+	210[5]	SemGroup LP, 8.75%, 11/15/15	211,575
Ba2	40	Sithe Independence Funding, Ser. A, 9.00%, 12/30/13	44,160
B	250[4,5]	Stone Energy Corp., 8.124%, 7/15/10	248,437
B3	200[5]	Targa Resources, Inc., 8.50%, 11/01/13	199,500
Ba1	160	Tennessee Gas Pipeline Co., 8.375%, 6/15/32	186,014
		Transcontinental Gas Pipe Line Corp.,	
BBB-	65	7.25%, 12/01/26	67,275
BBB-	400	Ser. B, 8.875%, 7/15/12	449,000
BBB-	130	TXU Corp., 6.55%, 11/15/34	124,077
B+	115	Utilicorp Finance Corp., 7.75%, 6/15/11 (Canada)	121,442
B1	495	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	489,125
		Williams Cos., Inc.,	
BB+	355	7.625%, 7/15/19	373,637
BB+	75	8.75%, 3/15/32	83,250
		Total Energy	10,548,556
		Entertainment & Leisure 5.5%	
		AMC Entertainment, Inc.,	
B3	150	9.50%, 2/01/11	150,563
B3	150	11.00%, 2/01/16	165,938
B3	40	Cinemark, Inc., Zero Coupon, 3/15/14	32,550
		Gaylord Entertainment Co.,	
B-	280	6.75%, 11/15/14	268,100
B-	40	8.00%, 11/15/13	40,700
B3	185[5]	Greektown Holdings LLC, 10.75%, 12/01/13	195,637
BB	60	MGM Mirage, 6.75%, 9/01/12	58,200
B	80[5]	Pokagon Gaming Authority, 10.375%, 6/15/14	85,800
B3	305	Poster Financial Group, Inc., 8.75%, 12/01/11	317,962
B-	185	Riddell Bell Holdings, Inc., 8.375%, 10/01/12	183,150
BB	140	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	140,875
Ba3	100	Station Casinos, Inc., 6.625%, 3/15/18	88,750
		Travelport, Inc.,	
B-	240[5]	9.875%, 9/01/14	236,700
B-	250[5]	11.875%, 9/01/16	246,250
B	435	Virgin River Casino, 9.00%, 1/15/12	441,525
B+	50	Warner Music Group, Inc., 7.375%, 4/15/14	48,875
BB-	70	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	68,600
		Total Entertainment & Leisure	2,770,175
		Financial Institutions 18.6%	
B+	459	AES Ironwood LLC, 8.857%, 11/30/25	502,275
B+	500	AES Red Oak LLC, Ser. B, 9.20%, 11/30/29	555,625
		American Real Estate Partners LP/American Real Estate Finance Corp.,	
BB+	185	7.125%, 2/15/13	184,538
BB+	300	8.125%, 6/01/11	306,750
B	238	BCP Crystal US Holdings Corp., 9.625%, 6/15/14 (Luxembourg)	261,205
BB	285	Crum & Forster Holdings Corp., 10.375%, 6/15/13	295,687
B+	500[5]	Dow Jones CDX HY, Ser. 6-T1, 8.625%, 6/29/11	511,875
BB	25	Fairfax Financial Holdings Ltd., 6.875%, 4/15/08 (Canada)	24,563

Ba3	2,500[5]	First Dominion Funding II, Ser. 1A, 11.614%, 4/25/14 (Cayman Islands)	2,550,000
BB-	35	Ford Motor Credit Co., 5.70%, 1/15/10	32,413
BB	370	General Motors Acceptance Corp., 6.875%, 9/15/11-8/28/12	371,244
		iPayment, Inc.,	
CCC+	325[5]	9.75%, 5/15/14	333,937
NR	530[2,4,5]	12.75%, 7/15/14	529,337
B-	200	K&F Acquisition, Inc., 7.75%, 11/15/14	202,500
B+	290[5]	Nell AF SARL, 8.375%, 8/15/15 (Luxembourg)	294,350
		Rainbow National Services LLC,	
B+	310[5]	8.75%, 9/01/12	325,887
B+	490[5]	10.375%, 9/01/14	545,125

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Financial Institutions (cont d)	
B-	$ 540	Standard Aero Holdings, Inc., 8.25%, 9/01/14	$ 535,950
B-	30[4]	Universal City Florida Holding Co. I/II, 10.121%, 5/01/10	30,863
Aa3	70	Western Financial Bank, 9.625%, 5/15/12	77,136
C	2,000[5]	Zais Investment Grade Ltd., Class C, 9.95%, 9/23/14 (Cayman Islands)	877,600
		Total Financial Institutions	9,348,860
		Health Care 3.4%	
B	320[5]	Angiotech Pharmaceuticals, Inc., 7.75%, 4/01/14 (Canada)	304,000
		Coventry Health Care, Inc.,	
BBB-	80	5.875%, 1/15/12	79,438
BBB-	80	6.125%, 1/15/15	79,721
		Healthsouth Corp.,	
CCC+	425[5]	10.75%, 6/15/16	435,625
CCC+	170[4,5]	11.418%, 6/15/14	173,825
B2	135	Norcross Safety Products LLC/Norcross Capital Corp., 9.875%, 8/15/11	143,100
B-	110	Tenet Healthcare Corp., 6.875%, 11/15/31	85,250
B-	405	Universal Hospital Services, Inc., 10.125%, 11/01/11	428,288
		Total Health Care	1,729,247
		Industrials 4.0%	
B2	200[5]	AGY Holding Corp., 11.00%, 11/15/14	199,750
B-	195	Concentra Operating Corp., 9.125%, 6/01/12	203,775
B	80	Hexcel Corp., 6.75%, 2/01/15	77,600
B3	185	Park-Ohio Industries, Inc., 8.375%, 11/15/14	172,050
CCC+	50	Polypore, Inc., 8.75%, 5/15/12	48,875
		RBS Global, Inc./Rexnord Corp.,	
B3	270[5]	9.50%, 8/01/14	279,450
CCC+	255[5]	11.75%, 8/01/16	265,200
B3	510[5]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	532,950
B+	55	Terex Corp., 7.375%, 1/15/14	55,825
B3	210	Trimas Corp., 9.875%, 6/15/12	197,925
		Total Industrials	2,033,400
		Media 14.7%	
		Affinion Group, Inc.,	
B-	215	10.125%, 10/15/13	227,900
B-	80	11.50%, 10/15/15	83,400
Caa2	210	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	199,500
B+	175[4]	Cablevision Systems Corp., Ser. B, 9.87%, 4/01/09	183,313
CCC+	60	CBD Media Holdings LLC/CBD Holdings Finance, Inc., 9.25%, 7/15/12	59,775
		Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
CCC	605	10.25%, 9/15/10	624,662
CCC	75	Ser. B, 10.25%, 9/15/10	77,250
B3	290[5]	CMP Susquehanna Corp., 9.875%, 5/15/14	280,212
B+	45	CSC Holdings, Inc., Ser. B, 7.625%, 4/01/11	45,394
B	50	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	54,313
BB	125	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	129,688
		Echostar DBS Corp.,	
BB-	15	6.375%, 10/01/11	14,850

BB-	200[5]	7.00%, 10/01/13	198,250
BB-	260[5]	7.125%, 2/01/16	254,150
B	325	General Cable Corp., 9.50%, 11/15/10	346,125
CCC+	75[5]	Iesy Repository GMBH, 10.375%, 2/15/15 (Germany)	70,875
Ba3	325	LIN Television Corp., 6.50%, 5/15/13	308,344
B	165	Medianews Group, Inc., 6.875%, 10/01/13	153,244
B2	290	Network Communications, Inc., 10.75%, 12/01/13	291,812
B3	325	Nexstar Finance, Inc., 7.00%, 1/15/14	299,406
CCC+	445[5]	Nielsen Finance LLC/Nielsen Finance Co., 10.00%, 8/01/14	463,912
B1	125[4,5]	Paxson Communications Corp., 8.624%, 1/15/12	126,406
		Primedia, Inc.,	
B2	430	8.00%, 5/15/13	400,975
B2	120	8.875%, 5/15/11	119,700
B2	155[4]	10.78%, 5/15/10	160,425

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Media (cont d)	
B	$ 1,035	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	$ 1,067,344
BB	165	Scholastic Corp., 5.00%, 4/15/13	147,403
		Vertis, Inc.,	
B1	280	9.75%, 4/01/09	285,950
Caa3	35[5]	13.50%, 12/07/09	31,675
Caa1	145	Ser. B, 10.875%, 6/15/09	144,275
Caa1	595	Young Broadcasting, Inc., 10.00%, 3/01/11	562,275
		Total Media	7,412,803
		Technology 6.1%	
BB-	30	Advanced Micro Devices, Inc., 7.75%, 11/01/12	30,525
CCC+	445	Amkor Technology, Inc., 9.25%, 6/01/16	413,850
B+	350	Celestica, Inc., 7.625%, 7/01/13 (Canada)	350,875
B+	60[5]	Hynix Semiconductor, Inc., 9.875%, 7/01/12 (South Korea)	66,450
B+	195[5]	NXP BV/NXP Funding LLC, 9.50%, 10/15/15	196,706
B-	100[5]	Sensata Technologies BV, 8.00%, 5/01/14 (Netherlands)	96,500
CCC+	210	SS&C Technologies, Inc., 11.75%, 12/01/13	225,750
BB	105	STATS ChipPAC Ltd., 6.75%, 11/15/11 (Singapore)	101,850
		Sungard Data Systems, Inc.,	
B-	95	9.125%, 8/15/13	98,563
B-	230[4]	9.973%, 8/15/13	239,200
B-	445	10.25%, 8/15/15	466,137
B	305	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	311,863
B-	100[4,5]	UGS Capital Corp. II, 10.38%, 6/01/11	103,250
B-	305	UGS Corp., 10.00%, 6/01/12	329,400
BBB-	60	Xerox Corp., 6.40%, 3/15/16	60,150
		Total Technology	3,091,069
		Telecommunications 16.0%	
NR	2,000[3]	Asia Global Crossing Ltd., 13.375%, 10/15/10 (Bermuda)	170,000
A	182	AT&T Corp., 8.05%, 11/15/11	198,077
B+	455	Centennial Communications Corp., 8.125%, 2/01/14	455,569
BB-	405	Cincinnati Bell, Inc., 7.25%, 7/15/13	417,150
CCC	215[5]	Cricket Communications, Inc., 9.375%, 11/01/14	219,838
BB-	260	Dobson Cellular Systems, Inc., 8.375%, 11/01/11	270,075
B3	100[4]	Hawaiian Telcom Communications, Inc., Ser. B, 10.789%, 5/01/13	102,500
		Intelsat Ltd., (Bermuda)	
BB-	245	8.625%, 1/15/15	254,187
B	40	9.25%, 2/01/15	30,300
BB-	150[5]	9.25%, 6/15/16	160,125
BB-	100[4]	10.484%, 1/15/12	101,375
B	70[5]	11.25%, 6/15/16	76,213
B	290[4,5]	11.64%, 6/15/13	307,400
		Lucent Technologies, Inc.,	
B1	185	6.45%, 3/15/29	165,575
B1	387	6.50%, 1/15/28	346,365
B+	445[5]	Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (Denmark)	466,137
B-	205	Nortel Networks Corp., 6.875%, 9/01/23 (Canada)	169,125
		Nortel Networks Ltd.,	
B-	245[4,5]	9.624%, 7/15/11	252,962
B-	95[5]	10.125%, 7/15/13	100,700
		PanAmSat Corp.,	

BB	210	6.875%, 1/15/28	185,850
B	270	9.00%, 8/15/14	282,150
B	320[5]	9.00%, 6/15/16	334,400
NR	600[3]	PF Net Communications, Inc., 13.75%, 5/15/10	60
NR	360[4,5]	ProtoStar I Ltd., Zero Coupon, 10/15/12 (Bermuda)	361,800
		Qwest Corp.,	
BB+	600	7.875%, 9/01/11	635,250
BB+	230[4]	8.64%, 6/15/13	247,825
BB+	125	8.875%, 3/15/12	137,500

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Telecommunications (cont d)	
		Rogers Wireless, Inc.,	
BB+	$ 35	7.25%, 12/15/12	$ 36,750
BB	395	8.00%, 12/15/12	417,712
		West Corp.,	
B-	40[5]	9.50%, 10/15/14	39,800
B-	320[5]	11.00%, 10/15/16	321,600
B+	375[5]	Wind Acquisition Finance SA, 10.75%, 12/01/15 (Luxembourg)	416,719
		Windstream Corp.,	
BB+	200[5]	8.125%, 8/01/13	213,500
BB+	145[5]	8.625%, 8/01/16	156,419
		Total Telecommunications	8,051,008
		Transportation 2.1%	
BB-	95	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	94,762
B1	170	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	162,350
B3	430	Horizon Lines LLC, 9.00%, 11/01/12	449,350
BB+	350	Overseas Shipholding Group, Inc., 7.50%, 2/15/24	345,625
		Total Transportation	1,052,087
		Total Corporate Bonds	64,940,044
		Bank Loans 3.0%	
	530[2]	Intelsat Ltd., 11.25%, 9/21/07	531,325
	1,000	Navistar Financial Corp., LIBOR + 5.00%, 2/28/09	1,010,000
		Total Bank Loans	1,541,325
	Shares		
		Common Stocks 0.7%	
	4,737[2,6]	Critical Care Systems Intl., Inc.	37,896
	68,358	Globix Corp.	304,193
	14,992[2]	Mattress Discounters Corp.	
		Total Common Stocks	342,089
		Preferred Securities 0.1%	
	1,098[3]	Adelphia Business Solutions, Ser. B, 12.875%	
	40,000	Superior Essex Holding Corp., Ser. A, 9.50%	32,000
		Total Preferred Securities	32,000
	Units (000)		

	Warrants 0.0%	
1[2,5,6,7]	Mattress Discounters Corp., expires 7/15/07, strike price $0.01, 4.85 shares for 1 warrant	
54[6,7]	Neon Communications, Inc., expires 12/02/12	1
1[5,6,7]	PF. Net Communications, Inc., expires 5/15/10, strike price $0.01, 36.87243 shares for 1 warrant	
	Total Warrants	1
	Total Long-Term Investments (cost $72,838,609)	66,855,459

See Notes to Financial Statements.

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BlackRock High Yield Trust (BHY) (continued)

Principal Amount (000)	Description	Value
	SHORT-TERM INVESTMENT 4.2%	
	U.S. Government and Agency Discount Note 4.2%	
$ 2,100[8]	Federal Home Loan Bank Discount Note, 4.981%, 11/01/06 (cost $2,100,000)	$ 2,100,000
	Total Investments 136.9% (cost $74,938,609[9])	$ 68,955,459
	Liabilities in excess of other assets (36.9)%	(18,570,222)
	Net Assets 100%	$ 50,385,237

1 Using the highest of S&P s, Moody s or Fitch s ratings.
2 Security is fair valued.
3 Issuer is in default and/or bankruptcy.
4 Variable rate security. Rate shown is interest rate as of October 31, 2006.
5 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2006, the Trust held 35.0% of its net assets, with a current market value of $17,650,704, in securities restricted as to resale.
6 Non-income producing security.
7 Illiquid security. As of October 31, 2006, the Trust held less than 0.1% of its net assets, with a current market value of $1, in these securities.
8 Rate shown is the yield to maturity as of the date of purchase.
9 Cost for federal income tax purposes is $74,968,332. The net unrealized depreciation on a tax basis is $6,012,873, consisting of $1,423,161 gross unrealized appreciation and $7,436,034 gross unrealized depreciation.

A category in the Corporate Bonds section may contain multiple industries as defined by the SEC s Standard Industry Codes.

KEY TO ABBREVIATION

LIBOR London Interbank Offered Rate

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2006

BlackRock Income Opportunity Trust (BNA)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 109.4%	
		Mortgage Pass-Through Securities 12.7%	
		Federal Home Loan Mortgage Corp.,	
	$ 1,082[2,3]	4.363%, 1/01/35	$ 1,088,796
	1,871[2,3]	5.149%, 1/01/35	1,843,811
		Federal National Mortgage Assoc.,	
	15,843	5.50%, 12/01/13-5/18/35	15,814,190
	17,470[3]	5.50%, 7/01/16-6/01/36	17,374,336
	397[4]	5.50%, 12/01/32	393,246
	7,801[3,4]	5.50%, 1/01/33	7,732,403
	1,056	6.00%, 3/01/16-5/01/36	1,071,793
	166	7.00%, 2/01/24-10/01/28	171,308
	2,915[3]	7.25%, 1/15/10	3,118,313
	104	Government National Mortgage Assoc., 8.00%, 4/15/24-11/15/25	108,895
		Total Mortgage Pass-Through Securities	48,717,091
		Federal Housing Administration Securities 1.1%	
		General Motors Acceptance Corp. Projects,	
	221	Ser. 37, 7.43%, 5/01/22	223,653
	80	Ser. 44, 7.43%, 8/01/22	81,129
		Merrill Projects,	
	152[5]	Ser. 29, 7.43%, 10/01/20	153,837
	51[5]	Ser. 42, 7.43%, 9/01/22	51,939
	1,785	Reilly Project, Ser. B-11, 7.40%, 4/01/21	1,801,471
	1,796	Westmore Project, 7.25%, 4/01/21	1,803,047
		Total Federal Housing Administration Securities	4,115,076
		Agency Multiple Class Mortgage Pass-Through Securities 8.4%	
		Federal Home Loan Mortgage Corp.,	
	3,380	Ser. 82, Class HJ, 5.50%, 9/25/32	3,385,987
	[2]	Ser. 192, Class U, 1,009.033%, 2/15/22	4
		Ser. 1057, Class J, 1,008.001%, 3/15/21	1,543
	3,327	Ser. 2806, Class VC, 6.00%, 12/15/19	3,407,389
	6,000	Ser. 2874, Class BC, 5.00%, 10/15/19	5,856,630
	1,390	Ser. 2883, Class DR, 5.00%, 11/15/19	1,357,772
	3,571	Ser. 2922, Class GA, 5.50%, 5/15/34	3,596,080
	1,961	Ser. 2927, Class BA, 5.50%, 10/15/33	1,976,404
	1,915	Ser. 2933 Class HD, 5.50%, 2/15/35	1,932,810
	1,725	Ser. 2968, Class EG, 6.00%, 10/15/34	1,764,762
		Federal National Mortgage Assoc.,	
	3,434	Ser. 5, Class PK, 5.00%, 12/25/34	3,406,120
	2,175	Ser. 27, Class PC, 5.50%, 5/25/34	2,186,216
	1,718[2]	Ser. 118, Class FD, 5.72%, 12/25/33	1,722,939
	1,678	Government National Mortgage Assoc., Ser. 65, Class VA, 6.00%, 6/20/15	1,718,272
		Total Agency Multiple Class Mortgage Pass-Through Securities	32,312,928
		Non-Agency Multiple Class Mortgage Pass-Through Securities 6.2%	
AAA	4,946	Countrywide Alternative Loan Trust, Ser. 19CB, Class A15, 6.00%, 8/25/36	4,957,120
AAA	2,483	DLJ Commercial Mortgage Corp., Class A 1B, 7.18%, 11/10/33	2,634,726

AAA	2,630	First Union-Lehman Brothers-Bank of America, Ser. C2, Class D, 6.778%, 11/18/35	2,839,549
AAA	2,310	GE Capital Commercial Mortgage Corp., Ser. 1A, Class A3, 6.269%, 12/10/35	2,424,154
AAA	2,580	General Motor Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C4, Class A2, 4.93%, 7/10/39	2,548,329
AAA	7,895	Residential Funding Securities Corp., Ser. RM2, Class AI5, 8.50%, 5/25/33	8,441,253
AAA	9[2,6,8]	Summit Mortgage Trust, Ser. 1, Class B1, 6.573%, 12/28/12	8,838
		Total Non Agency Multiple Class Mortgage Pass-Through Securities	23,853,969
		Inverse Floating Rate Mortgage Securities 0.6%	
	618[2]	Federal Home Loan Mortgage Corp., Ser. 1611, Class JC, 10.00%, 8/15/23	658,699
		Federal National Mortgage Assoc.,	
	[2]	Ser. 7, Class S, 541.833%, 3/25/21	3,592
	[2]	Ser. 17, Class S, 531.967%, 6/25/21	5,575
	1,556[2]	Ser. 23, Class PS, 9.206%, 4/25/23	1,626,996
	[2]	Ser. 46, Class S, 1,295.281%, 5/25/21	3,680
	[2]	Ser. 49, Class S, 479.05%, 12/25/21	2,066
	68[2]	Ser. 87, Class S, 12.522%, 8/25/21	79,534
		Total Inverse Floating Rate Mortgage Securities	2,380,142

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Asset-Backed Securities 14.7%	
AAA	$ 2,690[2]	Ameriquest Mortgage Securities, Inc., Ser. R11, Class A1, 5.633%, 11/25/34	$ 2,697,195
AAA	3,025	Capital Auto Receivables Asset Trust, Ser. 1, Class A3, 5.03%, 10/15/09	3,017,492
AAA	2,650[2]	Chase Issuance Trust, Ser. A3, 5.31%, 7/15/11	2,650,618
AAA	3,100	Chase Manhattan Auto Owner Trust, Ser. B, Class A4, 4.88%, 6/15/12	3,091,500
AAA	3,125	Citibank Credit Card Issuance Trust, Ser. A2, Class A2, 4.85%, 2/10/11	3,114,140
		Countrywide Asset-Backed Certificates,	
AAA	1,361[2]	Ser. 15, Class 2AV1, 5.42%, 4/25/36	1,361,056
AAA	2,046[2]	Ser. 16, Class 4AV1, 5.42%, 1/25/35	2,046,080
AAA	3,150	DaimlerChrysler Auto Trust, Ser. A, Class A3, 5.00%, 5/08/10	3,144,975
AAA	2,575[2]	Discover Card Master Trust I, Ser. 1, Class A, 5.33%, 9/16/10	2,575,724
AAA	3,400	Ford Credit Auto Owner Trust, Ser. A, Class A3, 5.07%, 11/15/09	3,392,950
AAA	2,550	Harley-Davidson Motorcycle Trust, Ser. 2, Class A2, 4.07%, 2/15/12	2,505,985
A1	2,500	Maryland Trust, Ser. 1, Class A, 5.55%, 12/10/65	2,485,938
		MBNA Credit Card Master Note Trust,	
AAA	3,075	Ser. A1, Class A, 4.90%, 7/15/11	3,071,159
AAA	4,050[2]	Ser. A4, 5.31%, 9/15/11	4,050,916
AAA	1,651[2,5]	Merrill Lynch Mortgage Investors, Inc., Ser. HE2, Class A2A, 5.43%, 9/25/36	1,651,789
		Morgan Stanley ABS Capital I,	
AAA	3,280[2]	Ser. HE5, Class A2A, 5.39%, 8/25/36	3,280,219
AAA	2,994[2]	Ser. NC4, Class A2A, 5.35%, 6/25/36	2,993,681
AAA	1,690[2]	New Century Home Equity Loan Trust, Ser. C, Class A2A, 5.40%, 1/25/36	1,690,628
AAA	1,922[2]	Structured Asset Investment Loan Trust, Ser. 1, Class A1, 5.40%, 1/25/36	1,922,455
AAA	3,075	USAA Auto Owner Trust, Ser. 1, Class A3, 5.01%, 9/15/10	3,071,063
AAA	2,925	Wachovia Auto Owner Trust, Ser. A, Class A4, 5.38%, 3/20/13	2,957,787
		Total Asset-Backed Securities	56,773,350
		Interest Only Asset-Backed Securities 0.5%	
AAA	656[2,6]	Morgan Stanley Capital Trust I, Ser. HF1, Class X, 1.89%, 6/15/17	2,948
		Sterling Coofs Trust,	
NR	21,411	Ser. 1, 2.362%, 4/15/29	963,503
AAA	19,508[2]	Ser. 2, 2.418%, 3/30/30	853,487
		Total Interest Only Asset-Backed Securities	1,819,938
		Interest Only Mortgage-Backed Securities 0.8%	
		Federal Home Loan Mortgage Corp.,	
		Ser. 176, Class M, 1,010.00%, 7/15/21	38
		Ser. 200, Class R, 93,504.444%, 12/15/22	206
	8[2]	Ser. 1043, Class H, 20.813%, 2/15/21	8,027
	[2]	Ser. 1054, Class I, 413.56%, 3/15/21	154
		Ser. 1056, Class KD, 1,084.50%, 3/15/21	1,425
	[2]	Ser. 1148, Class E, 563.074%, 10/15/21	436
		Ser. 1179, Class O, 1,009.389%, 11/15/21	106
		Ser. 1221, Class H, 1,006.50%, 3/15/07	5
	185	Ser. 1254, Class Z, 8.50%, 4/15/22	1,266
	345	Ser. 1831, Class PG, 6.50%, 3/15/11	31,851
	6,656	Ser. 2611, Class QI, 5.50%, 9/15/32	1,239,324
		Federal National Mortgage Assoc.,	
	96	Ser. 5, Class H, 9.00%, 1/25/22	23,393
	7	Ser. 7, Class 2, 8.50%, 4/01/17	1,376
	1[2]	Ser. 10, Class S, 524.318%, 5/25/21	10,029
	[2]	Ser. 12, Class S, 553.577%, 5/25/21	8,976
		Ser. 33, Class PV, 1,078.42%, 10/25/21	11,731
		Ser. 38, Class N, 1,008.50%, 4/25/21	425
	3	Ser. 46, Class H, 1,042.50%, 12/25/09	43,364
	419[2]	Ser. 50, Class SI, 1.20%, 4/25/23	12,109

	12	Ser. 89, Class 2, 8.00%, 6/01/18	2,186
	29,152[2]	Ser. 90, Class JH, 1.38%, 11/25/34	1,453,055
	4	Ser. 94, Class 2, 9.50%, 8/01/21	935
		Ser. 99, Class L, 930.00%, 8/25/21	3,925
		Ser. 123, Class M, 1,009.50%, 10/25/20	634
	17[2]	Ser. 136, Class S, 14.746%, 11/25/20	21,639
		Ser. 139, Class PT, 648.35%, 10/25/21	4,716
	2[2]	Ser. 141, Class SA, 13.625%, 8/25/07	88
AAA	5,102[2,6]	Goldman Sachs Mortgage Securities Corp., Ser. 5, 1.006%, 2/19/25	105,767
AAA	2,321[2]	Salomon Brothers Mortgage Securities VII, Ser. 1, 0.542%, 3/25/22	977
		Total Interest Only Mortgage-Backed Securities	2,988,163

See Notes to Financial Statements.

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BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Principal Only Mortgage-Backed Securities 0.1%	
	$ 105[4,7]	Federal Home Loan Mortgage Corp., Ser. 1739, Class B, 7.50%, 2/15/24	$ 94,356
		Federal National Mortgage Assoc.,	
	72[7]	Ser. 51, Class E, 8.00%, 2/25/23	58,755
	14[7]	Ser. 70, Class A, 7.00%, 5/25/23	11,185
	32[7]	Ser. 167, Class D, 8.50%, 10/25/17	27,873
	25[7]	Ser. 203, Class 1, 8.00%, 2/01/23	20,452
	17[7]	Ser. 228, Class 1, 7.00%, 5/01/23	13,640
		Total Principal Only Mortgage-Backed Securities	226,261
		Commercial Mortgage-Backed Securities 4.3%	
AAA	2,320	Bear Stearns Commercial Mortgage Services, Ser. PWR7, Class A2, 4.945%, 2/11/41	2,296,391
AAA	2,970	Credit Suisse First Boston Mortgage Securities Corp., Ser. CP5, Class A2, 4.94%, 12/15/35	2,925,876
AAA	2,090	First Union National Bank Commercial Mortgage Trust, Ser. C2, Class A2, 7.202%, 10/15/32	2,228,784
AAA	2,475	General Motors Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C3, Class A4, 4.547%, 12/10/41	2,406,559
		JP Morgan Chase Commercial Mortgage Securities Corp.,	
AAA	1,990	Ser. C1, Class A3, 5.857%, 10/12/35	2,045,365
AAA	2,380	Ser. CBX, Class A4, 4.529%, 1/12/37	2,316,736
AAA	2,530[2]	LB-UBS Commercial Mortgage Trust, Ser. C4, Class A3, 4.984%, 6/15/29	2,539,117
		Total Commercial Mortgage-Backed Securities	16,758,828
		Collateralized Mortgage Obligation Residual Securities 0.0%	
		Collateralized Mortgage Obligation Trust,	
AAA		Ser. 40, Class R, 580.50%, 4/01/18	175
AAA		Ser. 42, Class R, 6,000.00%, 10/01/14	2,464
		Federal Home Loan Mortgage Corp.,	
		Ser. 19, Class R, 9,427.316%, 3/15/20	906
		Ser. 75, Class R, 9.50%, 1/15/21	2
		Ser. 75, Class RS, 16.721%, 1/15/21	3
		Ser. 173, Class R, 9.00%, 11/15/21	12
		Ser. 173, Class RS, 9.029%, 11/15/21	12
NR	6	Painewebber CMO Trust, Ser. 88 M, Class 6, 13.80%, 9/01/18	
		Total Collateralized Mortgage Obligation Residual Securities	3,574
		Corporate Bonds 52.1%	
		Aerospace & Defense 1.0%	
B	120	Argo-Tech Corp., 9.25%, 6/01/11	124,500
B	1,488	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	1,547,520
		DRS Technologies, Inc.,	
B	80	6.875%, 11/01/13	80,000
B	80	7.625%, 2/01/18	81,800
BBB	712	Raytheon Co., 6.15%, 11/01/08	723,990
BB	15	Sequa Corp., 9.00%, 8/01/09	15,825
A+	1,250	United Technologies Corp., 4.875%, 5/01/15	1,216,115
		Total Aerospace & Defense	3,789,750
		Automotive 0.3%	
		Autonation, Inc.,	
BB+	170	7.00%, 4/15/14	169,150
BB+	160[2]	7.374%, 4/15/13	161,200

BB-	30[2,6]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 7.905%, 5/15/14	29,325
B	345	Lear Corp., Ser. B, 8.11%, 5/15/09	349,744
CCC+	295	Metaldyne Corp., 10.00%, 11/01/13	302,375
		Total Automotive	1,011,794
		Basic Materials 3.6%	
B+	685	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	544,575
B+	1,115	AK Steel Corp., 7.75%, 6/15/12	1,115,000
B-	80[2,6]	BCI US Finance Corp./Borden 2 Nova Scotia Finance ULC, 11.874%, 7/15/10	81,600
BB-	90[2]	Bowater, Inc., 8.39%, 3/15/10	90,900
BB+	30	Chemtura Corp., 6.875%, 6/01/16	29,325
B-	230	CPG Intl. I, Inc., 10.50%, 7/01/13	234,600
B2	80	Domtar, Inc., 7.125%, 8/15/15 (Canada)	76,400
B+	170	Donohue Forest Products, 7.625%, 5/15/07 (Canada)	170,000
BB-	300	Equistar Chemicals LP/Equistar Funding Corp., 10.625%, 5/01/11	321,000
		Huntsman LLC,	
Ba3	230	11.625%, 10/15/10	253,575
B2	72	12.00%, 7/15/12	81,540

