BLACKROCK BROAD INVESTMENT GRADE 2009 TERM TRUST INC
Form N-CSR
January 07, 2005

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, 2004

Date of reporting period: October 31, 2004

Item 1. Reports to Shareholders.

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

FIXED INCOME LIQUIDITY EQUITIES ALTERNATIVES BLACKROCK SOLUTIONS

BlackRock
Closed-End Funds
Annual Report

OCTOBER 31, 2004

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)

NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

TABLE OF CONTENTS

Letter to Shareholders 1

Trusts Summaries 2

Portfolios of Investments 9

Financial Statements

Statements of Assets and Liabilities 49

Statements of Operations 51

Statements of Cash Flows 53

Statements of Changes in Net Assets 55

Financial Highlights 58

Notes to Financial Statements 65

Report of Independent Registered Public Accounting Firm 78

Directors/Trustees Information 79

Dividend Reinvestment Plans 81

Additional Information 82

Tax Information 82

Privacy Principles of the Trusts

The Trusts are committed to maintaining the privacy of shareholders and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information the Trusts collect, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, the Trusts do not receive any non-public personal information relating to their shareholders, although certain non-public personal information of shareholders may become available to the Trusts. The Trusts do not disclose any non-public personal information about their shareholders or former shareholders to anyone, except as permitted by law or as is necessary in order to service shareholder accounts (for example, to a transfer agent or third party administrator).

The Trusts restrict access to non-public personal information about their shareholders to BlackRock employees with a legitimate business need for the information. The Trusts maintain physical, electronic and procedural safeguards designed to protect the non-public personal information of their shareholders.

LETTER TO SHAREHOLDERS

October 31, 2004

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 portfolios holdings.

The portfolio management team continuously monitors the fixed income markets and adjusts the portfolios 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, 2004.

Trust	Yield1	Market Price	NAV
BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)	5.70%	$15.80	$15.98
BlackRock Core Bond Trust (BHK)	7.49	14.02	15.22
BlackRock High Yield Trust (BHY)	8.82	9.30	7.95
BlackRock Income Opportunity Trust (BNA)	7.38	11.38	12.38
BlackRock Income Trust Inc. (BKT)	8.17	7.50	6.95
BlackRock Limited Duration Income Trust (BLW)	7.52	19.95	20.13
BlackRock Strategic Bond Trust (BHD)	9.34	16.70	15.10

1Yield is based on market price.

BlackRock, Inc. (BlackRock), a world leader in asset management, has a proven commitment to managing fixed income securities. As of September 30, 2004, BlackRock managed $233 billion in bonds, including 20 open-end and 48 closed-end bond funds. BlackRock is recognized for its emphasis on risk management and proprietary analytics and for its reputation managing money for the worlds largest institutional investors. BlackRock Advisors, Inc., and its affiliate, BlackRock Financial Management, Inc., are wholly owned subsidiaries of BlackRock, Inc.

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
Chief Executive Officer
BlackRock Advisors, Inc.

Ralph L. Schlosstein
President
BlackRock Advisors, Inc.

TRUST SUMMARIES
OCTOBER 31, 2004

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 10/31/04:	$15.80
Net Asset Value as of 10/31/04:	$15.98
Yield on Closing Market Price as of 10/31/04 ($15.80):[1]	5.70%
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.

[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:

	10/31/04	10/31/03	Change	High	Low
Market Price	$15.80	$15.85	(0.32)%	$16.52	$15.20
NAV	$15.98	$16.02	(0.25)%	$16.58	$15.38

The following 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, 2004	October 31, 2003
U.S. Government and Agency Securities	63%	56%
Agency Multiple Class Mortgage Pass-Throughs	13	8
Interest Only Mortgage-Backed Securities	7	12
Corporate Bonds	6	8

Taxable Municipal Bonds	5	5
Inverse Floating Rate Mortgages	4	8
Commercial Mortgage-Backed Securities	1	1
Mortgage Pass-Throughs	1	1
Other	□	1

Corporate Credit Breakdown3

Credit Rating	October 31, 2004	October 31, 2003
AA/Aa	42%	35%
A	43	43
BBB/Baa	13	21
CCC/Caa	2	1

3 Using the higher of Standard & Poor□s (□S&P□), Moody□s Investors Service (□Moody□s□) or Fitch Ratings (□Fitch□) rating. Corporate bonds represented approximately 8.7% and 11.0% of net assets on October 31, 2004, and October 31, 2003, respectively.

TRUST SUMMARIES
OCTOBER 31, 2004
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 10/31/04:	$14.02
Net Asset Value as of 10/31/04:	$15.22
Yield on Closing Market Price as of 10/31/04 ($14.02):1	7.49%

Current Monthly Distribution per Share:[2]	$0.0875
Current Annualized Distribution per Share:[2]	$1.0500

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

[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:

	10/31/04	10/31/03	Change	High	Low
Market Price	$14.02	$13.57	3.32%	$14.50	$12.55
NAV	$15.22	$14.75	3.19%	$15.45	$14.08

The following 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, 2004	October 31, 2003
Corporate Bonds	45%	46%
U.S. Government and Agency Securities	27	16
Mortgage Pass-Throughs	15	26
Foreign Government Bonds	7	7
Interest Only Mortgage-Backed Securities	2	1
Commercial Mortgage-Backed Securities	2	2
Asset-Backed Securities	1	—
Collateralized Mortgage Obligations	1	—
Taxable Municipal Bonds	—	2

Corporate Credit Breakdown3

Credit Rating	October 31, 2004	October 31, 2003
AAA/Aaa	4%	3%
AA/Aa	21	11
A	26	25
BBB/Baa	19	21
BB/Ba	7	12
B	18	23
CCC/Caa	2	5
Not Rated	3	□

3 Using the higher of S&P□s, Moody□s or Fitch□s rating. Corporate bonds represented approximately 61.3% and 61.6% of net assets on October 31, 2004, and October 31, 2003, respectively.

TRUST SUMMARIES
OCTOBER 31, 2004
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 10/31/04:	$9.30
Net Asset Value as of 10/31/04:	$7.95
Yield on Closing Market Price as of 10/31/04 ($9.30):[1]	8.82%
Current Monthly Distribution per Share:[2]	$0.068333
Current Annualized Distribution per Share:[2]	$0.819996

[1] Yield on closing market price is calculated by dividing the annualized distribution per share by the closing market price.

[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:

	10/31/04	10/31/03	Change	High	Low
Market Price	$9.30	$10.25	(9.27)%	$11.75	$9.05
NAV	$7.95	$6.96	14.22%	$7.96	$6.80

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

Corporate Portfolio Composition

Composition	October 31, 2004	October 31, 2003
Energy	19%	7%
Financial Institutions	15	12
Basic Materials	14	7
Telecommunications	11	4
Media	9	11
Consumer Products	5	16
Industrials	4	5
Health Care	4	2
Transportation	4	7
Entertainment & Leisure	3	—
Building & Development	2	6
Technology	2	7
Aero & Defense	2	2
Containers & Glass	2	4
Automotive	2	3

Ecological Services & Equipment	1	2
Real Estate	1	□
Conglomerates	□	2
Other	□	3

Corporate Credit Breakdown3

Credit Rating	October 31, 2004	October 31, 2003
BBB/Baa	2%	3%
BB/Ba	31	12
B	54	52
CCC/Caa	11	25
CC/Ca	1	5
Not Rated	1	3

3 Using the higher of S&P□s, Moody□s or Fitch□s rating. Corporate bonds represented approximately 133.8% and 135.4% of net assets on October 31, 2004, and October 31, 2003, respectively.

TRUST SUMMARIES
OCTOBER 31, 2004

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 10/31/04:	$11.38
Net Asset Value as of 10/31/04:	$12.38

Yield on Closing Market Price as of 10/31/04 ($11.38):[1]	7.38%
Current Monthly Distribution per Share:[2]	$0.07
Current Annualized Distribution per Share:[2]	$0.84

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

[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:

	10/31/04	10/31/03	Change	High	Low
Market Price	$11.38	$10.95	3.93%	$11.63	$10.02
NAV	$12.38	$11.93	3.77%	$12.40	$16.55

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

Portfolio Breakdown

Composition	October 31, 2004	October 31, 2003
Corporate Bonds	46%	59%
U.S. Government and Agency Securities	33	7
Mortgage Pass-Through Securities	14	29
Non-Agency Multiple Class Mortgage Pass-Through Securities	2	
Interest Only Mortgage-Backed Securities	2	2
Interest Only Asset-Backed Securities	1	
Agency Multiple Class Mortgage Pass-Through Securities	1	
Federal Housing Administration	1	2
Inverse Floating Rate Mortgage Securities		1

Corporate Credit Breakdown3

Credit Rating	October 31, 2004	October 31, 2003
AAA/Aaa	6%	6%
AA/Aa	18	12
A	21	22
BBB/Baa	27	19
BB/Ba	9	17
B	15	22
CCC/Caa	2	2
Not Rated	2	□

3 Using the higher of S&P□s, Moody□s or Fitch□s rating. Corporate bonds represented approximately 59.6% and 71.2% of net assets on C

TRUST SUMMARIES
OCTOBER 31, 2004
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 10/31/04:	$7.50
Net Asset Value as of 10/31/04:	$6.95
Yield on Closing Market Price as of 10/31/04 ($7.50):1	8.17%
Current Monthly Distribution per Share:2	$0.051042
Current Annualized Distribution per Share:2	$0.612504

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

[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:

	10/31/04	10/31/03	Change	High	Low
Market Price	$7.50	$7.71	(2.72)%	$7.96	$6.40
NAV	$6.95	$7.21	(3.61)%	$7.25	$ 6.88

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

Portfolio Composition

Composition	October 31, 2004	October 31, 2003
U.S. Government and Agency Securities	32%	30%
Mortgage Pass-Through Securities	23	32
Agency Multiple Class Mortgage Pass-Through Securities	12	3
Interest Only Mortgage-Backed Securities	10	15
Collateralized Mortgage Obligations	10	□
Principal Only Mortgage-Backed Securities	6	11
Inverse Floating Rate Mortgage Securities	2	4
Commercial Mortgage-Backed Securities	2	2
Federal Housing Administration	2	3
Interest Only Asset-Backed Securities	1	□

TRUST SUMMARIES
OCTOBER 31, 2004
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 10/31/04:	$19.95
Net Asset Value as of 10/31/04:	$20.13
Yield on Closing Market Price as of 10/31/04 ($19.95):[1]	7.52%
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.