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Basic Materials (cont d)	
BB	$ 70	IMC Global, Inc., Ser. B, 10.875%, 6/01/08	$ 75,513
B2	750[6]	Ineos Group Holdings PLC, 8.50%, 2/15/16 (United Kingdom)	721,875
B3	1,150	Innophos, Inc., 8.875%, 8/15/14	1,147,125
BBB	135	Ispat Inland ULC, 9.75%, 4/01/14 (Canada)	151,200
		Lyondell Chemical Co.,	
BB-	260	8.00%, 9/15/14	265,850
BB-	515	8.25%, 9/15/16	530,450
BB+	130	10.50%, 6/01/13	143,000
BB+	1,785	11.125%, 7/15/12	1,932,262
BB	215	Millennium America, Inc., 9.25%, 6/15/08	221,450
B-	60	Nalco Co., 8.875%, 11/15/13	63,150
B3	575	NewPage Corp., 10.00%, 5/01/12	602,312
		Noranda, Inc.,	
BBB+	600	6.00%, 10/15/15	603,357
BBB+	1,550	6.20%, 6/15/35	1,511,396
		Nova Chemicals Corp.,	
BB	50	6.50%, 1/15/12	47,000
BB	630[2]	8.405%, 11/15/13	641,025
CCC+	535[6]	Pregis Corp., 12.375%, 10/15/13	567,100
B+	26	Rhodia SA, 10.25%, 6/01/10 (France)	29,445
BBB	1,570	Teck Cominco Ltd., 6.125%, 10/01/35 (Canada)	1,531,499
B-	75[6]	Verso Paper Holdings LLC/Verson Paper, Inc., 11.375%, 8/01/16	76,125
		Total Basic Materials	13,859,649
		Building & Development 0.5%	
B	780	ERICO Intl. Corp., 8.875%, 3/01/12	813,150
B-	495	Goodman Global Holding Co., Inc., 7.875%, 12/15/12	475,200
B3	210	Nortek, Inc., 8.50%, 9/01/14	200,550
		North American Energy Partners, Inc.,	
Caa1	85	8.75%, 12/01/11	84,150
B1	300	9.00%, 6/01/10	327,000
		Total Building & Development	1,900,050
		Business Equipment & Services 0.0%	
Ba2	125[6]	FTI Consulting, Inc., 7.75%, 10/01/16	127,812
		Consumer Products 1.7%	
B3	95	ALH Finance LLC, 8.50%, 1/15/13	94,288
CCC+	720[2]	Ames True Temper, Inc., 9.374%, 1/15/12	727,200
B2	250[6]	Education Management LLC/Education Management Corp., 8.75%, 6/01/14	256,250
BBB+	560	Federated Department Stores, Inc., 6.79%, 7/15/27	564,273
B-	285	Finlay Fine Jewelry Corp., 8.375%, 6/01/12	256,500
B	90	Gold Kist, Inc., 10.25%, 3/15/14	103,275
B2	710[6]	Knowledge Learning Corp., Inc., 7.75%, 2/01/15	672,725
B-	369	Lazydays RV Center, Inc., 11.75%, 5/15/12	357,930
B	470[2]	Levi Strauss & Co., 10.122%, 4/01/12	484,688
		Michaels Stores, Inc.,	
B2	530[6]	10.00%, 11/01/14	530,662
Caa1	670[6]	11.375%, 11/01/16	677,537
B3	50[2,6]	Nutro Products, Inc., 9.40%, 10/15/13	51,375
BB-	300	Quiksilver, Inc., 6.875%, 4/15/15	288,750
BB+	250[6]	Reynolds American, Inc., 7.625%, 6/01/16	265,444
CCC	375	Spectrum Brands, Inc., 7.375%, 2/01/15	303,750
		United Rentals NA, Inc.,	

B	920	7.00%, 2/15/14	880,900
B	25	7.75%, 11/15/13	24,938
		Total Consumer Products	6,540,485
		Containers & Packaging 0.8%	
		Berry Plastics Holding Corp.,	
B2	290[6]	8.875%, 9/15/14	292,900
B2	190[2,6]	9.265%, 9/15/14	192,137
B+	150	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	153,938
B1	210[2,6]	Impress Holdings BV, 8.512%, 9/15/13	211,657
Ba2	1,626	Owens-Brockway Glass Container, Inc., 8.875%, 2/15/09	1,666,650
B+	464	Smurfit-Stone Container Enterprises, Inc., 9.75%, 2/01/11	478,500
		Total Containers & Packaging	2,995,782

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Ecological Services & Equipment 0.8%	
B	$ 2,250	Casella Waste Systems, Inc., 9.75%, 2/01/13	$ 2,362,500
Caa1	600	Waste Services, Inc., 9.50%, 4/15/14	615,000
		Total Ecological Services & Equipment	2,977,500
		Energy 5.7%	
BBB	2,625	Anadarko Petroleum Corp., 6.45%, 9/15/36	2,720,852
		ANR Pipeline Co.,	
Ba1	145	7.375%, 2/15/24	151,570
Ba1	565	9.625%, 11/01/21	703,172
B	160	Berry Petroleum Co., 8.25%, 11/01/16	159,600
CCC+	380	Chaparral Energy, Inc., 8.50%, 12/01/15	379,050
		Chesapeake Energy Corp.,	
BB	175	6.375%, 6/15/15	168,875
BB	20	6.875%, 11/15/20	19,000
BB-	35	CMS Energy Corp., 7.50%, 1/15/09	35,963
BB-	180	Compagnie Generale de Geophysique SA, 7.50%, 5/15/15 (France)	177,750
B	395	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	374,262
A1	1,970[2]	ConocoPhillips Australia Funding Co., 5.468%, 4/09/09	1,971,962
BBB	450	DTE Energy Co., 6.35%, 6/01/16	468,034
BB-	180[6]	Edison Mission Energy, 7.50%, 6/15/13	184,950
		El Paso Corp.,	
B	120	7.80%, 8/01/31	125,100
B	100	9.625%, 5/15/12	111,000
B	125	10.75%, 10/01/10	139,375
		El Paso Natural Gas Co.,	
Ba1	1,000	7.625%, 8/01/10	1,032,500
Ba1	150	8.375%, 6/15/32	173,592
Ba1	193	Elwood Energy LLC, 8.159%, 7/05/26	204,325
A-	425	EnCana Corp., 6.50%, 8/15/34 (Canada)	445,224
		Encore Acquisition Co.,	
B1	50	6.00%, 7/15/15	45,625
B1	60	7.25%, 12/01/17	57,750
BBB	1,675	Energy East Corp., 6.75%, 7/15/36	1,789,619
B-	435	Exco Resources, Inc., 7.25%, 1/15/11	418,687
BBB-	480	FirstEnergy Corp., Ser. B, 6.45%, 11/15/11	502,201
AA-	575	Florida Power & Light Co., 4.95%, 6/01/35	518,981
BB+	90	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	86,063
BBB+	190	Halliburton Co., 7.60%, 8/15/96	221,345
B	136[6]	Hilcorp Energy I LP/Hilcorp Finance Corp., 10.50%, 9/01/10	145,860
B-	215	KCS Energy, Inc., 7.125%, 4/01/12	206,400
BBB+	1,250	Kinder Morgan Energy Partners LP, 7.30%, 8/15/33	1,365,795
Ba2	83	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16	90,159
		Mirant Americas Generation LLC,	
Caa1	175	8.30%, 5/01/11	177,187
Caa1	110	8.50%, 10/01/21	108,350
Caa1	85	9.125%, 5/01/31	87,975
BB-	1,020	Mission Energy Holdings Co., 13.50%, 7/15/08	1,137,300
		NRG Energy, Inc.,	
B+	50	7.25%, 2/01/14	50,563
B+	285	7.375%, 2/01/16	288,206
BBB	350	Ohio Edison Co., 6.875%, 7/15/36	389,035
BBB	500	ONEOK Partners LP, 6.65%, 10/01/36	514,492
B2	140	Orion Power Holdings, Inc., 12.00%, 5/01/10	158,900
		Reliant Energy, Inc.,	
BB-	325	6.75%, 12/15/14	309,969
BB-	40	9.25%, 7/15/10	41,400
A-	175	Scottish Power PLC, 5.375%, 3/15/15 (United Kingdom)	171,836

B+	350[6]	SemGroup LP, 8.75%, 11/15/15	352,625
B	390[2,6]	Stone Energy Corp., 8.124%, 7/15/10	387,562
B3	360[6]	Targa Resources, Inc., 8.50%, 11/01/13	359,100
AA	325	Texaco Capital, Inc., 8.875%, 9/01/21	433,851
A2	600	Transcanada Pipelines Ltd., 5.85%, 3/15/36 (Canada)	598,280
BBB-	30	Transcontinental Gas Pipe Line Corp., 7.25%, 12/01/26	31,050
B+	315	Utilicorp Finance Corp., 7.75%, 6/15/11 (Canada)	332,646
B1	415	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	409,912
BB+	510	Williams Cos., Inc., 8.75%, 3/15/32	566,100
		Total Energy	22,100,980

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Entertainment & Leisure 2.1%	
		AMC Entertainment, Inc.,	
B3	$ 190	9.50%, 2/01/11	$ 190,713
B3	185	11.00%, 2/01/16	204,656
B3	90	Cinemark, Inc., Zero Coupon, 3/15/14	73,238
B-	250	Gaylord Entertainment Co., 6.75%, 11/15/14	239,375
B3	325[6]	Greektown Holdings LLC, 10.75%, 12/01/13	343,687
B+	1,000	MGM Mirage, 9.75%, 6/01/07	1,020,000
Ba1	2,000	Park Place Entertainment Corp., 8.875%, 9/15/08	2,082,500
B	160[6]	Pokagon Gaming Authority, 10.375%, 6/15/14	171,600
B3	205	Poster Financial Group, Inc., 8.75%, 12/01/11	213,713
BB	290	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	291,813
BBB-	1,930	Starwood Hotels & Resorts Worldwide, Inc., 7.875%, 5/01/12	2,024,087
		Travelport, Inc.,	
B-	570[6]	9.875%, 9/01/14	562,162
B-	575[6]	11.875%, 9/01/16	566,375
BB-	25	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	24,500
		Total Entertainment & Leisure	8,008,419
		Financial Institutions 16.2%	
BB+	350	American Real Estate Partners LP/American Real Estate Finance Corp., 7.125%, 2/15/13	349,125
Aa3	2,450	Bank of America Corp., 7.80%, 2/15/10	2,642,239
AA+	5,465[2]	Barclays Bank PLC NY, 5.40%, 3/13/09	5,465,962
B	200	BCP Crystal US Holdings Corp., 9.625%, 6/15/14 (Luxembourg)	219,500
AAA	2,525	Berkshire Hathaway Finance Corp., 3.375%, 10/15/08	2,442,640
		Citigroup, Inc.,	
AA+	5,975	4.125%, 2/22/10	5,808,865
AA	1,350	6.125%, 8/25/36	1,401,943
AA+	550	6.875%, 2/15/98	616,503
		Credit Suisse First Boston, Inc.,	
AA-	700[4]	6.125%, 11/15/11	727,658
AA-	1,000	7.125%, 7/15/32	1,183,748
BB	990	Crum & Forster Holdings Corp., 10.375%, 6/15/13	1,027,125
AA-	950[2]	Deutsche Bank AG, 5.37%, 3/15/07	950,000
AAA	1,900	Eksportfinans A/S, 5.50%, 5/25/16 (Norway)	1,962,977
		Fort Irwin Land LLC,	
AA	780[6]	Ser. A, Class II, 5.30%, 12/15/35	733,481
Aaa	575[6]	Ser. A-1, 5.03%, 12/15/25	539,005
		General Electric Capital Corp.,	
AAA	3,670[2]	5.424%, 1/15/08	3,673,409
AAA	3,000	6.75%, 3/15/32	3,464,031
BB	510	General Motors Acceptance Corp., 6.875%, 8/28/12	511,369
AA-	1,000	Goldman Sachs Group, Inc., 6.60%, 1/15/12	1,058,215
AA-	1,035	Household Finance Corp., 6.375%, 10/15/11	1,086,032
		iPayment, Inc.,	
CCC+	270[6]	9.75%, 5/15/14	277,425
NR	1,060[2,6,8]	12.75%, 7/15/14	1,058,675
B-	360	K&F Acquisition, Inc., 7.75%, 11/15/14	364,500
A+	1,500	Lehman Brothers Holdings, Inc., 6.625%, 1/18/12	1,593,793
BBB	700[6]	Liberty Mutual Group, Inc., 7.50%, 8/15/36	778,585
A	1,200	MetLife, Inc., 5.70%, 6/15/35	1,184,146
		Morgan Stanley,	
AA-	3,620[2]	5.44%, 3/07/08	3,623,160
AA-	2,100	6.25%, 8/09/26	2,199,714
B+	685[6]	Nell AF SARL, 8.375%, 8/15/15 (Luxembourg)	695,275
AAA	6,100[2,6]	Rabobank Nederland Global, 5.37%, 4/06/09 (Netherlands)	6,100,830
		Rainbow National Services LLC,	
B+	225[6]	8.75%, 9/01/12	236,531

B+	1,650[6]	10.375%, 9/01/14	1,835,625
B-	685	Standard Aero Holdings, Inc., 8.25%, 9/01/14	679,862
AA	2,000[2]	UBS Preferred Funding Trust I, 8.622%, 10/29/49	2,223,724
B-	50[2]	Universal City Florida Holding Co. I/II, 10.121%, 5/01/10	51,438
Aa1	1,000	Wells Fargo & Co., 4.625%, 8/09/10	985,118
		Wells Fargo Bank NA,	
Aa1	550	5.95%, 8/26/36	566,636
Aa1	2,000	7.55%, 6/21/10	2,159,052
Aa3	50	Western Financial Bank, 9.625%, 5/15/12	55,097
		Total Financial Institutions	62,533,013

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Health Care 1.2%	
B	$ 800[6]	Angiotech Pharmaceuticals, Inc., 7.75%, 4/01/14 (Canada)	$ 760,000
		Healthsouth Corp.,	
CCC+	745[6]	10.75%, 6/15/16	763,625
CCC+	435[2,6]	11.418%, 6/15/14	444,788
B-	425	Tenet Healthcare Corp., 6.875%, 11/15/31	329,375
BBB	1,175	Teva Pharmaceutical Finance LLC, 6.15%, 2/01/36	1,149,909
B-	450	Universal Hospital Services, Inc., 10.125%, 11/01/11	475,875
A-	595	WellPoint, Inc., 5.85%, 1/15/36	585,125
		Total Health Care	4,508,697
		Industrials 1.8%	
B2	400[6]	AGY Holding Corp., 11.00%, 11/15/14	399,500
Ba1	2,000	Briggs & Stratton Corp., 8.875%, 3/15/11	2,175,000
B	150	Hexcel Corp., 6.75%, 2/01/15	145,500
B+	1,306	Manitowoc, Inc., 10.50%, 8/01/12	1,410,480
B3	365	Park-Ohio Industries, Inc., 8.375%, 11/15/14	339,450
CCC+	300	Polypore, Inc., 8.75%, 5/15/12	293,250
		RBS Global, Inc./Rexnord Corp.,	
B3	540[6]	9.50%, 8/01/14	558,900
CCC+	360[6]	11.75%, 8/01/16	374,400
B3	1,050[6]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	1,097,250
B3	150	Trimas Corp., 9.875%, 6/15/12	141,375
		Total Industrials	6,935,105
		Media 6.4%	
		Affinion Group, Inc.,	
B-	540	10.125%, 10/15/13	572,400
B-	110	11.50%, 10/15/15	114,675
Caa2	525	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	498,750
		AOL Time Warner, Inc.,	
BBB+	1,635	7.57%, 2/01/24	1,796,621
BBB+	3,000	9.125%, 1/15/13	3,502,980
BBB+	1,415	AT&T Broadband Corp., 8.375%, 3/15/13	1,616,371
BBB	55[6]	BSKYB Finance UK PLC, 6.50%, 10/15/35 (United Kingdom)	54,926
B+	161[2]	Cablevision Systems Corp., Ser. B, 9.87%, 4/01/09	168,648
		Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
CCC	645	10.25%, 9/15/10	665,963
CCC	180	Ser. B, 10.25%, 9/15/10	185,400
B3	690[6]	CMP Susquehanna Corp., 9.875%, 5/15/14	666,712
BBB+	1,000	Comcast Cable Communications, Inc., 6.75%, 1/30/11	1,051,697
B+	300	CSC Holdings, Inc., 7.875%, 12/15/07	304,125
B	85	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	92,331
BB	140	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	145,250
		Echostar DBS Corp.,	
BB-	180	5.75%, 10/01/08	178,875
BB-	320[6]	7.00%, 10/01/13	317,200
BB-	75[6]	7.125%, 2/01/16	73,313
B	250	General Cable Corp., 9.50%, 11/15/10	266,250
CCC+	90[6]	Iesy Repository GMBH, 10.375%, 2/15/15 (Germany)	85,050
Ba3	460	LIN Television Corp., 6.50%, 5/15/13	436,425
B	200	Medianews Group, Inc., 6.875%, 10/01/13	185,750
B2	535	Network Communications, Inc., 10.75%, 12/01/13	538,344
		News America Holdings, Inc.,	
BBB	145	8.15%, 10/17/36	171,579

BBB	2,475	8.45%, 8/01/34	3,009,008
B3	660	Nexstar Finance, Inc., 7.00%, 1/15/14	608,025
CCC+	1,100[6]	Nielsen Finance LLC/Nielsen Finance Co., 10.00%, 8/01/14	1,146,750
B1	500[2,6]	Paxson Communications Corp., 8.624%, 1/15/12	505,625
		Primedia, Inc.,	
B2	290	8.00%, 5/15/13	270,425
B2	200	8.875%, 5/15/11	199,500
B2	260[2]	10.78%, 5/15/10	269,100
B	950	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	979,687
Caa1	115	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	112,125
BBB+	1,495	TCI Communications, Inc., 8.75%, 8/01/15	1,770,792

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Media (cont d)	
		Vertis, Inc.,	
B1	$ 570	9.75%, 4/01/09	$ 582,113
Caa3	75[6]	13.50%, 12/07/09	67,875
Caa1	255	Ser. B, 10.875%, 6/15/09	253,725
Caa1	1,245	Young Broadcasting, Inc., 10.00%, 3/01/11	1,176,525
		Total Media	24,640,910
		Real Estate 0.9%	
BBB+	1,000	AvalonBay Communities, Inc., 6.625%, 9/15/11	1,055,029
		Rouse Co.,	
BB+	725	3.625%, 3/15/09	685,176
BB+	1,715	5.375%, 11/26/13	1,600,747
		Total Real Estate	3,340,952
		Technology 1.4%	
BB-	50	Advanced Micro Devices, Inc., 7.75%, 11/01/12	50,875
CCC+	825	Amkor Technology, Inc., 9.25%, 6/01/16	767,250
B+	555	Celestica, Inc., 7.625%, 7/01/13 (Canada)	556,387
B+	100[6]	Hynix Semiconductor, Inc., 9.875%, 7/01/12 (South Korea)	110,750
B+	485[6]	NXP BV/NXP Funding LLC, 9.50%, 10/15/15	489,244
B-	190[6]	Sensata Technologies BV, 8.00%, 5/01/14 (Netherlands)	183,350
CCC+	295	SS&C Technologies, Inc., 11.75%, 12/01/13	317,125
BB	350	STATS ChipPAC Ltd., 6.75%, 11/15/11 (Singapore)	339,500
		Sungard Data Systems, Inc.,	
B-	105	9.125%, 8/15/13	108,938
B-	315[2]	9.973%, 8/15/13	327,600
B-	625	10.25%, 8/15/15	654,687
B	950	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	971,375
B-	200[2,6]	UGS Capital Corp. II, 10.38%, 6/01/11	206,500
B-	480	UGS Corp., 10.00%, 6/01/12	518,400
		Total Technology	5,601,981
		Telecommunications 7.3%	
A	1,700	Bellsouth Telecommunications, Zero Coupon, 12/15/95	899,528
BB-	470	Cincinnati Bell, Inc., 7.25%, 7/15/13	484,100
CCC	460[6]	Cricket Communications, Inc., 9.375%, 11/01/14	470,350
A-	325	Deutsche Telekom Intl. Finance BV, 5.75%, 3/23/16 (Netherlands)	321,086
B3	170[2]	Hawaiian Telcom Communications, Inc., Ser. B, 10.889%, 5/01/13	174,250
		Intelsat Ltd., (Bermuda)	
BB-	300	8.625%, 1/15/15	311,250
BB-	450[6]	9.25%, 6/15/16	480,375
BB-	100[2]	10.484%, 1/15/12	101,375
B	210[6]	11.25%, 6/15/16	228,638
B	840[2,6]	11.64%, 6/15/13	890,400
		Lucent Technologies, Inc.,	
B1	170	6.45%, 3/15/29	152,150
B1	895	6.50%, 1/15/28	801,025
B+	935[6]	Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (Denmark)	979,412
B-	80	Nortel Networks Corp., 6.875%, 9/01/23 (Canada)	66,000
		Nortel Networks Ltd.,	
B-	585[2,6]	9.624%, 7/15/11	604,012
B-	200[6]	10.125%, 7/15/13	212,000
		PanAmSat Corp.,	

B	160	9.00%, 8/15/14	167,200
B	515[6]	9.00%, 6/15/16	538,175
		Qwest Corp.,	
BB+	55	7.875%, 9/01/11	58,231
BB+	375[2]	8.64%, 6/15/13	404,063
A	2,500[6]	SBC Communications, Inc., 4.214%, 6/05/07	2,481,175
		Sprint Capital Corp.,	
BBB+	1,205	6.875%, 11/15/28	1,234,673
BBB+	1,250	8.75%, 3/15/32	1,544,320
BBB+	4,375	Telecom Italia Capital SA, 4.95%, 9/30/14 (Luxembourg)	4,058,119
BBB+	1,000	Telefonica Emisones SAU, 7.045%, 6/20/36 (Spain)	1,076,684
A+	575	Verizon Global Funding Corp., 7.75%, 6/15/32	672,886

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Telecommunications (cont d)	
		Verizon Maryland, Inc.,	
A+	$ 540	5.125%, 6/15/33	$ 448,318
A+	1,355	Ser. A, 6.125%, 3/01/12	1,392,395
A+	750	Verizon Virginia, Inc., 4.625%, 3/15/13	703,288
		Vodafone Group PLC,	
A-	1,700[2]	5.427%, 6/29/07	1,699,934
A-	1,615[2]	5.457%, 12/28/07	1,615,480
A-	1,000	7.75%, 2/15/10	1,073,199
		West Corp.,	
B-	85[6]	9.50%, 10/15/14	84,575
B-	530[6]	11.00%, 10/15/16	532,650
B+	360[6]	Wind Acquisition Finance SA, 10.75%, 12/01/15 (Luxembourg)	400,050
		Windstream Corp.,	
BB+	410[6]	8.125%, 8/01/13	437,675
BB+	325[6]	8.625%, 8/01/16	350,594
		Total Telecommunications	28,149,635
		Transportation 0.4%	
BB-	120	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	119,700
A-	1,000	Canadian National Railway Co., 6.375%, 10/15/11 (Canada)	1,050,757
B1	450	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	429,750
B3	47	Horizon Lines LLC, 9.00%, 11/01/12	49,115
		Total Transportation	1,649,322
		Total Corporate Bonds	200,671,836
		U.S. Government and Agency Securities 7.9%	
		Overseas Private Investment Corp.,	
	343	4.09%, 5/29/12	314,652
	959[2]	4.30%, 5/29/12	903,181
	718	4.64%, 5/29/12	685,586
	406	4.68%, 5/29/12	376,049
	3,069	4.87%, 5/29/12	2,959,123
	3,806[2]	5.40%, 5/29/12	3,862,851
	6,055[3]	Resolution Funding Corp., Ser. B, Zero Coupon, 4/15/30	1,943,831
	1,024	Small Business Administration, Ser. 20K-1, 6.95%, 11/01/16	1,059,732
		Tennessee Valley Authority,	
	1,800	Ser. C, 5.88%, 4/01/36	2,005,450
	2,900[3]	Ser. D, 4.875%, 12/15/16	2,896,943
		U.S. Treasury Bonds,	
	10,242	2.00%, 1/15/26	9,788,501
	650	4.50%, 2/15/36	627,351
	1,947	U.S. Treasury Notes, 2.00%, 7/15/14	1,896,470
	2,000	U.S. Treasury Strip Principal, Zero Coupon, 11/15/21	967,144
		Total U.S. Government and Agency Securities	30,286,864
	Shares		
		Common Stocks 0.0%	
	1,895[8,9]	Critical Care Systems Intl., Inc.	15,160

	Total Long-Term Investments (cost $423,239,446)	420,923,180

Principal Amount (000)		
	SHORT-TERM INVESTMENT 1.3%	
	U.S. Government and Agency Discount Note 1.3%	
$ 5,100[10]	Federal Home Loan Bank Discount Note, 4.981%, 11/01/06 (cost $5,100,000)	5,100,000

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Contracts/ Notional Amount (000)	Description	Value
	OUTSTANDING OPTIONS PURCHASED 0.2%	
	Interest Rate Swaps,	
5,500	Trust pays 5.52%, Trust receives 3-month LIBOR, expires 9/21/36	$ 323,899
5,500	Trust pays 3-month LIBOR, Trust receives 5.52%, expires 9/21/36	374,961
48,200	Trust pays 5.40%, Trust receives 3-month LIBOR, expires 3/14/08	20,861
48,200	Trust pays 5.90%, Trust receives 3-month LIBOR, expires 3/14/08	1,133
82	U.S. Treasury Notes Future, expiring 2/23/07	19,220
	Total Outstanding Options Purchased (cost $774,125)	740,074
	Total Investments before TBA sale commitment and outstanding options written (cost $429,113,571[11])	426,763,254
Principal Amount (000)		
	TBA SALE COMMITMENT (6.8)%	
$ (26,300)	Federal National Mortgage Assoc., TBA, 5.50%, 11/13/36 (proceeds $25,774,000)	(25,987,687)
Contracts/ Notional Amount (000)		
	OUTSTANDING OPTIONS WRITTEN (0.6)%	
	Interest Rate Swaps,	
(5,300)	Trust pays 5.485%, Trust receives 3-month LIBOR, expires 10/28/19	(245,761)
(5,300)	Trust pays 3-month LIBOR, Trust receives 5.485%, expires 10/28/19	(163,158)
(5,700)	Trust pays 5.135%, Trust receives 3-month LIBOR, expires 4/21/08	(150,627)
(5,700)	Trust pays 3-month LIBOR, Trust receives 5.135%, expires 4/21/08	(150,628)
(12,400)	Trust pays 3-month LIBOR, Trust receives 5.67%, expires 1/04/10	(340,529)
(12,400)	Trust pays 5.67%, Trust receives 3-month LIBOR, expires 1/04/10	(665,848)
(14,200)	Trust pays 4.725%, Trust receives 3-month LIBOR, expires 6/13/07	(83,070)
(14,200)	Trust pays 3-month LIBOR, Trust receives 4.725%, expires 6/13/07	(508,644)
(96,400)	Trust pays 3-month LIBOR, Trust receives 5.65%, expires 3/14/08	(11,086)
(41)	U.S. Treasury Notes Future, expiring 11/21/06	(3,203)
	Total Outstanding Options Written (premium received $3,321,623)	(2,322,554)
	Total Investments net of TBA sale commitment and outstanding options written 103.5%	$ 398,453,013
	Liabilities in excess of other assets (3.5)%	(13,602,714)
	Net Assets 100%	$ 384,850,299

1 Using the highest of Standard & Poor s, Moody s Investor Services or Fitch Ratings.

2 Variable rate security. Rate shown is interest rate as of October 31, 2006.

3 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

4 Security, or a portion thereof, pledged as collateral with a value of $1,709,424 on 242 long U.S. Treasury Note futures contracts expiring December 2006 to March 2007, 1,671 long U.S. Treasury Bond futures contracts expiring December 2006, 180 short Eurodollar futures contracts expiring December 2007 and 1,758 short U.S. Treasury Note futures contracts expiring December 2006. The notional value of such contracts on October 31, 2006 was $13,998,969, with an unrealized gain of $3,271,217.

5 Represents an investment in an affiliate.

6 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2006, the Trust held 9.7% of its net assets, with a current market value of $37,197,269, in securities restricted as to resale.

7 Rate shown is effective yield as of October 31, 2006 of the underlying collateral.

8 Security is fair valued.

9 Non-income producing security.

10 Rate shown is the yield to maturity as of the date of purchase.

11 Cost for federal income tax purposes is $429,481,169. The net unrealized depreciation on a tax basis is $2,717,915, consisting of $6,258,254 gross unrealized appreciation and $8,976,169 gross unrealized depreciation.

A category in the Corporate Bonds section may contain multiple industries as defined by the SEC s Standard Industry Codes.

KEY TO ABBREVIATIONS

LIBOR London Interbank Offered Rate
TBA To Be Announced

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2006

BlackRock Income Trust Inc. (BKT)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 121.1%	
		Mortgage Pass-Through Securities 26.5%	
		Federal Home Loan Mortgage Corp.,	
	$ 996[2]	4.149%, 1/01/35	$ 991,175
	1,038[2]	4.96%, 10/01/34	1,018,892
	9,525	5.50%, 10/01/16-5/01/17	9,557,286
	29[2]	6.01%, 11/01/17	29,554
	71	6.50%, 5/01/29-5/01/30	73,443
	2	7.50%, 2/01/23	2,564
	31	8.00%, 11/01/15	30,874
		8.50%, 4/01/07-3/01/08	520
	157	9.00%, 9/01/20	167,370
		Federal National Mortgage Assoc.,	
	24,283	5.00%, 6/01/33-7/01/35	23,492,443
	35,807	5.50%, 12/01/13-8/01/34	35,701,757
	7,223[3]	5.50%, 9/01/17	7,246,948
	7,347	6.00%, 11/01/31-10/01/36	7,404,048
	2,738	6.50%, 2/01/26-5/01/31	2,805,392
	4,546	7.00%, 6/01/26-1/01/32	4,698,416
		7.50%, 2/01/22	282
	133	8.00%, 5/01/08-5/01/22	134,400
	4	9.50%, 1/01/19-9/01/19	4,444
	15,200	TBA, 6.50%, 11/13/36	15,489,742
		Government National Mortgage Assoc.,	
	51	7.00%, 10/15/17	52,897
	457	7.50%, 8/15/21-12/15/23	474,581
	244	8.00%, 10/15/22-2/15/29	259,071
	29	9.00%, 6/15/18-9/15/21	30,791
		Total Mortgage Pass-Through Securities	109,666,890
		Federal Housing Administration Securities 2.0%	
	404	GMAC Colonial, 7.40%, 12/01/22	408,207
		GMAC Projects,	
	298	Ser. 51, 7.43%, 2/01/23	300,986
	674	Ser. 56, 7.43%, 11/01/22	681,495
	51[4]	Merrill Projects, Ser. 54, 7.43%, 5/15/23	51,795
	799	Reilly Project, Ser. 41, 8.28%, 3/01/20	807,776
		USGI Projects,	
	110	Ser. 87, 7.43%, 12/01/22	110,777
	340	Ser. 99, 7.43%, 10/01/23	344,142
	5,652	Ser. 6094, 7.43%, 6/01/21	5,709,474
		Total Federal Housing Administration Securities	8,414,652
		Agency Multiple Class Mortgage Pass-Through Securities 33.3%	
		Federal Home Loan Mortgage Corp.,	
	4,842[2]	Ser. 11, Class A9, 2.354%, 1/25/28	4,370,318
	268	Ser. 19, Class F, 8.50%, 3/15/20	267,482
	886	Ser. 40, Class K, 6.50%, 8/17/24	909,395
	[2]	Ser. 192, Class U, 1,009.033%, 2/15/22	10

	Ser. 1057, Class J, 1,008.001%, 3/15/21	3,312
3,000	Ser. 1598, Class J, 6.50%, 10/15/08	3,004,292
536	Ser. 1961, Class H, 6.50%, 5/15/12	542,066
8,732	Ser. 2218, Class Z, 8.50%, 3/15/30	9,689,044
15,806	Ser. 2461, Class Z, 6.50%, 6/15/32	16,305,653
10,200	Ser. 2542, Class UC, 6.00%, 12/15/22	10,602,373
2,475	Ser. 2562, Class PG, 5.00%, 1/15/18	2,435,994
928	Ser. 2564, Class NC, 5.00%, 2/15/33	874,986
2,050	Ser. 2750, Class TC, 5.25%, 2/15/34	2,018,405
11,913	Ser. 2758, Class KV, 5.50%, 5/15/23	11,921,219
1,573	Ser. 2765, Class UA, 4.00%, 3/15/11	1,514,902
3,387	Ser. 2806, Class VC, 6.00%, 12/15/19	3,468,334
2,274	Ser. 2927, Class BZ, 5.50%, 2/15/35	2,215,089
3,428	Ser. 3179, Class Z, 5.75%, 12/15/18	3,409,017

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Agency Multiple Class Mortgage Pass-Through Securities (cont d)	
	$ 3,202	Ser. 3193, Class ZA, 6.00%, 7/15/36	$ 3,193,073
	5,800	Ser. 3227, Class CZ, 6.00%, 8/15/36	5,778,250
		Federal National Mortgage Assoc.,	
	1,288[2]	Ser. 2, Class KP, 1.133%, 2/25/35	1,199,991
	266	Ser. 17, Class JA, 4.00%, 4/25/34	264,472
	6,100	Ser. 28, Class PB, 6.00%, 8/25/28	6,136,445
	2,448	Ser. 29, Class HC, 7.50%, 7/25/30	2,593,509
	2,210	Ser. 31, Class ZG, 7.50%, 5/25/34	2,757,610
	7,849	Ser. 32, Class VT, 6.00%, 9/25/15	7,989,883
	74[2]	Ser. 38, Class F, 8.325%, 4/25/21	76,312
	7,434	Ser. 38, Class Z, 5.00%, 5/25/36	7,392,356
	3,105	Ser. 68, Class PC, 5.50%, 7/25/35	3,123,924
	12,264	Ser. 135, Class PB, 6.00%, 1/25/34	12,502,139
	2,825	Freddie Mac Structured Pass, Ser. 2996, Class MK, 5.50%, 6/15/35	2,849,819
		Government National Mortgage Assoc.,	
	1,256	Ser. 5, Class Z, 7.00%, 5/16/26	1,308,961
	2,255	Ser. 33, Class PB, 6.50%, 7/20/31	2,303,503
	4,708	Ser. 89. Class PE, 6.00%, 10/20/34	4,834,498
		Total Agency Multiple Class Mortgage Pass-Through Securities	137,856,636
		Non-Agency Multiple Class Mortgage Pass-Through Securities 11.1%	
AAA	7,208	CWALT, Inc., Ser. 28CB, Class 1A5, 5.50%, 8/25/35	7,205,842
		GSR Mortgage Loan Trust,	
AAA	4,724[2]	Ser. 10, Class 2A1, 4.474%, 10/25/33	4,520,060
AAA	4,625[2]	Ser. 13, Class 1A1, 4.502%, 10/25/33	4,446,512
AAA	1,901	MASTR Alternative Loan Trust, Ser. 7, Class 4A3, 8.00%, 11/25/18	1,971,353
AAA	8,357	MASTR Asset Securitization Trust, Ser. 12, Class 3A5, 5.25%, 10/25/14	8,225,026
AAA	6,737[2]	Residential Asset Securitization Trust, Ser. A8, Class A2, 5.67%, 10/25/18	6,714,725
AAA	11,053	Residential Funding Securities Corp., Ser. RM2, Class AI5, 8.50%, 5/25/33	11,817,755
AAA	6,196[2]	Structured Adjustable Rate Mortgage Loan Trust, Ser. 18, Class 7AX, 5.50%, 9/25/35	900,525
AAA	61[2,5,8]	Summit Mortgage Trust, Ser. 1, Class B1, 6.573%, 12/28/12	60,805
		Total Non Agency Multiple Class Mortgage Pass-Through Securities	45,862,603
		Inverse Floating Rate Mortgage Securities 4.0%	
		Federal Home Loan Mortgage Corp.,	
	37[2]	Ser. 1160, Class F, 17.319%, 10/15/21	37,578
	242[2,3]	Ser. 1616, Class SB, 8.50%, 11/15/08	246,616
	752[2]	Ser. 1688, Class S, 9.206%, 12/15/13	770,382
		Federal National Mortgage Assoc.,	
	[2]	Ser. 7, Class S, 541.833%, 3/25/21	7,713
	1[2]	Ser. 17, Class S, 531.967%, 6/25/21	11,969
	75[2]	Ser. 38, Class SA, 10.186%, 4/25/21	79,669
	[2]	Ser. 46, Class S, 1,295.281%, 5/25/21	7,892
	[2]	Ser. 49, Class S, 479.05%, 12/25/21	4,435
	6,047[2]	Ser. 65, Class KS, 3.257%, 7/25/36	5,968,510
	318[2]	Ser. 72, Class S, 8.75%, 5/25/08	326,217
	6,921[2]	Ser. 73, Class DS, 3.718%, 8/25/35	6,671,270
	149[2]	Ser. 87, Class S, 12.522%, 8/25/21	173,782
	126[2]	Ser. 93, Class S, 8.50%, 5/25/08	127,509
	47[2]	Ser. 170, Class SC, 9.00%, 9/25/08	48,270
	634[2]	Ser. 196, Class SC, 7.826%, 10/25/08	644,652
	262[2]	Ser. 214, Class SH, 4.359%, 12/25/08	261,768

	1,088[2]	Ser. 247, Class SN, 10.00%, 12/25/23	1,173,630
AAA	124[2]	Kidder Peabody Acceptance Corp., Ser. 1, Class A6, 6.742%, 8/25/23	123,714
		Total Inverse Floating Rate Mortgage Securities	16,685,576
		Interest Only Asset-Backed Securities 0.5%	
AAA	1,998[2,5]	Morgan Stanley Capital Trust I, Ser. HF1, Class X, 1.864%, 6/15/17	8,982
		Sterling Coofs Trust,	
NR	26,645	Ser. 1, 2.362%, 4/15/29	1,199,026
AAA	19,958[2]	Ser. 2, 2.418%, 3/30/30	873,176
		Total Interest Only Asset-Backed Securities	2,081,184
		Interest Only Mortgage-Backed Securities 12.7%	
AAA	2,310	ABN Amro Mortgage Corp., Ser. 4, Class A2, 5.50%, 3/25/33	34,868
Aaa	80,938[2]	Commercial Mortgage Acceptance Corp., Ser. ML1, 0.916%, 12/15/30	995,778

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Interest Only Mortgage-Backed Securities (cont d)	
AAA	$ 16,503[2,5]	Credit Suisse First Boston Mortgage Securities Corp., Ser. C1, Class AX, 1.781%, 6/20/29	$ 504,351
AAA	169,061[2]	CWALT, Inc., Ser. 79CB, Class A2, Zero Coupon, 1/25/36	856,581
		Federal Home Loan Mortgage Corp.,	
	4,592[2]	Ser. 60, Class HS, 0.625%, 4/25/24	36,675
		Ser. 176, Class M, 1,010.00%, 7/15/21	81
		Ser. 200, Class R, 93,504.444%, 12/15/22	442
	2,057	Ser. 204, 6.00%, 5/01/29	445,994
	17[2]	Ser. 1043, Class H, 20.813%, 2/15/21	17,233
	[2]	Ser. 1054, Class I, 413.56%, 3/15/21	330
		Ser. 1056, Class KD, 1,084.50%, 3/15/21	3,057
	1[2]	Ser. 1148, Class E, 563.074%, 10/15/21	937
		Ser. 1179, Class O, 1,009.389%, 11/15/21	228
		Ser. 1221, Class H, 1,006.50%, 3/15/07	11
	305	Ser. 1706, Class IA, 7.00%, 10/15/23	22,324
	99	Ser. 1720, Class PK, 7.50%, 1/15/24	9,413
	4,018	Ser. 1914, Class PC, 0.75%, 12/15/11	50,503
	921[2]	Ser. 2296, Class SA, 2.43%, 3/15/16	49,241
	534[2]	Ser. 2444, Class ST, 2.65%, 9/15/29	23,035
	290	Ser. 2513, Class BI, 5.50%, 12/15/15	7,384
	1,682	Ser. 2542, Class MX, 5.50%, 5/15/22	278,545
	3,235	Ser. 2545, Class NI, 5.50%, 3/15/22	441,974
	2,754[2]	Ser. 2559, 0.892%, 8/15/30	11,467
	5,288	Ser. 2561, Class EW, 5.00%, 9/15/16	517,783
	12,148	Ser. 2611, Class QI, 5.50%, 9/15/32	2,261,936
	4,902	Ser. 2633, Class PI, 4.50%, 3/15/12	115,665
	3,939	Ser. 2653, Class MI, 5.00%, 4/15/26	399,448
	6,422	Ser. 2658, Class PI, 4.50%, 6/15/13	305,829
	5,165	Ser. 2672, Class TQ, 5.00%, 3/15/23	229,933
	2,784	Ser. 2676, Class JI, 5.50%, 8/15/13	35,497
	3,633	Ser. 2687, Class IL, 5.00%, 9/15/18	496,985
	8,478	Ser. 2687, Class IQ, 5.50%, 9/15/22	244,882
	6,353	Ser. 2693, Class IB, 4.50%, 6/15/13	269,222
	3,107	Ser. 2694, Class LI, 4.50%, 7/15/19	262,738
	5,744	Ser. 2773, Class OX, 5.00%, 2/15/18	717,024
	18,106[2]	Ser. 2780, Class SM, 0.68%, 4/15/34	189,097
	5,343	Ser. 2786, Class PI, 4.50%, 10/15/10	49,260
	6,727	Ser. 2825, Class NI, 5.50%, 3/15/30	1,672,550
	2,183	Ser. 2949, 5.50%, 3/15/35	246,577
	37,960[2]	Ser. 2990, Class WR, 1.306%, 6/15/35	2,126,694
	107,764[2]	Ser. 3122, Class IS, 1.38%, 3/15/36	5,846,680
	100,000[2]	Ser. 3225, Class EY, 0.96%, 10/15/36	4,312,500
		Federal National Mortgage Assoc.,	
	248	Ser. 5, Class H, 9.00%, 1/25/22	60,153
	15	Ser. 7, Class 2, 8.50%, 4/01/17	2,955
	4,887	Ser. 9, Class BI, 5.50%, 10/25/22	746,587
	1[2]	Ser. 10, Class S, 524.318%, 5/25/21	21,531
	1	Ser. 12, Class C, 1,016.898%, 2/25/22	20,257
	1[2]	Ser. 12, Class S, 553.577%, 5/25/21	19,271
	6,448	Ser. 13, Class IG, 5.00%, 10/25/22	311,067
	5,705	Ser. 16, Class PI, 5.00%, 11/25/12	116,985
	1	Ser. 33, Class PV, 1,078.42%, 10/25/21	25,184
	1,669[2]	Ser. 33, Class SG, 2.756%, 3/25/09	48,652
	55,453[2]	Ser. 36, Class SP, 1.38%, 5/25/36	3,411,079
		Ser. 38, Class N, 1,008.50%, 4/25/21	912
	1,674	Ser. 43, Class LC, 6.00%, 3/25/34	425,725
	1	Ser. 50, Class G, 1,158.628%, 12/25/21	16,194

837[2]	Ser. 50, Class SI, 1.20%, 4/25/23	24,218
6,723	Ser. 51, Class IE, 5.50%, 4/25/26	343,103
6,044	Ser. 55, Class GI, 5.00%, 7/25/19	706,455
4,590[2]	Ser. 59, Class S, 4.918%, 10/25/22	603,149
714[2]	Ser. 60, Class SB, 1.60%, 10/25/22	29,798
490	Ser. 62, Class IC, 5.50%, 7/25/15	19,564

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Interest Only Mortgage-Backed Securities (cont d)	
	$ 6,255	Ser. 66, Class CI, 5.00%, 7/25/33	$ 1,410,245
	2,630[2]	Ser. 68, Class SC, 2.756%, 1/25/24	164,032
	16,392[2]	Ser. 73, Class ST, 0.81%, 8/25/35	530,775
	9,118	Ser. 88, Class TI, 4.50%, 11/25/13	364,766
	26	Ser. 89, Class 2, 8.00%, 6/01/18	4,693
	36,243[2]	Ser. 90, Class JH, 1.38%, 11/25/34	1,806,500
	15,322	Ser. 90, Class M, 6.00%, 1/25/28	3,035,315
	8	Ser. 94, Class 2, 9.50%, 8/01/21	2,007
		Ser. 99, Class L, 930.00%, 8/25/21	8,429
	3,741	Ser. 122, Class IC, 5.00%, 9/25/18	516,226
		Ser. 123, Class M, 1,009.50%, 10/25/20	1,359
	36[2]	Ser. 136, Class S, 14.746%, 11/25/20	46,458
	1	Ser. 139, Class PT, 648.35%, 10/25/21	10,125
	4[2]	Ser. 141, Class SA, 13.625%, 8/25/07	188
	2,628[2]	Ser. 199, Class SB, 2.156%, 10/25/23	150,623
	743	Ser. W4, 6.50%, 12/25/28	158,475
AAA	104	First Boston Mortgage Securities Corp., Ser. C, Class I, 10.965%, 4/25/17	29,541
		First Horizon Alternative Mortgage Securities,	
AAA	71,994[2]	Ser. FA2, Class 1A4, 0.18%, 5/25/36	241,669
AAA	85,776[2]	Ser. FA7, Class 1A7, Zero Coupon, 10/25/35	265,844
AAA	219,260[2]	Ser. FA9, Class A2, Zero Coupon, 12/25/35	335,007
AAA	19,691[2]	General Motors Acceptance Corp., Commercial Mortgage Securities, Inc., Ser. C1, Class X, 1.537%, 7/15/29	507,530
AAA	9,993[2,5]	Goldman Sachs Mortgage Securities Corp., Ser. 5, 1.012%, 6/19/27	207,176
		Government National Mortgage Assoc.,	
	2,137	Ser. 39, Class ID, 5.00%, 5/20/33	508,945
	2,516	Ser. 58, Class IT, 5.50%, 7/20/33	387,518
	7,798	Ser. 75, Class IJ, 5.50%, 7/20/25	248,479
	20,883[2]	Ser. 89, Classl SA, 0.58%, 10/16/33	636,417
Aaa	89	Kidder Peabody Acceptance Corp., Ser. B, Class A2, 9.50%, 4/22/18	23,987
AAA	31,183	MASTR Adjustable Rate Mortgages Trust, Ser. 3, Class 3AX, 0.977%, 4/25/34	621,924
AAA	1,711	MASTR Alternative Loan Trust, Ser. 9, Class 15X2, 6.00%, 1/25/19	417,527
AAA	2,092	Morgan Stanley Capital Trust I, Ser. 3, Class 1AX, 5.00%, 5/25/19	389,225
AAA	183,248[2]	Residential Accredit Loans, Inc., Ser. QS16, Class A2, Zero Coupon, 11/25/35	283,705
AAA	108,723[2]	Sequoia Mortgage Trust, Ser. 2, Class XA, 1.01%, 3/20/35	1,535,485
NR	10,504[6]	Small Business Administration, Ser. 1, 1.381%, 4/01/15	1
		Structured Adjustable Rate Mortgage Loan Trust,	
AAA	19,794[2]	Ser. 2, Class 4AX, 5.50%, 3/25/36	2,280,386
AAA	53,823[2]	Ser. 7, Class 3AS, 2.503%, 8/25/36	3,565,757
AAA	5,661	Ser. 20, Class 3AX, 5.50%, 10/25/35	747,700
NR	102,405[2]	Vendee Mortgage Trust, Ser. 2, Class 1, 0.052%, 5/15/29	236,084
		Total Interest Only Mortgage-Backed Securities	52,723,714
		Principal Only Mortgage-Backed Securities 5.8%	
		Countrywide Home Loans, Inc.,	
AAA	6,083[7]	Ser. 26, 4.944%, 8/25/33	4,864,782
AAA	1,158[7]	Ser. J4, 5.142%, 6/25/33	912,821
AAA	1,654[7]	Ser. J5, 4.911%, 7/25/33	1,378,421
AAA	1,265[7]	Ser. J8, 4.787%, 9/25/23	975,587
		Drexel Burnham Lambert, Inc.,	
AAA	32[7]	Ser. K, Class 1, 11.50%, 9/23/17	31,299
AAA	400[7]	Ser. V, Class 1, 11.50%, 9/01/18	343,629
		Federal Home Loan Mortgage Corp.,	
	274[7]	Ser. 8, Class A10, 6.737%, 11/15/28	217,430

184[7]	Ser. 1418, Class M, 7.50%, 11/15/22	165,941
577[7]	Ser. 1571, Class G, 7.50%, 8/15/23	496,417
2,429[7]	Ser. 1691, Class B, 7.50%, 3/15/24	2,076,967
236[7]	Ser. 1739, Class B, 7.50%, 2/15/24	211,450
	Federal National Mortgage Assoc.,	
351[7]	Ser. 2, Class KB, 8.00%, 1/25/23	288,397
48[7]	Ser. 7, Class J, 10.00%, 2/25/21	38,919
1,062[7]	Ser. 13, Class PR, 6.50%, 3/25/32	849,608
154[7]	Ser. 51, Class E, 8.00%, 2/25/23	126,145
29[7]	Ser. 70, Class A, 7.00%, 5/25/23	24,015

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Principal Only Mortgage-Backed Securities (cont d)	
	$ 70[7]	Ser. 167, Class D, 8.50%, 10/25/17	$ 59,842
	53[7]	Ser. 203, Class 1, 8.00%, 2/01/23	43,911
	36[7]	Ser. 228, Class 1, 7.00%, 5/01/23	29,284
	2,125[7]	Ser. 249, Class B, 7.50%, 11/25/23	1,718,668
	287[7]	Ser. 273, Class 1, 7.00%, 7/01/26	234,463
	5,216[7]	Ser. 328, Class 1, 6.00%, 11/01/32	4,092,989
	4,096[7]	Ser. 338, Class 1, 5.50%, 6/01/33	3,099,711
	380[7]	Ser. W4, 5.985%, 2/25/29	295,167
AAA	314[7]	MASTR Asset Securitization Trust, Ser. 3, Class 4A15, 5.634%, 3/25/34	184,019
AAA	983[7]	Residential Asset Securitization Trust, Ser. A15, Class 1A8, 5.713%, 2/25/36	459,510
AAA	18[6,7]	Structured Mortgage Asset Residential Trust, Ser. 3C, Class CX, 7.031%, 4/25/24	17,107
AAA	1,044[7]	Washington Mutual, Ser. 9, Class CP, 5.112%, 11/25/35	782,615
		Total Principal Only Mortgage-Backed Securities	24,019,114
		Collateralized Mortgage Obligation Residual Securities 0.0%	
		Collateralized Mortgage Obligation Trust,	
AAA		Ser. 40, Class R, 580.50%, 4/01/18	372
AAA		Ser. 42, Class R, 6,000.00%, 10/01/14	5,135
		Federal Home Loan Mortgage Corp.,	
		Ser. 19, Class R, 9,427.316%, 3/15/20	1,944
		Ser. 75, Class R, 9.50%, 1/15/21	6
		Ser. 75, Class RS, 16.721%, 1/15/21	6
		Ser. 173, Class R, 9.00%, 11/15/21	26
		Ser. 173, Class RS, 9.029%, 11/15/21	26
NR	13	Painewebber CMO Trust, Ser. 88 M, Class 6, 13.80%, 9/01/18	
		Total Collateralized Mortgage Obligation Residual Securities	7,515
		U.S. Government and Agency Securities 24.4%	
		Overseas Private Investment Corp.,	
	312	4.09%, 5/29/12	286,047
	872[2]	4.30%, 5/29/12	821,074
	653	4.64%, 5/29/12	623,260
	369	4.68%, 5/29/12	341,863
	2,790	4.87%, 5/29/12	2,690,112
	3,460[2]	5.40%, 5/29/12	3,511,682
	13,000	Resolution Funding Corp., Ser. B, Zero Coupon, 4/15/30	4,173,377
		Small Business Administration,	
	765	Ser. 20C-1, 7.15%, 3/01/17	795,397
	899	Ser. 20E-1, 7.60%, 5/01/16	937,753
	1,128	Ser. 20F-1, 7.55%, 6/01/16	1,177,400
	758	Ser. 20G-1, 7.70%, 7/01/16	793,405
	1,111	Ser. 20H-1, 7.25%, 8/01/16	1,155,328
	1,940	Ser. 20K-1, 6.95%, 11/01/16	2,006,526
		U.S. Treasury Notes,	
	21,000[9]	3.75%, 3/31/07	20,885,151
	19,400[9]	4.00%, 8/31/07	19,246,158
	100,000[3,9]	U.S. Treasury Strip, Zero Coupon, 11/15/24	41,832,800
		Total U.S. Government and Agency Securities	101,277,333
		Corporate Bond 0.8%	

AA+	3,258[6]	Structured Asset Receivable Trust, 5.114%, 1/21/10	3,257,041
		Total Long-Term Investments (cost $517,692,022)	501,852,258
		SHORT-TERM INVESTMENT 0.2%	
		U.S. Government and Agency Discount Note 0.2%	
	800[10]	Federal Home Loan Bank Discount Notes, 5.084%, 11/08/06 (cost $799,212)	799,212

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Notional Amount (000)	Description	Value
	OUTSTANDING OPTIONS PURCHASED 0.2%	
	Interest Rate Swaps,	
$ 5,500	Trust pays 3-month LIBOR, Trust receives 5.52%, expires 9/21/36	$ 374,961
5,500	Trust pays 5.52%, Trust receives 3-month LIBOR, expires 9/21/36	323,899
49,200	Trust pays 5.40%, Trust receives 3-month LIBOR, expires 3/14/08	21,294
49,200	Trust pays 5.90%, Trust receives 3-month LIBOR, expires 3/14/08	1,157
	Total Outstanding Options Purchased (cost $729,050)	721,311
	Total Investments before borrowed bonds, investments sold short, TBA sale commitments and outstanding options written (cost $519,220,284[11])	503,372,781

Principal Amount (000)	Description	Value
	BORROWED BONDS 14.6%	
31,811[12]	U.S. Treasury Bonds, 5.15%, 11/01/06	31,811,250
	U.S. Treasury Notes,	
2,613[12]	5.03%, 11/01/06	2,612,500
11,805[12]	5.08%, 11/01/06	11,805,000
14,174[12]	5.125%, 11/01/06	14,173,625
	Total Borrowed Bonds (cost $60,402,375)	60,402,375
	INVESTMENTS SOLD SHORT (14.7)%	
	U.S. Treasury Bonds,	
(12,930)	5.375%, 2/15/31	(14,038,140)
(15,750)	6.25%, 8/15/23	(18,329,062)
	U.S. Treasury Notes,	
(14,900)	4.00%, 2/15/15	(14,289,443)
(12,000)	4.125%, 8/15/10	(11,812,968)
(2,500)	5.125%, 5/15/16	(2,598,827)
	Total Investments Sold Short (proceeds $61,745,381)	(61,068,440)
	TBA SALE COMMITMENTS (4.0)%	
	Federal National Mortgage Assoc. TBA,	
(9,500)	5.00%, 11/13/36	(9,170,465)
(7,500)	5.50%, 11/13/36	(7,410,937)
	Total TBA Sale Commitments (proceeds $16,431,406)	(16,581,402)
	OUTSTANDING OPTIONS WRITTEN (0.6)%	
	Interest Rate Swaps,	
(5,400)	Trust pays 3-month LIBOR, Trust receives 5.485%, expires 10/28/19	(166,237)
(5,400)	Trust pays 5.485%, Trust receives 3-month LIBOR, expires 10/28/19	(250,398)
(5,700)	Trust pays 3-month LIBOR, Trust receives 5.135%, expires 4/21/08	(150,627)
(5,700)	Trust pays 5.135%, Trust receives 3-month LIBOR, expires 4/21/08	(150,627)

(12,400)	Trust pays 3-month LIBOR, Trust receives 5.67%, expires 1/04/10		(340,529)
(12,400)	Trust pays 5.67%, Trust receives 3-month LIBOR, expires 1/04/10		(665,848)
(14,100)	Trust pays 3-month LIBOR, Trust receives 4.725%, expires 6/13/07		(505,062)
(14,100)	Trust pays 4.725%, Trust receives 3-month LIBOR, expires 6/13/07		(82,485)
(98,400)	Trust pays 3-month LIBOR, Trust receives 5.65%, expires 3/14/08		(11,316)
	Total Outstanding Options Written (premium received $3,312,560)		(2,323,129)
	Total Investments net of borrowed bonds, investments sold short, TBA sale commitments and outstanding options written 116.7%	$	483,802,185
	Liabilities in excess of other assets (16.7)%		(69,342,013)
	Net Assets 100%	$	414,460,172

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

1 Using the highest of S&P s, Moody s or Fitch s ratings.
2 Variable rate security. Rate shown is interest rate as of October 31, 2006.
3 Security, or a portion thereof, pledged as collateral with a value of $9,908,132 on 1,806 short Eurodollar futures contracts expiring December 2006 to September 2009, 749 short U.S. Treasury Note futures contracts expiring December 2006 and 696 short U.S. Treasury Bond futures contracts expiring December 2006. The notional value of such contracts on October 31, 2006 was $587,181,063, with an unrealized loss of $1,269,150.
4 Represents an investment in an affiliate.
5 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2006, the Trust held 0.2% of its net assets, with a current market value of $781,314, in securities restricted as to resale.
6 Illiquid security. As of October 31, 2006, the Trust held 0.8% of its net assets, with a current market value of $3,274,149, in these securities.
7 Rate shown is effective yield as of October 31, 2006 of the underlying collateral.
8 Security is fair valued.
9 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.
10 Rate shown is the yield to maturity as of the date of purchase.
11 Cost for federal income tax purposes is $519,896,814. The net unrealized depreciation on a tax basis is $16,524,033, consisting of $16,041,855 gross unrealized appreciation and $32,565,888 gross unrealized depreciation.
12 The interest rate and maturity date shown represent the terms of the borrowed transaction, not the security borrowed.

KEY TO ABBREVIATIONS

LIBOR	London Interbank Offered Rate
TBA	To Be Announced

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2006

BlackRock Limited Duration Income Trust (BLW)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 148.9%	
		Corporate Bonds 64.3%	
		Aerospace & Defense 1.3%	
NR	$ 1,560[2]	AAR Corp., Ser. A2, 8.39%, 5/15/11	$ 1,575,600
B	490	Argo-Tech Corp., 9.25%, 6/01/11	508,375
B	5,676	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	5,903,040
		DRS Technologies, Inc.,	
B	330	6.875%, 11/01/13	330,000
B	310	7.625%, 2/01/18	316,975
BB	755	Sequa Corp., 9.00%, 8/01/09	796,525
		Total Aerospace & Defense	9,430,515
		Automotive 2.0%	
		Autonation, Inc.,	
BB+	690	7.00%, 4/15/14	686,550
BB+	690[3]	7.374%, 4/15/13	695,175
BB-	130[3,4]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 7.905%, 5/15/14	127,075
BBB+	7,500[5]	DaimlerChrysler NA Holding Corp., 4.05%, 6/04/08	7,333,395
B	1,170	Lear Corp., Ser. B, 8.11%, 5/15/09	1,186,088
CCC+	1,000[5]	Metaldyne Corp., 11.00%, 11/01/13	1,025,000
BB-	2,629	TRW Automotive, Inc., 9.375%, 2/15/13	2,816,316
		Total Automotive	13,869,599
		Basic Materials 6.4%	
B+	1,905	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	1,514,475
B+	2,200	AK Steel Corp., 7.75%, 6/15/12	2,200,000
B-	350[3,4]	BCI US Finance Corp./Borden 2 Nova Scotia Finance ULC, 11.874%, 7/15/10	357,000
BB-	670[3]	Bowater, Inc., 8.39%, 3/15/10	676,700
BB+	120	Chemtura Corp., 6.875%, 6/01/16	117,300
B-	750	CPG Intl. I, Inc., 10.50%, 7/01/13	765,000
		Domtar, Inc.,	
B2	300	7.125%, 8/15/15	286,500
B2	880	7.875%, 10/15/11	898,700
B+	740	Donohue Forest Products, 7.625%, 5/15/07 (Canada)	740,000
		Huntsman LLC,	
Ba3	1,950	11.625%, 10/15/10	2,149,875
B2	310	12.00%, 7/15/12	351,075
BB	300	IMC Global, Inc., Ser. B, 10.875%, 6/01/08	323,625
		Ineos Group Holdings PLC, (United Kingdom)	
B2	1,490	7.875%, 2/07/16 (EUR)	1,823,242
B2	2,885[4]	8.50%, 2/15/16	2,776,812
B3	2,625	Innophos, Inc., 8.875%, 8/15/14	2,618,437
Baa3	5,000[5]	Ipsco, Inc., 8.75%, 6/01/13 (Canada)	5,325,000
		Lyondell Chemical Co.,	
BB-	1,100	8.00%, 9/15/14	1,124,750
BB-	1,835	8.25%, 9/15/16	1,890,050
BB+	560	10.50%, 6/01/13	616,000
BB+	3,020[5]	11.125%, 7/15/12	3,269,150
BB	615	Millennium America, Inc., 9.25%, 6/15/08	633,450

B-	215	Nalco Co., 8.875%, 11/15/13	226,288
		NewPage Corp.,	
B3	810	10.00%, 5/01/12	848,475
B3	1,500[3,5]	11.621%, 5/01/12	1,620,000
Caa1	300	12.00%, 5/01/13	313,500
		Nova Chemicals Corp.,	
BB	200	6.50%, 1/15/12	188,000
BB	2,690[3]	8.405%, 11/15/13	2,737,075
CCC+	2,020[4]	Pregis Corp., 12.375%, 10/15/13	2,141,200
B+	81	Rhodia SA, 10.25%, 6/01/10 (France)	91,733
B	2,412	Rockwood Specialties Group, Inc., 10.625%, 5/15/11	2,586,870
BB	3,250[5]	US Steel LLC, 10.75%, 8/01/08	3,501,875

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Basic Materials (cont d)	
B-	$ 210[4]	Verso Paper Holdings LLC/Verson Paper, Inc., 11.375%, 8/01/16	$ 213,150
		Total Basic Materials	44,925,307
		Building & Development 1.4%	
BBB-	3,000[5]	DR Horton, Inc., 5.875%, 7/01/13	2,939,418
B	2,665	ERICO Intl. Corp., 8.875%, 3/01/12	2,778,263
		Goodman Global Holding Co., Inc.,	
B-	2,000	7.875%, 12/15/12	1,920,000
B1	269[3]	8.329%, 6/15/12	273,035
B3	890	Nortek, Inc., 8.50%, 9/01/14	849,950
		North American Energy Partners, Inc.,	
Caa1	270	8.75%, 12/01/11	267,300
B1	550	9.00%, 6/01/10	599,500
		Total Building & Development	9,627,466
		Business Equipment & Services 0.1%	
Ba2	350[4]	FTI Consulting, Inc., 7.75%, 10/01/16	357,875
		Conglomerates 1.1%	
Baa3	7,500[5]	Tyco Intl. Group SA, 6.125%, 11/01/08 (Luxembourg)	7,607,220
		Consumer Products 6.1%	
B3	300	ALH Finance LLC, 8.50%, 1/15/13	297,750
CCC+	2,085[3]	Ames True Temper, Inc., 9.374%, 1/15/12	2,105,850
B2	1,050[4]	Education Management LLC/Education Management Corp., 8.75%, 6/01/14	1,076,250
B-	1,108	Finlay Fine Jewelry Corp., 8.375%, 6/01/12	997,200
B	2,140	Gold Kist, Inc., 10.25%, 3/15/14	2,455,650
Ba3	5,000[5]	Group 1 Automotive, Inc., 8.25%, 8/15/13	5,143,750
BBB	4,400[5]	JC Penney Co., Inc., 8.00%, 3/01/10	4,725,692
B2	2,770[4]	Knowledge Learning Corp., Inc., 7.75%, 2/01/15	2,624,575
B-	1,505	Lazydays RV Center, Inc., 11.75%, 5/15/12	1,459,850
B	2,075[3]	Levi Strauss & Co., 10.122%, 4/01/12	2,139,844
		Michaels Stores, Inc.,	
B2	2,210[4]	10.00%, 11/01/14	2,212,762
Caa1	2,800[4]	11.375%, 11/01/16	2,831,500
B2	223	Neiman-Marcus Group, Inc., 9.00%, 10/15/15	239,168
B3	210[3,4]	Nutro Products, Inc., 9.40%, 10/15/13	215,775
BB-	600	Quiksilver, Inc., 6.875%, 4/15/15	577,500
BB+	1,000[4]	Reynolds American, Inc., 7.625%, 6/01/16	1,061,777
B+	5,000[5]	Rite Aid Corp., 8.125%, 5/01/10	5,050,000
B1	3,500	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	3,561,250
CCC	1,345	Spectrum Brands, Inc., 7.375%, 2/01/15	1,089,450
		United Rentals NA, Inc.,	
B	2,575	7.00%, 2/15/14	2,465,562
B	125	7.75%, 11/15/13	124,688
		Total Consumer Products	42,455,843
		Containers & Packaging 1.0%	
		Berry Plastics Holding Corp.,	
B2	1,210[4]	8.875%, 9/15/14	1,222,100
B2	835[3,4]	9.265%, 9/15/14	844,394

B+	1,385	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	1,421,356
CCC+	585	Graham Packaging Co., Inc., 8.50%, 10/15/12	582,075
B1	870[3,4]	Impress Holdings BV, 8.512%, 9/15/13	876,863
B+	2,114	Smurfit-Stone Container Enterprises, Inc., 9.75%, 2/01/11	2,180,063
		Total Containers & Packaging	7,126,851
		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	2,116,625
		Total Ecological Services & Equipment	4,216,625
		Energy 7.2%	
BB+	5,500[4,5]	AES Corp., 8.75%, 5/15/13	5,905,625
		ANR Pipeline Co.,	
Ba1	460	7.375%, 2/15/24	480,842
Ba1	1,780	9.625%, 11/01/21	2,215,304

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Energy (cont d)	
B	$ 550	Berry Petroleum Co., 8.25%, 11/01/16	$ 548,625
CCC+	1,210	Chaparral Energy, Inc., 8.50%, 12/01/15	1,206,975
		Chesapeake Energy Corp.,	
BB	650	6.375%, 6/15/15	627,250
BB	100	6.875%, 11/15/20	95,000
BB	4,000[5]	7.50%, 9/15/13	4,095,000
BB-	200	ChipPAC, Inc., 2.50%, 6/01/08	197,000
BB-	150	CMS Energy Corp., 7.50%, 1/15/09	154,125
BB-	750	Compagnie Generale de Geophysique SA, 7.50%, 5/15/15 (France)	740,625
B	1,615	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	1,530,212
CCC+	1,640[2]	East Cameron Gas Co., 11.25%, 7/09/19 (Cayman Islands)	1,574,400
BB-	815[4]	Edison Mission Energy, 7.50%, 6/15/13	837,412
		El Paso Corp.,	
B	400	7.80%, 8/01/31	417,000
B	525	9.625%, 5/15/12	582,750
B	225	10.75%, 10/01/10	250,875
Ba1	400	El Paso Natural Gas Co., 8.375%, 6/15/32	462,911
Ba1	168	Elwood Energy LLC, 8.159%, 7/05/26	178,241
		Encore Acquisition Co.,	
B1	250	6.00%, 7/15/15	228,125
B1	200	7.25%, 12/01/17	192,500
B-	495	Exco Resources, Inc., 7.25%, 1/15/11	476,438
BB+	380	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	363,375
B	2,434[4]	Hilcorp Energy I LP/Hilcorp Finance Corp., 10.50%, 9/01/10	2,610,465
B-	725	KCS Energy, Inc., 7.125%, 4/01/12	696,000
Ba2	4,324[5]	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16	4,670,206
		Mirant Americas Generation LLC,	
Caa1	625	8.30%, 5/01/11	632,813
Caa1	480	8.50%, 10/01/21	472,800
Caa1	295	9.125%, 5/01/31	305,325
BB-	500	Mission Energy Holdings Co., 13.50%, 7/15/08	557,500
		NRG Energy, Inc.,	
B+	210	7.25%, 2/01/14	212,363
B+	1,185	7.375%, 2/01/16	1,198,331
B2	580	Orion Power Holdings, Inc., 12.00%, 5/01/10	658,300
		Reliant Energy, Inc.,	
BB-	1,035	6.75%, 12/15/14	987,131
BB-	170	9.25%, 7/15/10	175,950
B+	1,240[4]	SemGroup LP, 8.75%, 11/15/15	1,249,300
B	1,440[3,4]	Stone Energy Corp., 8.124%, 7/15/10	1,431,000
B	5,000	Swift Energy Co., 9.375%, 5/01/12	5,262,500
B3	725[4]	Targa Resources, Inc., 8.50%, 11/01/13	723,188
BBB-	100	Transcontinental Gas Pipe Line Corp., 7.25%, 12/01/26	103,500
B+	1,040	Utilicorp Finance Corp., 7.75%, 6/15/11 (Canada)	1,098,260
B1	1,550	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	1,531,025
		Williams Cos., Inc.,	
BB+	1,000	7.125%, 9/01/11	1,032,500
BB+	1,085	8.75%, 3/15/32	1,204,350
		Total Energy	50,173,417
		Entertainment & Leisure 2.0%	
		AMC Entertainment, Inc.,	
B3	500	9.50%, 2/01/11	501,875
B3	505	11.00%, 2/01/16	558,656

B3	370	Cinemark, Inc., Zero Coupon, 3/15/14	301,088
B3	1,430[4]	Greektown Holdings LLC, 10.75%, 12/01/13	1,512,225
B+	5,425[5]	MGM Mirage, 9.75%, 6/01/07	5,533,500
B	660[4]	Pokagon Gaming Authority, 10.375%, 6/15/14	707,850
B3	250	Poster Financial Group, Inc., 8.75%, 12/01/11	260,625
		Travelport, Inc.,	
B-	2,380[4]	9.875%, 9/01/14	2,347,275
B-	2,180[4]	11.875%, 9/01/16	2,147,300

See Notes to Financial Statements.