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

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

	10/31/04	10/31/03	Change	High	Low
Market Price	$19.95	$18.80	6.12%	$20.45	$17.95
NAV	$20.13	$19.74	1.98%	$20.32	$19.24

The following 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, 2004	October 31, 2003
Corporate Bonds	43%	47%
Bank Loans	31	20

Mortgage Pass-Throughs	16	24
U.S. Government and Agency Securities	4	8
Foreign Government Bonds	2	1
Collateralized Mortgage Obligations	2	—
Asset-Backed Securities	1	—
Interest Only Asset-Backed Securities	1	—

Corporate Credit Breakdown3

Credit Rating	October 31, 2004	October 31, 2003
A	5%	6%
BBB/Baa	12	8
BB/Ba	28	26
B	50	60
CCC/Caa	2	—
Not Rated	3	—

3 Using the higher of S&P's, Moody's or Fitch's rating. Corporate bonds represented approximately 58.2% and 64.6% of net assets on C

TRUST SUMMARIES
OCTOBER 31, 2004
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 10/31/04:	$16.70

Net Asset Value as of 10/31/04:	$15.10
Yield on Closing Market Price as of 10/31/04 ($16.70):[1]	9.34%
Current Monthly Distribution per Share:[2]	$0.13
Current Annualized Distribution per Share:[2]	$1.56

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

[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:

	10/31/04	10/31/03	Change	High	Low
Market Price	$16.70	$15.27	9.36%	$16.70	$13.68
NAV	$15.10	$15.07	0.20%	$15.60	$14.61

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

Corporate Portfolio Composition

Composition	October 31, 2004	October 31, 2003
Financial Institutions	17%	12%
Energy	13	16
Media	13	10
Automotive	10	11
Health Care	7	5
Telecommunications	7	7
Basic Materials	6	8
Consumer Products	5	3

Aero & Defense	4	3
Building & Development	3	4
Technology	3	2
Entertainment and Leisure	3	2
Ecological Services & Equipment	3	3
Real Estate	2	2
Conglomerates	2	4
Container & Glass	1	2
Transportation	1	2
Industrials	□	3
Other	□	1

Corporate Credit Breakdown3

Credit Rating	**October 31, 2004**	**October 31, 2003**
AAA/Aaa	4%	1%
AA/Aa	10	5
A	10	9
BBB/Baa	17	10
BB/Ba	11	23
B	40	47
CCC/Caa	5	4
Not Rated	3	1

3 Using the higher of S&P□s, Moody□s or Fitch□s rating. Corporate bonds represented approximately 106.5% and 134.4% of net assets o

CONSOLIDATED PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2004
BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 134.1%	
		Mortgage Pass-Through Securities 1.3%	
		Federal National Mortgage Assoc.,	
	$ 591	5.50%, 1/01/17 - 2/01/17	$ 613,312
	19	6.50%, 7/01/29	20,451
		Total Mortgage Pass-Through Securities	633,763
		Agency Multiple Class Mortgage Pass-Through Securities 17.3%	
		Federal Home Loan Mortgage Corp.,	
	2,168	Ser. 1510, Class G, 7.05%, 5/15/13	2,361,148
	78	Ser. 1512, Class H, 6.50%, 2/15/08	79,199
	400	Ser. 1534, Class IG, 5.00%, 2/15/10	404,667
	2,000	Ser. 1598, Class J, 6.50%, 10/15/08	2,137,160
	713	Ser. 2534, Class NG, 4.50%, 3/15/22	714,579
	206	Ser. 2822, Class WZ, 5.00%, 7/15/19	205,793
	162	Ser. 2822, Class ZU, 5.00%, 11/15/32	160,369
		Federal National Mortgage Assoc.,	
	108	Ser. 13, Class SJ, 8.75%, 2/25/09	111,036
	100	Ser. 22, Class GN, 6.50%, 8/25/31	105,021
	66	Ser. 43, Class E, 7.50%, 4/25/22	68,936
	1,000	Ser. 49, Class H, 7.00%, 4/25/13	1,100,510
	350	Ser. 214, Class SK, 10.00%, 12/25/08	375,118
	351	Government National Mortgage Assoc., Remic Trust 2000, Class 16, 2.539% 12/16/27	352,043
		Total Agency Multiple Class Mortgage Pass-Through Securities	8,175,579
		Inverse Floating Rate Mortgages 5.1%	
AAA	302	Citicorp Mortgage Securities, Inc., Ser. 14, Class A-4, 20.554%, 11/25/23	315,495
		Federal Home Loan Mortgage Corp.,	
	336	Ser. 1425, Class SB, 19.894%, 12/15/07	391,390
	76	Ser. 1506, Class S, 16.73%, 5/15/08	86,149
	106	Ser. 1515, Class S, 17.141%, 5/15/08	124,619
	70	Ser. 1618, Class SA, 8.25%, 11/15/08	71,215
	59	Ser. 1621, Class SH, 10.942%, 11/15/22	60,351
	85	Ser. 1661, Class SB, 16.981%, 1/15/09	94,862
	280	Ser. 1688, Class S, 10.303%, 12/15/13	296,840
		Federal National Mortgage Assoc.,	
	284	Ser. 187, Class SB, 19.968%, 10/25/07	328,529
	144	Ser. 190, Class S, 19.894%, 11/25/07	166,006

187	Ser. 191, Class SD, 13.37%, 10/25/08	200,853
252	Ser. 214, Class SH, 13.569%, 12/25/08	265,147
	Total Inverse Floating Rate Mortgages	2,401,456
	Interest Only Mortgage-Backed Securities 8.9%	
	Federal Home Loan Mortgage Corp.,	
162	Ser. 65, Class I, 8/15/20	2,077
54	Ser. 141, Class H, 5/15/21	759
118	Ser. 1114, Class J, 7/15/06	2,069
61	Ser. 1285, Class M, 5/15/07	1,060
706	Ser. 1645, Class IB, 9/15/08	43,904
1,970	Ser. 2523, Class EH, 4/15/20	265,983
1,888	Ser. 2543, Class IJ, 10/15/12	108,035
1,897	Ser. 2543, Class IM, 9/15/12	87,157
5,419	Ser. 2572, Class IT, 5/15/19	183,093
3,578	Ser. 2633, Class PI, 3/15/12	188,298
4,254	Ser. 2672, Class TP, 9/15/16	194,449
5,605	Ser. 2739, Class PI, 3/15/22	726,770
2,550	Ser. 2775 Class UB, 12/15/17	221,876

See Notes to Financial Statements.

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

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Interest Only Mortgage-Backed Securities (cont d)	
		Federal National Mortgage Assoc.,	
	$ 343	Ser. 8, Class HA, 1/25/08	$ 47,188
	3,000	Ser. 13, Class IG, 10/25/22	282,540
	341	Ser. 20, Class SL, 9/25/08	59,968
	31	Ser. 39, Class PE, 1/25/23	502
	905	Ser. 49, Class L, 4/25/13	57,514
	781	Ser. 51, Class K, 4/25/07	78,506
	12,992	Ser. 70, Class ID, 4/25/22	1,489,793
	78	Ser. 72, Class H, 7/25/06	6,917
	1,635	Ser. 82, Class IR, 9/25/12	80,208
	179	Ser. 194, Class PV, 6/25/08	5,298
	173	Ser. 223, Class PT, 10/25/23	16,598
	5	Ser. G-21, Class L, 7/25/21	8,083
	18	PNC Mortgage Securities Corp., Ser. 8, Class 4-X, 10/25/28	773
	23,305	Vendee Mortgage Trust, Ser. 1, Class IO, 10/15/31	28,666
		Total Interest Only Mortgage-Backed Securities	4,188,084

		Collaterialized Mortgage Obligation Residuals—0.0%	
	6	Ser. 174, Class S, 9/25/22	17,194
	562	Ser. 208, Class S, 2/25/23	19,172
		Total Collateralized Mortgage Obligation Residuals	36.366
		Principal Only Mortgage-Backed Securities—0.1%	
Aaa	40	Salomon Brothers Mortgage Securities, Inc. VI, Ser. 3, Class A, 10/23/17	37,267
		Commercial Mortgage-Backed Securities—1.7%	
AAA	7502	New York City Mortgage Loan Trust, Multi-Family, Class A2, 6.75%, 6/25/11	805,090
		Asset-Backed Securities—0.0%	
NR	238 2,3,4	Global Rated Eligible Asset Trust, Ser. A, Class 1, 7.33%, 9/15/07	4,757
		Structured Mortgage Asset Residential Trust,	
NR	5753,4	Ser. 2, 8.24%, 3/15/06	5,749
NR	6373,4	Ser. 3, 8.724%, 4/15/06	6,373
		Total Asset-Backed Securities	16,879
		Corporate Bonds—8.7%	
		Basic Materials—2.6%	
A+	1,000	Dow Capital BV, 9.20%, 6/01/10 (Netherlands)	1,225,040
		Energy—1.1%	
BBB+	5002	Israel Electric Corp., Ltd., 7.25%, 12/15/06 (Israel)	538,225
		Financial Institutions—3.7%	
AA-	1,0005	Morgan Stanley Group, Inc., 10.00%, 6/15/08	1,209,040
AA+	500	UBS PaineWebber Group, Inc., 8.875%, 3/15/05	510,645
			1,719,685
		Telecommunications—1.1%	
A	500	ALLTEL Corp., 7.50%, 3/01/06	529,585
		Transportation—0.2%	
Caa2	100	American Airlines, Inc., 10.44%, 3/04/07	79,250
		Total Corporate Bonds	4,091,785
		U.S. Government and Agency Securities—83.8%	
	206	Small Business Investment Companies, Ser. P10A, Class 1, 6.12%, 2/01/08	218,386
	27,0005	U.S. Treasury Bond, zero coupon, 11/15/09	22,697,145
		U.S. Treasury Notes,	
	3,200	3.50%, 11/15/06	3,258,874
	7,000	4.375%, 8/15/12	7,264,669
	1,700	5.75%, 11/15/05	1,760,761
	3,550	6.00%, 8/15/09	3,978,357

385	6.625%, 5/15/07	421,846
	Total U.S. Government and Agency Securities	39,600,038

See Notes to Financial Statements.

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

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Taxable Municipal Bonds—7.2%	
AAA	$ 500	Fresno California Pension Oblig., 7.80%, 6/01/14	$ 621,915
AAA	500	Kern County California Pension Oblig., 6.98%, 8/15/09	565,870
		Los Angeles County California Pension Oblig.,	
AAA	1,000	Ser. A, 8.62%, 6/30/06	1,095,830
AAA	500	Ser. D, 6.97%, 6/30/08	556,515
AAA	500	Orleans Parish Louisiana School Board, Ser. A, 6.60%, 2/01/08	544,870
		Total Taxable Municipal Bonds	3,385,000
		Total Long-Term Investments (cost $60,802,403)	63,371,306
		SHORT-TERM INVESTMENT—5.9%	
		U.S. Government and Agency Security—5.9%	
	2,800	Federal Home Loan Bank, 1.69%, 11/01/04 (cost $2,800,000)	2,800,000
		Total Investments—140.0% (cost $63,602,403)	$ 66,171,306
		Liabilities in excess of other assets—(40.0)%	(18,915,873)
		Net Assets—100%	$ 47,255,433

1 Using the higher of S&P's, Moody's or Fitch's rating.

2 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, 2004, the Trust held 2.9% of its net assets, with a current market value of $1,348,072, in securities restricted as to resale.

3 Security is fair valued.

4 Illiquid securities representing 0.04% of net assets.

5 Entire or partial principal amount pledged as collateral for reverse repurchase agreements or financial futures contracts.

Details of open reverse repurchase agreements are disclosed in Note 4 in the Notes to Financial Statements.

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

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2004
BlackRock Core Bond Trust (BHK)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 136.2%	
		Mortgage Pass-Through Securities 20.1%	
		Federal Home Loan Mortgage Corp.,	
	$ 1,875	3.50%, 4/01/08	$ 1,868,794
	465	3.875%, 11/10/08	468,582
	1,400	4.125%, 2/24/11	1,378,636
	1,125	4.50%, 12/16/10	1,130,546
	2,795 [2]	4.75%, 12/08/10	2,835,863
	98	5.00%, 5/01/34	98,036
	9,894	5.50%, 11/01/18 - 9/01/33	10,143,867
	5,558	6.00%, 9/01/10 - 12/01/18	5,838,547
	735 [2]	6.875%, 9/15/10	850,454
	4,156 [2]	7.00%, 3/15/10 - 9/01/31	4,789,546
		Federal National Mortgage Assoc.,	
	870	1.75%, 6/16/06	856,045
	3,6752	2.35%, 4/05/07	3,599,185
	2,570	4.50%, 5/01/19 - 8/01/19	2,579,540
	1,2802	4.75%, 2/21/13	1,275,635
	16,350	5.00%, 11/01/17 - 2/01/34	16,673,116
	9,066	5.50%, 1/01/18 - 7/01/34	9,255,954
	1,540	5.75%, 2/15/08	1,662,461
	3,102	6.00%, 3/01/17 - 10/01/34	3,227,776
	1,450	6.625%, 9/15/09	1,641,661
	770	7.00%, 1/01/31 - 7/01/32	817,731
	6,425 [2]	7.125%, 6/15/10	7,493,863
	511	Government National Mortgage Assoc., 5.50%, 5/15/33 - 9/15/33	523,426
		Small Business Administration,	
	1,000	Ser. P10B, Class 1, 4.754%, 8/10/14	1,001,875
	2,475	Ser. P10B, Class 1, 5.136%, 8/10/13	2,546,837
		Total Mortgage Pass-Through Securities	82,557,976
		Agency Multiple Class Mortgage Pass-Through Securities 1.0%	
		Federal Home Loan Mortgage Corp.,	
	2,000	Ser. 82, Class HJ, 9/25/32	2,079,375
	1,686	Ser. 2825, Class VP, 6/15/15	1,754,097
		Total Agency Multiple Class Mortgage Pass-Through Securities	3,833,472
		Interest Only Asset-Backed Securities 1.5%	

		Sterling Coofs Trust,	
	42,564	Ser. 1, 4/15/29	3,780,244
	30,350	Ser. 2, 3/30/30	2,418,516
		Total Interest Only Asset-Backed Securities	6,198,760
		Interest Only Mortgage-Backed Securities—2.1%	
		Federal Home Loan Mortgage Corp.,	
	4,150	Ser. 2579, Class HI, 8/15/17	462,600
	9,079	Ser. 2611, Class QI, 9/15/32	1,717,898
		Federal National Mortgage Assoc.,	
	13,659	Ser. 64, Class QI, 1/25/33	2,638,838
	37,000	Ser. 90, Class JH, 12/31/49	3,948,594
		Total Interest Only Mortgage-Backed Securities	8,767,930
		Commercial Mortgage-Backed Securities—3.3%	
AAA	1,993	GMAC Commercial Mortgage Securities, Inc., Ser. C3, Class A2, 7.179%, 8/15/36	2,244,734
AAA	1,677	Heller Financial Commercial Mortgage Asset Co., Ser. PH1, Class A2, 6.847%, 5/15/31	1,852,196
AAA	1,790	JP Morgan Commercial Mortgage Finance Corp., 7.371%, 8/15/32	2,044,413
AAA	3,070	Morgan Stanley Cap. Trust I, Ser. HF2, Class A2, 6.48%, 11/15/30	3,346,123
AAA	3,500	Salomon Brothers Mortgage Securities VII, Ser. C1, Class A2, 7.52%, 12/18/09	4,032,959
		Total Commercial Mortgage-Backed Securities	13,520,425
		Collateralized Mortgage Obligation—0.8%	
AAA	3,453	Structured Asset Securities Corp., Class A2, 3.45%, 2/25/32	3,255,612

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		U.S. Government and Agency Securities—36.2%	
	$ 1,670	Aid to Israel, 5.50%, 4/26/24 - 9/18/33	$ 1,769,898
	1,050	Resolution Funding Corp., zero coupon, 7/15/18 - 10/15/18	529,625
		U.S. Treasury Bonds,	
	63,900	5.50%, 8/15/28	69,640,776
	3,8602	6.00%, 2/15/26	4,455,135
	3,245 2	6.125%, 11/15/27	3,813,881
	8,9602	6.75%, 8/15/26	11,260,901
	3,170 2	12.00%, 8/15/13	4,178,440
		U.S. Treasury Notes,	

	4,3232	2.00%, 7/15/14	4,472,792
	22,550 2	2.375%, 8/31/06	22,493,625
	18,800 2	2.50%, 5/31/06 - 9/30/06	18,805,611
	5,140 2	2.75%, 6/30/06 - 8/15/07	5,161,672
	255	3.125%, 5/15/07	257,629
	1,900	4.25%, 8/15/14	1,932,946
		Total U.S. Government and Agency Securities	148,772,931
		Corporate Bonds□61.3%	
		Aero & Defense□2.0%	
B-	3,000	BE Aerospace, Inc., Ser. B, 8.00%, 3/01/08	3,030,000
		Lockheed Martin Corp.,	
BBB+	380	7.20%, 5/01/36	464,790
BBB+	1,175	8.50%, 12/01/29	1,571,868
		Northrop Grumman Corp.,	
BBB	615	4.079%, 11/16/06	624,231
BBB	380	7.125%, 2/15/11	438,174
BBB	960	7.875%, 3/01/26	1,185,552
NR	690	Raytheon Co., 7.00%, 5/15/06	728,615
			8,043,230
		Automotive□2.1%	
A3	660	DaimlerChrysler NA Holding Corp., 7.45%, 3/01/27	729,091
B3	1,500	Delco Remy Intl., Inc., 11.00%, 5/01/09	1,575,000
		General Motors Acceptance Corp.,	
Baa1	1,160	zero coupon, 12/01/12	705,098
Baa1	4,129	6.875%, 9/15/11	4,291,600
Baa1	330	8.00%, 11/01/31	340,725
BB-	892	TRW Automotive, Inc., 9.375%, 2/15/13	1,025,800
			8,667,314
		Building & Development□0.8%	
BB+	3,000	Hovnanian Enterprises, Inc., 10.50%, 10/01/07	3,465,000
		Basic Materials□1.9%	
B	3,425	Caraustar Industries, Inc., 9.875%, 4/01/11	3,724,687
B+	3,600	Lyondell Chemical Co., 9.50%, 12/15/08	3,915,000
			7,639,687
		Conglomerates□2.1%	
		General Electric Cap. Corp.,	
AAA	2,200	1.762%, 7/28/08	2,201,320
AAA	6,385	3.60%, 10/15/08	6,382,893
			8,584,213

		Consumer Products 2.5%	
A-	465 3	CVS Corp., 4.875%, 9/15/14	468,371
A+	1,680	Diageo Cap. PLC, 3.375%, 3/20/08 (United Kingdom)	1,677,917
BBB+	1,010	General Mills, Inc., 5.125%, 2/15/07	1,052,824
BBB+	990	Kellogg Co., Ser. B, 6.60%, 4/01/11	1,121,027
A3	865	Kraft Foods, Inc., 5.625%, 11/01/11	920,637
BBB	650	Kroger Co., 6.80%, 4/01/11	734,137
B-	1,000	Pantry, Inc., The, 7.75%, 2/15/14	1,047,500
B+	2,100	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	2,215,500
B+	1,000	Stoneridge, Inc., 11.50%, 5/01/12	1,122,500
			10,360,413

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Containers & Glass 0.7%	
B	$ 1,000	Crown European Holdings SA, 10.875%, 3/01/13 (France)	$ 1,190,000
BB-	1,500	Owens-Brockway Glass Container, Inc., 8.75%, 11/15/12	1,680,000
			2,870,000
		Ecological Services & Equipment 0.7%	
B+	2,825	Allied Waste NA, Inc., Ser. B, 10.00%, 8/01/09	2,952,125
		Energy 7.8%	
BBB-	1,650	Amerada Hess Corp., 7.125%, 3/15/33	1,814,241
BBB+	1,3152	Anadarko Finance Co., Ser. B, 7.50%, 5/01/31 (Canada)	1,631,968
CCC+	1,000	Calpine Canada Energy Finance LLC, 8.50%, 5/01/08 (Canada)	615,000
BB	1,250	Chesapeake Energy Corp., 9.00%, 8/15/12	1,439,062
BB	1,000	Compagnie Generale de Geophysique SA, 10.625%, 11/15/07 (France)	1,058,000
A-	1,800	Conoco Funding Co., 6.35%, 10/15/11 (Canada)	2,021,760
A-	350	ConocoPhillips Holding Co., 6.95%, 4/15/29	410,833
BBB	1,915	Devon Energy Corp., 7.95%, 4/15/32	2,438,580
BBB	230	Devon Financing Corp. LLC, 7.875%, 9/30/31	290,060
BBB+	150	Dominion Resources, Inc., 5.70%, 9/17/12	158,945
B	3,000	Dresser, Inc., 9.375%, 4/15/11	3,345,000
B	1,8753	Dynegy Holdings, Inc., 10.125%, 7/15/13	2,184,375
		El Paso Natural Gas Co.,	
B1	850	7.625%, 8/01/10	921,187
B1	265	8.625%, 1/15/22	298,125
B-	2,250	El Paso Production Holding Co., 7.75%, 6/01/13	2,351,250