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BlackRock Limited Duration Income Trust (BLW) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Entertainment & Leisure (cont d)	
BB-	$ 100	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	$ 98,000
		Total Entertainment & Leisure	13,968,394
		Financial Institutions 8.2%	
		American Real Estate Partners LP/American Real Estate Finance Corp.,	
BB+	1,480[5]	7.125%, 2/15/13	1,476,300
BB+	5,860[5]	8.125%, 6/01/11	5,991,850
B	1,733	BCP Crystal US Holdings Corp., 9.625%, 6/15/14 (Luxembourg)	1,901,967
BB	3,010[5]	Crum & Forster Holdings Corp., 10.375%, 6/15/13	3,122,875
		Ford Motor Credit Co.,	
BB-	2,800	7.375%, 2/01/11	2,675,347
BB-	60[3]	9.824%, 4/15/12	62,579
		General Motors Acceptance Corp.,	
BB	3,000[3,5]	6.274%, 1/16/07	2,999,577
BB	5,620[5]	6.875%, 8/28/12	5,635,084
		iPayment, Inc.,	
CCC+	950[4]	9.75%, 5/15/14	976,125
NR	4,470[2,3,4]	12.75%, 7/15/14	4,464,412
B-	900	K&F Acquisition, Inc., 7.75%, 11/15/14	911,250
Baa1	5,000[4,5]	Kazkommerts Intl. BV, 10.125%, 5/08/07 (Netherlands)	5,097,500
BBB	200[3,5]	Marsh & McLennan Cos., Inc., 5.513%, 7/13/07	199,963
B+	2,460[4]	Nell AF SARL, 8.375%, 8/15/15 (Luxembourg)	2,496,900
		Rainbow National Services LLC,	
B+	925[4]	8.75%, 9/01/12	972,406
B+	4,835[4]	10.375%, 9/01/14	5,378,937
B-	1,915	Standard Aero Holdings, Inc., 8.25%, 9/01/14	1,900,638
AA+	5,869[6]	Structured Asset Receivable Trust, 1.649%, 1/21/10	5,866,699
B-	220[3]	Universal City Florida Holding Co. I/II, 10.121%, 5/01/10	226,325
Aa3	4,425[5]	Western Financial Bank, 9.625%, 5/15/12	4,876,080
		Total Financial Institutions	57,232,814
		Health Care 2.7%	
B	2,535[4]	Angiotech Pharmaceuticals, Inc., 7.75%, 4/01/14 (Canada)	2,408,250
B-	5,000[5]	Concentra Operating Corp., 9.50%, 8/15/10	5,225,000
		Healthsouth Corp.,	
CCC+	3,335[4]	10.75%, 6/15/16	3,418,375
CCC+	1,740[3,4]	11.418%, 6/15/14	1,779,150
B2	3,000	Norcross Safety Products LLC/Norcross Capital Corp., 9.875%, 8/15/11	3,180,000
B-	1,145	Tenet Healthcare Corp., 6.875%, 11/15/31	887,375
B-	1,830	Universal Hospital Services, Inc., 10.125%, 11/01/11	1,935,225
		Total Health Care	18,833,375
		Industrials 2.4%	
B2	1,700[4]	AGY Holding Corp., 11.00%, 11/15/14	1,697,875
B-	4,000[5]	Fasten Tech, Inc., 11.50%, 5/01/11	4,140,000
B	650	Hexcel Corp., 6.75%, 2/01/15	630,500
B3	1,805	Park-Ohio Industries, Inc., 8.375%, 11/15/14	1,678,650
CCC+	950	Polypore, Inc., 8.75%, 5/15/12	928,625
		RBS Global, Inc./Rexnord Corp.,	
B3	2,000[4]	9.50%, 8/01/14	2,070,000

CCC+	1,090[4]	11.75%, 8/01/16	1,133,600
B3	3,125[4]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	3,265,625
B3	1,415	Trimas Corp., 9.875%, 6/15/12	1,333,637
		Total Industrials	16,878,512
		Media 9.7%	
		Affinion Group, Inc.,	
B-	1,975	10.125%, 10/15/13	2,093,500
B-	470	11.50%, 10/15/15	489,975
Caa2	1,870	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	1,776,500
B+	800[3]	Cablevision Systems Corp., Ser. B, 9.87%, 4/01/09	838,000
B2	3,500	CBD Media Inc., 8.625%, 6/01/11	3,504,375

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Media (cont d)	
		Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
CCC	$ 755	10.25%, 9/15/10	$ 779,538
CCC	865	Ser. B, 10.25%, 9/15/10	890,950
B3	2,425[4]	CMP Susquehanna Corp., 9.875%, 5/15/14	2,343,156
BBB+	6,685[5]	Comcast Cable Communications, Inc., 6.875%, 6/15/09	6,949,840
B+	5,795[5]	CSC Holdings, Inc., 7.875%, 12/15/07	5,874,681
B	1,650	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	1,792,312
BB	500	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	518,750
		Echostar DBS Corp.,	
BB-	2,800	5.75%, 10/01/08	2,782,500
BB-	1,330[4]	7.00%, 10/01/13	1,318,363
BB-	200[4]	7.125%, 2/01/16	195,500
B3	5,000[5]	Houghton Mifflin Co., 9.875%, 2/01/13	5,356,250
CCC+	300[4]	Iesy Repository GMBH, 10.375%, 2/15/15 (Germany)	283,500
Ba3	740	LIN Television Corp., 6.50%, 5/15/13	702,075
B	820	Medianews Group, Inc., 6.875%, 10/01/13	761,575
B2	2,105	Network Communications, Inc., 10.75%, 12/01/13	2,118,156
B3	2,790	Nexstar Finance, Inc., 7.00%, 1/15/14	2,570,287
CCC+	4,340[4,5]	Nielsen Finance LLC/Nielsen Finance Co., 10.00%, 8/01/14	4,524,450
B1	2,000[3,4]	Paxson Communications Corp., 8.624%, 1/15/12	2,022,500
		Primedia, Inc.,	
B2	1,205	8.00%, 5/15/13	1,123,663
B2	520	8.875%, 5/15/11	518,700
B2	680[3]	10.78%, 5/15/10	703,800
B	4,260	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	4,393,125
B2	2,000	Salem Communications Corp., 7.75%, 12/15/10	2,020,000
B	460	Sinclair Broadcast Group, Inc., 4.875%, 7/15/18	415,150
Caa1	465	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	453,375
		Vertis, Inc.,	
B1	2,390[5]	9.75%, 4/01/09	2,440,787
Caa3	210[4]	13.50%, 12/07/09	190,050
Caa1	865	Ser. B, 10.875%, 6/15/09	860,675
Caa1	4,442	Young Broadcasting, Inc., 10.00%, 3/01/11	4,197,690
		Total Media	67,803,748
		Real Estate 0.2%	
BB+	2,000[5]	Rouse Co., 5.375%, 11/26/13	1,866,760
		Technology 3.1%	
BB-	200	Advanced Micro Devices, Inc., 7.75%, 11/01/12	203,500
		Amkor Technology, Inc.,	
CCC+	1,693	7.75%, 5/15/13	1,494,073
CCC+	3,345	9.25%, 6/01/16	3,110,850
B+	1,965	Celestica, Inc., 7.625%, 7/01/13 (Canada)	1,969,912
B+	430[4]	Hynix Semiconductor, Inc., 9.875%, 7/01/12 (South Korea)	476,225
B+	1,415[4]	NXP BV/NXP Funding LLC, 9.50%, 10/15/15	1,427,381
B-	815[4]	Sensata Technologies BV, 8.00%, 5/01/14 (Netherlands)	786,475
CCC+	910	SS&C Technologies, Inc., 11.75%, 12/01/13	978,250
		Sungard Data Systems, Inc.,	
B-	665	9.125%, 8/15/13	689,938
B-	1,735[3]	9.973%, 8/15/13	1,804,400
B-	2,430	10.25%, 8/15/15	2,545,425

B	3,765	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	3,849,712
B-	830[3,4]	UGS Capital Corp. II, 10.38%, 6/01/11	856,975
B-	1,780	UGS Corp., 10.00%, 6/01/12	1,922,400
		Total Technology	22,115,516
		Telecommunications 8.2%	
BB-	1,420	Cincinnati Bell, Inc., 7.25%, 7/15/13	1,462,600
CCC	1,830[4]	Cricket Communications, Inc., 9.375%, 11/01/14	1,871,175
A-	5,000[5]	Deutsche Telekom Intl. Finance BV, 8.00%, 6/15/10 (Netherlands)	5,457,805
B3	860[3]	Hawaiian Telcom Communications, Inc., Ser. B, 10.889%, 5/01/13	881,500

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Telecommunications (cont d)	
		Intelsat Ltd., (Bermuda)	
BB-	$ 1,470	8.625%, 1/15/15	$ 1,525,125
BB-	1,800[4]	9.25%, 6/15/16	1,921,500
BB-	815[3]	10.484%, 1/15/12	826,206
B	630[4]	11.25%, 6/15/16	685,913
B	2,520[3,4]	11.64%, 6/15/13	2,671,200
		Lucent Technologies, Inc.,	
B1	105	6.45%, 3/15/29	93,975
B1	3,830	6.50%, 1/15/28	3,427,850
B+	3,850[4]	Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (Denmark)	4,032,875
B-	200	Nortel Networks Corp., 6.875%, 9/01/23 (Canada)	165,000
		Nortel Networks Ltd.,	
B-	2,220[3,4]	9.624%, 7/15/11	2,292,150
B-	465[4]	10.125%, 7/15/13	492,900
		PanAmSat Corp.,	
B	3,517	9.00%, 8/15/14	3,675,265
B	2,495[4]	9.00%, 6/15/16	2,607,275
NR	3,000[3,4]	ProtoStar I Ltd., Zero Coupon, 10/15/12 (Bermuda)	3,015,000
BB	4,000[3]	Qwest Communications Intl., Inc., 8.905%, 2/15/09	4,065,000
		Qwest Corp.,	
BB+	1,000	7.875%, 9/01/11	1,058,750
BB+	2,500[3,5]	8.64%, 6/15/13	2,693,750
BB+	3,675[5]	8.875%, 3/15/12	4,042,500
BB+	460	Rogers Wireless, Inc., 7.25%, 12/15/12 (Canada)	483,000
		West Corp.,	
B-	340[4]	9.50%, 10/15/14	338,300
B-	1,910[4]	11.00%, 10/15/16	1,919,550
B+	1,500[4]	Wind Acquisition Finance SA, 10.75%, 12/01/15 (Luxembourg)	1,666,875
		Windstream Corp.,	
BB+	2,340[4]	8.125%, 8/01/13	2,497,950
BB+	1,310[4]	8.625%, 8/01/16	1,413,162
		Total Telecommunications	57,284,151
		Transportation 0.6%	
BB-	520	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	518,700
B1	1,715	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	1,637,825
B3	111	Horizon Lines LLC, 9.00%, 11/01/12	115,995
BB+	1,650[5]	Overseas Shipholding Group, Inc., 8.75%, 12/01/13	1,767,563
		Total Transportation	4,040,083
		Total Corporate Bonds	449,814,071
		Bank Loans 53.5%	
		Aerospace & Defense 0.7%	
	975	Arinc, Inc., Loan B, LIBOR + 2.00%, 2/15/11	976,219
	860	Camp Acquisition Co., Loan A, LIBOR + 3.00%, 8/30/11	859,996
	1,970	DI Finance/DynCorp Intl., Loan B, LIBOR + 2.25%, 1/31/11	1,977,387
		Primus Intl., Inc.,	
	30	Loan B, 0.50%, 6/16/12	29,762
	471	Loan B, LIBOR + 2.50%, 6/16/12	471,488
	500	Wesco Aircraft Hardware Corp., LIBOR, 9/29/13	502,969

	Total Aerospace & Defense	4,817,821
	Automotive 1.9%	
998	Dayco Products LLC, LIBOR + 2.50%, 6/30/11	1,004,565
	Goodyear Tire & Rubber Co.,	
500	LIBOR + 2.75%, 4/01/10	503,393
2,000	LIBOR + 3.50%, 4/01/11	2,024,166
744	IAP Worldwide Services, Inc., LIBOR + 3.00%, 12/31/12	742,514
1,000	Lear Corp., LIBOR + 2.50%, 3/23/12	996,042
925	Metaldyne Corp., Loan D, LIBOR + 4.50%, 12/31/09	927,420
1	Precision Parts Intl., Loan B, LIBOR + 3.75%, 10/01/11	616
1,000	Rent-A-Center, Inc., LIBOR + 1.75%, 6/30/12	1,002,500

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Principal Amount (000)	Description	Value
	Automotive (cont d)	
	Reynolds & Reynolds Co.,	
$ 2,000	LIBOR + 2.50%, 10/31/12	$ 2,012,500
1,250	LIBOR + 5.50%, 10/31/13	1,269,271
517	Tenneco Automotive, Inc., Loan B1, LIBOR + 2.00%, 12/12/10	518,604
2,456	TRW Automotive Acquisitions Corp., Loan B, LIBOR + 1.50%, 6/30/12	2,447,808
	Total Automotive	13,449,399
	Basic Materials 4.3%	
	Basell NV,	
417	Loan B2, LIBOR + 2.25%, 9/30/13	421,354
83	Loan B4, LIBOR + 2.25%, 8/01/14	84,271
83	Loan C4, LIBOR + 3.00%, 8/01/13	84,271
417	Loan C2, LIBOR + 3.00%, 9/30/14	421,354
810	Boise Cascade Corp., Loan D, LIBOR + 1.75%, 10/31/11	813,516
500	Brenntag Group, Loan B6, LIBOR + 2.50%, 9/15/14 (EUR)	644,930
2,046	Celanese AG, LIBOR + 2.00%, 6/03/11	2,052,069
3,000	Cognis Deutschland, Loan B, LIBOR + 4.75%, 11/15/13	3,054,999
907	Compass Minerals Group, Inc., LIBOR + 1.50%, 12/31/12	907,214
4,141	Huntsman Intl. LLC, Loan B, LIBOR + 1.75%, 8/15/12	4,135,661
	Ineos Group Holdings PLC,	
1,500	Loan A4, LIBOR + 2.25%, 12/16/12	1,509,845
1,750	Loan B2, LIBOR + 2.25%, 12/16/14	1,770,052
1,750	Loan C2, LIBOR + 2.75%, 12/16/13	1,770,052
	Invista BV,	
1,296	Loan B1, LIBOR + 1.50%, 4/30/11	1,294,849
687	Loan B2, LIBOR + 1.50%, 4/30/11	687,225
696	ISP Chemco, Inc., LIBOR + 2.00%, 2/28/13	697,491
483	John Maneely Co., Loan B, LIBOR + 3.00%, 3/31/13	486,745
2,211	Nalco Co., Loan B, LIBOR + 1.75%, 11/01/10	2,214,890
493	PQ Corp., LIBOR + 2.00%, 2/28/12	493,731
985	Rockwood Specialties Group, Inc., Loan E, LIBOR + 2.00%, 8/15/12	989,186
	SP Newsprint,	
1,611	LIBOR + 2.25%, 1/09/10	1,617,153
188	PRIME + 1.75%, 1/08/10	188,900
	UPC Technology Corp.,	
1,000	Loan J2, LIBOR + 2.00%, 3/31/13	999,375
1,000	Loan K2, LIBOR + 2.00%, 12/31/13	999,286
750	Loan K, LIBOR, 3/31/13 (EUR)	956,491
663	Loan J, LIBOR, 12/31/13 (EUR)	845,027
	Total Basic Materials	30,139,937
	Building & Development 1.7%	
500	Armstrong World Industries, Inc., LIBOR, 10/02/13	500,469
1,250	Beacon Roofing Supply, Inc., LIBOR + 2.00%, 10/31/13	1,250,000
1,500	Custom Building Products, Inc., LIBOR + 5.00%, 4/30/12	1,501,249
250	Euramax Intl., Inc., LIBOR + 7.00%, 7/15/13	250,937
1,250	Harmon Koval, 3.25%, 12/31/06	1,250,000
424	Maxim Crane Works LP, LIBOR + 2.00%, 1/28/10	423,792
499	Nacco Industries, Inc., LIBOR + 2.00%, 3/31/13	496,880
490	Nortek, Inc., Loan B, LIBOR, 8/24/11	488,119
1,492	Ply Gem Industries, Inc., LIBOR + 2.25%, 8/15/11	1,488,769
1,496	Pro Build Holdings, Loan B, LIBOR + 1.75%, 6/30/13	1,491,263

900	Rhodes Ranch, LIBOR + 3.25%, 11/15/10	864,000
1,985	United Subcontractors, Inc., LIBOR + 2.75%, 12/31/12	1,925,450
	Total Building & Development	11,930,928
	Conglomerates 2.4%	
	Atlantis Plastics, Inc.,	
985	LIBOR + 2.75%, 9/22/11	950,525
500	LIBOR + 7.25%, 3/22/12	492,500
900	Blount Intl., Loan B, LIBOR + 1.75%, 8/15/10	900,299
1,966	Colfax Corp., Loan B, LIBOR + 2.00%, 5/30/09	1,972,918
3,063	Fidelity National Information Solutions, Inc., Loan B, LIBOR + 1.75%, 3/30/13	3,068,736
419	Gentek, Inc., LIBOR + 4.25%, 3/15/12	421,343

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Principal Amount (000)	Description	Value
	Conglomerates (cont d)	
	Invensys PLC,	
$ 1,000	Loan A, LIBOR + 2.00%, 12/15/11	$ 1,002,500
1,000	Loan B, LIBOR + 2.25%, 12/15/11 (GBP)	1,912,915
	Jarden Corp.,	
1,189	LIBOR + 2.00%, 1/24/12	1,187,074
485	Loan B2, LIBOR + 1.75%, 1/15/12	485,015
756	Mueller Group, Inc., Loan B, LIBOR + 2.00%, 9/30/12	759,173
1,470	Securityco, Inc., Loan B, LIBOR + 3.25%, 6/30/10	1,477,382
1,345	Sensus Metering Systems, Inc., Loan B1, LIBOR + 2.00%, 12/30/09	1,341,258
762	St. John Knits Intl., Inc., Loan B, LIBOR + 4.25%, 3/30/12	756,669
	Total Conglomerates	16,728,307
	Consumer Products 8.2%	
1,000	Aearo Technologies, Inc., LIBOR + 6.50%, 9/30/13	1,011,250
995	24 Hour Fitness Worldwide, Inc., Loan B, LIBOR + 3.00%, 6/30/12	1,000,390
750	American Safety Razor Co., LIBOR + 6.25%, 2/15/14	761,250
453	Arby s Restaurant Group, Inc., Loan B, LIBOR + 2.25%, 7/31/12	453,658
478	Bare Escentuals Beauty, Inc., LIBOR + 2.75%, 2/15/12	480,108
	Berkline Bench Craft,	
108	Loan B, LIBOR + 3.75%, 10/31/11	84,444
1,005	PRIME + 7.00%, 5/03/12	226,136
500	Buffets, Inc., LIBOR + 0.10%, 6/28/09	500,000
1,349	Burger King Corp., Loan B-1, LIBOR + 1.50%, 2/28/13	1,347,546
1,493	Burlington Coat Factory Warehouse Corp., Loan B, LIBOR + 2.25%, 4/15/13	1,469,880
493	Centerplate, Inc., LIBOR + 3.25%, 10/15/10	495,895
1,193	Central Garden & Pet Co., Loan B, LIBOR + 1.50%, 9/30/12	1,191,760
998	Cenveo Corp., LIBOR + 2.00%, 6/30/13	999,994
494	Chiquita Brands Intl., Inc., Loan C, LIBOR + 2.25%, 7/15/13	492,979
996	Coinmach Corp., Loan B1, LIBOR + 2.50%, 12/15/12	1,003,952
1,634	Commonwealth Brands, Inc., LIBOR + 2.25%, 12/15/12	1,643,752
2,486	Cracker Barrel, Loan B, LIBOR + 1.50%, 5/15/13	2,477,505
500	Denny s Corp., LIBOR + 5.13%, 9/25/10	505,000
431	Douglas Dynamics LLC, LIBOR + 1.75%, 12/16/10	428,651
1,166	Eastman Kodak Co., Loan B1, LIBOR + 2.25%, 10/15/12	1,166,900
750	FTD, Inc., LIBOR, 8/15/13	751,875
350	Gold Toe, LIBOR + 6.00%, 4/30/14	355,250
645	Hertz Corp., LIBOR + 2.25%, 12/31/12	649,600
792	Keystone Foods Holdings LLC, LIBOR + 1.75%, 6/30/11	791,564
842	Language Line, Inc., Loan B, LIBOR + 4.25%, 6/14/11	846,213
1,250	Le-Natures, Inc., Loan B, LIBOR + 4.00%, 9/30/11	1,187,500
1,179	Maidenform, Inc., LIBOR + 1.75%, 5/14/10	1,177,097
2,731	Michael Foods, Inc., Loan B1, LIBOR + 2.00%, 11/30/10	2,733,684
643	Movie Gallery, Inc., Loan B, LIBOR + 5.25%, 4/30/11	600,145
1,661	Neiman-Marcus Group, Inc., LIBOR + 2.50%, 4/15/13	1,673,715
1,544	New Page, Loan B, LIBOR + 3.00%, 4/30/12	1,559,764
782	Nice Pak Products, LIBOR + 3.75%, 6/15/10	783,032
	Olympus Cable Holdings LLC,	
2,000	Loan A, PRIME + 1.25%, 6/30/10	1,942,500
3,500	Loan B, PRIME + 2.00%, 9/30/10	3,411,954
1,500[2]	Orchard Supply Hardware Stores Corp., Loan B2, LIBOR + 2.45%, 12/09/07	1,500,000
998	Oriental Trading Co., LIBOR + 2.75%, 1/30/14	998,331
	OSI Group LLC,	
1,470	LIBOR + 1.75%, 9/15/11	1,467,243
1,470	Loan B, LIBOR + 1.75%, 9/15/11	1,467,244

602	Pierre Foods, Inc., Loan B, LIBOR + 2.00%, 7/15/10	602,419
750	Pivotal Promontory LLC, LIBOR + 6.50%, 9/15/11	725,000
1,463	Prestige Brands Holdings, Inc., Loan B, LIBOR + 2.25%, 4/07/11	1,467,984
250	Quality Home Brands Holdings LLC, LIBOR + 6.25%, 6/15/13	251,875
1,995	Quiznos Corp., LIBOR + 2.25%, 5/01/12	1,987,876
3,335	RH Donnelley, Inc., Loan D2, LIBOR + 1.50%, 12/31/11	3,320,530
1,950	Sturm Foods, Inc., LIBOR + 2.25%, 5/31/11	1,952,550
1,493	Supervalu, Inc., Loan B, LIBOR + 1.75%, 6/15/12	1,495,766

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Principal Amount (000)	Description	Value
	Consumer Products (cont d)	
$ 615	Synventive Acquisition, Inc., LIBOR + 14.0%, 1/31/14	$ 499,444
	Travelcenters of America, Inc.,	
248	Loan B, LIBOR + 1.75%, 6/30/11	247,268
249	Loan B, LIBOR + 1.75%, 11/30/11	248,517
905	Tupperware Corp., LIBOR + 1.50%, 11/07/12	898,993
498	Warnaco, Inc., Loan B, LIBOR + 1.50%, 1/31/12	494,391
	Waterpik Technologies, Inc.,	
451	LIBOR + 2.25%, 4/15/13	450,875
750	LIBOR + 6.50%, 10/15/13	757,500
	Total Consumer Products	57,038,749
	Containers & Packaging 2.0%	
	Altivity Packaging LLC,	
345	LIBOR + 2.25%, 6/30/13	347,498
1,500	LIBOR + 5.00%, 12/30/13	1,515,937
1,152	Loan B, LIBOR + 2.25%, 6/30/13	1,161,377
200	Covalence Specialty Materials Corp., LIBOR + 3.25%, 8/15/13	202,167
	Georgia-Pacific Corp.,	
2,488	LIBOR + 2.00%, 2/28/13	2,500,022
994	LIBOR + 3.00%, 2/28/14	1,005,939
	Graham Packaging Co. LP,	
1,965	Loan B, LIBOR + 2.25%, 10/01/11	1,973,772
1,429	Loan C, LIBOR + 4.25%, 4/01/12	1,438,393
1,324	Graphic Packaging Intl., Inc., Loan C, LIBOR + 2.50%, 8/08/10	1,337,894
568	Smurfit-Stone Container Corp., LIBOR + 2.35%, 11/01/10	570,806
1,950	Solo Cup, Inc., LIBOR + 3.25%, 2/27/11	1,958,227
	Total Containers & Packaging	14,012,032
	Ecological Services & Equipment 0.1%	
500	Envirosolutions, Inc., LIBOR + 3.50%, 7/15/12	502,812
	Energy 3.6%	
429	AES Corp., LIBOR + 1.75%, 4/30/08	428,839
952	Cellnet Technology, Inc., Loan B, LIBOR + 3.00%, 4/30/12	958,039
	Coffeyville Resources LLC,	
600	LIBOR + 2.50%, 6/22/11	602,924
889	Loan C, LIBOR + 2.25%, 7/15/12	893,138
	Coleto Creek Power,	
127	LIBOR + 2.75%, 7/31/13	126,433
1,868	Loan B, LIBOR, 7/31/13	1,853,921
248	Complete Production Services, Inc., Loan B, LIBOR + 2.50%, 8/31/12	247,887
1,000	Exco Resources, Inc., LIBOR + 6.00%, 10/31/11	1,010,000
1,489	Key Energy Services, Inc., Loan B, LIBOR + 3.25%, 8/15/12	1,495,729
500	Longyear Global Holdings, Inc., LIBOR + 7.00%, 10/06/13	495,000
976	LSP General Finance Co. LLC, LIBOR + 1.75%, 4/15/13	972,869
498	Meg Energy Corp., Loan B, LIBOR + 2.25%, 4/15/13	498,211
	Northeast Energy,	
1,500	PRIME + 1.50%, 10/31/13	1,512,750
250	PRIME + 3.50%, 10/31/14	252,125
5,976	NRG Energy, Inc., LIBOR + 2.00%, 1/31/13	6,004,309
346	Petro Geological Services, Loan B, LIBOR + 2.50%, 12/31/12	347,428

	Plum Point Energy Associates,	
194	LIBOR + 3.75%, 3/14/14	196,229
716	Loan B, LIBOR + 3.25%, 3/14/14	722,834
1,000	Regency Gas, LIBOR, 8/15/13	1,010,625
1,980	Reliant Energy, Inc., LIBOR + 2.38%, 4/30/10	1,978,521
979	Semcrude LP, LIBOR + 2.25%, 2/28/11	982,158
1,492	Trinidad Energy Services Income Trust, LIBOR + 2.50%, 4/15/11	1,496,231
	Wolf Hollow I LP,	
400	LIBOR + 2.25%, 6/15/12	392,000
100	LIBOR + 2.25%, 6/22/12	98,000
477	Loan B, LIBOR + 2.25%, 6/15/12	467,682
	Total Energy	25,043,882

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Principal Amount (000)	Description	Value
	Entertainment & Leisure 2.7%	
$ 3,221	CCM Merger, Inc., Loan B, LIBOR + 2.00%, 7/31/12	$ 3,214,107
1,125	Cinemark, Inc., Loan B, LIBOR, 10/05/13	1,131,856
500	Edge Las Vegas, LIBOR + 3.50%, 6/01/09	490,000
1,442	Fairmont Hotels & Resorts, Inc., Loan B, LIBOR + 3.25%, 7/15/11	1,449,039
2,000	Greektown Holdings LLC, Loan B, LIBOR + 2.50%, 12/15/12	2,012,500
488	Green Valley Ranch Gaming LLC, Loan B, LIBOR + 1.75%, 12/01/10	487,566
495	Hit Entertainment Ltd., LIBOR + 2.25%, 3/20/12	495,309
4,975	Metro-Goldwyn-Mayer Studios, Inc., Loan B, LIBOR + 3.25%, 4/15/12	4,909,260
1,481	Penn National Gaming, Inc., Loan B, LIBOR + 1.75%, 5/31/12	1,488,110
750	Time Warner, Inc., LIBOR + 2.25%, 10/31/13	755,062
325	Travelport, Inc., LIBOR + 3.00%, 8/31/13	325,871
500	Wembley, Inc., LIBOR + 2.50%, 8/31/11	504,375
1,099	Wyndham Intl., Inc., Loan E, LIBOR + 4.50%, 9/11/07	1,104,847
473	Yellowstone Mountain Club, LIBOR + 2.38%, 10/15/10	464,458
	Total Entertainment & Leisure	18,832,360
	Financial Institutions 5.6%	
995	Advantage Sales & Marketing, Inc., LIBOR + 2.00%, 4/15/13	990,440
1,500	Alix Partners, LIBOR, 10/30/13	1,507,500
440	Ameritrade, Loan B, LIBOR + 1.50%, 1/31/13	439,148
982	Arias Acquisitions, Inc., LIBOR + 3.75%, 7/30/11	947,524
	Asurion Corp.,	
1,155	LIBOR + 3.00%, 8/30/12	1,159,107
500	LIBOR + 6.25%, 2/28/13	505,625
1,000	Bankruptcy Management, LIBOR + 2.75%, 6/30/11	1,008,125
975	Billing Services Group, LIBOR + 2.50%, 5/03/12 (EUR)	1,244,392
1,000	BNY Convergex Group LLC, LIBOR, 8/31/13	1,000,313
500	Brock Holdings, LIBOR + 2.50%, 8/30/13	501,875
500	CCC Information Services Group, Inc., Loan B, LIBOR + 2.50%, 2/15/13	501,666
4,000	Century Corp., PRIME + 2.00%, 12/31/09	3,901,428
1,250	Charter Mac, Loan B, LIBOR + 2.50%, 8/15/12	1,253,125
750	Conseco, Inc., LIBOR, 9/30/13	751,875
1,244	Global Cash Access LLC, PRIME + 0.75%, 3/15/10	1,242,525
872	Jostens, Inc., Loan C, LIBOR + 2.00%, 10/15/11	875,302
877	Lucite Intl. Finance PLC, LIBOR + 9.00%, 7/15/14 (EUR)	1,101,359
748	N.E.W. Holdings I LLC, LIBOR, 8/31/13	751,398
	Nasdaq Stock Market, Inc.,	
1,243	Loan B, LIBOR + 1.75%, 4/18/12	1,243,002
721	Loan C, LIBOR + 1.75%, 4/18/12	720,608
6,000	Navistar Financial Corp., LIBOR + 5.00%, 2/28/09	6,060,000
1,178	Professional Service, Inc., Loan B, LIBOR + 2.75%, 10/31/12	1,179,598
438	Renfro Corp., LIBOR + 3.25%, 10/05/13	436,289
	Riverstone C/R GS Holdings,	
91	LIBOR, 5/13/11	90,852
593	LIBOR + 1.75%, 5/12/13	591,110
64	TBD, 5/12/13	63,597
1,122	Sedgewick Claims Management Services, Inc., Loan B, LIBOR + 2.00%, 2/28/13	1,121,691
1,000	Targa Resources, Inc., LIBOR + 2.25%, 10/31/07	999,688
	TPG Springs, (GBP)	
997	Loan B, LIBOR, 3/22/13	1,899,697
997	Loan C, LIBOR, 7/22/14	1,908,413
998	Transfirst Holdings, Inc., Loan B, LIBOR + 2.50%, 8/09/12	1,004,981
438	Universal American Financial Corp., LIBOR + 2.25%, 5/25/09	438,594
905	USI Holdings Corp., Loan B, LIBOR + 2.25%, 7/30/08	908,515
748	Vertellus, LIBOR + 3.25%, 7/08/13	751,866

	Total Financial Institutions	39,101,228
	Health Care 3.5%	
1,137	CCS Medical, Loan B, LIBOR + 3.25%, 10/31/12	1,092,671
2,940	Community Health Systems, Inc., LIBOR + 1.75%, 8/15/11	2,940,000
2,331	Concentra Operating Corp., Loan B, LIBOR + 2.00%, 9/30/11	2,339,782
1,710	Davita, Inc., Loan B, LIBOR + 2.00%, 6/30/12	1,717,363
523	Duloxetine Royalty, LIBOR + 4.50%, 10/15/13	523,161

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Principal Amount (000)	Description	Value
	Health Care (cont d)	
$ 985	Eye Care Centers of America, Inc., LIBOR + 3.00%, 2/28/12	$ 985,616
498	Global Healthcare Exchange LLC, Loan B, LIBOR + 1.25%, 3/15/13	497,500
1,995	Healthsouth Corp., Loan B, LIBOR + 3.25%, 3/15/13	2,002,204
978	IASIS Healthcare Corp., Loan B, LIBOR + 2.25%, 6/30/11	980,921
2,200	Jean Coutu Group, Inc., Loan B, LIBOR + 2.50%, 6/30/11	2,204,748
459	Multiplan, Inc., LIBOR + 2.50%, 4/15/13	459,851
748	National Renal Institutes, Inc., Loan B, LIBOR + 2.25%, 4/15/13	747,657
	Quintiles Transnational Corp.,	
995	LIBOR + 2.00%, 3/31/13	994,502
250	LIBOR + 4.00%, 3/31/14	253,985
496	Radnet Management, Inc., Loan B, LIBOR + 4.00%, 3/15/11	497,491
985	Select Medical Corp., Loan B, LIBOR + 1.75%, 2/28/12	965,054
990	Vanguard Health Holding Co. II LLC, LIBOR + 2.25%, 9/30/11	989,729
	Warner Chilcott Corp.,	
88	LIBOR + 2.50%, 1/18/11	88,294
439	LIBOR + 2.50%, 1/18/12	440,311
1,896	Loan B, LIBOR + 2.50%, 1/18/11	1,904,918
521	Loan C, LIBOR + 2.50%, 1/18/11	522,995
978	Wellcare Holdings LLC, LIBOR + 2.50%, 5/13/09	977,500
	Total Health Care	24,126,253
	Industrials 1.6%	
1,000	Acosta, Inc., LIBOR + 2.75%, 8/15/13	1,008,750
500	Applied Systems, Inc., Loan B, LIBOR, 9/30/13	501,563
993	Bolthouse Farms, Inc., LIBOR + 2.25%, 12/01/12	993,741
	Buhrmann U.S., Inc.,	
500	Loan D, LIBOR, 12/23/10	500,000
2,269	Loan D1, LIBOR + 1.75%, 12/30/10	2,269,443
1,900	Drummond Co., Inc., LIBOR + 1.75%, 2/15/12	1,852,500
	Novelis, Inc.,	
182	Loan B, LIBOR + 2.25%, 1/13/10	182,210
365	Loan B, LIBOR + 2.25%, 12/30/11	365,849
625	QTC Acquisition, Inc., LIBOR + 6.50%, 5/04/13	625,000
	Standard Steel LLC,	
83	1.00%, 6/30/12	83,958
416	Loan B, LIBOR + 2.50%, 7/15/12	418,742
1,337	Thermo Fluids, Inc., Loan B, LIBOR + 3.00%, 8/15/11	1,336,752
	Trimas Corp.,	
94	LIBOR + 2.75%, 7/31/11	94,219
406	Loan B, LIBOR, 7/31/13	408,281
473	United Rentals NA, Inc., LIBOR + 2.00%, 2/12/11	473,754
268	Worldspan LP, LIBOR + 2.75%, 6/30/07	267,337
	Total Industrials	11,382,099
	Media 7.4%	
	American Lawyers Media, Inc.,	
1,711	LIBOR + 2.50%, 3/15/10	1,706,921
2,000	LIBOR + 5.75%, 3/07/11	2,009,584
450	Bresnan Communications Group LLC, LIBOR + 2.00%, 10/15/13	449,156
3,980	Cablevision Systems Corp., LIBOR + 1.75%, 3/31/13	3,976,271
5,500	Cequel Communications LLC, LIBOR + 2.25%, 11/01/13	5,488,877
3,500	Charter Communications Holdings LLC/Charter Communication Holdings Capital Corp.,	
	LIBOR + 2.63%, 4/28/13	3,528,329
732	CMP Susquehanna Corp., Loan B, LIBOR + 2.00%, 5/05/12	732,969
	Dex Media West LLC/Dex Media Finance Co.,	

817	Loan B1, LIBOR + 1.50%, 9/09/10	813,405
3,249	Loan B2, LIBOR + 1.50%, 9/01/09	3,233,909
1,324	DirecTV Holdings LLC, Loan B, LIBOR + 1.50%, 3/06/10	1,324,255
1,250	Gatehouse Media Operating, Inc., LIBOR + 2.25%, 12/15/13	1,250,521
4,000	German Media Partners LP, LIBOR, 6/06/13 (EUR)	5,117,962
498	Liberty Cablevision of Puerto Rico Ltd., LIBOR + 2.25%, 2/15/13	499,055
2,000	Mediacom Broadband LLC, Loan D1, LIBOR + 1.75%, 1/31/15	1,989,688
1,975	Mediacom Illinois LLC, Loan C, LIBOR + 1.75%, 1/15/15	1,968,123

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Principal Amount (000)	Description	Value
	Media (cont d)	
$ 1,926	Mission Broadcasting, Inc., Loan B, LIBOR + 1.75%, 8/14/12	$ 1,919,232
500	NEP Supershooters LP, LIBOR + 8.00%, 8/01/11	505,000
	New Wave Communications/Telecommunications Management LLC,	
300	TBD, 6/20/13	300,000
948	LIBOR + 3.25%, 6/20/13	947,625
1,826	Nexstar Finance, Inc., Loan B, LIBOR + 1.75%, 8/14/12	1,818,979
	Nielsen Finance LLC/Nielsen Finance Co.,	
500	LIBOR + 2.75%, 8/15/13	501,719
3,000	Loan B, LIBOR + 2.75%, 8/15/13	3,010,314
500	NTL Investment Holding Ltd., Loan B4, PRIME, 9/03/12	502,344
748	PAETEC Communications, Inc., Loan B, LIBOR + 3.50%, 6/30/12	751,866
1,000	Persona Communications, Inc., LIBOR, 4/30/14	1,003,750
497	Prism Business Media, Inc., Loan B, LIBOR + 2.25%, 10/15/12	497,074
750	Puerto Rico Cable Acquisition Co., LIBOR + 6.25%, 7/31/11	753,750
500	Wide Open West Finance LLC, Loan B, LIBOR + 2.25%, 4/30/13	499,732
1,945	WMG Acquisition Corp., LIBOR + 2.00%, 4/08/11	1,951,336
	Yell Group PLC,	
1,000	Loan B, LIBOR + 2.00%, 2/10/13	1,004,229
1,500	Loan B, LIBOR + 2.00%, 2/21/13 (EUR)	1,929,658
	Total Media	51,985,633
	Real Estate 0.8%	
2,250	Foster Wheeler Ltd., LIBOR - 0.10%, 10/13/11	2,255,625
	Kyle Acquisition Group LLC,	
270	Loan B, PRIME, 7/31/08	268,828
50	PRIME, 7/31/10	49,937
1,000	Landsource Communities Development LLC, Loan B, LIBOR + 2.50%, 3/31/10	978,333
492	Masonite Intl. Corp., LIBOR + 2.00%, 3/31/13	480,919
602	Stewart Enterprises, Inc., Loan B, LIBOR + 1.75%, 11/30/11	601,478
1,000	Williams Scotsman, Inc., Loan B, LIBOR + 1.50%, 6/30/10	993,750
	Total Real Estate	5,628,870
	Technology 1.8%	
744	Affiliated Computer Services, Inc., Loan B, LIBOR + 2.00%, 3/31/13	745,364
375	Coinstar, Inc., LIBOR + 2.25%, 7/15/11	376,183
748	Crown Castle Intl. Corp., Loan B, LIBOR + 2.25%, 6/15/13	750,663
500	Electrical Components Intl. Holdings Co., LIBOR + 6.50%, 5/19/14	501,250
493	Federal IT Systems, Inc., LIBOR + 2.50%, 4/30/11	491,889
995	Nuance Communications, Inc., LIBOR + 2.00%, 12/29/13	988,159
2,494	Sensata Technologies BV, Loan B, LIBOR + 1.75%, 4/30/13	2,477,775
2,469	Sungard Data Systems, Inc., Loan B, LIBOR + 2.50%, 1/05/13	2,490,147
	Verifone, Inc.,	
2,000	LIBOR + 1.75%, 2/28/13	2,000,000
1,427	Loan B, LIBOR + 1.75%, 6/30/11	1,424,831
204	Westcom Corp., Loan B, LIBOR + 2.75%, 12/31/10	204,092
	Total Technology	12,450,353
	Telecommunications 4.4%	
	American Cellular Corp.,	
375	1.00%, 8/15/07	375,703
125	LIBOR + 2.25%, 8/15/07	125,547
995	Atlantic Broadband Finance LLC, Loan B1, LIBOR + 2.75%, 1/30/11	1,007,438
	BCM Luxembourg Ltd., (EUR)	

2,000	Loan B, LIBOR + 2.38%, 9/15/15	2,564,201
2,000	Loan C, LIBOR + 3.08%, 9/15/14	2,546,999
448	Cavalier Telecom, Loan B, LIBOR + 4.50%, 3/31/12	452,787
527	Centennial Cellular Operating Co., LIBOR + 2.25%, 2/09/11	530,818
	Communication Supply Corp.,	
96	Loan B, PRIME + 1.75%, 2/28/12	96,154
403	PRIME + 1.75%, 2/28/12	402,837
1,481	Consolidated Communications, Inc., Loan D, LIBOR + 2.00%, 4/07/12	1,483,102
500	Country Road Communications LLC, LIBOR + 7.75%, 7/15/13	505,000
750	Fairpoint Communications, Inc., LIBOR + 1.75%, 2/15/12	748,594

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Telecommunications (cont d)	
		Insight Midwest Holdings LLC,	
	$ 3,000	Loan B, LIBOR + 2.25%, 4/03/14	$ 3,018,984
	1,000	Loan B, LIBOR + 2.25%, 4/06/14	1,006,328
	2,000	Iowa Telecommunications Services, Inc., Loan B, LIBOR + 1.75%, 11/30/11	2,000,416
	750	IPC Acquisition Corp., LIBOR, 9/30/13	754,063
	990	Madison River Capital LLC, Loan B1, LIBOR + 2.25%, 7/31/12	994,190
	1,734	NTELOS, Inc., LIBOR + 2.25%, 2/24/10	1,739,786
		NTL, Inc., (GBP)	
	968	Loan B2, LIBOR + 2.13%, 9/03/12	1,840,887
	2,000	Loan C, LIBOR + 2.75%, 3/03/13	3,855,633
	748	Nuvox Communications, LIBOR + 5.00%, 5/15/12	749,060
	3,000	West Corp., LIBOR + 2.75%, 10/31/13	2,999,463
		Wind Acquisition Finance SA (EUR),	
	861	Loan A1, LIBOR + 2.25%, 5/25/12	1,095,569
	139	Loan A2, LIBOR + 2.25%, 12/31/10	177,380
		Total Telecommunications	31,070,939
		Transportation 0.8%	
	875	Delta Air Lines, Inc., Loan A, LIBOR + 2.75%, 3/16/08	882,193
	655	Sirva Worldwide, Inc., LIBOR + 6.00%, 11/30/10	600,079
	603	Transport Industries LP, Loan B, LIBOR + 2.50%, 9/30/11	604,650
	995	UAL Corp., LIBOR + 3.75%, 1/31/12	1,009,935
	2,338	Vanguard Car Rental Holdings, Inc., Loan B, LIBOR + 3.00%, 6/30/13	2,352,694
		Total Transportation	5,449,551
		Total Bank Loans	373,691,153
		Mortgage Pass-Through Securities 21.0%	
		Federal National Mortgage Assoc.,	
	1,338	5.50%, 12/01/28-11/01/33	1,327,329
	8,270[5]	5.50%, 2/01/32-10/01/33	8,197,006
	17,000[5]	7.25%, 1/15/10	18,185,699
	121,000	TBA, 5.00%, 11/16/21	119,147,248
		Total Mortgage Pass-Through Securities	146,857,282
		Non-Agency Multiple Class Mortgage Pass-Through Securities 1.9%	
		GSR Mortgage Loan Trust,	
AAA	6,748[3,5]	Ser. 10, Class 2A1, 4.474%, 10/25/33	6,457,229
AAA	6,752[3,5]	Ser. 13, Class 1A1, 4.502%, 10/25/33	6,491,258
		Total Non Agency Multiple Class Mortgage Pass-Through Securities	12,948,487
		Interest Only Asset-Backed Securities 0.4%	
		Sterling Coofs Trust,	
NR	37,113	Ser. 1, 2.362%, 4/15/29	1,670,072
AAA	32,152[3]	Ser. 2, 2.418%, 3/30/30	1,406,660
		Total Interest Only Asset-Backed Securities	3,076,732
		U.S. Government and Agency Securities 5.4%	

		U.S. Treasury Notes,	
	20,425[5]	3.375%, 12/15/08-9/15/09	19,878,320
	10,000[5]	3.75%, 3/31/07	9,945,310
	6,000[5]	3.875%, 5/15/09	5,892,654
	1,815[5]	4.25%, 8/15/15	1,769,342
		Total U.S. Government and Agency Securities	37,485,626
		Foreign Government Bonds 2.4%	
BB-	714	Bolivarian Republic of Venezuela, 6.438%, 12/18/07	711,724
BB	5,000[5]	Republic of Colombia, 9.75%, 4/23/09	5,470,000
BB+	5,000[5]	Republic of Peru, 9.125%, 2/21/12	5,775,000
BB-	5,093[5]	Turkey, 7.00%, 9/26/16	5,118,465
		Total Foreign Government Bonds	17,075,189

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Units (000)	Description	Value
	Warrants 0.0%	
10[2,7]	Reliant Resources, Inc., expires 8/25/08, strike price $0.001, 1 share for 1 warrant	$ 76,105
Shares		
	Common Stock 0.0%	
7,579[2,7]	Critical Care Systems Intl., Inc.	60,632
	Preferred Security 0.0%	
125,000	Superior Essex Holding Corp., Ser. A, 9.50%	100,000
	Total Investments 148.9% (cost $1,038,785,288[8])	$ 1,041,185,277
	Liabilities in excess of other assets (48.9)%	(341,979,177)
	Net Assets 100%	$ 699,206,100

1 Using the highest of S&P s, Moody s or Fitch s ratings.
2 Security is fair valued.
3 Variable rate security. Rate shown is interest rate as of October 31, 2006.
4 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2006, the Trust held 16.5% of its net assets, with a current market value of $115,420,303, in securities restricted as to resale.
5 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.
6 Illiquid security. As of October 31, 2006, the Trust held 0.8% of its net assets, with a current market value of $5,866,699, in these securities.
7 Non-income producing security.
8 Cost for federal income tax purposes is $1,038,986,573. The net unrealized appreciation on a tax basis is $2,198,704, consisting of $14,069,191 gross unrealized appreciation and $11,870,487 gross unrealized depreciation.

A category in the Corporate Bonds and Bank Loans sections may contain multiple industries as defined by the SEC s Standard Industry Codes.

KEY TO ABBREVIATIONS

EUR	Euro
GBP	British Pound
LIBOR	London Interbank Offered Rate
PRIME	Prime Rate
TBA	To Be Announced
TBD	To Be Determined

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2006

BlackRock Strategic Bond Trust (BHD)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 112.5%	
		Corporate Bonds 107.6%	
		Aerospace & Defense 6.8%	
NR	$ 250[2]	AAR Corp., Ser. A2, 8.39%, 5/15/11	$ 252,500
B	80	Argo-Tech Corp., 9.25%, 6/01/11	83,000
B	1,164	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	1,210,560
		DRS Technologies, Inc.,	
B	50	6.875%, 11/01/13	50,000
B	80	7.625%, 2/01/18	81,800
A-	2,000[3]	Lockheed Martin Corp., 6.15%, 9/01/36	2,125,172
BBB+	1,000	Northrop Grumman Corp., 7.125%, 2/15/11	1,070,837
BBB	650	Raytheon Co., 4.85%, 1/15/11	639,824
BB	50	Sequa Corp., 9.00%, 8/01/09	52,750
A+	1,000	United Technologies Corp., 6.35%, 3/01/11	1,045,147
		Total Aerospace & Defense	6,611,590
		Automotive 2.3%	
B	45[3]	Ashtead Capital, Inc., 9.00%, 8/15/16	47,362
		Autonation, Inc.,	
BB+	110	7.00%, 4/15/14	109,450
BB+	110[4]	7.374%, 4/15/13	110,825
BB-	20[3,4]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 7.905%, 5/15/14	19,550
BBB+	1,000[5]	DaimlerChrysler NA Holding Corp., 7.30%, 1/15/12	1,067,041
B	145	Lear Corp., Ser. B, 8.11%, 5/15/09	146,994
CCC+	200	Metaldyne Corp., 10.00%, 11/01/13	205,000
BB-	492	TRW Automotive, Inc., 9.375%, 2/15/13	527,055
		Total Automotive	2,233,277
		Basic Materials 5.9%	
B+	320	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	254,400
B+	320	AK Steel Corp., 7.75%, 6/15/12	320,000
B-	80[3,4]	BCI US Finance Corp./Borden 2 Nova Scotia Finance ULC, 11.874%, 7/15/10	81,600
BB-	60[4]	Bowater, Inc., 8.39%, 3/15/10	60,600
BB+	20	Chemtura Corp., 6.875%, 6/01/16	19,550
B-	150	CPG Intl. I, Inc., 10.50%, 7/01/13	153,000
		Domtar, Inc.,	
B2	40	7.125%, 8/15/15	38,200
B2	140	7.875%, 10/15/11	142,975
B+	120	Donohue Forest Products, 7.625%, 5/15/07 (Canada)	120,000
		Huntsman LLC,	
Ba3	50	11.625%, 10/15/10	55,125
B2	99	12.00%, 7/15/12	112,118
BB	70	IMC Global, Inc., Ser. B, 10.875%, 6/01/08	75,513
B2	595[3]	Ineos Group Holdings PLC, 8.50%, 2/15/16 (United Kingdom)	572,687
B3	1,155	Innophos, Inc., 8.875%, 8/15/14	1,152,112
		Lyondell Chemical Co.,	
BB-	170	8.00%, 9/15/14	173,825
BB-	290	8.25%, 9/15/16	298,700
BB+	177	9.50%, 12/15/08	181,646
BB+	130	10.50%, 6/01/13	143,000
BB	150	Millennium America, Inc., 9.25%, 6/15/08	154,500

B-	55	Nalco Co., 8.875%, 11/15/13	57,888
B3	280	NewPage Corp., 10.00%, 5/01/12	293,300
		Nova Chemicals Corp.,	
BB	40	6.50%, 1/15/12	37,600
BB	475[4]	8.405%, 11/15/13	483,312
CCC+	565[3]	Pregis Corp., 12.375%, 10/15/13	598,900
B+	20	Rhodia SA, 10.25%, 6/01/10 (France)	22,650
B-	30[3]	Verso Paper Holdings LLC/Verson Paper, Inc., 11.375%, 8/01/16	30,450
BBB	169	Weyerhaeuser Co., 6.125%, 3/15/07	169,080
		Total Basic Materials	5,802,731

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Building & Development 2.6%	
BB+	$ 1,000	Beazer Homes USA, Inc., 8.625%, 5/15/11	$ 1,020,000
B	595	ERICO Intl. Corp., 8.875%, 3/01/12	620,288
B-	465	Goodman Global Holding Co., Inc., 7.875%, 12/15/12	446,400
B3	140	Nortek, Inc., 8.50%, 9/01/14	133,700
		North American Energy Partners, Inc.,	
Caa1	125	8.75%, 12/01/11	123,750
B1	200	9.00%, 6/01/10	218,000
		Total Building & Development	2,562,138
		Conglomerates 0.4%	
A+	325	Honeywell Intl., Inc., 7.50%, 3/01/10	348,223
		Consumer Products 7.5%	
B3	90	ALH Finance LLC, 8.50%, 1/15/13	89,325
CCC+	350[4]	Ames True Temper, Inc., 9.374%, 1/15/12	353,500
B2	120[3]	Education Management LLC/Education Management Corp., 8.75%, 6/01/14	123,000
B-	215	Finlay Fine Jewelry Corp., 8.375%, 6/01/12	193,500
BBB+	1,000	General Mills, Inc., 5.125%, 2/15/07	998,966
B	320	Gold Kist, Inc., 10.25%, 3/15/14	367,200
B2	480[3]	Knowledge Learning Corp., Inc., 7.75%, 2/01/15	454,800
B-	369	Lazydays RV Center, Inc., 11.75%, 5/15/12	357,930
B	270[4]	Levi Strauss & Co., 10.122%, 4/01/12	278,438
		Michaels Stores, Inc.,	
B2	340[3]	10.00%, 11/01/14	340,425
Caa1	430[3]	11.375%, 11/01/16	434,837
B3	30[3,4]	Nutro Products, Inc., 9.40%, 10/15/13	30,825
B	500	Pantry, Inc., 7.75%, 2/15/14	506,250
BB-	100	Quiksilver, Inc., 6.875%, 4/15/15	96,250
BB+	200[3]	Reynolds American, Inc., 7.625%, 6/01/16	212,355
B1	1,400	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	1,424,500
CCC	200	Spectrum Brands, Inc., 7.375%, 2/01/15	162,000
		United Rentals NA, Inc.,	
B	875	7.00%, 2/15/14	837,812
B	25	7.75%, 11/15/13	24,938
		Total Consumer Products	7,286,851
		Containers & Packaging 1.3%	
		Berry Plastics Holding Corp.,	
B2	190[3]	8.875%, 9/15/14	191,900
B2	130[3,4]	9.265%, 9/15/14	131,462
B+	400	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	410,500
CCC+	55	Graham Packaging Co., Inc., 8.50%, 10/15/12	54,725
B1	130[3,4]	Impress Holdings BV, 8.512%, 9/15/13	131,026
B+	301	Smurfit-Stone Container Enterprises, Inc., 9.75%, 2/01/11	310,406
		Total Containers & Packaging	1,230,019
		Ecological Services & Equipment 2.2%	
B	1,500	Casella Waste Systems, Inc., 9.75%, 2/01/13	1,575,000
Caa1	550	Waste Services, Inc., 9.50%, 4/15/14	563,750
		Total Ecological Services & Equipment	2,138,750

		Energy 13.5%	
		ANR Pipeline Co.,	
Ba1	185	7.375%, 2/15/24	193,382
Ba1	655	9.625%, 11/01/21	815,182
B	100	Berry Petroleum Co., 8.25%, 11/01/16	99,750
CCC+	250	Chaparral Energy, Inc., 8.50%, 12/01/15	249,375
		Chesapeake Energy Corp.,	
BB	130	6.375%, 6/15/15	125,450
BB	20	6.875%, 11/15/20	19,000
BB-	35	ChipPAC, Inc., 2.50%, 6/01/08	34,475
BB-	95	CMS Energy Corp., 7.50%, 1/15/09	97,613
BB-	190	Compagnie Generale de Geophysique SA, 7.50%, 5/15/15 (France)	187,625
B	450	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	426,375
A1	1,000	ConocoPhillips Holding Co., 6.95%, 4/15/29	1,154,368

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Energy (cont d)	
BBB+	$ 1,000	Dominion Resources, Inc., 5.70%, 9/17/12	$ 1,012,948
BBB	250	DTE Energy Co., 7.05%, 6/01/11	265,397
BB-	150[3]	Edison Mission Energy, 7.50%, 6/15/13	154,125
		El Paso Corp.,	
B	165	7.75%, 1/15/32	172,012
B	205	7.80%, 8/01/31	213,712
B	165	9.625%, 5/15/12	183,150
B	100	10.75%, 10/01/10	111,500
Ba1	175	El Paso Natural Gas Co., 8.375%, 6/15/32	202,524
Ba1	33	Elwood Energy LLC, 8.159%, 7/05/26	34,779
		Encore Acquisition Co.,	
B1	30	6.00%, 7/15/15	27,375
B1	40	7.25%, 12/01/17	38,500
B-	275	Exco Resources, Inc., 7.25%, 1/15/11	264,687
BBB-	1,075	FirstEnergy Corp., Ser. C, 7.375%, 11/15/31	1,257,446
BB+	60	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	57,375
B	97[3]	Hilcorp Energy I LP/Hilcorp Finance Corp., 10.50%, 9/01/10	104,033
B-	195	KCS Energy, Inc., 7.125%, 4/01/12	187,200
		Midwest Generation LLC,	
BB+	370	8.75%, 5/01/34	400,062
Ba2	426	Ser. B, 8.56%, 1/02/16	459,809
		Mirant Americas Generation LLC,	
Caa1	185	8.30%, 5/01/11	187,312
Caa1	110	8.50%, 10/01/21	108,350
Caa1	90	9.125%, 5/01/31	93,150
BB-	120	Mission Energy Holdings Co., 13.50%, 7/15/08	133,800
		NRG Energy, Inc.,	
B+	50	7.25%, 2/01/14	50,563
B+	285	7.375%, 2/01/16	288,206
A-	250	Occidental Petroleum Corp., 6.75%, 1/15/12	267,218
B2	140	Orion Power Holdings, Inc., 12.00%, 5/01/10	158,900
Baa2	1,000	Progress Energy, Inc., 7.75%, 3/01/31	1,217,886
		Reliant Energy, Inc.,	
BB-	285	6.75%, 12/15/14	271,819
BB-	130	9.25%, 7/15/10	134,550
B+	275[3]	SemGroup LP, 8.75%, 11/15/15	277,062
B	190[3,4]	Stone Energy Corp., 8.124%, 7/15/10	188,812
B3	400[3]	Targa Resources, Inc., 8.50%, 11/01/13	399,000
BBB-	30	Transcontinental Gas Pipe Line Corp., 7.25%, 12/01/26	31,050
B+	245	Utilicorp Finance Corp., 7.75%, 6/15/11 (Canada)	258,725
B1	330	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	325,950
		Williams Cos., Inc.,	
BB+	100	7.125%, 9/01/11	103,250
BB+	135	8.75%, 3/15/32	149,850
		Total Energy	13,194,682
		Entertainment & Leisure 3.6%	
		AMC Entertainment, Inc.,	
B3	120	9.50%, 2/01/11	120,450
B3	200	11.00%, 2/01/16	221,250
B3	60	Cinemark, Inc., Zero Coupon, 3/15/14	48,825
B3	225[3]	Greektown Holdings LLC, 10.75%, 12/01/13	237,937
B	100[3]	Pokagon Gaming Authority, 10.375%, 6/15/14	107,250
B3	55	Poster Financial Group, Inc., 8.75%, 12/01/11	57,338
Ba1	1,500	Royal Caribbean Cruises Ltd., 8.75%, 2/02/11 (Liberia)	1,637,583
BB	190	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	191,188
		Travelport, Inc.,	

B-	370[3]	9.875%, 9/01/14	364,912
B-	365[3]	11.875%, 9/01/16	359,525
BB-	140	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	137,200
		Total Entertainment & Leisure	3,483,458

See Notes to Financial Statements.