		EnCana Corp.,	
A-	1,810	4.75%, 10/15/13 (Canada)	1,812,407
A-	350	6.50%, 8/15/34 (Canada)	381,231
BBB+	305	Exelon Corp., 6.75%, 5/01/11	342,341
BBB-	1,420	FirstEnergy Corp., Ser. C, 7.375%, 11/15/31	1,617,962
BBB+	360	Occidental Petroleum Corp., 7.20%, 4/01/28	428,246
AA	835	Ontario Electricity Financial Corp., 6.10%, 1/30/08 (Canada)	908,346
BBB+	790	Peco Energy Cap. Trust IV, 5.75%, 6/15/33	744,098
Baa1	1,650	Petroleos Mexicanos, 9.375%, 12/02/08 (Mexico)	1,947,000
Aa1	2903	SP PowerAssets Ltd., 5.00%, 10/22/13 (Singapore)	296,490
A-	445	Suncor Energy, Inc., 5.95%, 12/01/34 (Canada)	463,852
AA	1,050	Texaco Cap. Inc., 8.875%, 9/01/21	1,483,293
A3	725	Virginia Electric & Power Co., Ser. A, 5.75%, 3/31/06	753,536
			32,157,188
		Entertainment & Leisure 0.5%	
B+	1,000	Circus & Eldorado Joint Venture, 10.125%, 3/01/12	1,085,000
B	1,000	Resorts Intl. Hotel & Casino, Inc., 11.50%, 3/15/09	1,152,500
			2,237,500
		Financial Institutions 23.2%	
A-	350	ACE, Ltd., 6.00%, 4/01/07 (Cayman Island)	369,446
AA+	455	Associates Corp. of North America, 6.95%, 11/01/18	536,404
		Bank of America Corp.,	
Aa2	765	3.25%, 8/15/08	758,390
Aa2	1,640	3.375%, 2/17/09	1,621,878
Aa2	1,000	3.875%, 1/15/08	1,017,750
Aa2	105	4.375%, 12/01/10	106,532
Aa2	370	5.25%, 2/01/07	387,901
Aa2	470	5.375%, 6/15/14	492,395
Aa3	1,225	7.40%, 1/15/11	1,436,827
		Bank One Corp.,	
Aa2	325	3.70%, 1/15/08	328,029
Aa3	725	6.00%, 8/01/08	786,328
Aa2	1,400	BankBoston NA, 6.375%, 3/25/08 - 4/15/08	1,531,926
Aa3	565 3	Barclays Bank PLC, 8.55%, 9/29/49 (United Kingdom)	695,825
AAA	1,2003	Berkshire Hathaway Finance Corp., 3.40%, 7/02/07	1,205,364
AA+	600	CitiFinancial, 6.25%, 1/01/08	651,210

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1]	Principal Amount

(unaudited)	(000)	Description	Value
		Financial Institutions (cont'd)	
		Citigroup, Inc.,	
Aa1	$ 1,960	4.25%, 7/29/09	$ 2,004,355
AA	5,0993	5.00%, 9/15/14	5,145,707
AA	185	6.00%, 10/31/33	191,436
BB	1,000	Crum & Forster Holdings Corp., 10.375%, 6/15/13	1,070,000
		HBOS Treasury Services PLC,	
AA+	8553	3.60%, 8/15/07 (United Kingdom)	862,344
AA+	825 3	3.75%, 9/30/08 (United Kingdom)	831,749
		Household Finance Corp.,	
A+	1,760	6.375%, 8/01/10 - 11/27/12	1,956,417
A+	2,325	6.75%, 5/15/11	2,641,991
		HSBC Bank USA, Inc.,	
AA	1,850	3.875%, 9/15/09	1,857,418
AA-	775	5.875%, 11/01/34	774,225
		JP Morgan Chase & Co.,	
Aa3	540	3.625%, 5/01/08	543,003
Aa3	1,600	5.25%, 5/30/07	1,682,736
Aa3	600	5.35%, 3/01/07	630,030
A1	325	6.625%, 3/15/12	366,977
A1	1,155	6.75%, 2/01/11	1,308,349
		Marsh & McLennan Cos, Inc.,	
BBB+	250	2.193%, 7/13/07	241,788
BBB+	265	5.375%, 7/15/14	258,025
AA	1,415 3	MetLife Global Funding I, 4.25%, 7/30/09	1,427,707
AA+	450 3	Monumental Global Funding II, 4.375%, 7/30/09	458,294
A3	20,3003	Morgan Stanley Tracers, 5.838%, 3/01/07	21,231,567
		National City Bank Cleveland Ohio,	
AA-	800	2.09%, 6/29/09	800,104
AA-	1,200	3.375%, 10/15/07	1,203,756
AA-	2,1253	Nationwide Building Society, 3.50%, 7/31/07 (United Kingdom)	2,136,730
AAA	8503	New York Life Global Funding, 3.875%, 1/15/09	854,760
AA	1,500	Protective Life Secured Trust, 3.70%, 11/24/08	1,508,775
A+	1,000 3	Prudential Funding LLC, 6.60%, 5/15/08	1,098,390
AA	400 3	Rabobank Cap. Fund II, 5.26%, 12/29/49	402,076
		Rainbow National Services LLC,	
B3	200 3	8.75%, 9/01/12	214,000
CCC+	600 3	10.375%, 9/01/14	651,000
		SLM Corp.,	
A+	4,220	3.625%, 3/17/08	4,241,522
A+	1,350	5.00%, 10/01/13	1,373,125
A+	450	5.375%, 1/15/13	470,088
A+	90	5.625%, 4/10/07	94,977
NR	3,882	Structured Asset Receivable Trust, 1.649%, 1/21/10	3,875,888
AA	1,265	SunTrust Bank, Inc., 4.415%, 6/15/09	1,296,752
AA-	1,635	SunTrust Banks, Inc., 3.625%, 10/15/07	1,650,434
AAA	225 3	TIAA Global Markets, Inc., 3.875%, 1/22/08	228,645
AA-	375	U.S. Bancorp, Ser. N, 3.95%, 8/23/07	382,853
		US Bank National Assoc.,	

Aa2	1,380	2.87%, 2/01/07	1,382,650
Aa3	2,790	6.50%, 2/01/08	3,055,775
		Wachovia Corp.,	
Aa3	4,200	3.50%, 8/15/08	4,202,982
Aa3	975	3.625%, 2/17/09	971,948
		Wells Fargo & Co.,	
Aa1	2,040	1.98%, 9/15/09	2,039,306
Aa1	650	2.03%, 9/28/07	649,428
Aa1	1,031	3.12%, 8/15/08	1,029,330
Aa1	1,975	4.00%, 8/15/08	2,011,459
Aa1	200	7.80%, 6/15/10	206,197
AA	85 3	Western & Southern Financial Group, Inc., 5.75%, 7/15/33	84,261
			95,527,534

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Health Care 2.3%	
A	$ 410	Boston Scientific Corp., 5.45%, 6/15/14	$ 432,214
A+	1,055	Bristol Myers Squibb Co., 5.75%, 10/01/11	1,138,303
NR	2,000	HealthSouth Corp., 7.625%, 6/01/12	1,940,000
		Tenet Healthcare Corp.,	
B-	380	6.375%, 12/01/11	346,750
B-	5	6.50%, 6/01/12	4,538
B-	865 3	9.875%, 7/01/14	906,087
B	2,000	United Surgical Partners Intl., Inc., 10.00%, 12/15/11	2,295,000
A	1,210	UnitedHealth Group, Inc., 3.375%, 8/15/07	1,206,854
A	1,025	Wyeth, 6.50%, 2/01/34	1,061,643
			9,331,389
		Industrials 0.7%	
BBB+	760	Allegiance Corp., 7.00%, 10/15/26	791,175
B	2,000	Terex Corp., 9.25%, 7/15/11	2,250,000
			3,041,175
		Media 5.4%	
B1	4,000	Alliance Atlantis Communications, Inc., 13.00%, 12/15/09 (Canada)	4,300,000
		AOL Time Warner, Inc.,	

BBB+	80	6.125%, 4/15/06	83,613
BBB+	90	6.625%, 5/15/29	94,531
BBB+	4,155	7.57%, 2/01/24	4,788,014
BBB+	205	7.625%, 4/15/31	242,375
BBB+	275	9.15%, 2/01/23	360,968
BBB	580	AT&T Broadband Corp., 8.375%, 3/15/13	711,503
CCC+	750	Charter Communications Holdings II, LLC, 10.25%, 9/15/10	780,000
CCC+	3,250	Charter Communications Holdings LLC, 10.75%, 10/01/09	2,746,250
		Comcast Corp.,	
BBB	4,405	5.50%, 3/15/11	4,645,954
BBB	80	7.05%, 3/15/33	90,398
		News America Holdings, Inc.,	
BBB	985	7.625%, 11/30/28	1,175,775
BBB	825	7.70%, 10/30/25	985,396
		TCI Communications, Inc.,	
BBB	200	7.125%, 2/15/28	222,826
BBB	865	7.875%, 8/01/13 - 2/15/26	1,035,551
			22,263,154
		Real Estate—2.8%	
BB	3,165 3	American Real Estate Partners LP, 8.125%, 6/01/12	3,339,075
		AvalonBay Communities, Inc.,	
BBB+	350	6.625%, 9/15/11	389,098
BBB+	775	8.25%, 7/15/08	892,591
		EOP Operating LP,	
BBB+	1,150	4.65%, 10/01/10	1,157,003
BBB+	950	4.75%, 3/15/14	930,183
BBB+	450	7.00%, 7/15/11	509,099
		ERP Operating LP,	
A-	1,950	5.20%, 4/01/13	1,991,028
A-	825	6.95%, 3/02/11	935,913
		Rouse Co.,	
BBB-	895	3.625%, 3/15/09	843,242
BBB-	340	5.375%, 11/26/13	325,724
			11,312,956