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BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Financial Institutions 19.9%	
B+	$ 106	AES Ironwood LLC, 8.857%, 11/30/25	$ 115,523
AA	185[3]	Allstate Financial Global Funding LLC, 5.25%, 2/01/07	184,941
		American Real Estate Partners LP/American Real Estate Finance Corp.,	
BB+	230	7.125%, 2/15/13	229,425
BB+	860	8.125%, 6/01/11	879,350
Aa3	650[3,4,5]	Barclays Bank PLC, 8.55%, 9/29/49 (United Kingdom)	732,463
B	190	BCP Crystal US Holdings Corp., 9.625%, 6/15/14 (Luxembourg)	208,525
B2	2,000	Bluewater Finance Ltd., 10.25%, 2/15/12 (Cayman Islands)	2,040,000
BB	495	Crum & Forster Holdings Corp., 10.375%, 6/15/13	513,562
BB	95	Fairfax Financial Holdings Ltd., 6.875%, 4/15/08 (Canada)	93,338
BB-	1,600[4]	Ford Motor Credit Co., 6.944%, 1/15/10	1,522,018
AAA	2,000[5]	General Electric Capital Corp., 3.45%, 7/16/07	1,974,496
BB	330	General Motors Acceptance Corp., 6.875%, 8/28/12	330,886
AA	1,500[5]	HSBC Bank, Inc., 3.875%, 9/15/09	1,453,827
		iPayment, Inc.,	
CCC+	175[3]	9.75%, 5/15/14	179,813
NR	690[2,3,4]	12.75%, 7/15/14	689,137
B-	225	K&F Acquisition, Inc., 7.75%, 11/15/14	227,812
A	325	MetLife, Inc., 6.125%, 12/01/11	337,793
B+	565[3]	Nell AF SARL, 8.375%, 8/15/15 (Luxembourg)	573,475
		Rainbow National Services LLC,	
B+	210[3]	8.75%, 9/01/12	220,763
B+	2,245[3]	10.375%, 9/01/14	2,497,562
B-	605	Standard Aero Holdings, Inc., 8.25%, 9/01/14	600,462
AA+	759[6]	Structured Asset Receivable Trust, 1.649%, 1/21/10	758,784
AAA	1,000[3,5]	TIAA Global Markets, Inc., 3.875%, 1/22/08	982,852
B-	50[4]	Universal City Florida Holding Co. I/II, 10.121%, 5/01/10	51,438
Aa1	2,000[5]	Wells Fargo & Co., 3.50%, 4/04/08	1,955,186
Aa3	50	Western Financial Bank, 9.625%, 5/15/12	55,097
		Total Financial Institutions	19,408,528
		Health Care 4.6%	
B	355[3]	Angiotech Pharmaceuticals, Inc., 7.75%, 4/01/14 (Canada)	337,250
		Healthsouth Corp.,	
CCC+	485[3]	10.75%, 6/15/16	497,125
CCC+	225[3,4]	11.418%, 6/15/14	230,063
AA	1,000[5]	Merck & Co., Inc., 4.375%, 2/15/13	952,488
B-	150	Tenet Healthcare Corp., 6.875%, 11/15/31	116,250
B-	290	Universal Hospital Services, Inc., 10.125%, 11/01/11	306,675
A-	1,000	WellPoint, Inc., 5.95%, 12/15/34	994,514
A	1,000	Wyeth, 6.50%, 2/01/34	1,095,154
		Total Health Care	4,529,519
		Industrials 2.7%	
B2	260[3]	AGY Holding Corp., 11.00%, 11/15/14	259,675
B	100	Hexcel Corp., 6.75%, 2/01/15	97,000
B3	650	Park-Ohio Industries, Inc., 8.375%, 11/15/14	604,500
CCC+	200	Polypore, Inc., 8.75%, 5/15/12	195,500
		RBS Global, Inc./Rexnord Corp.,	
B3	350[3]	9.50%, 8/01/14	362,250
CCC+	175[3]	11.75%, 8/01/16	182,000
B3	470[3]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	491,150
B3	440	Trimas Corp., 9.875%, 6/15/12	414,700

		Total Industrials	2,606,775
		Media 14.9%	
NR	400[7]	Adelphia Communications Corp., Ser. B, 10.50%, 7/15/04	312,000
		Affinion Group, Inc.,	
B-	435	10.125%, 10/15/13	461,100
B-	70	11.50%, 10/15/15	72,975
Caa2	475	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	451,250
BBB+	1,000	AOL Time Warner, Inc., 7.70%, 5/01/32	1,138,892
B+	120[4]	Cablevision Systems Corp., Ser. B, 9.87%, 4/01/09	125,700

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Media (cont d)	
		Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
CCC	$ 315	10.25%, 9/15/10	$ 325,237
CCC	105	Ser. B, 10.25%, 9/15/10	108,150
B3	500[3]	CMP Susquehanna Corp., 9.875%, 5/15/14	483,125
BBB+	1,000	Comcast Cable Communications, Inc., 6.875%, 6/15/09	1,039,617
B+	200	CSC Holdings, Inc., 7.875%, 12/15/07	202,750
B	50	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	54,313
BB	100	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	103,750
		Echostar DBS Corp.,	
BB-	550	5.75%, 10/01/08	546,562
BB-	210[3]	7.00%, 10/01/13	208,163
BB-	45[3]	7.125%, 2/01/16	43,988
CCC+	75[3]	Iesy Repository GMBH, 10.375%, 2/15/15 (Germany)	70,875
Ba3	165	LIN Television Corp., 6.50%, 5/15/13	156,544
B	130	Medianews Group, Inc., 6.875%, 10/01/13	120,738
B2	405	Network Communications, Inc., 10.75%, 12/01/13	407,531
BBB	1,500[5]	News America, Inc., 6.20%, 12/15/34	1,464,787
B3	560	Nexstar Finance, Inc., 7.00%, 1/15/14	515,900
CCC+	710[3]	Nielsen Finance LLC/Nielsen Finance Co., 10.00%, 8/01/14	740,175
B1	500[3,4]	Paxson Communications Corp., 8.624%, 1/15/12	505,625
		Primedia, Inc.,	
B2	210	8.00%, 5/15/13	195,825
B2	120	8.875%, 5/15/11	119,700
B2	150[4]	10.78%, 5/15/10	155,250
B	945	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	974,531
B	70	Sinclair Broadcast Group, Inc., 4.875%, 7/15/18	63,175
Caa1	175	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	170,625
BBB+	1,000	TCI Communications, Inc., 7.875%, 2/15/26	1,143,759
		Vertis, Inc.,	
B1	445	9.75%, 4/01/09	454,456
Caa3	40[3]	13.50%, 12/07/09	36,200
Caa1	370	Ser. B, 10.875%, 6/15/09	368,150
BBB	85	Viacom, Inc., 6.625%, 5/15/11	88,512
Caa1	1,160	Young Broadcasting, Inc., 10.00%, 3/01/11	1,096,200
		Total Media	14,526,130
		Real Estate 0.5%	
A	500	ERP Operating LP, 6.95%, 3/02/11	531,965
		Technology 4.8%	
BB-	30	Advanced Micro Devices, Inc., 7.75%, 11/01/12	30,525
CCC+	570	Amkor Technology, Inc., 9.25%, 6/01/16	530,100
B+	565	Celestica, Inc., 7.625%, 7/01/13 (Canada)	566,413
B+	100[3]	Hynix Semiconductor, Inc., 9.875%, 7/01/12 (South Korea)	110,750
B+	235[3]	NXP BV/NXP Funding LLC, 9.50%, 10/15/15	237,056
B-	130[3]	Sensata Technologies BV, 8.00%, 5/01/14 (Netherlands)	125,450
CCC+	295	SS&C Technologies, Inc., 11.75%, 12/01/13	317,125
		Sungard Data Systems, Inc.,	
B-	160	9.125%, 8/15/13	166,000
B-	410[4]	9.973%, 8/15/13	426,400
B-	580	10.25%, 8/15/15	607,550
B	1,010	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	1,032,725
B-	130[3,4]	UGS Capital Corp. II, 10.38%, 6/01/11	134,225
B-	410	UGS Corp., 10.00%, 6/01/12	442,800

		Total Technology	4,727,119
		Telecommunications 12.6%	
BB-	190	Cincinnati Bell, Inc., 7.25%, 7/15/13	195,700
CCC	280[3]	Cricket Communications, Inc., 9.375%, 11/01/14	286,300
B3	130[4]	Hawaiian Telcom Communications, Inc., Ser. B, 10.889%, 5/01/13	133,250

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Telecommunications (cont d)	
		Intelsat Ltd., (Bermuda)	
BB-	$ 240	8.625%, 1/15/15	$ 249,000
BB-	300[3]	9.25%, 6/15/16	320,250
BB-	95[4]	10.484%, 1/15/12	96,306
B	170[3]	11.25%, 6/15/16	185,088
B	680[3,4]	11.64%, 6/15/13	720,800
		Lucent Technologies, Inc.,	
B1	25	6.45%, 3/15/29	22,375
B1	905	6.50%, 1/15/28	809,975
B+	500[3]	Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (Denmark)	523,750
B-	160	Nortel Networks Corp., 6.875%, 9/01/23 (Canada)	132,000
		Nortel Networks Ltd.,	
B-	390[3,4]	9.624%, 7/15/11	402,675
B-	135[3]	10.125%, 7/15/13	143,100
		PanAmSat Corp.,	
B	125	9.00%, 8/15/14	130,625
B	355[3]	9.00%, 6/15/16	370,975
		Qwest Corp.,	
BB+	200	7.875%, 9/01/11	211,750
BB+	340[4]	8.64%, 6/15/13	366,350
BB+	85	Rogers Wireless, Inc., 7.25%, 12/15/12 (Canada)	89,250
A	1,500[5]	SBC Communications, Inc., 6.45%, 6/15/34	1,551,172
BBB+	1,000	Telecom Italia Capital SA, 4.95%, 9/30/14 (Luxembourg)	927,570
A+	2,000[5]	Verizon New England, Inc., 6.50%, 9/15/11	2,061,178
A-	1,000	Vodafone Group PLC, 7.75%, 2/15/10 (United Kingdom)	1,073,199
		West Corp.,	
B-	45[3]	9.50%, 10/15/14	44,775
B-	320[3]	11.00%, 10/15/16	321,600
B+	250[3]	Wind Acquisition Finance SA, 10.75%, 12/01/15 (Luxembourg)	277,813
		Windstream Corp.,	
BB+	360[3]	8.125%, 8/01/13	384,300
BB+	220[3]	8.625%, 8/01/16	237,325
		Total Telecommunications	12,268,451
		Transportation 1.5%	
BB-	125	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	124,688
A-	500	Canadian National Railway Co., 6.90%, 7/15/28 (Canada)	576,856
B1	475	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	453,625
B3	39	Horizon Lines LLC, 9.00%, 11/01/12	40,755
BB+	300	Overseas Shipholding Group, Inc., 8.25%, 3/15/13	315,000
		Total Transportation	1,510,924
		Total Corporate Bonds	105,001,130
		U.S. Government and Agency Securities 4.6%	
	410[5]	U.S. Treasury Bonds, 5.375%, 2/15/31	445,138
		U.S. Treasury Notes,	
	933[5]	2.625%, 11/15/06	932,052
	810[5]	4.125%, 8/15/10	797,375
	1,075[5]	4.25%, 8/15/13-8/15/15	1,053,738
	710[5]	4.75%, 5/15/14	717,100
AAA	550[5]	4.875%, 8/15/16	561,430
		Total U.S. Government and Agency Securities	4,506,833

		Foreign Government Bond 0.3%	
Baa1	230	United Mexican States, 8.30%, 8/15/31	292,445

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Shares	Description	Value
	Common Stocks 0.0%	
947[2,8]	Critical Care Systems Intl., Inc.	$ 7,576
	Preferred Security 0.0%	
50,000	Superior Essex Holding Corp., Ser. A, 9.50%	40,000
	Total Investments 112.5% (cost $109,152,146[9])	$ 109,847,984
	Liabilities in excess of other assets (12.5)%	(12,234,372)
	Net Assets 100%	$ 97,613,612

1 Using the highest of S&P s, Moody s or Fitch s ratings.
2 Security is fair valued.
3 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2006, the Trust held 23.6% of its net assets, with a current market value of $23,053,909, in securities restricted as to resale.
4 Variable rate security. Rate shown is interest rate as of October 31, 2006.
5 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.
6 Illiquid security. As of October 31, 2006, the Trust held 0.8% of its net assets, with a current market value of $758,784, in these securities.
7 Issuer is in default and/or bankruptcy.
8 Non-income producing security.
9 Cost for federal income tax purposes is $109,227,844. The net unrealized appreciation on a tax basis is $620,140, consisting of $2,146,296 gross unrealized appreciation and $1,526,156 gross unrealized depreciation.

A category in the Corporate Bonds section may contain multiple industries as defined by the SEC s Standard Industry Codes.

See Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES
October 31, 2006

	Broad Investment Grade 2009 Term Trust Inc.[1] (BCT)	Core Bond Trust (BHK)
Assets		
Investments at value[2]	$ 40,546,379	$ 377,198,556
Investments in affiliates[3]		1,509,838
Affiliated investments	21,282	79,736
Cash	111,325	819,918
Foreign currency at value[4]		3,742,495
Receivable from investments sold		395,818
Variation margin receivable		633,338
Deposits with brokers as collateral for borrowed bonds		
Unrealized gain on foreign currency exchange contracts		83,487
Interest receivable	347,920	5,352,688
Unrealized appreciation on interest rate swaps		2,436,084
Other assets	2,450	22,336
	41,029,356	392,274,294
Liabilities		
Reverse repurchase agreement		3,911,088
Foreign currency payable to custodian		
Payable for investments purchased		10,965,788
Payable for dollar rolls		
Variation margin payable		
Unrealized loss on foreign currency exchange contracts		
Loan payable		
Investments sold short at value[5]		
Outstanding options written at value[6]		2,127,772
TBA sale commitments[7]		
Unrealized depreciation on credit default swaps		44,927
Interest payable		682,737
Interest rate floors at value		
Cash with brokers as collateral		600,000
Investment advisory fee payable	19,341	147,136
Administration fee payable	5,275	
Deferred Trustees fees	21,282	79,736
Payable to affiliates	7,954	17,839
Other accrued expenses	194,186	179,147
	248,038	18,756,170
Net Assets	$ 40,781,318	$ 373,518,124
Composition of Net Assets		
Par value	$ 29,571	$ 27,019
Paid-in capital in excess of par	38,447,104	386,089,643
Cost of shares held in treasury[8]		
Undistributed (distributions in excess of) net investment income	5,833,604	(5,693,238)
Accumulated net realized loss	(3,239,231)	(9,537,812)
Net unrealized appreciation (depreciation)	(289,730)	2,632,512
Net assets, October 31, 2006	$ 40,781,318	$ 373,518,124

Net asset value[9]	$ 13.79	$ 13.82

1 Consolidated Statement of Assets and Liabilities

2 Investments at cost	$ 40,836,109	$ 380,294,928
3 Cost of affiliates		1,509,548
4 Foreign currency at cost		3,878,971
5 Proceeds received		
6 Premium received		3,059,631
7 Proceeds for TBA sale commitments		
8 Shares held in treasury		
9 Common shares outstanding	2,957,093	27,018,774

See Notes to Financial Statements.

	High Yield Trust (BHY)	Income Opportunity Trust (BNA)	Income Trust Inc. (BKT)	Limited Duration Income Trust (BLW)	Strategic Bond Trust (BHD)
Assets					
Investments at value[2]	$ 68,955,459	$ 424,905,689	$ 503,320,986	$ 1,041,185,277	$ 109,847,984
Investments in affiliates[3]		1,857,565	51,795		
Affiliated investments	30,559	149,968	179,222	73,680	16,366
Cash	162,231	540,788	108,401	160,756	522,891
Foreign currency at value[4]					
Receivable from investments sold	221,719	26,538,398	16,463,994	3,275,224	276,351
Variation margin receivable		810,094			
Deposits with brokers as collateral for borrowed bonds			60,402,375		
Unrealized gain on foreign currency exchange contracts					
Interest receivable	1,564,454	5,550,226	4,294,472	15,471,361	2,163,819
Unrealized appreciation on interest rate swaps		2,807,676	1,083,508		
Other assets	4,007	29,575	27,936	58,533	6,383
	70,938,429	463,189,979	585,932,689	1,060,224,831	112,833,794
Liabilities					
Reverse repurchase agreement		34,326,158	70,690,625	219,999,531	14,951,135
Foreign currency payable to custodian				1,100	
Payable for investments purchased	60,632	13,590,349		139,565,749	80,843
Payable for dollar rolls			15,527,433		
Variation margin payable			1,068,671		
Unrealized loss on foreign currency exchange contracts				36,980	
Loan payable	20,250,000				
Investments sold short at value[5]			61,068,440		
Outstanding options written at value[6]		2,322,554	2,323,129		
TBA sale commitments[7]		25,987,687	16,581,402		
Unrealized depreciation on credit default swaps		49,972			
Interest payable	86,900	877,171	1,603,236	675,238	25,249
Interest rate floors at value			1,894,856		
Cash with brokers as collateral		600,000			
Investment advisory fee payable	44,607	193,988	227,740	422,874	51,716
Administration fee payable	2,157	65,820	96,249		
Deferred Trustees fees	30,559	149,968	179,222	73,680	16,366
Payable to affiliates	980	5,805	47,752	18,508	5,770
Other accrued expenses	77,357	170,208	163,762	225,071	89,103
	20,553,192	78,339,680	171,472,517	361,018,731	15,220,182
Net Assets	$ 50,385,237	$ 384,850,299	$ 414,460,172	$ 699,206,100	$ 97,613,612
Composition of Net Assets					
Par value	$ 6,417	$ 344,497	$ 639,425	$ 36,782	$ 7,058
Paid-in capital in excess of par	92,987,168	404,369,870	518,124,907	700,322,623	98,443,594
Cost of shares held in treasury[8]		(17,377,850)			
Undistributed (distributions in excess of) net investment income	10,204	(900,730)	(519,359)	(36,700)	(16,366)
Accumulated net realized loss	(36,635,402)	(6,096,797)	(91,060,940)	(3,477,620)	(1,516,512)
Net unrealized appreciation (depreciation)	(5,983,150)	4,511,309	(12,723,861)	2,361,015	695,838
Net assets, October 31, 2006	$ 50,385,237	$ 384,850,299	$ 414,460,172	$ 699,206,100	$ 97,613,612
Net asset value[9]	$ 7.85	$ 11.17	$ 6.48	$ 19.01	$ 13.83

1	Consolidated Statement of Assets and Liabilities					
2	Investments at cost	$ 74,938,609	$ 427,244,788	$ 519,165,867	$ 1,038,785,288	$ 109,152,146
3	Cost of affiliates		1,868,783	54,417		
4	Foreign currency at cost				(1,091)	
5	Proceeds received			61,745,381		
6	Premium received		3,321,623	3,312,560		
7	Proceeds for TBA sale commitments		25,774,000	16,431,406		
8	Shares held in treasury		1,757,400			
9	Common shares outstanding	6,417,363	34,449,693	63,942,536	36,782,283	7,058,402

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STATEMENTS OF OPERATIONS
For the year ended October 31, 2006

	Broad Investment Grade 2009 Term Trust Inc.[1] (BCT)	Core Bond Trust (BHK)
Investment Income		
Interest income	$ 2,405,515	$ 21,587,538
Income from affiliates	941	104,365
Total investment income	2,406,456	21,691,903
Expenses		
Investment advisory	234,437	2,199,983
Administration	63,937	
Transfer agent	10,579	14,788
Custodian	71,905	238,500
Reports to shareholders	33,083	104,269
Directors/Trustees	14,402	43,256
Registration	1,825	21,243
Independent accountants	30,479	69,992
Legal	11,866	84,304
Insurance	2,548	25,137
Deferred Trustees fees	941	4,848
Miscellaneous	11,656	49,371
Total expenses excluding interest expense	487,658	2,855,691
Interest expense		1,149,965
Total expenses	487,658	4,005,656
Less fees waived by Advisor		
Less fees paid indirectly		(14,200)
Net expenses	487,658	3,991,456
Net investment income	1,918,798	17,700,447
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments	(493,395)	(7,280,220)
Investments in affiliates		
Foreign currency		(248,242)
Futures and Swaps		(713,181)
Options written		(43,430)
Short sales		
	(493,395)	(8,285,073)
Net change in unrealized appreciation/depreciation on:		
Investments	341,182	7,820,242
Foreign currency		16,542
Futures and Swaps	(177)	2,958,582
Interest rate floors		
Options written		756,176
Short sales		

		341,005		11,551,542
Net gain (loss)		(152,390)		3,266,469
Net Increase in Net Assets Resulting from Operations	$	1,766,408	$	20,966,619

1 Consolidated Statement of Operations

See Notes to Financial Statements.

	High Yield Trust (BHY)	Income Opportunity Trust (BNA)	Income Trust Inc. (BKT)	Limited Duration Income Trust (BLW)	Strategic Bond Trust (BHD)
Investment Income					
Interest income	$ 6,372,658	$ 25,515,608	$ 29,079,814	$ 64,850,597	$ 8,885,695
Income from affiliates	1,940	130,830	15,712	4,998	825
Total investment income	6,374,598	25,646,438	29,095,526	64,855,595	8,886,520
Expenses					
Investment advisory	724,170	2,290,356	2,688,382	5,293,699	880,402
Administration	68,969	381,726	620,396		
Transfer agent	15,715	27,901	73,310	17,254	14,723
Custodian	110,636	272,501	276,129	493,509	97,481
Reports to shareholders	37,763	115,410	159,102	185,730	31,726
Directors/Trustees	14,343	48,065	43,668	68,550	15,214
Registration	21,243	25,612	44,530	27,459	21,243
Independent accountants	40,717	76,567	72,942	52,750	39,075
Legal	10,530	75,822	76,292	114,858	21,090
Insurance	4,131	29,027	30,941	59,109	6,977
Deferred Trustees fees	1,940	5,372	11,858	4,998	825
Miscellaneous	11,772	51,883	68,969	124,334	15,688
Total expenses excluding interest expense	1,061,929	3,400,242	4,166,519	6,442,250	1,144,444
Interest expense	1,106,179	2,741,131	4,603,103	8,900,833	1,020,195
Total expenses	2,168,108	6,141,373	8,769,622	15,343,083	2,164,639
Less fees waived by Advisor					(234,774)
Less fees paid indirectly	(5,181)	(9,729)	(26,140)	(83,543)	(8,883)
Net expenses	2,162,927	6,131,644	8,743,482	15,259,540	1,920,982
Net investment income	4,211,671	19,514,794	20,352,044	49,596,055	6,965,538
Realized and Unrealized Gain (Loss)					
Net realized gain (loss) on:					
Investments	(2,067,969)	(4,856,599)	(4,883,743)	(1,590,127)	(759,640)
Investments in affiliates			(59,731)		
Foreign currency				(331,171)	
Futures and Swaps		(2,764,912)	6,522,072	4,040	
Options written				327,353	
Short sales		291,133	359,076		
	(2,067,969)	(7,330,378)	1,937,674	(1,589,905)	(759,640)
Net change in unrealized appreciation/depreciation on:					
Investments	4,444,627	3,042,311	6,074,193	2,593,098	2,082,388
Foreign currency				(115,958)	
Futures and Swaps		5,199,875	(6,629,728)	(4,008)	
Interest rate floors			1,789,308		
Options written		810,300	801,246		
Short sales		(1,087,240)	(767,708)		
	4,444,627	7,965,246	1,267,311	2,473,132	2,082,388

Net gain (loss)	2,376,658	634,868	3,204,985	883,227	1,322,748
Net Increase in Net Assets Resulting from Operations	$ 6,588,329	$ 20,149,662	$ 23,557,029	$ 50,479,282	$ 8,288,286

STATEMENTS OF CASH FLOWS
For the year ended October 31, 2006

	Broad Investment Grade 2009 Term Trust Inc.[1] (BCT)	Core Bond Trust (BHK)
Net Increase in Net Assets Resulting from Operations to Net Cash Flows Provided by Operating Activities		
Cash flows from operating activities:		
Net increase in net assets resulting from operations	$ 1,766,408	$ 20,966,916
Purchases of long-term investments	(3,161,603)	(1,208,218,010)
Proceeds from sales of long-term investments	20,467,520	1,317,417,917
Net proceeds (purchases) of short-term investments	(15,452,608)	(544,199)
Decrease in deposits with brokers as collateral for borrowed bonds		
Amortization of premium and discount on investments	537,223	4,457,162
Net realized loss on investments	493,395	7,280,220
Increase in unrealized appreciation/depreciation on investments	(341,182)	(7,820,242)
Net effect of exchange rates on foreign currency		248,242
Decrease in investments sold short		
Decrease in outstanding options written		(413,298)
Decrease in TBA sale commitments		
Increase in interest rate floor		
Decrease (Increase) in unrealized appreciation on interest rate swaps	176	(590,466)
Decrease in credit default swaps		47,167
Increase in investments in affiliates	(2,441)	(19,452)
Decrease (Increase) in receivable for investments sold		31,361,149
Decrease (Increase) in unrealized gain on foreign currency exchange contracts		(34,210)
Decrease (Increase) in variation margin receivable		(561,182)
Decrease (Increase) in interest receivable	161,690	2,669,650
Decrease (Increase) in other assets	1,352	1,667
Increase in foreign currency payable to custodian		
Increase (Decrease) in payable for investments purchased		(42,583,640)
Increase (Decrease) in payable for dollar rolls		(7,284,443)
Increase in unrealized loss on foreign currency exchange contracts		
Increase in variation margin payable		
Increase (Decrease) in interest payable	(4,386)	(463,614)
Increase (Decrease) in investment advisory fee payable	(1,148)	(54,827)
Increase in cash with brokers as collateral		599,273
Increase (Decrease) in administration fee payable	(313)	
Increase in deferred Directors/Trustees fees	2,441	19,452
Increase (Decrease) in payable to affiliates	(109)	(3,557)
Increase (Decrease) in accrued expenses	(175,744)	20,833
Total adjustments	2,524,263	95,531,592
Net cash provided by operating activities	$ 4,290,671	$ 116,498,508
Cash from financing activities:		
Capital contributions		
Increase (Decrease) in reverse repurchase agreements		(82,964,968)
Decrease in loan payable		
Cash dividends paid	(4,261,094)	(32,962,581)
Net cash used for financing activities:	(4,261,094)	(115,927,549)

Net increase (decrease) in cash	29,577	570,959
Cash and foreign currency at beginning of year	81,748	3,991,454
Cash and foreign currency at end of year	$ 111,325	$ 4,562,413

1 Consolidated Statement of Cash Flows.

See Notes to Financial Statements.

	High Yield Trust (BHY)	Income Opportunity Trust (BNA)	Income Trust Inc. (BKT)	Limited Duration Income Trust (BLW)	Strategic Bond Trust (BHD)
Net Increase in Net Assets Resulting from Operations to Net Cash Flows Provided by Operating Activities					
Cash flows from operating activities:					
Net increase in net assets resulting from operations	$ 6,588,329	$ 20,149,662	$ 23,557,029	$ 50,479,282	$ 8,288,286
Purchases of long-term investments	(55,870,951)	(1,886,550,246)	(703,940,487)	(2,116,360,671)	(64,776,313)
Proceeds from sales of long-term investments	56,576,912	2,064,778,891	777,064,810	2,048,916,653	81,537,775
Net proceeds (purchases) of short-term investments	(279,574)	(2,482,005)	25,134	4,078,363	726,362
Decrease in deposits with brokers as collateral for borrowed bonds			12,694,650	8,670,825	
Amortization of premium and discount on investments	(35,414)	4,124,503	14,322,806	4,852,069	165,829
Net realized loss on investments	2,067,969	4,856,599	4,943,474	1,590,127	759,640
Increase in unrealized appreciation/depreciation on investments	(4,444,627)	(3,042,311)	(6,074,193)	(2,593,098)	(2,082,388)
Net effect of exchange rates on foreign currency				331,171	
Decrease in investments sold short			(11,033,743)		
Decrease in outstanding options written		(406,075)	(357,154)		
Decrease in TBA sale commitments		(96,108,174)	(4,923,602)		
Increase in interest rate floor			1,894,856		
Decrease (Increase) in unrealized appreciation on interest rate swaps		(740,498)	215,922	4,008	
Decrease in credit default swaps		52,329			
Increase in investments in affiliates	(4,324)	(21,542)	(30,420)	(27,779)	(3,566)
Decrease (Increase) in receivable for investments sold	156,449	168,714,804	29,800,157	(1,426,149)	(211,616)
Decrease (Increase) in unrealized gain on foreign currency exchange contracts				77,712	
Decrease (Increase) in variation margin receivable		(693,241)			
Decrease (Increase) in interest receivable	131,949	2,553,972	1,101,610	(907,002)	403,618
Decrease (Increase) in other assets	2,734	(4,271)	(3,493)	(10,786)	3,318
Increase in foreign currency payable to custodian				1,100	
Increase (Decrease) in payable for investments purchased	(222,394)	(155,650,910)	(48,947,681)	132,211,888	(172,676)
Increase (Decrease) in payable for dollar rolls			15,527,433	(119,709,882)	
Increase in unrealized loss on foreign currency exchange contracts				36,980	
Increase in variation margin payable			935,970		
Increase (Decrease) in interest payable	9,725	(412,918)	(413,315)	324,956	(20,216)
Increase (Decrease) in investment advisory fee payable	827	(11,025)	(3,739)	(47,703)	(8,837)
Increase in cash with brokers as collateral		600,000			
Increase (Decrease) in administration fee payable	79	(1,838)	(863)		
Increase in deferred Directors/Trustees fees	4,324	21,542	30,420	27,779	3,566
Increase (Decrease) in payable to affiliates	(33)	(8,372)	(9,474)	18,508	(932)
Increase (Decrease) in accrued expenses	9,219	(25,735)	(1,134)	90,132	(4,326)
Total adjustments	(1,897,130)	99,543,479	82,817,944	(39,850,799)	16,319,238
Net cash provided by operating activities	$ 4,691,199	$ 119,693,141	$ 106,374,973	$ 10,628,483	$ 24,607,524
Cash from financing activities:					
Capital contributions	48,307			251,427	
Increase (Decrease) in reverse repurchase agreements		(85,853,042)	(78,867,625)	43,989,269	(16,931,413)
Decrease in loan payable	(500,000)				
Cash dividends paid	(4,175,232)	(33,377,416)	(27,486,981)	(56,486,026)	(7,220,745)

Net cash used for financing activities:	(4,626,925)	(119,230,458)	(106,354,606)	(12,245,330)	(24,152,158)
Net increase (decrease) in cash	64,274	462,683	20,367	(1,616,847)	455,366
Cash and foreign currency at beginning of year	97,957	78,105	88,034	1,777,603	67,525
Cash and foreign currency at end of year	$ 162,231	$ 540,788	$ 108,401	$ 160,756	$ 522,891

STATEMENTS OF CHANGES IN NET ASSETS
For the years ended October 31, 2006 and 2005

	Broad Investment Grade 2009 Term Trust Inc.[1] (BCT)		Core Bond Trust (BHK)	
	2006	2005	2006	2005
Increase (Decrease) in Net Assets				
Operations:				
Net investment income	$ 1,918,798	$ 2,365,140	$ 17,700,447	$ 20,946,361
Net realized gain (loss)	(493,395)	785,483	(8,285,073)	17,026,631
Net change in unrealized appreciation/depreciation	341,005	(3,333,736)	11,551,542	(26,925,832)
Net increase (decrease) in net assets resulting from operations	1,766,408	(183,113)	20,966,916	11,047,160
Dividends and Distributions:				
Net investment income	(4,191,834)	(3,053,790)	(25,048,230)	(27,245,732)
Net realized gains	(69,260)	(742,526)	(7,914,351)	(9,450,897)
Tax return of capital				
Total dividends and distributions	(4,261,094)	(3,796,316)	(32,962,581)	(36,696,629)
Capital Share Transactions:				
Reinvestment of common dividends				
Total increase (decrease)	(2,494,686)	(3,979,429)	(11,995,665)	(25,649,469)
Net Assets				
Beginning of year	43,276,004	47,255,433	385,513,789	411,163,258
End of year	$ 40,781,318	$ 43,276,004	$ 373,518,124	$ 385,513,789
End of year undistributed (distribution in excess of) net investment income	$ 5,833,604	$ 4,778,322	$ (5,693,238)	$ 515,459

1 Consolidated Statement of Changes in Net Assets.

See Notes to Financial Statements.

	High Yield Trust (BHY)		Income Opportunity Trust (BNA)		Income Trust Inc. (BKT)	
	2006	2005	2006	2005	2006	2005
Increase (Decrease) in Net Assets						
Operations:						
Net investment income	$ 4,211,671	$ 4,365,000	$ 19,514,794	$ 24,695,470	$ 20,352,044	$ 28,144,451
Net realized gain (loss)	(2,067,969)	863,475	(7,330,378)	14,315,363	1,937,674	(15,436,336)
Net change in unrealized appreciation/depreciation	4,444,627	(3,198,856)	7,965,246	(30,139,747)	1,267,311	(3,057,050)
Net increase (decrease) in net assets resulting from operations	6,588,329	2,029,619	20,149,662	8,871,086	23,557,029	9,651,065
Dividends and Distributions:						
Net investment income	(4,175,232)	(5,087,371)	(22,238,524)	(27,821,573)	(21,910,288)	(30,667,298)
Net realized gains			(8,976,694)	(9,614,909)		
Tax return of capital			(2,162,198)		(5,576,693)	(4,798,184)
Total dividends and distributions	(4,175,232)	(5,087,371)	(33,377,416)	(37,436,482)	(27,486,981)	(35,465,482)
Capital Share Transactions:						
Reinvestment of common dividends	48,307	67,545				1,569,925
Total increase (decrease)	2,461,404	(2,990,207)	(13,227,754)	(28,565,396)	(3,929,952)	(24,244,492)
Net Assets						
Beginning of year	47,923,833	50,914,040	398,078,053	426,643,449	418,390,124	442,634,616
End of year	$ 50,385,237	$ 47,923,833	$ 384,850,299	$ 398,078,053	$ 414,460,172	$ 418,390,124
End of year undistributed (distribution in excess of) net investment income	$ 10,204	$ (26,235)	$ (900,730)	$ 2,180,817	$ (519,359)	$ (595,003)

STATEMENTS OF CHANGES IN NET ASSETS (continued)
For the year ended October 31, 2006 and 2005

	Limited Duration Income Trust (BLW)		Strategic Bond Trust (BHD)	
	2006	2005	2006	2005
Increase (Decrease) in Net Assets				
Operations:				
Net investment income	$ 49,596,055	$ 53,638,295	$ 6,965,538	$ 7,734,392
Net realized loss	(1,589,905)	(2,199,531)	(759,640)	(324,159)
Net change in unrealized appreciation/depreciation	2,473,132	(32,007,565)	2,082,388	(7,608,367)
Net increase (decrease) in net assets resulting from operations	50,479,282	19,431,199	8,288,286	(198,134)
Dividends and Distributions:				
Dividends from net investment income	(55,725,066)	(49,020,501)	(6,969,104)	(7,935,935)
Net realized gains		(5,497,247)		
Tax return of capital	(760,960)		(251,641)	(1,898,203)
Total dividends and distributions	(56,486,026)	(54,517,748)	(7,220,745)	(9,834,138)
Capital Share Transactions:				
Reinvestment of common dividends	251,427	822,572		145,218
Total increase (decrease)	(5,755,317)	(34,263,977)	1,067,541	(9,887,054)
Net Assets				
Beginning of year	704,961,417	739,225,394	96,546,071	106,433,125
End of year	$ 699,206,100	$ 704,961,417	$ 97,613,612	$ 96,546,071
End of year undistributed (distribution in excess of) net investment income	$ (36,700)	$ 6,419,573	$ (16,366)	$ (12,800)

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

	Year Ended October 31,				
	2006	**2005**	**2004**	**2003**	**2002**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 14.63	$ 15.98	$ 16.02	$ 17.33	$ 16.05
Investment operations:					
Net investment income	0.65	0.80	0.61	1.28	2.01
Net realized and unrealized gain (loss)	(0.05)	(0.87)	0.25	(1.40)	0.04
Net increase (decrease) from investment operations	0.60	(0.07)	0.86	(0.12)	2.05
Dividends and distributions from:					
Net investment income	(1.42)	(1.03)	(0.90)	(1.19)	(0.77)
Net realized gains	(0.02)	(0.25)			
Total dividends and distributions	(1.44)	(1.28)	(0.90)	(1.19)	(0.77)
Net asset value, end of year	$ 13.79	$ 14.63	$ 15.98	$ 16.02	$ 17.33
Market price, end of year	$ 15.08	$ 15.86	$ 15.80	$ 15.85	$ 16.18
TOTAL INVESTMENT RETURN[1]	4.44%	8.74%	5.45%	5.32%	18.34%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	1.14%	2.37%	2.48%	2.43%	2.50%
Net expenses	1.14%	2.37%	2.48%	2.43%	2.50%
Net expenses excluding interest expense	1.14%	1.19%	1.11%	1.18%	1.16%
Net investment income	4.50%	5.23%	3.83%	7.54%	12.22%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 42,625	$ 45,264	$ 47,191	$ 49,882	$ 48,731
Portfolio turnover	8%	116%	20%	39%	35%
Net assets, end of year (000)	$ 40,781	$ 43,276	$ 47,255	$ 47,381	$ 51,244
Reverse repurchase agreements outstanding, end of year (000)	$	$	$ 19,263	$ 19,953	$ 23,669
Asset coverage, end of year[2]	$	$	$ 3,453	$ 3,375	$ 3,165
Reverse repurchase agreements average daily balance (000)	$	$ 7,865	$ 22,055	$ 19,409	$ 18,388
Reverse repurchase agreements weighted average interest rate	%	2.32%	1.20%	1.21%	1.82%

1 Total investment return is calculated assuming a purchase of a share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Past performance is not a guarantee of future results.

2 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the audited operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each year indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Core Bond Trust (BHK)

	Year Ended October 31, 2006	2005	2004	2003	For the period November 30, 2001[1] through October 31, 2002
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 14.27	$ 15.22	$ 14.75	$ 14.33	$ 14.33[2]
Investment operations:					
Net investment income	0.66	0.78	0.92	0.83	0.99
Net realized and unrealized gain (loss)	0.11	(0.37)	0.66	0.77	0.04
Net increase from investment operations	0.77	0.41	1.58	1.60	1.03
Dividends and distributions from:					
Net investment income	(0.93)	(1.01)	(0.86)	(1.00)	(1.00)
Net realized gains	(0.29)	(0.35)	(0.25)	(0.18)	
Total dividends and distributions	(1.22)	(1.36)	(1.11)	(1.18)	(1.00)
Capital charges with respect to issuance of shares					(0.03)
Net asset value, end of year	$ 13.82	$ 14.27	$ 15.22	$ 14.75	$ 14.33
Market price, end of year	$ 12.86	$ 13.69	$ 14.02	$ 13.57	$ 13.82
TOTAL INVESTMENT RETURN[3]	3.07%	7.46%	11.93%	6.62%	(1.02)%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	1.08%	1.50%	1.32%	1.05%	1.04%[4]
Net expenses	1.08%	1.50%	1.32%	1.05%	1.04%[4]
Net expenses excluding interest expense	0.77%	0.85%	0.92%	0.87%	0.93%[4]
Net investment income	4.78%	5.20%	6.20%	5.58%	7.67%[4]
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 370,219	$ 402,783	$ 401,212	$ 401,049	$ 380,277
Portfolio turnover	88%	220%	398%	161%	73%
Net assets, end of year (000)	$ 373,518	$ 385,514	$ 411,163	$ 398,540	$ 387,238
Reverse repurchase agreements outstanding, end of year (000)	$ 3,911	$ 86,876	$ 102,474	$ 91,668	$ 165,215
Asset coverage, end of year[5]	$ 96,502	$ 5,438	$ 5,012	$ 5,348	$ 3,342
Reverse repurchase agreements average daily balance (000)	$ 25,340	$ 91,130	$ 145,094	$ 67,591	$ 35,207
Reverse repurchase agreements weighted average interest rate	4.54%	2.86%	1.11%	1.05%	1.04%

1 Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.
2 Net asset value, beginning of period, reflects a deduction of $0.675 per share sales charge from the initial offering price of $15.00 per share.

[3] Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on 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 Trust s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

[4] Annualized.

[5] Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the audited operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock High Yield Trust (BHY)

	Year Ended October 31,				
	2006	**2005**	**2004**	**2003**	**2002**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 7.48	$ 7.95	$ 6.96	$ 6.13	$ 7.20
Investment operations:					
Net investment income	0.66	0.68	0.92	1.06	1.20
Net realized and unrealized gain (loss)	0.36	(0.36)	1.02	0.89	(0.98)
Net increase from investment operations	1.02	0.32	1.94	1.95	0.22
Dividends and distributions from:					
Net investment income	(0.65)	(0.79)	(0.92)	(1.07)	(1.20)
Tax return of capital			(0.03)	(0.05)	(0.09)
Total dividends and distributions	(0.65)	(0.79)	(0.95)	(1.12)	(1.29)
Net asset value, end of year	$ 7.85	$ 7.48	$ 7.95	$ 6.96	$ 6.13
Market price, end of year	$ 7.77	$ 7.36	$ 9.30	$ 10.25	$ 8.68
TOTAL INVESTMENT RETURN[1]	14.93%	(13.49)%	0.28%	32.87%	7.97%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	4.50%	3.52%	2.69%	3.07%	3.45%
Net expenses	4.49%	3.51%	2.68%	3.07%	3.45%
Net expenses excluding interest expense	2.19%	2.10%	1.96%	2.22%	2.20%
Net investment income	8.74%	8.71%	12.16%	16.37%	16.29%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 48,176	$ 50,104	$ 48,186	$ 41,326	$ 46,751
Portfolio turnover	85%	102%	156%	30%	147%
Net assets, end of year (000)	$ 50,385	$ 47,924	$ 50,914	$ 44,438	$ 38,953
Loan outstanding, end of year (000)	$ 20,250	$ 20,750	$ 19,250	$ 19,250	$ 19,250
Asset coverage, end of year[2]	$ 3,488	$ 3,310	$ 3,645	$ 3,308	$ 3,024
Loan average daily balance (000)	$ 20,621	$ 20,425	$ 19,250	$ 19,250	$ 22,664
Loan weighted average interest rate	4.75%	2.87%	1.80%	1.96%	2.65%

1 Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Past performance is not a guarantee of future results.

2 Per $1,000 of loan outstanding.

The information in the above Financial Highlights represents the audited operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each year indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Income Opportunity Trust (BNA)

	Year Ended October 31,				
	2006	**2005**	**2004**	**2003**	**2002**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 11.56	$ 12.38	$ 11.93	$ 11.83	$ 11.47
Investment operations:					
Net investment income	0.57	0.72	0.76	0.84	1.15
Net realized and unrealized gain (loss)	0.01	(0.45)	0.53	0.31	(0.05)
Net increase from investment operations	0.58	0.27	1.29	1.15	1.10
Dividends and distributions from:					
Net investment income	(0.65)	(0.81)	(0.84)	(0.81)	(0.75)
Net realized gains	(0.26)	(0.28)		(0.24)	
Tax return of capital	(0.06)				
Total dividends and distributions	(0.97)	(1.09)	(0.84)	(1.05)	(0.75)
Increase resulting from Trust shares repurchased					0.01
Net asset value, end of year	$ 11.17	$ 11.56	$ 12.38	$ 11.93	$ 11.83
Market price, end of year	$ 10.58	$ 10.90	$ 11.38	$ 10.95	$ 10.50
TOTAL INVESTMENT RETURN[1]	6.27%	5.53%	12.04%	14.71%	8.44%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	1.61%	1.72%	1.11%	1.29%	1.40%
Net expenses	1.61%	1.72%	1.11%	1.29%	1.40%
Net expenses excluding interest expense	0.89%	0.87%	0.84%	0.89%	0.93%
Net investment income	5.11%	5.97%	6.29%	6.99%	10.04%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 381,726	$ 413,777	$ 415,131	$ 413,543	$ 394,495
Portfolio turnover	131%	396%	300%	46%	153%
Net assets, end of year (000)	$ 384,850	$ 398,078	$ 426,643	$ 410,981	$ 407,480
Reverse repurchase agreements outstanding, end of year (000)	$ 34,326	$ 120,179	$ 94,644	$ 103,378	$ 85,704
Asset coverage, end of year[2]	$ 12,212	$ 4,312	$ 5,508	$ 4,976	$ 5,755
Reverse repurchase agreements average daily balance (000)	$ 59,691	$ 122,457	$ 97,264	$ 136,172	$ 36,153
Reverse repurchase agreements weighted average interest rate	4.59%	2.87%	1.14%	1.22%	1.93%

1 Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Past performance is not a guarantee of future results.

2 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the audited operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each year indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Income Trust Inc. (BKT)

	Year Ended October 31,				
	2006	**2005**	**2004**	**2003**	**2002**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 6.54	$ 6.95	$ 7.21	$ 8.13	$ 8.06
Investment operations:					
Net investment income	0.32	0.44	0.51	0.61	0.99
Net realized and unrealized gain (loss)	0.05	(0.30)	(0.16)	(0.52)	(0.35)
Net increase from investment operations	0.37	0.14	0.35	0.09	0.64
Dividends and distributions from:					
Net investment income	(0.34)	(0.48)	(0.61)	(1.01)	(0.57)
Tax return of capital	(0.09)	(0.07)			
Total dividends and distributions	(0.43)	(0.55)	(0.61)	(1.01)	(0.57)
Net asset value, end of year	$ 6.48	$ 6.54	$ 6.95	$ 7.21	$ 8.13
Market price, end of year	$ 6.07	$ 5.90	$ 7.50	$ 7.71	$ 8.07
TOTAL INVESTMENT RETURN[1]	10.18%	(14.63)%	5.97%	15.41%	15.35%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	2.12%	2.80%	1.37%	1.36%	2.05%
Net expenses	2.11%	2.79%	1.37%	1.36%	2.05%
Net expenses excluding interest expense	1.00%	0.99%	0.97%	1.02%	1.03%
Net investment income	4.92%	6.54%	7.13%	8.18%	12.28%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 413,597	$ 430,035	$ 447,984	$ 472,676	$ 506,533
Portfolio turnover	80%	60%	120%	64%	125%
Net assets, end of year (000)	$ 414,460	$ 418,390	$ 442,635	$ 457,301	$ 511,385
Reverse repurchase agreements outstanding, end of year (000)	$ 70,691	$ 149,558	$ 223,736	$ 121,767	$ 205,792
Asset coverage, end of year[2]	$ 6,863	$ 3,798	$ 2,978	$ 4,756	$ 3,485
Reverse repurchase agreements average daily balance (000)	$ 104,393	$ 180,553	$ 158,278	$ 135,804	$ 173,501
Reverse repurchase agreements weighted average interest rate	4.54%	2.81%	1.12%	1.17%	1.81%

1 Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Past performance is not a guarantee of future results.

2 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the audited operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each year indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Limited Duration Income Trust (BLW)

	Year Ended October 31, 2006	Year Ended October 31, 2005	Year Ended October 31, 2004	For the period July 30, 2003[1] through October 31, 2003
PER SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of year	$ 19.17	$ 20.13	$ 19.74	$ 19.10[2]
Investment operations:				
Net investment income	1.35	1.46	1.46	0.33
Net realized and unrealized gain (loss)	0.03	(0.94)	0.43	0.60
Net increase from investment operations	1.38	0.52	1.89	0.93
Dividends and distributions from:				
Net investment income	(1.52)	(1.33)	(1.49)	(0.25)
Net realized gains		(0.15)	(0.01)	
Tax return of capital	(0.02)			
Total dividends and distributions	(1.54)	(1.48)	(1.50)	(0.25)
Capital charges with respect to issuance of shares				(0.04)
Net asset value, end of year	$ 19.01	$ 19.17	$ 20.13	$ 19.74
Market price, end of year	$ 18.85	$ 17.48	$ 19.95	$ 18.80
TOTAL INVESTMENT RETURN[3]	17.31%	(5.30)%	14.64%	(4.77)%
RATIOS TO AVERAGE NET ASSETS:				
Total expenses	2.20%	1.71%	1.26%	0.82%[4]
Net expenses	2.19%	1.71%	1.25%	0.82%[4]
Net expenses excluding interest expense	0.91%	0.92%	0.90%	0.79%[4]
Net investment income	7.10%	7.42%	7.34%	6.87%[4]
SUPPLEMENTAL DATA:				
Average net assets (000)	$ 698,382	$ 722,668	$ 730,369	$ 686,655
Portfolio turnover	132%	70%	215%	127%
Net assets, end of year (000)	$ 699,206	$ 704,961	$ 739,225	$ 724,747
Reverse repurchase agreements outstanding, end of year (000)	$ 220,000	$ 176,010	$ 159,416	$ 118,993
Asset coverage, end of year[5]	$ 4,178	$ 5,005	$ 5,637	$ 7,091
Reverse repurchase agreements average daily balance (000)	$ 179,366	$ 186,660	$ 195,845	$ 26,591
Reverse repurchase agreements weighted average interest rate	4.96%	3.08%	1.32%	0.76%

1 Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

2 Net asset value, beginning of period, reflects a deduction of $0.90 per share sales charge from the initial offering price of $20.00 per share.

3 Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on 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 Trust s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

4 Annualized.

5 Per $1,000 reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the audited operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Strategic Bond Trust (BHD)

	Year Ended October 31,				For the period February 28, 2002[1] through October 31, 2002
	2006	2005	2004	2003	
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 13.68	$ 15.10	$ 15.07	$ 12.63	$ 14.33[2]
Investment operations:					
Net investment income	0.99	1.10	1.39	1.59	0.98
Net realized and unrealized gain (loss)	0.18	(1.13)	0.25	2.34	(1.77)
Net increase (decrease) from investment operations	1.17	(0.03)	1.64	3.93	(0.79)
Dividends and distributions from:					
Net investment income	(0.98)	(1.12)	(1.61)	(1.49)	(0.84)
Tax return of capital	(0.04)	(0.27)			
Total dividends and distributions	(1.02)	(1.39)	(1.61)	(1.49)	(0.84)
Capital charges with respect to issuance of shares					(0.07)
Net asset value, end of year	$ 13.83	$ 13.68	$ 15.10	$ 15.07	$ 12.63
Market price, end of year	$ 12.85	$ 12.45	$ 16.70	$ 15.27	$ 12.35
TOTAL INVESTMENT RETURN[3]	11.87%	(18.11)%	21.54%	37.36%	(12.34)%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	2.25%	2.14%	1.49%	2.01%	2.57%[4]
Net expenses	2.00%	1.87%	1.23%	1.71%	2.26%[4]
Net expenses excluding interest expense	0.94%	0.92%	0.89%	1.01%	1.25%[4]
Net investment income	7.26%	7.58%	9.23%	11.32%	10.68%[4]
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 96,003	$ 101,990	$ 106,330	$ 98,498	$ 95,675
Portfolio turnover	56%	51%	31%	32%	22%
Net assets, end of year (000)	$ 97,614	$ 96,546	$ 106,433	$ 106,045	$ 88,594
Reverse repurchase agreements outstanding, end of year (000)	$ 14,951	$ 31,883	$ 13,188	$ 45,872	$ 44,223
Asset coverage, end of year[5]	$ 7,529	$ 4,028	$ 9,071	$ 3,312	$ 3,003
Reverse repurchase agreements average daily balance (000)	$ 21,104	$ 30,406	$ 27,562	$ 46,036	$ 44,889
Reverse repurchase agreements weighted average interest rate	4.81%	3.20%	1.33%	1.51%	1.45%

1 Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

2 Net asset value, beginning of period, reflects a deduction of $0.675 per share sales charge from the initial offering price of $15.00 per share.

3

Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on 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 Trust s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

4 Annualized

5 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the audited operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

Note 1. Organization & Accounting Policies

BlackRock Broad Investment Grade 2009 Term Trust Inc. (Broad Investment Grade), BlackRock Core Bond Trust (Core Bond), BlackRock High Yield Trust (High Yield), BlackRock Income Opportunity Trust (Income Opportunity), BlackRock Income Trust Inc. (Income Trust), BlackRock Limited Duration Income Trust (Limited Duration) and BlackRock Strategic Bond Trust (Strategic Bond) (collectively, the Trusts) are registered as diversified, closed-end management investment companies under the Investment Company Act of 1940, as amended (the 1940 Act). Broad Investment Grade, Income Opportunity and Income Trust are organized as Maryland corporations. Core Bond, High Yield, Limited Duration and Strategic Bond are organized as Delaware statutory trusts.

On December 3, 1999, Broad Investment Grade transferred a substantial portion of its total assets to a 100% owned registered investment company subsidiary called BCT Subsidiary, Inc. The financial statements and these notes to the financial statements for Broad Investment Grade are consolidated and include the operations of both Broad Investment Grade and its wholly owned subsidiary after elimination of all intercompany transactions and balances.

On September 29, 2006, BlackRock, Inc., the parent of BlackRock Advisors, LLC (formerly BlackRock Advisors, Inc.), and Merrill Lynch & Co., Inc. (Merrill Lynch) combined Merrill Lynch s investment management business, Merrill Lynch Investment Managers (MLIM), with BlackRock, Inc. to create a new independent company. Merrill Lynch has a 49.8% economic interest and a 45% voting interest in the combined company and The PNC Financial Services Group, Inc. (PNC), has approximately a 34% economic and voting interest. The new company operates under the BlackRock name and is governed by a board of directors with a majority of independent members.

Under the Trusts organizational documents, their officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trusts. In addition, in the normal course of business, the Trusts enter into contracts with their vendors and others that provide for general indemnifications. The Trusts maximum exposure under these arrangements are unknown as this would involve future claims that may be made against the Trusts. However, based on experience, the Trusts consider the risk of loss from such claims to be remote.

The following is a summary of significant accounting policies followed by the Trusts.

Investment Valuation: The Trusts value most of their investments on the basis of current market quotations provided by dealers or pricing services selected under the supervision of each Trust s Board (the Board) of Directors/Trustees (the Trustees). In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, market transactions in comparable investments, various relationships observed in the market between investments, and calculated yield measures based on valuation technology commonly employed in the market for such investments. Exchange-traded options are valued at their last sales price as of the close of options trading on applicable exchanges. In the absence of a last sale, options are valued at the average of the quoted bid and asked prices as of the close of business. Swap quotations are provided by dealers selected under supervision of the Board. A futures contract is valued at the last sale price as of the close of the commodities exchange on which it trades. Short-term securities may be valued at amortized cost. Investments or other assets for which such current market quotations are not readily available are valued at fair value (Fair Value Assets) as determined in good faith under procedures established by, and under the general supervision and responsibility of, each Trust s Board. The investment advisor and/or sub-advisor will submit its recommendations regarding the valuation and/or valuation methodologies for Fair Value Assets to a valuation committee. The valuation committee may accept, modify or reject any recommendations. The pricing of all Fair Value Assets shall be subsequently reported to the Board.

When determining the price for a Fair Value Asset, the investment advisor and/or sub-advisor shall seek to determine the price that the Trust might reasonably expect to receive from the current sale of that asset in an arm s-length transaction. Fair value determinations shall be based upon all available factors that BlackRock Advisors deems relevant.

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157) which is effective for fiscal years beginning after November 15, 2007. FAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Management is currently evaluating the implications of FAS 157. At this time, its impact on the Trusts financial statements has not been determined.

Investment Transactions and Investment Income: Investment transactions are recorded on trade date. The cost of investments sold and the related gain or loss is determined by use of the specific identification method, generally first-in, first-out, for both financial reporting and federal income tax purposes. Each Trust records interest income on an accrual basis and amortizes premium and/or accretes discount on securities purchased using the interest method.

Each Trust may from time to time purchase in the secondary market certain mortgage pass-through securities packaged or master serviced by affiliates or mortgage-related securities containing loans or mortgages originated by Merrill Lynch, PNC Bank or their affiliates, each of which may be presumed to be an affiliate of BlackRock Advisors, LLC. It is possible, under certain circumstances, that Merrill Lynch s Global Markets and Investment Banking Group, PNC Mortgage Securities Corp. or their affiliates, could have interests that are in conflict with the holders of these mortgage-backed securities, and such holders could have rights against Merrill Lynch s Global Markets and Investment Banking Group, PNC Mortgage Securities Corp. or their affiliates.

Reverse Repurchase Agreements: The Trusts may enter into reverse repurchase agreements with qualified third-party broker-dealers as determined by and under the direction of the Trusts Board. Interest expense paid by the Trusts on the value of reverse repurchase agreements issued and outstanding is based upon competitive market rates at the time of issuance. At the time a Trust enters into a reverse repurchase agreement, it will establish and maintain a segregated account with the lender, containing liquid investment grade securities having a value not less than the repurchase price, including accrued interest of the reverse repurchase agreement.

Dollar Rolls: The Trusts may enter into dollar rolls in which a Trust sells securities for delivery in the current month and simultaneously contracts to repurchase substantially similar (same type, coupon and maturity) securities on a specified future date. During the roll period the Trusts forgo principal and interest paid on the securities. The Trusts will be compensated by the interest earned on the cash proceeds of the initial sale and/or by the lower repurchase price at the future date.

Loan Payable: High Yield has a $32 million committed credit facility (the facility). Under the terms of the facility, the Trust borrows at the London Interbank Offered Rate (LIBOR) plus facility and administrative fees. In addition, the Trust pays a liquidity fee on the unused portion of the facility. The Trust may borrow up to 331/3% of its total assets up to the committed amount. In accordance with the terms of the facility, the Trust has pledged its portfolio assets as collateral for the borrowing.

Bank Loans: In the process of buying, selling and holding bank loans, a Trust may receive and/or pay certain fees. These fees are included in the purchase price and may include facility fees, commitment fees, amendment fees, commissions and prepayment penalty fees. These fees are amortized as premium and/or accretes discount over the term of the loan. When a Trust buys a bank loan it may receive a facility fee and when it sells a bank loan it may pay a facility fee. On an ongoing basis, a Trust may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a bank loan. In certain circumstances, a Trust may receive a prepayment penalty fee upon the prepayment of a bank loan by a borrower. Other fees received by a Trust may include covenant waiver fees and covenant modification fees.

A Trust may invest in multiple series or tranches of an issuer. A different series or tranch may have varying terms and carry different associated risks.

Option Writing/Purchasing: When a Trust writes or purchases an option, an amount equal to the premium received or paid by the Trust is recorded as a liability or an asset and is subsequently adjusted to the current market value of the option written or purchased. Premiums received or paid from writing or purchasing options which expire unexercised are treated by the Trust on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on effecting a closing purchase or sale transaction, including brokerage commissions, is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is added to the cost of the purchase or the proceeds from the sale in determining whether a Trust has realized a gain or a loss on investment transactions. A Trust, as writer of an option, may have no control over whether the underlying securities may be sold (call) or purchased (put) and as a result bears the market risk of an unfavorable change in the price of the security underlying the written option.

Option writing and purchasing may be used by the Trusts as an attempt to manage the duration of positions, or collections of positions, so that changes in interest rates do not adversely affect the targeted duration of the portfolio unexpectedly. Duration is a measure of the price sensitivity of a security or a portfolio to relative changes in interest rates. For instance, a duration of one means that a portfolio s or a security s price would be expected to change by approximately one percent with a one percent change in interest rates, while a duration of five would imply that the price would move approximately five percent in relation to a one percent change in interest rates.

A call option gives the purchaser of the option the right (but not obligation) to buy, and obligates the seller to sell (when the option is exercised), the underlying position at the exercise price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying position at the exercise price at any time or at a specified time during the option period. The main risk that is associated with purchasing options is that the option expires without being exercised. In this case, the option expires worthless and the premium paid for the option is considered the loss. The risk associated with writing call options is that a Trust may forgo the opportunity for a profit if the market value of the underlying position increases and the option is exercised. The risk in writing put options is that a Trust may incur a loss if the market value of the underlying position decreases and the option is exercised. In addition, the Trust risks not being able to enter into a closing transaction for the written option as the result of an illiquid market.

Stripped Mortgage-Backed Securities: Stripped mortgage-backed securities are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. In certain cases, one class will receive all of the interest (the interest-only or IO class), while the other class will receive all of the principal (the principal-only or PO class). The yield to maturity on IOs is sensitive to the rate of principal repayments (including prepayments) on the related underlying mortgage assets, and principal payments may have a material effect on yield to maturity. If the underlying mortgage assets experience greater than anticipated prepayments of principal, a Trust may not fully recoup its initial investment in IOs. Such securities will be considered liquid only if so determined in accordance with guidelines established by the Trustees.

Inverse Floating Rate Securities: The Trusts may invest in inverse floating rate securities that pay interest at a rate that varies inversely with interest rates. As interest rates rise, inverse floating rates decline. The market value of such securities is more volatile than comparable fixed rate securities.

Credit Default Swaps: Credit default swaps are agreements in which one party pays fixed periodic payments to a counterparty in consideration for a guarantee from the counterparty to make a specific payment should a negative credit event take place. Risks arise from the possible inability of the counterparties to meet the terms of their contracts.

During the term of the swap, changes in the value of the swap are recognized as unrealized gains or losses by marking-to-market to reflect the market value of the swap. When the swap is terminated, a Trust will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract, if any.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the swap. However, the Trusts closely monitor swaps and do not anticipate non-performance by any counterparty.

Total Return Swaps: Total return swaps are agreements in which one party commits to pay interest in exchange for a market-linked return. To the extent the total return of the security or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Trust will receive a payment from or make a payment to the counterparty.

During the term of the swap, changes in the value of the swap are recognized as unrealized gains or losses by marking-to-market to reflect the market value of the swap. When the swap is terminated, a Trust will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract, if any.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the swap. However, the Trusts closely monitor swaps and do not anticipate non-performance by any counterparty.

Interest Rate Swaps: In an interest rate swap, one investor pays a floating rate of interest on a notional principal amount and receives a fixed rate of interest on the same notional principal amount for a specified period of time. Alternatively, an investor may pay a fixed rate and receive a floating rate. Interest rate swaps are efficient as asset/liability management tools. In more complex swaps, the notional principal amount may decline (or amortize) over time.

During the term of the swap, changes in the value of the swap are recognized as unrealized gains or losses by marking-to-market to reflect the market value of the swap. When the swap is terminated, a Trust will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract, if any.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the swap. However, the Trusts closely monitor swaps and do not anticipate non-performance by any counterparty.

Swap Options: Swap options are similar to options on securities except that instead of selling or purchasing the right to buy or sell a security, the writer or purchaser of the swap option is granting or buying the right to enter into a previously agreed upon interest rate swap agreement at any time before the expiration of the option. Premiums received or paid from writing or purchasing options are recorded as liabilities or assets and are subsequently adjusted to the current market value of the option written or purchased. Premiums received or paid from writing or purchasing options which expire unexercised are treated by a Trust on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on effecting a closing purchase or sale transaction, including brokerage commission, is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is added to the cost of the purchase or the proceeds from the sale in determining whether a Trust has realized a gain or loss on investment transactions.

The main risk that is associated with purchasing swap options is that the swap option expires without being exercised. In this case, the option expires worthless and the premium paid for the swap option is considered the loss. The main risk that is associated with the writing of a swap option is the market risk of an unfavorable change in the value of the interest rate swap underlying the written swap option.

Swap options may be used by the Trusts to manage the duration of the Trusts portfolios in a manner similar to more generic options described above.

Interest Rate Caps: Interest rate caps are similar to interest rate swaps, except that one party agrees to pay a fee, while the other party pays the excess, if any, of a floating rate over a specified fixed or floating rate.

Interest rate caps are intended to both manage the duration of the Trusts portfolios and their exposure to changes in short-term interest rates. Owning interest rate caps reduces a portfolio s duration, making it less sensitive to changes in interest rates from a market value perspective. The effect on income involves protection from rising short-term interest rates, which the Trusts experience primarily in the form of leverage.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the interest rate cap. However, the Trusts do not anticipate non-performance by any counterparty.

Transaction fees paid or received by the Trusts are recognized as assets or liabilities and amortized or accreted into interest expense or income over the life of the interest rate cap. The asset or liability is subsequently adjusted to the current market value of the interest rate cap purchased or sold. Changes in the value of the interest rate cap are recognized as unrealized gains and losses.

Interest Rate Floors: Interest rate floors are similar to interest rate swaps, except that one party agrees to pay a fee, while the other party pays the deficiency, if any, of a floating rate under a specified fixed or floating rate.

Interest rate floors are used by the Trusts to both manage the duration of the portfolios and their exposure to changes in short-term interest rates. Selling interest rate floors reduces a portfolio s duration, making it less sensitive to changes in interest rates from a market value perspective. The Trusts leverage provides extra income in a period of falling rates. Selling floors reduces some of that extra income by partially monetizing it as an up front payment which the Trusts receive.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the interest rate floor. However, the Trusts do not anticipate non-performance by any counterparty.

Transaction fees paid or received by the Trusts are recognized as assets or liabilities and amortized or accreted into interest expense or income over the life of the interest rate floor. The asset or liability is subsequently adjusted to the current market value of the interest rate floor purchased or sold. Changes in the value of the interest rate floor are recognized as unrealized gains and losses.

Financial Futures Contracts: A futures contract is an agreement between two parties to buy and sell a financial instrument for a set price on a future date. Initial margin deposits are made upon entering into futures contracts and can be either cash or securities. During the period the futures contract is open, changes in the value of the contract are recognized as unrealized gains or losses by marking-to-market on a daily basis to reflect the market value of the contract at the end of each day s trading. Variation margin payments are made or received, depending upon whether unrealized gains or losses are incurred. When the contract is closed, a Trust records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract.

Financial futures contracts, when used by the Trusts, help in maintaining a targeted duration. Futures contracts can be sold to effectively shorten an otherwise longer duration portfolio. In the same sense, futures contracts can be purchased to lengthen a portfolio that is shorter than its duration target. Thus, by buying or selling futures contracts, the Trusts attempt to manage the duration of positions so that changes in interest rates do not change the duration of the portfolio unexpectedly.

Forward Currency Contracts: The Trusts enter into forward currency contracts primarily to facilitate settlement of purchases and sales of foreign securities and to help manage the overall exposure to foreign currency. A forward contract is a commitment to purchase or sell a foreign currency at a future date (usually the security transaction settlement date) at a negotiated forward rate. In the event that a security fails to settle within the normal settlement period, the forward currency contract is renegotiated at a new rate. The gain or loss arising from the difference between the settlement value of the original and renegotiated forward contracts is isolated and is included in net realized gains (losses) from foreign currency transactions. Risks may arise as a result of the potential inability of the counterparties to meet the terms of their contract.

Forward currency contracts, when used by the Trusts, help to manage the overall exposure to the foreign currency backing some of the investments held by the Trusts. Forward currency contracts are not meant to be used to eliminate all of the exposure to the foreign currency, rather they allow the Trusts to limit their exposure to foreign currency within a narrow band to the objectives of the Trusts.

Foreign Currency Translation: Foreign currency amounts are translated into United States dollars on the following basis:

(i) market value of investment securities, assets and liabilities at the current rate of exchange.

(ii) purchases and sales of investment securities, income and expenses at the rates of exchange prevailing on the respective dates of such transactions.

The Trusts isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of securities held at period end. Similarly, the Trusts isolate the effect of changes in foreign exchange rates from the fluctuations arising from changes in the market prices of portfolio securities sold during the period.

Net realized and unrealized foreign exchange gains and losses includes realized foreign exchange gains and losses from sales and maturities of foreign portfolio securities, sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of interest and discount recorded on the Trusts books and the U.S. dollar equivalent amounts actually received or paid, and changes in unrealized foreign exchange gains and losses in the value of portfolio securities and other assets and liabilities arising as a result of changes in the exchange rate.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of domestic origin, including unanticipated movements in the value of the foreign currency relative to the U.S. dollar.

Short Sales: The Trusts may make short sales of securities as a method of managing potential price declines in similar securities owned. When a Trust makes a short sale, it may borrow the security sold short and deliver it to the broker-dealer through which it made the short sale as collateral for its obligation to deliver the security upon conclusion of the sale. The Trusts may have to pay a fee to borrow the particular securities and may be obligated to pay over any payments received on such borrowed securities, which would be included in interest expense in the Statement of Operations. A gain, limited to the price at which a Trust sold the security short, or a loss, unlimited as to dollar amount, will be recognized upon the termination of a short sale if the market price is greater or less than the proceeds originally received.