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Telecommunications—5.0%	

A	$ 3,400	BellSouth Corp., 5.20%, 9/15/14	$ 3,465,178
A	650	British Telecommunications PLC, 8.875%, 12/15/30 (United Kingdom)	869,050
A-	25	Deutsche Telekom Intl. Finance BV, 8.75%, 6/15/30 (Netherlands)	33,001
BB+	2,000	Nextel Communications, Inc., 9.375%, 11/15/09	2,097,500
B+	1,750 3	Qwest Communications Intl., 7.50%, 2/15/14	1,680,000
BB	200 3	Qwest Corp., 7.875%, 9/01/11	212,500
		SBC Communications, Inc.,	
A	325	4.125%, 9/15/09	324,928
A	2,050	5.10%, 9/15/14	2,061,152
A+	875	6.45%, 6/15/34	918,969
BBB	1,065	Sprint Capital Corp., 6.875%, 11/15/28	1,144,162
A-	1,8753	Telecom Italia Capital, 6.00%, 9/30/34 (Luxembourg)	1,841,213
A	725	Telefonica Europe BV, 7.75%, 9/15/10 (Netherlands)	860,089
A+	75	Verizon Global Funding Corp., 7.75%, 12/01/30	91,707
Aa3	125	Verizon Maryland, Inc., 5.125%, 6/15/33	109,936
		Verizon New Jersey, Inc.,	
Aa3	230	7.85%, 11/15/29	281,591
Aa3	335	Ser. A, 5.875%, 1/17/12	360,681
A	3,439	Vodafone Group PLC, 7.75%, 2/15/10 (United Kingdom)	4,048,391
			20,400,048
		Transportation 0.8%	
BBB	1,450	Canadian Pacific Railway Ltd., 6.25%, 10/15/11 (Canada)	1,606,571
B	1,635	Sea Containers Ltd., 10.50%, 5/15/12 (Bermuda)	1,696,313
			3,302,884
		Total Corporate Bonds	252,155,810
		Taxable Municipal Bonds 0.2%	
A2	650	California Dept. of Wtr. Res. Pwr. Sply., 3.975%, 5/01/05	654,108
AA	350	Ohana Military Cmntys. LLC, 6.193%, 4/01/49	364,350
		Total Taxable Municipal Bonds	1,018,458
		Foreign Government Bonds 9.7%	
AAA	4,855	Canada Government, 5.00%, 6/01/14 CAD	4,139,367
NR	4,600	French Treasury Note, 3.50%, 1/12/09 EUR	5,958,044
AAA	5,135	Germany Federal Republic, 3.25%, 4/17/09 EUR	6,578,758
Aaa	7,125	Kingdom of Spain, 3.60%, 1/31/09 EUR	9,262,565
AAA	33,885	Kingdom of Sweden, 5.00%, 1/28/09 SEK	5,043,499
AA-	2,000	Quebec Province Canada, 5.00%, 7/17/09 USD	2,110,480
		United Mexican States,	
Baa2	4,000	6.625%, 3/03/15 USD	4,284,000
Baa2	2,255	8.00%, 9/24/22 USD	2,589,868
		Total Foreign Government Bonds	39,966,581
		Total Long-Term Investments (cost $543,718,526)	560,047,955

		SHORT-TERM INVESTMENTS—4.4%	
		Corporate Bond—0.5%	
		Financial Institutions—0.5%	
NR	1,900 2,4	HBOS Treasury Services PLC, 2.04%, 1/26/05	1,890,741
		U.S. Government and Agency Securities—3.9%	
	400	Federal Home Loan Bank, 1.69%, 11/01/04	400,000
		U.S. Treasury Bonds,	
	537	1.55%, 11/05/04	536,625
	15,261	1.62%, 11/05/04	15,261,125
		Total U.S. Government and Agency Securities	16,197,750
		Total Short-Term Investments (cost $18,088,491)	18,088,491

See Notes to Financial Statements.

BlackRock Core Bond Trust (BHK) (continued)

Rating[1] (unaudited)	Contracts/ Notional Amount (000)	Description	Value
		OUTSTANDING OPTIONS PURCHASED—0.1%	
		Interest Rate Swap,	
	$ 23,000	4.365% over 3-month LIBOR, expires 1/28/05	$ 225,484
	16,000	4.60% over 3-month LIBOR, expires 11/19/04	26,848
	23,000	4.865% over 3-month LIBOR, expires 1/28/05	157,555
	12,000	6.25% over 3-month LIBOR, expires 11/19/04	12
		Total Outstanding Options Purchased (cost $468,300)	409,899
		Total investments before outstanding options written (cost $562,275,317)	578,546,345
		OUTSTANDING OPTIONS WRITTEN—(0.3)%	
		Interest Rate Swap,	
	(26,000)	3.00% over 3-month LIBOR, expires 1/19/05	(75,258)
	(23,000)	4.375% over 3-month LIBOR, expires 10/28/05	(434,286)
	(28,700)	4.60% over 3-month LIBOR, expires 2/23/05	(250,637)
	(39,000)	5.75% over 3-month LIBOR, expires 9/23/05	(91,650)
	(23,000)	5.75% over 3-month LIBOR, expires 10/28/05	(387,883)
	(12,000)	6.05% over 3-month LIBOR, expires 2/23/05	(5,040)
	(90)	U.S. Treasury Bond Futures, expires 11/26/04	(92,812)
	(90)	U.S. Treasury Bond Futures, expires 11/26/04	(1,406)

Total Outstanding Options Written (premium received $2,196,443)	(1,338,972)
Total investments, net of outstanding options written 140.4%	$ 577,207,373
Liabilities in excess of other assets (40.4%)	(166,044,115)
Net Assets 100%	$ 411,163,258

1 Using the higher of S&P s, Moody s or Fitch s rating.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements or financial futures contracts.

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, 2004, the Trust held 11.8% of its net assets, with a current market value of $48,456,530, in securities restricted as to resale.

4 This bond is borrowed. The rate shown is the yield on the collateral deposited with the counterparty.

Details of open reverse repurchase agreements are disclosed in Note 4 in the Notes to Financial Statements.

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

KEY TO ABBREVIATIONS

CAD Canadian Dollar
EUR European Monetary Unit
SEK Swedish Krona
USD U.S. Dollar

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2004
BlackRock High Yield Trust (BHY)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 134.4%	
		Corporate Bonds 133.8%	
		Aero & Defense 2.8%	
		AAR Corp.,	
BB-	$ 435	6.875%, 12/15/07	$ 438,263
NR	100	Ser. A2, 8.39%, 5/15/11	97,500
B	2502	Argo Tech Corp., 9.25%, 6/01/11	272,500
B+	500	BE Aerospace, Inc., 8.50%, 10/01/10	548,125
NR	1,5003,4,5	Condor Systems, Inc., Ser. B, 11.875%, 5/01/09	30,000
B	30	Titan Corp., 8.00%, 5/15/11	31,800

			1,418,188
		Automotive—2.4%	
BB+	325	ArvinMeritor, Inc., 8.75%, 3/01/12	360,750
B1	300	Delco Remy Intl., Inc., 6.07%, 1/18/05	301,500
B	2802	Metaldyne Corp., 10.00%, 11/01/13	267,400
B	2652	Stanadyne Corp., 10.00%, 8/15/14	278,250
			1,207,900
		Basic Materials—18.2%	
B+	55	Alaska Steel Corp., 7.75%, 6/15/12	55,688
BB	2502	Arch Western Finance LLC, 6.75%, 7/01/13	265,375
B-	450 2	BCP Caylux Holdings SCA, 9.625%, 6/15/14 (Luxembourg)	504,000
B-	165	Blount, Inc., 8.875%, 8/01/12	178,200
		Boise Cascade LLC,	
B+	502	5.005%, 1/15/05	51,375
B+	1552	7.125%, 10/15/14	162,750
BB	215	Bowater Canada Finance Corp., 7.95%, 11/15/11 (Canada)	231,931
B	70	Caraustar Industries, Inc., 9.875%, 4/01/11	76,125
BB+	175	Cascades, Inc., 7.25%, 2/15/13 (Canada)	188,125
BB-	3052	Century Aluminum Co., 7.50%, 8/15/14	324,825
B+	50	Equistar Chemicals LP, 10.125%, 9/01/08	57,250
B1	200 2	Foundation Pennsylvania Coal Co., 7.25%, 8/01/14	212,000
		Georgia Pacific Corp.,	
BB+	20	7.25%, 6/01/28	21,200
BB+	550	8.00%, 1/15/24	638,000
B2	188	Gold Kist, Inc., 10.25%, 3/15/14	212,440
CCC+	400	Huntsman Intl. LLC, 10.125%, 7/01/09	420,500
B	100	Huntsman LLC, 11.625%, 10/15/10	117,875
BB	680	Intl. Steel Group, Inc., 6.50%, 4/15/14	724,200
BB	425	Ipsco, Inc., 8.75%, 6/01/13 (Canada)	487,688
BB-	470	Ispat Inland ULC, 9.75%, 4/01/14 (Canada)	568,700
B	175	JSG Funding PLC, 9.625%, 10/01/12 (Ireland)	199,500
		Lyondell Chemical Co.,	
B-	250	10.875%, 5/01/09	265,938
B+	230	Ser. A, 9.625%, 5/01/07	252,425
B+	400	Millar Western Forest Products Ltd., 7.75%, 11/15/13 (Canada)	427,000
BB-	65	Millennium America, Inc., 9.25%, 6/15/08	72,475
		Nalco Co.,	
B2	50	7.75%, 11/15/11	53,500
B-	500	8.875%, 11/15/13	547,500
BB	125	Norske Skog Canada Ltd., 7.375%, 3/01/14 (Canada)	130,000
BB+	335	Nova Chemicals Corp., 6.50%, 1/15/12 (Canada)	349,985
CCC+	3002	Polypore, Inc., 8.75%, 5/15/12	313,500
	2,0005	Republic Technologies Intl. LLC, 13.75%, 7/15/09	0
B3	385	Rhodia, 10.25%, 6/01/10 (France)	414,838
BB-	125	Russel Metals, Inc., 6.375%, 3/01/14 (Canada)	125,000
BB-	75	Smurfit Captial Funding PLC, 7.50%, 11/20/25 (Ireland)	75,000