Bonds Borrowed Agreements: In a bonds borrowed agreement, the Trust borrows securities from a third party, with the commitment that they will be returned to the lender on an agreed-upon date. Bonds borrowed agreements are primarily entered into to settle short positions. In a bonds borrowed agreement, the Trust s prime broker or third party broker takes possession of the underlying collateral securities or cash to settle such short positions. The value of the underlying collateral securities or cash approximates the principal amount of the bonds borrowed transaction, including accrued interest. To the extent that bonds borrowed transactions exceed one business day, the value of the collateral with any counterparty is marked-to-market on a daily basis to ensure the adequacy of the collateral. If the lender defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the lender of the security, realization of the collateral by the Trust may be delayed or limited.

Segregation: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (the Commission) require that each Trust segregate assets in connection with certain investments (e.g., when issued securities, reverse repurchase agreements, swaps or futures contracts), each Trust will, consistent with certain interpretive letters issued by the Commission, designate on its books and records cash or other liquid debt securities having a market value at least equal to the amount that would otherwise be required to be physically segregated.

Federal Income Taxes: It is each Trust s intention to continue to be treated as a regulated investment company under the Internal Revenue Code and to distribute sufficient amounts of their taxable income to shareholders. Therefore, no federal income tax provisions have been recorded. As part of a tax planning strategy, Broad Investment Grade has retained a portion of its taxable income and will pay excise tax on the undistributed amounts.

On July 13, 2006, the Financial Accounting Standards Board (FASB) released FASB Interpretation No. 48 (FIN 48) Accounting for Uncertainty in Income Taxes. FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in financial statements. FIN 48 requires the evaluation of tax positions taken in the course of preparing the Trusts tax returns to determine whether the tax positions are more-likely-than-not of being sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the more-likely-than-not threshold would be booked as a tax expense in the current year and recognized as: a liability for unrecognized tax benefits; a reduction of an income tax refund receivable; a reduction of deferred tax asset; an increase in deferred tax liability; or a combination thereof. Adoption of FIN 48 is required for fiscal years beginning after December 15, 2006. At this time, management is evaluating the implications of FIN 48 and its impact on the financial statements has not yet been determined.

Dividends and Distributions: Each Trust declares and pays dividends and distributions to common shareholders monthly from net investment income, net realized short-term capital gains and, if necessary, other sources. Net long-term capital gains, if any, in excess of loss carryfor-wards may be distributed in accordance with the 1940 Act. Dividends and distributions are recorded on the ex-dividend date. Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities including investment and swap valuations at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and such differences may be material.

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by each Trust s Board, non-interested Trustees (Independent Trustees) are required to defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of the other BlackRock Closed-End Funds selected by the Independent Trustees. These amounts are shown on the Statement of Assets and Liabilities as Affiliated Investments . This has the same economic effect for the Independent Trustees as if the Independent Trustees had invested the deferred amounts in such Trusts.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of the Trust. Each Trust may, however, elect to invest in common shares of those Trusts selected by the Independent Trustees in order to match its deferred compensation obligations.

Other: Expenses that are directly related to one of the Trusts are charged directly to that Trust. Other operating expenses are generally prorated to the Trusts on the basis of relative net assets of all the BlackRock Closed-End Funds.

Note 2. Agreements and Other Transactions with Affiliates and Related Parties

Each Trust has an Investment Management Agreement with BlackRock Advisors, LLC (the Advisor), which is a wholly owned subsidiary of BlackRock, Inc. BlackRock Financial Management, Inc. (BFM), a wholly owned subsidiary of BlackRock, Inc., serves as sub-advisor to Core Bond, Limited Duration and Strategic Bond. BlackRock, Inc. may be presumed to be an affiliate of Merrill Lynch & Co., Inc. and The PNC Financial Services Group, Inc.

Broad Investment Grade, High Yield, Income Opportunity and Income Trust each have an Administration Agreement with the Advisor. The Investment Management Agreement for Core Bond, Limited Duration and Strategic Bond covers both investment advisory and administration services.

Each Trust s investment advisory fee paid to the Advisor is computed weekly and payable monthly based on an annual rate, 0.55% for Broad Investment Grade, 0.60% for Income Opportunity and 0.65% for Income Trust, of each Trust s average net assets and 0.55% for Core Bond and Limited Duration, 1.05% for High Yield and 0.75% for Strategic Bond, of each Trust s average weekly managed assets. Net assets means the toal assets of the Trust minus the sum of accrued liabilities. Managed assets means the total assets of a Trust (including any assets attributable to any borrowing that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage). The Advisor has voluntarily agreed to waive a portion of the investment advisory fees or other expenses on Strategic Bond as a percentage of its average weekly managed assets as follows: 0.20% for the first five years of the Trust s operations from 2002 through 2007, 0.15% in 2008, 0.10% in 2009 and 0.05% in 2010.

The Advisor pays BFM fees for its sub-advisory services.

The administration fee paid to the Advisor by Broad Investment Grade, High Yield, Income Opportunity and Income Trust is computed weekly and payable monthly based on an annual rate of 0.15%, 0.10%, 0.10%, and 0.15%, respectively of the Trusts average weekly managed assets.

Pursuant to the Investment Management and Administration Agreements, the Advisor provides continuous supervision of the investment portfolio and pays the compensation of officers of each Trust who are affiliated persons of the Advisor, as well as occupancy and certain clerical and accounting costs of each Trust. Each Trust bears all other costs and expenses, which include reimbursements to the Advisor for cost of employees that provide pricing, secondary market support and compliance services provided to each Trust. For the year ended October 31, 2006, the Trusts reimbursed the Advisor the following amounts, which are included in miscellaneous expenses in the Statement of Operations:

Trust	**Amount**
Broad Investment Grade	$ 3,650
Core Bond	24,820
High Yield	2,500
Income Opportunity	25,652

Trust	**Amount**
Income Trust	$ 31,087
Limited Duration	91,820
Strategic Bond	6,198

Pursuant to the terms of their custody agreements, each Trust may receive earnings credits from its custodian for positive cash balances maintained, which are used to offset custody fees. These credits are shown on the Statements of Operations as fees paid indirectly.

During the year ended October 31, 2006, Merrill Lynch & Co., Inc., through its affiliated broker dealer Merrill Lynch, Pierce, Fenner & Smith, Inc., earned commissions on transactions of securities as follows:

Trust	Commission Amount
Core Bond	$ 51,942
Income Opportunity	60,362
Income Trust	30,922

Investments in companies considered to be an affiliate of the Trusts, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Trust	Portfolio Company	Beginning Principal Amount	Purchases	Sales	Ending Principal Amount	Net Realized Loss	Dividend/ Interest Income	Market Value of Affiliates at October 31, 2006
Core Bond	Merrill Lynch Mortgage Investors, Inc., Ser. HE2, Class A2A	$	$2,925,000	$1,415,452	$1,509,548	$	$ 99,517	$1,509,838
Income Opportunity	Merrill Lynch Mortgage Investors, Inc., Ser. HE2, Class A2A		3,200,000	1,548,529	1,651,471		109,155	1,651,789
	Merrill Projects, Ser. 29	157,733		5,408	152,325		11,480	153,837
	Merrill Projects, Ser. 42	230,458		179,060	51,398		4,823	51,939
Income Trust	Merrill Lynch Mortgage Investors, Inc., Ser. C2	2,055,258		2,055,258		(59,731)		
	Merrill Projects, Ser. 54	52,851		1,601	51,250		3,855	51,795

Note 3. Portfolio Securities

Purchases and sales of investment securities, other than short-term investments, dollar rolls and U.S. government securities, for the year ended October 31, 2006 were as follows:

Trust	Purchases	Sales	Trust	Purchases	Sales
Broad Investment Grade	$ 3,161,603	$ 8,767,520	Income Trust	$ 171,866,685	$ 433,349,706
Core Bond	233,060,016	208,830,241	Limited Duration	1,405,244,885	1,337,948,590
High Yield	55,870,951	56,576,912	Strategic Bond	57,922,011	74,222,016
Income Opportunity	476,873,405	427,093,810			

Purchases and sales of U.S. government securities for the year ended October 31, 2006, aggregated as follows:

Trust	Purchases	Sales	Trust	Purchases	Sales
Broad Investment Grade	$	$ 11,700,000	Income Trust	$ 258,366,922	$ 69,184,243
Core Bond	135,017,135	268,311,645	Strategic Bond	6,854,302	7,315,759
Income Opportunity	148,497,169	299,648,887			

Details of open foreign currency exchange contracts at October 31, 2006 were as follows:

Trust		Foreign Currency	Settlement Date	Contract to Purchase / Receive	Value at Settlement Date	Value at October 31, 2006	Unrealized Appreciation (Depreciation)
Core Bond	**Bought:**						
		Euro	1/10/07	$ 3,983,300	$ 5,042,698	$ 5,102,113	$ 59,415
	Sold:						
		Euro	1/10/07	4,190,867	5,392,053	5,367,981	24,072
							$ 83,487
Limited Duration	**Sold:**						
		Euro	1/10/07	16,753,550	21,523,286	21,474,717	$ 48,569
		Euro	1/10/07	500,000	633,187	640,900	(7,713)
		British Pounds	1/10/07	5,963,875	11,309,271	11,387,107	(77,836)
							$ (36,980)

Income Trust held interest rate floors at October 31, 2006. Under the agreement, Income Trust pays the excess, if any, of a fixed rate over a floating rate. Income Trust received transaction fees for the floors. Transaction fees are amortized through the termination of the agreement. Details of the interest rate floors held at October 31, 2006 were as follows:

Notional Amount (000)	Variable Rate	Counter Party	Floating Rate	Termination Date	Amortized Cost	Value at October 31, 2006	Unrealized Appreciation
$ 185,000	4.80%	Goldman Sachs	3-month LIBOR	3/25/11	$ (2,075,000)	$ (1,196,567)	$ 878,433
146,000	4.95	JP Morgan	3-month LIBOR	3/25/11	(1,609,164)	(698,289)	910,875
					$ (3,684,164)	$ (1,894,856)	$ 1,789,308

Details of open interest rate swaps at October 31, 2006 were as follows:

Trust	Notional Amount (000)	Fixed Rate	Counter Party	Floating Rate	Termination Date	Unrealized Appreciation (Depreciation)
Core Bond	5,600	4.415%(a)	Union Bank of Switzerland	3-month LIBOR	09/27/08	$ (75,880)
	41,200	4.510(b)	CitiBank	3-month LIBOR	10/29/14	1,571,998
	50,000	3.000(b)	Union Bank of Switzerland	3-month LIBOR	04/16/07	596,890
	14,100	4.305(a)	Morgan Stanley	3-month LIBOR	06/17/10	(200,178)
	20,000	4.458(b)	Morgan Stanley	3-month LIBOR	04/18/10	(361,070)
	2,800	4.500(b)	JP Morgan	3-month LIBOR	05/26/15	88,722
	4,800	4.372(a)	Union Bank of Switzerland	3-month LIBOR	06/30/15	(202,080)
	6,200	4.725(a)	Morgan Stanley	3-month LIBOR	08/02/15	(180,335)
	7,200	5.160(a)	Deutsche Bank	3-month LIBOR	09/12/09	19,896
	4,600	5.000(a)	Deutsche Bank	3-month LIBOR	11/07/10	44,909
	5,000	4.870(a)	Goldman Sachs	3-month LIBOR	01/25/16	(30,767)
	4,800	5.723(a)	JP Morgan	3-month LIBOR	07/14/16	285,761
	25,100	5.496(a)	Bank of America	3-month LIBOR	07/28/11	837,085
	8,900	5.410(a)	Deutsche Bank	3-month LIBOR	08/15/08	41,133
						$ 2,436,084
Income Opportunity Trust	7,800	4.415%(a)	Union Bank of Switzerland	3-month LIBOR	09/27/08	$ (105,690)
	50,000	3.000(b)	Union Bank of Switzerland	3-month LIBOR	04/16/07	596,890
	27,500	4.399(b)	Deutsche Bank	3-month LIBOR	10/25/14	1,267,076
	13,800	4.510(b)	CitiBank	3-month LIBOR	10/29/14	526,543
	13,300	4.305(a)	Morgan Stanley	3-month LIBOR	06/17/10	(188,820)
	10,000	4.458(b)	Morgan Stanley	3-month LIBOR	04/18/10	(180,535)
	3,000	4.500(b)	JP Morgan	3-month LIBOR	05/26/15	95,060
	5,200	4.372(a)	Union Bank of Switzerland	3-month LIBOR	06/30/15	(218,920)
	9,600	5.410(a)	Deutsche Bank	3-month LIBOR	08/15/08	44,368
	8,000	4.670(a)	Goldman Sachs	3-month LIBOR	09/20/15	(257,895)
	5,000	5.000(a)	Deutsche Bank	3-month LIBOR	11/07/10	48,815
	5,200	5.723(a)	JP Morgan	3-month LIBOR	07/14/16	309,574
	27,900	5.496(a)	Bank of America	3-month LIBOR	07/28/11	930,465
	6,600	5.160(a)	Deutsche Bank	3-month LIBOR	09/12/09	18,238
	25,000	5.011(a)	Lehman Brothers	3-month LIBOR	10/10/10	(77,493)
						$ 2,807,676
Income Trust	11,000	4.415%(a)	Union Bank of Switzerland	3-month LIBOR	09/27/08	$ (149,050)
	2,800	5.940(a)	Union Bank of Switzerland	3-month LIBOR	12/07/15	207,312
	50,000	3.000(b)	Union Bank of Switzerland	3-month LIBOR	04/16/07	596,890
	19,000	4.889(b)	Goldman Sachs	3-month LIBOR	04/22/14	231,918
	12,500	4.399(b)	Deutsche Bank	3-month LIBOR	10/25/14	575,944
	25,000	4.883(a)	Union Bank of Switzerland	3-month LIBOR	03/21/15	(411,500)

16,000	4.925(b)	Deutsche Bank	3-month LIBOR	03/22/15	210,693
3,000	4.500(b)	JP Morgan	3-month LIBOR	05/26/15	95,059
4,500	4.442(a)	Morgan Stanley	3-month LIBOR	07/11/15	(161,389)
12,000	4.320(a)	Union Bank of Switzerland	3-month LIBOR	09/08/10	(319,000)
5,500	4.870(a)	Goldman Sachs	3-month LIBOR	01/25/16	(33,844)
5,400	5.723(a)	JP Morgan	3-month LIBOR	07/14/16	321,481
9,300	5.410(a)	Deutsche Bank	3-month LIBOR	08/15/08	42,982
40,000	5.011(a)	Lehman Brothers	3-month LIBOR	10/10/10	(123,988)
					$ 1,083,508

(a) Trust pays floating interest rate and receives fixed rate.
(b) Trust pays fixed interest rate and receives floating rate.

The terms of the open credit default swap agreements at October 31, 2006 were to receive the quarterly notional amount multiplied by the fixed rate and pay the counterparty, upon default event of Dow Jones CDX, the par value of the notional amount of Dow Jones CDX. Details of open credit default swaps at October 31, 2006 were as follows:

Trust	**Notional Amount (000)**	**Fixed Rate**	**Counter Party**	**Termination Date**	**Unrealized Depreciation**
Core Bond	6,000	0.650%	Barclays Bank	6/20/16	$ 17,794
	13,130	0.075	Deutsche Bank	6/20/11	27,133
					$ 44,927
Income Opportunity Trust	6,750	0.650%	Barclays Bank	6/20/16	$ 20,018
	14,495	0.075	Deutsche Bank	6/20/11	29,954
					$ 49,972

Transaction in options written during the year ended October 31, 2006 were as follows:

	Calls		**Puts**	
Trust	**Contracts/ Notional Amount**	**Premium Received**	**Contracts/ Notional Amount**	**Premium Received**
Core Bond				
Options outstanding at October 31, 2005	$ 16,800,035	$ 841,809	$ 43,400,035	$ 1,874,944
Options written	4,500,069	202,007	91,700,106	248,033
Options expired	(69)	(33,369)	(37)	(15,553)
Options closed	(35)	(19,100)	(67)	(39,140)
Options outstanding at October 31, 2006	$ 21,300,000	$ 991,347	$ 135,100,037	$ 2,068,284
Income Opportunity Trust				
Options outstanding at October 31, 2005	$ 18,100,038	$ 907,168	$ 46,500,038	$ 2,010,230
Options written	5,300,074	234,520	101,700,115	285,355
Options expired	(74)	(35,902)	(39)	(16,298)
Options closed	(38)	(20,717)	(73)	(42,733)
Options outstanding at October 31, 2006	$ 23,400,000	$ 1,085,069	$ 148,200,041	$ 2,236,554
Income Trust				
Options outstanding at October 31, 2005	$ 18,100,000	$ 886,450	$ 46,300,000	$ 1,982,018
Options written	5,400,074	238,267	103,800,074	280,317
Options expired	(74)	(35,902)	(39)	(16,297)
Options closed			(35)	(22,293)
Options outstanding at October 31, 2006	$ 23,500,000	$ 1,088,815	$ 150,100,000	$ 2,223,745

Note 4. Borrowings

Details of open reverse repurchase agreements at October 31, 2006 were as follows (please see Corresponding Underlying Collateral Chart):

Trust/Counter Party	Rate	Trade Date	Maturity Date	Net Closing Amount	Par
Core Bond					
Credit Suisse First Boston LLC	5.320%	10/24/06	11/13/06	$ 203,821	$ 203,250
Lehman Brothers	5.300	10/04/06	11/03/06	2,247,392	2,237,838
	5.280	10/11/06	11/03/06	1,474,743	1,470,000
					$ 3,707,838
Income Opportunity					
Credit Suisse First Boston LLC	5.300	10/02/06	11/02/06	1,400,910	1,394,750
	5.320	10/24/06	11/13/06	1,528,655	2,497,500
					$ 3,892,250
Lehman Brothers	5.300	10/04/06	11/03/06	2,486,226	2,475,656
	5.270	10/12/06	11/13/06	3,166,608	3,151,844
	5.290	10/12/06	11/14/06	24,926,699	24,806,408
					$ 30,433,908
Income Trust					
Credit Suisse First Boston LLC	5.260	10/30/06	11/20/06	3,568,648	3,558,250
	5.270	10/31/06	11/20/06	1,825,830	1,820,500
					$ 5,378,750
Lehman Brothers	5.240	10/19/06	11/10/06	39,754,635	39,650,750
	5.270	10/19/06	11/10/06	17,107,460	17,062,500
	5.270	10/27/06	11/20/06	8,044,028	8,019,375
	5.260	10/30/06	11/20/06	581,027	579,250
					$ 65,311,875

Trust/Counter Party	Rate	Trade Date	Maturity Date	Net Closing Amount	Par
Limited Duration					
Credit Suisse First Boston LLC	5.500%	10/03/06	11/03/06	$ 68,580,435	$ 68,257,162
	5.400	10/10/06	11/06/06	34,696,178	34,556,226
	5.500	10/10/06	11/06/06	15,879,897	15,814,662
	5.280	10/10/06	11/07/06	18,518,042	18,445,000
	5.500	10/12/06	11/06/06	3,305,577	3,293,000
	5.500	10/16/06	11/13/06	2,832,456	2,821,000
	5.200	10/19/06	11/13/06	37,821,604	37,707,225
	5.400	10/19/06	11/13/06	3,882,491	3,870,300
	5.400	10/24/06	11/13/06	885,649	883,000
	5.450	10/24/06	11/06/06	3,639,600	3,633,000
	5.450	10/26/06	11/16/06	850,568	848,000
	5.500	10/27/06	11/16/06	596,818	595,000
	5.450	10/30/06	12/04/06	2,438,487	2,426,000
	5.500	10/31/06	12/01/06	4,336,730	4,316,287
					$ 197,465,862
Lehman Brothers	3.250	01/09/06	TBD	1,384,000	1,384,000
	1.500	09/06/06	TBD	888,000	888,000
	5.290	10/12/06	11/14/06	7,930,942	7,892,669
	5.280	10/26/06	11/16/06	12,405,282	12,369,000
					$ 22,533,669
Strategic Bond					
Credit Suisse First Boston LLC	5.400	10/12/06	11/10/06	6,208,308	6,182,342
	5.400	10/17/06	11/10/06	902,143	899,000
	5.400	10/25/06	12/04/06	2,239,022	2,226,000
	5.400	10/30/06	12/04/06	1,137,773	1,132,000
	4.830	10/31/06	11/15/06	566,262	565,125
					$ 11,004,467
Lehman Brothers	5.250	10/25/06	11/15/06	3,958,179	$ 3,946,668

Details of underlying collateral for open reverse repurchase agreements at October 31, 2006 were as follows:

Trust/Counter Party	Description	Rate	Maturity Date	Original Face	Current Face	Market Value
Core Bond						
Credit Suisse First Boston LLC	Tennessee Valley Authority	4.875%	12/15/16	$ 200,000	$ 200,000	$ 199,789
Lehman Brothers	Federal Home Loan Mortgage Corp.	5.500	11/01/18	2,200,000	1,129,662	1,132,744
	Federal Home Loan Mortgage Corp.	3.010	04/19/07	1,135,000	1,135,000	1,123,089
	Federal National Mortgage Assoc.	2.350	04/05/07	1,500,000	1,500,000	1,481,178
						$ 3,737,011
Income Opportunity						
Credit Suisse First Boston LLC	Tennessee Valley Authority	4.875	12/15/16	2,900,000	2,900,000	2,896,949
	Tennessee Valley Authority	5.880	04/01/36	1,800,000	1,800,000	2,005,450

						$ 4,902,399
Lehman Brothers	Federal Home Loan Mortgage Corp.	5.149	01/01/35	2,042,400	1,871,302	1,843,811
	Federal Home Loan Mortgage Corp.	4.363	01/01/35	1,360,100	1,077,640	1,084,331
	Federal National Mortgage Assoc.	5.500	01/01/33	3,429,659	689,059	682,986
	Federal National Mortgage Assoc.	7.250	01/15/10	2,915,000	2,915,000	3,118,313
	Federal National Mortgage Assoc.	5.500	02/01/33	17,464,674	6,999,589	6,937,896
	Federal National Mortgage Assoc.	5.500	01/01/33	11,231,919	5,668,494	5,618,533
	Federal National Mortgage Assoc.	5.500	02/01/35	5,014,015	3,520,154	3,488,073
	Federal National Mortgage Assoc.	5.500	06/01/36	1,001,094	977,871	966,507
	Federal National Mortgage Assoc.	5.500	10/01/20	810,190	774,726	775,830
	Federal National Mortgage Assoc.	5.500	10/01/20	833,871	755,664	756,740
	Federal National Mortgage Assoc.	5.500	10/01/20	807,941	754,353	755,427
	Federal National Mortgage Assoc.	5.500	03/01/21	677,502	643,156	643,866

Trust/Counter Party	Description	Rate	Maturity Date	Original Face	Current Face	Market Value
Income Opportunity (cont d)						
Lehman Brothers (cont d)	Federal National Mortgage Assoc.	5.500%	03/01/21	$ 654,254	$ 621,683	$ 622,370
	Federal National Mortgage Assoc.	5.500	03/01/18	1,483,364	580,987	582,714
	Federal National Mortgage Assoc.	5.500	03/01/18	1,539,074	577,555	579,271
	Federal National Mortgage Assoc.	5.500	07/01/16	5,601,876	563,376	565,518
	Federal National Mortgage Assoc.	5.500	08/01/17	3,217,577	543,934	545,738
	Resolution Funding Corp.	0.000	04/15/30	5,555,000	5,555,000	1,783,316
						$ 31,351,240
Income Trust						
Credit Suisse First Boston LLC	U.S. Treasury Strip	0.000	11/15/24	13,000,000	13,000,000	$ 5,438,264
Lehman Brothers	U.S. Treasury Notes	3.750	03/31/07	20,400,000	20,400,000	20,288,432
	U.S. Treasury Notes	4.000	08/31/07	19,400,000	19,400,000	19,246,158
	U.S. Treasury Strip	0.000	11/15/24	62,900,000	62,900,000	26,312,957
						$ 65,847,547
Limited Duration						
Credit Suisse First Boston LLC	AES Corp.	8.750	05/15/13	5,000,000	5,000,000	5,368,750
	American Real Estate Partners LP	8.125	06/01/11	5,860,000	5,860,000	5,991,850
	CSC Holdings, Inc.	7.875	12/15/07	5,795,000	5,795,000	5,874,681
	Republic of Colombia	9.750	04/23/09	5,000,000	5,000,000	5,470,000
	MGM Mirage	9.750	06/01/07	5,425,000	5,425,000	5,533,500
	Midwest Generation LLC	8.560	01/02/16	4,800,000	4,007,041	4,327,604
	Ipsco, Inc.	8.750	06/01/13	5,000,000	5,000,000	5,325,000
	Fasten Tech, Inc.	11.50	05/01/11	2,500,000	2,500,000	2,587,500
	Houghton Mifflin Co.	9.875	02/01/13	5,000,000	5,000,000	5,356,250
	Group 1 Automotive, Inc.	8.250	08/15/13	5,000,000	5,000,000	5,143,750
	Concentra Operating Corp.	9.500	08/15/10	5,000,000	5,000,000	5,225,000
	Vertis, Inc.	9.750	04/01/09	500,000	500,000	510,625
	General Motors Acceptance Corp.	6.274	01/16/07	2,700,000	2,700,000	2,699,619
	General Motors Acceptance Corp.	6.875	08/28/12	5,620,000	5,620,000	5,635,084
	Nielsen Finance LLC	10.00	08/01/14	4,340,000	4,340,000	4,524,450
	US Steel LLC	10.75	08/01/18	500,000	500,000	538,750
	Turkey	7.000	09/26/16	4,431,000	4,431,000	4,453,155
	Rite Aid Corp.	8.125	05/01/10	3,800,000	3,800,000	3,838,000
	Lyondell Chemical Co.	11.125	07/15/12	3,020,000	3,020,000	3,269,150
	Deutsche Telekom Intl. Finance BV	8.000	06/15/10	5,000,000	5,000,000	5,457,805
	DaimlerChrysler NA Holding Corp.	4.050	06/04/08	7,500,000	7,500,000	7,333,395
	Marsh & McLennan Cos., Inc.	5.513	07/13/07	200,000	200,000	199,963
	Tyco Intl. Group SA	6.125	11/01/08	7,500,000	7,500,000	7,607,220
	Comcast Cable Communications, Inc.	6.875	06/15/09	6,685,000	6,685,000	6,949,840
	JC Penney Co., Inc.	8.000	03/01/10	4,400,000	4,400,000	4,725,692
	DR Horton, Inc.	5.875	07/01/13	3,000,000	3,000,000	2,939,418
	Republic of Peru	9.125	02/21/12	5,000,000	5,000,000	5,775,000
	Chesapeake Energy Corp.	7.500	09/15/13	4,000,000	4,000,000	4,095,000
	Qwest Corp.	7.741	06/15/13	1,900,000	1,900,000	2,047,250
	Qwest Corp.	9.125	03/15/12	3,675,000	3,675,000	4,042,500
	Crum & Forster Holdings Corp.	10.375	06/15/13	3,010,000	3,010,000	3,122,875
	Federal National Mortgage Assoc.	7.250	01/15/10	17,000,000	17,000,000	18,185,699
	American Real Estate Partners LP	7.125	02/15/13	1,480,000	1,480,000	1,476,300

Overseas Shipholding Group, Inc.	8.750	12/01/13	1,650,000	1,650,000	1,767,563
Rouse Co.	5.375	11/26/13	2,300,000	2,300,000	2,146,774
US Steel LLC	10.750	08/01/08	2,750,000	2,750,000	2,963,125
U.S. Treasury Notes	3.375	12/15/08	17,000,000	17,000,000	16,565,701
U.S. Treasury Notes	3.750	03/31/07	10,000,000	10,000,000	9,945,310
U.S. Treasury Notes	3.875	05/15/09	6,000,000	6,000,000	5,892,654
U.S. Treasury Notes	3.375	09/15/09	3,425,000	3,425,000	3,312,619
U.S. Treasury Notes	4.250	08/15/15	1,815,000	1,815,000	1,769,342
Western Financial Bank	9.625	05/15/12	4,300,000	4,300,000	4,738,337
Kazkommerts Intl. BV	10.125	05/08/07	4,000,000	4,000,000	4,078,000
					$ 208,810,100

Trust/Counter Party	Description	Rate	Maturity Date	Original Face	Current Face	Market Value
Limited Duration (cont d.)						
Lehman Brothers	NewPage Corp.	11.739%	05/01/12	$ 1,500,000	$ 1,500,000	$ 1,620,000
	Metaldyne Corp.	11.000	11/01/13	1,000,000	1,000,000	1,025,000
	Federal National Mortgage Assoc.	5.500	02/01/32	397,360	129,080	127,942
	Federal National Mortgage Assoc.	5.500	03/01/32	1,100,000	397,232	394,779
	Federal National Mortgage Assoc.	5.500	03/01/33	1,006,453	295,594	292,900
	Federal National Mortgage Assoc.	5.500	06/01/33	800,952	412,890	409,128
	Federal National Mortgage Assoc.	5.500	07/01/33	2,207,045	1,206,934	1,195,934
	Federal National Mortgage Assoc.	5.500	08/01/33	2,113,543	955,902	947,190
	Federal National Mortgage Assoc.	5.500	09/01/33	5,852,429	3,304,045	3,273,934
	Federal National Mortgage Assoc.	5.500	10/01/33	3,182,952	1,569,503	1,555,199
	GSR Mortgage Loan Trust	4.506	10/25/33	10,000,000	6,748,247	6,457,229
	GSR Mortgage Loan Trust	4.531	10/25/33	10,000,000	6,752,162	6,491,258
						$ 23,790,493
Strategic Bond						
Credit Suisse First Boston LLC	DaimlerChrysler NA Holding Corp.	7.300	01/15/12	600,000	600,000	640,225
	Wells Fargo & Co.	3.500	04/04/08	2,000,000	2,000,000	1,955,186
	HSBC Bank, Inc.	3.875	09/15/09	1,500,000	1,500,000	1,453,827
	TIAA Global Markets, Inc.	3.875	01/22/08	1,000,000	1,000,000	982,852
	Barclays Bank PLC	8.550	09/29/49	650,000	650,000	732,463
	News America, Inc.	6.200	12/15/34	1,300,000	1,300,000	1,269,483
	Merck & Co., Inc.	4.375	02/15/13	300,000	300,000	285,746
	General Electric Capital Corp.	3.450	07/16/07	2,000,000	2,000,000	1,974,496
	SBC Communications, Inc.	6.450	06/15/34	300,000	300,000	310,235
	Verizon New England, Inc.	6.500	09/15/11	1,130,000	1,130,000	1,164,565
	U.S. Treasury Notes	4.875	08/15/16	550,000	550,000	561,430
						$ 11,330,508
Lehman Brothers	U.S. Treasury Bonds	5.375	02/15/31	410,000	410,000	445,138
	U.S. Treasury Notes	4.250	08/15/13	1,000,000	1,000,000	980,625
	U.S. Treasury Notes	2.625	11/15/06	933,000	933,000	932,052
	U.S. Treasury Notes	4.750	05/15/14	710,000	710,000	717,100
	U.S. Treasury Notes	4.125	08/15/10	810,000	810,000	797,375
	U.S. Treasury Notes	4.250	08/15/15	75,000	75,000	73,114
						$ 3,945,404

Note 5. Commitments

Bridge Debt Commitments: At October 31, 2006, High Yield and Limited Duration had $90,000 and $740,000, respectively, in commitments outstanding to fund high yield bridge debt. The Trusts are entitled to a fee upon the expiration of the commitment period, generally within six months of the initial commitment date. The bridge debt terms approximate market rates at the time the commitment is entered into.

Note 6. Income Tax Information

The tax character of distributions paid during the year ended October 31, 2006 and 2005 were as follows:

	Year ended October 31, 2006			
Distributions Paid from:	Ordinary Income	Non-taxable Return of Capital	Long-term Capital Gains	Total Distributions

Broad Investment Grade	$ 4,241,016	$	$ 20,078	$ 4,261,094
Core Bond	25,048,230		7,914,351	32,962,581
High Yield	4,175,232			4,175,232
Income Opportunity	22,238,533	2,162,198	8,976,685	33,377,416
Income Trust	21,910,288	5,576,693		27,486,981
Limited Duration	55,725,066	760,960		56,486,026
Strategic Bond	6,969,104	251,641		7,220,745

	Year ended October 31, 2005			
Distributions Paid from:	**Ordinary Income**	**Non-taxable Return of Capital**	**Long-term Capital Gains**	**Total Distributions**
Broad Investment Grade	$ 3,271,251	$	$ 525,065	$ 3,796,316
Core Bond	27,245,722		9,450,907	36,696,629
High Yield	5,087,371			