B	565	Trimas Corp., 9.875%, 6/15/12	581,950
			9,306,858

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Building & Development—3.3%	
		Ainsworth Lumber Co. Ltd.,	
B+	$ 40 2	5.669%, 12/30/04 (Canada)	$ 40,082
B+	702	7.25%, 10/01/12 (Canada)	70,525
BBB-	955	D.R. Horton, Inc., 10.50%, 4/01/05	983,650
BB+	250	Hovnanian K Enterprises, Inc., 6.375%, 12/15/14	253,125
BBB	175	NVR, Inc., 5.00%, 6/15/10	175,875
Ba3	125	WCI Communities, Inc., 7.875%, 10/01/13	132,813
			1,656,070
		Business Equipment & Services—0.4%	
		Xerox Corp.,	
BB	85	6.875%, 8/15/11	90,525
BB	100	7.20%, 4/01/16	105,250
			195,775
		Consumer Products—6.5%	
B	175	B&G Foods, Inc., 8.00%, 10/01/11	184,625
B2	250	Chattem, Inc., 7.00%, 3/01/14	255,625
BB+	365	JC Penney Co., Inc., 7.95%, 4/01/17	424,313
BB	2502	K2, Inc., 7.375%, 7/01/14	272,388
B-	3152	Lazy Days RV Center, Inc., 11.75%, 5/15/12	331,538
NR	1,2004,5	Nebco Evans Holding Co., 12.375%, 7/15/07	0
B-	375	Pantry, Inc., The, 7.75%, 2/15/14	392,812
B-	130	Petro Stopping Centers LP, 9.00%, 2/15/12	140,075
B-	350	Rite Aid Corp., 6.875%, 8/15/13	313,250
B-	500	St. John Knits Intl., Inc., 12.50%, 7/01/09	544,375
B+	275	Stoneridge, Inc., 11.50%, 5/01/12	308,687
CCC+	150	True Temper Sports, Inc., 8.375%, 9/15/11	136,500
			3,304,188
		Containers & Glass—2.7%	

BB	60	Ball Corp., 6.875%, 12/15/12	64,950
B	690	Crown Cork & Seal, Inc., 8.00%, 4/15/23	674,475
B	20	Crown European Holdings SA, 10.875%, 3/01/13 (France)	23,800
		Graham Packaging Co., Inc.,	
CCC+	1802	8.50%, 10/15/12	188,550
CCC+	1102	9.875%, 10/15/14	116,325
B	275	Owens Brockway Glass Container, 8.25%, 5/15/13	299,750
			1,367,850
		Ecological Services & Equipment 1.6%	
		Allied Waste NA, Inc.,	
BB-	80	8.50%, 12/01/08	84,000
BB-	110	8.875%, 4/01/08	116,600
B+	564	Ser. B, 10.00%, 8/01/09	589,380
			789,980
		Energy 25.6%	
B	1,000	AES Corp., 7.75%, 3/01/14	1,091,250
B+	237	AES Red Oak LLC, Ser. A, 8.54%, 12/01/19	260,704
B-	40 2	Belden & Blake Corp., 8.75%, 7/15/12	42,800
CCC+	775	Calpine Canada Energy Finance LLC, 8.50%, 5/01/08 (Canada)	476,625
BB-	3752	Calpine Corp., 9.625%, 9/30/14	358,125
Ba1	244	CE Generation LLC, 7.416%, 12/15/18	256,564
BB-	250	Chesapeake Energy Corp., 7.00%, 8/15/14	272,188
CCC+	150	Coastal Corp., 7.75%, 6/15/10	155,063
B	300	Compton Petroleum Corp., Ser. A, 9.90%, 5/15/09 (Canada)	333,000
B	250	Dresser, Inc., 9.375%, 4/15/11	278,750
B1	345	Edison Mission Energy, 10.00%, 8/15/08	402,788
CCC+	190	El Paso Corporation, 7.875%, 6/15/12	198,313
B1	65	El Paso Natural Gas Co., 7.625%, 8/01/10	70,444
B-	700	El Paso Production Holding Co., 7.75%, 6/01/13	731,500

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Energy (cont d)	
Ba2	$ 736	Elwood Energy LLC, 8.159%, 7/05/26	$ 780,253
B	250	Exco Resources, Inc., 7.25%, 1/15/11	270,625
B+	1602	Frontier Oil Corp., 6.625%, 10/01/11	163,200
B	500	Hanover Compressor Co., 8.625%, 12/15/10	550,000

B	1402	Hilcorp Energy I LP, 10.50%, 9/01/10	157,850
B-	180	KCS Energy, Inc., 7.125%, 4/01/12	186,300
BB	375	Massey Energy Co., 6.625%, 11/15/10	395,625
		Midwest Generation LLC,	
B1	45	8.56%, 1/02/16	49,950
B1	325	8.75%, 5/01/34	369,687
B-	200	Mission Energy Holdings Co., 13.50%, 7/15/08	253,500
B	400	North America Energy Partners, Inc., 8.75%, 12/01/11 (Canada)	387,000
B+	4752	NRG Energy, Inc., 8.00%, 12/15/13	524,875
B2	500	Orion Power Holdings, Inc., 12.00%, 5/01/10	631,250
Ba2	125	Plains Exploration & Production Co., 7.125%, 6/15/14	138,750
BB	325	Premcor Refining Group, Inc., 6.75%, 5/01/14	341,250
Ba2	2502	Pride Intl., Inc., 7.375%, 7/15/14	281,562
B	185	Range Resources Corp., 7.375%, 7/15/13	196,562
B+	345	Reliant Energy, Inc., 9.25%, 7/15/10	381,225
B	400	Roseton Danskammer, Ser.A, 7.27%, 11/08/10	404,000
BB-	300	Swift Energy Co., 7.625%, 7/15/11	324,750
B1	160	Tennessee Gas Pipeline Co., 8.375%, 6/15/32	174,800
BB	400	Transcontinental Gas Pipe Line Corp., Ser. B, 8.875%, 7/15/12	493,000
B2	155	Whiting Petroleum Corp., 7.25%, 5/01/12	161,587
B+	425	Williams Cos, Inc., 7.625%, 7/15/19	479,187
			13,024,902
		Entertainment & Leisure 4.2%	
B	3502	American Casino & Entertainment Properties LLC, 7.85%, 2/01/12	373,625
B	100	Hammons John Q. Hotels LP, Ser. B, 8.875%, 5/15/12	115,000
Ba3	116	Host Marriot Corp., Ser. B, 7.875%, 8/01/08	119,190
BB+	175	ITT Corp., 7.375%, 11/15/15	197,313
		MGM Mirage,	
BB+	475	5.875%, 2/27/14	467,875
BB+	2452	6.00%, 10/01/09	252,656
BB+	1102	6.75%, 9/01/12	116,325
Ba3	1202	Mohegan Tribal Gaming Auth., 7.125%, 8/15/14	128,100
B2	375	Worldspan LP, 9.625%, 6/15/11	356,250
			2,126,334
		Financial Institutions 20.2%	
NR	5002,5	Ameriserve Finance Capital Corp., 12.00%, 9/15/06	25,000
B-	755	Athena Neurosciences Finance LLC, 7.25%, 2/21/08	784,256
Ba2	1,0002	Capital Guardian High Yield CBO Ltd., Ser. 1A, 11.45%, 5/24/13 (Cayman Island)	983,100
BB	200	Crum & Forster Holdings Corp., 10.375%, 6/15/13	214,000
		Dow Jones CDX NA HY,	
B+	1,0002	Ser. 1, 7.75%, 12/29/09	1,028,750
BB	5002	Ser. 2, 6.375%, 12/29/09	516,250
B	1,5002	Ser. 3, 8.00%, 12/29/09	1,530,000
B+	602	E*Trade Financial Corp., 8.00%, 6/15/11	63,300
		Fairfax Financial Holdings, Ltd.,	
BB	50	6.875%, 4/15/08 (Canada)	49,875

BB	355	7.75%, 4/26/12 (Canada)	335,475
Ba3	2,5002	First Dominion Funding II, Ser. 1A, 11.61%, 4/25/14 (Cayman Island)	2,235,250
B-	135	Global Cash Access, Inc., 8.75%, 3/15/12	146,475
B-	1852	Kraton Polymers LLC, 8.125%, 1/15/14	185,000
B	1902	New ASAT Finance Ltd., 9.25%, 2/01/11 (Cayman Island)	166,250
		Rainbow National Services LLC,	
B3	2852	8.75%, 9/01/12	304,950
CCC+	3002	10.375%, 9/01/14	325,500
B	3002	Refco Finance Holdings LLC, 9.00%, 8/01/12	323,694

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Financial Institutions (cont'd)	
B-	$ 3202	Riddell Bell Holdings, Inc., 8.375%, 10/01/12	$ 330,400
B-	2752	Standard Aero Holdings, Inc., 8.25%, 9/01/14	290,125
CCC+	1852	Vanguard Health Holding Co. II LLC, 9.00%, 10/01/14	191,475
C	2,4292	Zais Investment Grade Ltd., Class C, Pay-in-Kind, 9.95%, 9/23/14 (Cayman Island)	242,870
			10,271,995
		Health Care 5.2%	
NR	500	HealthSouth Corp., 7.625%, 6/01/12	485,000
B-	2252	IASIS Healthcare Corp., 8.75%, 6/15/14	241,875
B3	50	Insight Health Services Corp., Ser. B, 9.875%, 11/01/11	50,000
B-	135	Norcross Safety Products LLC, 9.875%, 8/15/11	147,150
B-	600	Province Healthcare Co., 7.50%, 6/01/13	678,000
		Tenet Healthcare Corp.,	
B-	205	6.375%, 12/01/11	187,063
B-	5	6.50%, 6/01/12	4,537
B-	1202	9.875%, 7/01/14	125,700
B+	180	Triad Hospitals, Inc., 7.00%, 11/15/13	184,500
B-	275	Universal Hospital Services, Inc., 10.125%, 11/01/11	280,500
		US Oncology, Inc.,	
B2	1402	9.00%, 8/15/12	148,050
B-	1252	10.75%, 8/15/14	133,437
			2,665,812
		Industrials 5.4%	

B	265	Cenveo Corp., 7.875%, 12/01/13	256,387
B-	2252	Concentra Operating Corp., 9.125%, 6/01/12	249,187
B-	1402	Dresser Rand Group, Inc., 7.375%, 11/01/14	146,300
B-	570	ERICO Intl. Corp., 8.875%, 3/01/12	595,650
B	250	JLG Industries, Inc., 8.375%, 6/15/12	263,750
		United Rentals NA, Inc.,	
B+	750	7.00%, 2/15/14	691,875
B+	80	7.75%, 11/15/13	77,600
B-	500	Williams Scotsman, Inc., 9.875%, 6/01/07	480,000
			2,760,749
		Media 12.0%	
B-	150	Affinity Group, Inc., 9.00%, 2/15/12	160,500
B1	750	Alliance Atlantis Communications, Inc., 13.00%, 12/15/09 (Canada)	806,250
CCC+	550	Charter Communications Holdings II, LLC, 10.25%, 9/15/10	572,000
		Charter Communications Holdings LLC,	
CCC+	400	10.75%, 10/01/09	338,000
CCC+	200	11.125%, 1/15/11	168,000
		CSC Holdings, Inc.,	
BB-	5252	6.75%, 4/15/12	543,375
BB-	90	7.875%, 2/15/18	96,525
BB-	45	Ser. B, 7.625%, 4/01/11	48,937
		Echostar DBS Corp.,	
BB-	150	6.375%, 10/01/11	155,062
BB-	1752	6.625%, 10/01/14	178,937
B2	902	Fisher Communications, Inc., 8.625%, 9/15/14	94,950
B3	250	Granite Broadcasting Corp., 9.75%, 12/01/10	230,625
B-	425	Nexstar Finance, Inc., 7.00%, 1/15/14	416,500
B-	180	Pinnacle Entertainment, Inc., 8.75%, 10/01/13	189,450
B	300	Primedia, Inc., 7.625%, 4/01/08	302,250
		Vertis, Inc.,	
B-	150	10.875%, 6/15/09	163,500
	2952	13.50%, 12/07/09	307,905
CCC	250	WRC Media, Inc., 12.75%, 11/15/09	235,000
CCC+	980	XM Satellite Radio, Inc., 14.00%, 3/15/10	1,082,900
			6,090,666

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value

			Real Estate—0.6%	
BB	$	300 2	American Real Estate Partners LP, 8.125%, 6/01/12	$ 316,500
			Technology—2.9%	
Ba3		500	Celestica, Inc., 7.875%, 7/01/11 (Canada)	532,500
B-		1002	Coleman Cable, Inc., 9.875%, 10/01/12	103,250
			Freescale Semiconductor, Inc.,	
BB+		1002	4.82%, 1/18/05	103,250
BB+		502	6.875%, 7/15/11	53,000
B		275	General Cable Corp., 9.50%, 11/15/10	309,375
B		201	ON Semiconductor Corp., 12.00%, 3/15/10	235,672
CCC+		135	Viasystems, Inc., 10.50%, 1/15/11	132,975
				1,470,022
			Telecommunications—14.9%	
CCC		575	Alamosa Delaware, Inc., 8.50%, 1/31/12	608,063
NR		2,000 4,5	Asia Global Crossing Ltd., 13.375%, 10/15/10 (Bermuda)	160,000
			AT&T Corp.,	
BB+		685	8.05%, 11/15/04	784,969
BB+		70	8.75%, 11/15/04	81,083
CCC		3202	Centennial Communications Corp., 8.625%, 2/01/14	320,000
B		500	Cincinnati Bell, Inc., 8.375%, 1/15/14	477,500
			Dobson Cellular Systems, Inc.,	
B2		2102	8.375%, 11/01/11	216,563
B3		2752	9.875%, 11/01/12	274,313
			Lucent Technologies, Inc.,	
B		20	5.50%, 11/15/08	20,550
B		80	6.45%, 3/15/29	68,400
B		120	6.50%, 1/15/28	102,600
B		200	MCI, Inc., 5.908%, 5/01/07	200,250
B-		1802	New Skies Satellites NV, 9.125%, 11/01/12 (Netherlands)	184,500
BB+		550	Nextel Communications, Inc., 5.95%, 3/15/14	561,000
B-		180	Nortel Networks Corp., 6.875%, 9/01/23 (Canada)	166,500
			PanAmSat Corp.,	
BB+		210	6.875%, 1/15/28	181,650
B+		2152	9.00%, 8/15/14	226,825
NR		6002,4,5	PF. Net Communications, Inc., 13.75%, 5/15/10	60
B+		2052	Qwest Communications Intl., 7.50%, 2/15/14	196,800
			Qwest Corp.,	
BB		6002	7.875%, 9/01/11	637,500
BB		4252	9.125%, 3/15/12	479,187
CCC		300	Rural Cellular Corp., 9.875%, 2/01/10	303,750
CCC		7452	UbiquiTel Operating Co., 9.875%, 3/01/11	806,462
CCC		510	Western Wireless Corp., 9.25%, 7/15/13	543,150
				7,601,675
			Transportation—4.9%	
B-		5002	Horizon Lines LLC, 9.00%, 11/01/12	541,250

B+	350	OMI Corp., 7.625%, 12/01/13 (Marshall Islands)	369,250
BB	505	Overseas Shipholding Group, Inc., 7.50%, 2/15/24	507,525
B	500	Sea Containers Ltd., Ser. B, 10.75%, 10/15/06 (Bermuda)	518,750
B+	500	TFM SA de CV, 12.50%, 6/15/12 (Mexico)	565,000
			2,501,775
		Total Corporate Bonds	68,077,239

See Notes to Financial Statements.

BlackRock High Yield Trust (BHY) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Bank Loans 0.4%	
	$ 217	Rockwood Specialties Group, Inc., Term Loan, LIBOR + 8.00%, 11/29/04	$ 216,957
	Shares		
		Preferred Stock 0.0%	
		Media 0.0%	
	1,098[4,5]	Adelphia Business Solutions, Ser. B, 12.875%	0
		Common Stock 0.2%	
	82,4	Mattress Discounters Corp.,	0
	543	Neon Communications, Inc.,	120,650
		Total Common Stock	120,650
	Units		
		Warrants 0.0%	
	12,3	Mattress Discounters Corp., Expires 7/15/07, Strike price $0.01, 4.85 shares for 1 warrant	1
	543	Neon Communications, Inc., Expires 12/02/12	1
	13	PF. Net Communications, Inc., Expires 5/15/10, Strike price $0.01, 36.87243 shares for 1 warrant	0
		Total Warrants	2
		Total Long-Term Investments (cost $75,643,790)	$ 68,414,848

Liabilities in excess of other assets (34.4)%	(17,500,808)
Net Assets 100%	$ 50,914,040

1 Using the higher of S&P's, Moody's or Fitch's rating.

2 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, 2004, the Trust held 42.1% of its net assets, with a current market value of $21,441,592, in securities restricted as to resale.

3 Illiquid securities representing 0.3% of net assets.

4 Security is fair valued.

5 Issuer is technically in default and/or bankruptcy.

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.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2004
BlackRock Income Opportunity Trust (BNA)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 133.9%	
		Mortgage Pass-Through Securities 18.5%	
		Federal National Mortgage Assoc.,	
	$ 61,515 2	5.50%, 12/01/13 - 9/01/17	$ 63,571,282
	14,347	6.00%, 3/01/27 - 11/01/34	15,024,680
	361	7.00%, 2/01/24 - 1/01/29	384,473
		Government National Assoc.,	
	145	8.00%, 4/15/24 - 11/15/25	158,770
		Total Mortgage Pass-Through Securities	79,139,205
		Federal Housing Administration 1.3%	
		GMAC Projects,	
	589	Ser. 37, 7.43%, 5/01/22	626,333
	207	Ser. 44, 7.43%, 8/01/22	220,335
		Merrill Projects,	
	195	Ser. 29, 7.43%, 10/01/20	207,615
	238	Ser. 42, 7.43%, 9/01/22	252,836
	1,927	Reilly Project, Ser. B-11, 7.40%, 4/01/21	2,046,694
	1,950	Westmore Project, 7.25%, 4/01/21	2,059,776
		Total Federal Housing Administration	5,413,589

		Agency Multiple Class Mortgage Pass-Through Securities 1.4%	
	3,750	Federal Home Loan Mortgage Corp., Ser. 82, Class HJ, 9/25/32	3,898,828
	1,958	Government National Assoc., 6.00%, 6/20/15	2,068,291
		Total Agency Multiple Class Mortgage Pass-Through Securities	5,967,119
		Non-Agency Multiple Class Mortgage Pass-Through Securities 2.4%	
AAA	9,144	Residential Funding Securities Corp., Ser. RM2, Class AI5, 5/25/33	10,173,199
AAA	39 3	Summit Mortgage Trust, Ser. 1, Class B1, 6.079%, 12/28/12	38,571
		Total Non-Agency Multiple Class Mortgage Pass-Through Securities	10,211,770
		Adjustable Rate Mortgage Securities 0.0%	
	19	Federal National Mortgage Assoc., Ser. 256, Class F, 3.344%, 11/25/23	16,744
		Inverse Floating Rate Mortgage Securities 0.7%	
	1,000	Federal Home Loan Mortgage Corp., Ser. 1611, Class JC, 10.00%, 8/15/23	1,082,140
		Federal National Mortgage Assoc.,	
	36	Ser. 7, Class S, 3/25/21	5,294
	1,808	Ser. 23, Class PS, 10.303%, 4/25/23	1,938,604
	17	Ser. 46, Class S, 20.968%, 5/25/21	4,819
	21	Ser. 49, Class S, 8.431%, 12/25/21	2,110
	108	Ser. 87, Class S, 21.797%, 8/25/21	128,412
	22	Ser. 145, Class S, 29.597%, 10/25/06	24,565
		Total Inverse Floating Rate Mortgage Securities	3,185,944
		Interest Only Asset-Backed Securities 1.5%	
		Sterling Coofs Trust,	
	42,564	Ser. 1, 4/15/29	3,780,245
	32,945	Ser. 2, 3/30/30	2,625,305
		Total Interest Only Asset-Backed Securities	6,405,550
		Interest Only Mortgage-Backed Securities 2.2%	
		Federal Home Loan Mortgage Corp.,	
	5	Ser. 176, Class M, 7/15/21	70
	1	Ser. 192, Class U, 2/15/22	77
	16	Ser. 1043, Class H, 2/15/21	22,546
	2	Ser. 1054, Class I, 3/15/21	403
	16	Ser. 1056, Class KD, 3/15/21	2,028
	19	Ser. 1057, Class J, 3/15/21	4,093
	54	Ser. 1148, Class E, 10/15/21	1,106
	14	Ser. 1179, Class O, 11/15/21	243
	13	Ser. 1221 Class H, 3/15/07	233
	373	Ser. 1254, Class Z, 4/15/22	16,069

See Notes to Financial Statements.

25

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Interest Only Mortgage-Backed Securities (cont'd)	
		Federal Home Loan Mortgage Corp. (cont'd)	
	$ 765	Ser. 1831, Class PG, 3/15/11	$ 82,934
	9,079	Ser. 2611, Class QI, 9/15/32	1,717,898
		Federal National Mortgage Assoc.,	
	103	Ser. 10, Class S, 5/25/21	12,507
	82	Ser. 12, Class S, 5/25/21	15,930
	53	Ser. 17, Class S, 6/25/21	7,755
	168	Ser. 5, Class H, 1/25/22	24,241
	12	Ser. 7, Class 2, 4/1/17	2,189
	1	Ser. 20, Class H, 3/25/06	23
	72	Ser. 33, Class PV, 10/25/21	16,416
	7	Ser. 38, Class N, 4/25/21	735
	821	Ser. 46, Class H, 12/25/09	144,338
	749	Ser. 50, Class SI, 4/25/23	17,314
	1	Ser. 54, Class H, 5/25/05	39
	15,480	Ser. 64, Class QI, 1/25/33	2,990,683
	6	Ser. 84, Class H, 8/25/06	377
	21	Ser. 89, Class 2, 6/1/18	3,479
	37,000	Ser. 90, Class JH, 12/31/49	3,948,594
	6	Ser. 94, Class 2, 8/1/21	1,228
	26	Ser. 99, Class L, 8/25/21	3,675
	5	Ser. 123, Class M, 10/25/20	708
	37	Ser. 136, Class S, 11/25/20	39,635
	42	Ser. 139, Class PT, 10/25/21	4,338
	21	Ser. 141, Class SA, 8/25/07	4,154
	9,6963	Goldman Sachs Mortgage Securities Corp., Ser. 5, 2/19/25	204,913
	4,907[3]	Hanover Grantor Trust, Ser. A, Class 1, 8/1/27	23,553
	2,6173	Morgan Stanley Capital I, Inc., Ser. HF1, Class X, 6/15/17	67,719
		Morgan Stanley Mortgage Trust,	
	56	Ser. 38, Class 2, 11/20/21	10,121
	60	Ser. 39, Class 2, 12/20/21	10,732
	104	Residential Asset Securization Trust, Ser. A3, Class X, 5/25/29	1,598
	6,645	Salomon Brothers Mortgage Securities VII, Inc., Ser. 1, Class IO, 3/25/22	48,376
		Total Interest Only Mortgage-Backed Securities	9,453,070
		Principal Only Mortgage-Backed Securities 0.5%	
	2202	Federal Home Loan Mortgage Corp., Ser. 1739, Class B, 2/15/24	193,228
		Federal National Mortgage Assoc.,	
	72	Ser. 51, Class E, 2/25/23	58,570
	25	Ser. 70, Class A, 5/25/23	22,587

33	Ser. 167, Class D, 10/25/17	31,830
44	Ser. 203, Class 1, 2/1/23	39,767
32	Ser. 228, Class 1, 5/1/23	28,033
6,055	Resolution Funding Corp., Ser. B, 4/15/30	1,585,804
	Total Principal Only Mortgage-Backed Securities	1,959,819
	U.S. Government and Agency Securities—43.4%	
18,826	Overseas Private Investment Corp., zero coupon-7.35%, 5/29/12	19,595,874
1,754	Small Business Administration, Ser. 20K-1, 6.95%, 11/01/16	1,882,643
	U.S. Treasury Bonds,	
24,2052	5.375%, 2/15/31	26,300,185
6,350	5.50%, 8/15/28	6,920,484
32,0002	6.00%, 2/15/26	36,933,760
450	6.125%, 11/15/27	529,143
	U.S. Treasury Notes,	
1,985	2.00%, 7/15/14	2,054,364
8,0202	2.50%, 5/31/06 - 9/30/06	8,014,078
63,595	4.25%, 8/15/14	64,697,738
15,180 2	4.75%, 5/15/14	16,052,850
2,200	4.875%, 2/15/12	2,358,818
	Total U.S. Government and Agency Securities	185,339,937

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Collateralized Mortgage Obligation Residuals—0.0%	
		Collateralized Mortgage Obligation Trust,	
	$ 3	Ser. 40, Class R, 4/01/18	$ 309
	57	Ser. 42, Class R, 10/01/14	7,755
		Federal Home Loan Mortgage Corp.,	
	20	Ser. 19, Class R, 3/15/20	2,316
	0	Ser. 75, Class R, 1/15/21	5
	0	Ser. 75, Class RS, 1/15/21	5
	0	Ser. 173, Class R, 11/15/21	22
	0	Ser. 173, Class RS, 11/15/21	22
	28	Ser. 200, Class R, 12/15/22	511
		Total Collateralized Mortgage Obligation Residuals	10,945

		Corporate Bonds 61.2%	
		Aero & Defense 2.2%	
B-	1,235	BE Aerospace, Inc., 9.50%, 11/01/08	1,273,594
BB-	1,500	L-3 Communications Corp., 7.625%, 6/15/12	1,657,500
BBB+	1,250	Lockheed Martin Corp., 8.50%, 12/01/29	1,672,200
BBB	1,000	Northrop Grumman Corp., 7.125%, 2/15/11	1,153,090
		Raytheon Co.,	
BBB-	1,200	6.15%, 11/01/08	1,303,068
NR	2,000	7.00%, 5/15/06	2,111,928
			9,171,380
		Automotive 2.0%	
BBB-	2,000	Briggs & Stratton Corp., 8.875%, 3/15/11	2,375,000
B1	2,340	Dura Operating Corp., Ser. B, 8.625%, 4/15/12	2,316,600
A3	3,000 2	Ford Motor Credit Co., 6.875%, 2/01/06	3,123,720
BBB	500	General Motors Corp., 8.375%, 7/15/33	545,152
			8,360,472
		Basic Materials 3.4%	
A	2,000	Alcoa, Inc., 7.375%, 8/01/10	2,336,400
B	2,000	Caraustar Industries, Inc., 9.875%, 4/01/11	2,175,000
B+	3,000	Lyondell Chemical Co., 11.125%, 7/15/12	3,536,250
B	1,000	Oregon Steel Mills, Inc., 10.00%, 7/15/09	1,105,000
BB-	2,500	Tembec Industries, Inc., 8.50%, 2/01/11 (Canada)	2,556,250
		Weyerhaeuser Co.,	
BBB	1,550	5.95%, 11/01/08	1,686,121
BBB	1,000	6.75%, 3/15/12	1,128,910
			14,523,931
		Building & Development 0.6%	
BBB-	2,500	D.R. Horton, Inc., 10.50%, 4/01/05	2,575,000
		Conglomerates 0.9%	
AAA	3,650	General Electric Co., 5.00%, 2/01/13	3,776,546
		Consumer Products 5.7%	
B-	1,475	American Seafoods Group LLC, 10.125%, 4/15/10	1,578,250
BBB-	1,500	Autonation, Inc., 9.00%, 8/01/08	1,728,750
B3	2,000	Buffets, Inc., 11.25%, 7/15/10	2,120,000
		General Mills, Inc.,	
BBB+	550	5.125%, 2/15/07	573,320
BBB+	1,700	6.00%, 2/15/12	1,847,798
BBB+	2,000	Kellogg Co., Ser. B, 6.60%, 4/01/11	2,264,700
A3	935	Kraft Foods, Inc., 5.625%, 11/01/11	995,139
BBB	1,000	Kroger Co., 5.50%, 2/01/13	1,043,580
AA-	3,000	Procter & Gamble Co., 6.875%, 9/15/09	3,422,310
BBB	2,495	Safeway, Inc., 6.50%, 3/01/11	2,756,261

A+	2,000	Unilever Capital Corp., 7.125%, 11/01/10	2,324,580
BBB-	3,000	Yum! Brands, Inc., 8.875%, 4/15/11	3,744,276
			24,398,964

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Containers & Glass—1.3%	
B+	$ 1,500	Crown European Holdings SA, 9.50%, 3/01/11 (France)	$ 1,717,500
BB-	2,250	Owens-Brockway Glass Container, Inc., 8.875%, 2/15/09	2,458,125
B+	1,240	Stone Container Corp., 9.25%, 2/01/08	1,391,900
			5,567,525
		Ecological Services & Equipment—1.0%	
B+	1,695	Allied Waste NA, Inc., Ser. B, 10.00%, 8/01/09	1,771,275
B	2,250	Casella Waste Systems, Inc., 9.75%, 2/01/13	2,497,500
			4,268,775
		Energy—6.8%	
BB	2,500	Chesapeake Energy Corp., 9.00%, 8/15/12	2,878,125
A-	3,000	Conoco Funding Co., 6.35%, 10/15/11 (Canada)	3,369,600
BBB+	2,000	Dominion Resources, Inc., 5.70%, 9/17/12	2,119,260
B	2,500	Dresser, Inc., 9.375%, 4/15/11	2,787,500
BBB	1,500	DTE Energy Co., 7.05%, 6/01/11	1,712,760
B	1,500 [3]	Dynegy Holdings, Inc., 10.125%, 7/15/13	1,747,500
B1	1,000	El Paso Natural Gas Co., 7.625%, 8/01/10	1,083,750
B-	1,500	El Paso Production Holding Co., 7.75%, 6/01/13	1,567,500
BBB+	640	Exelon Corp., 6.75%, 5/01/11	718,355
		FirstEnergy Corp.,	
BBB-	480	Ser. B, 6.45%, 11/15/11	525,859
BBB-	1,500	Ser. C, 7.375%, 11/15/31	1,709,115
BBB+	1,250	Kinder Morgan Energy Partners LP, 7.30%, 8/15/33	1,447,975
BBB	1,000	Kinder Morgan, Inc., 6.50%, 9/01/12	1,108,300
BBB+	1,800	Occidental Petroleum Corp., 6.75%, 1/15/12	2,054,736
		Progress Energy, Inc.,	
Baa2	1,800	6.75%, 3/01/06	1,888,326

Baa2	2,000	7.10%, 3/01/11	2,267,980
			28,986,641
		Entertainment & Leisure—2.7%	
B+	2,000	Boyd Gaming Corp., 8.75%, 4/15/12	2,250,000
B	1,700	Hammons John Q. Hotels LP, Ser. B, 8.875%, 5/15/12	1,955,000
Ba3	382	Host Marriot Corp., Ser. B, 7.875%, 8/01/08	392,505
Ba2	1,000	MGM Mirage, 9.75%, 6/01/07	1,125,000
Ba2	2,000	Park Place Entertainment Corp., 8.875%, 9/15/08	2,302,500
BB+	3,000	Starwood Hotels & Resorts Worldwide, Inc., 7.875%, 5/01/12	3,506,250
			11,531,255
		Financial Institutions—17.0%	
Aa3	2,450	Bank of America Corp., 7.80%, 2/15/10	2,892,494
Aa3	1,400[2]	Bank One Corp., 6.50%, 2/01/06	1,466,192
Aa3	2,000[3]	Barclays Bank PLC, 6.86%, 9/29/49 (United Kingdom)	2,237,850
A+	500	Bear Stearns Co., Inc., 6.50%, 5/01/06	526,890
		Citigroup, Inc.,	
AA+	450	2.00%, 6/09/09	451,048
AA	849	5.00%, 9/15/14	856,777
AA	6,000	5.625%, 8/27/12	6,480,780
		Credit Suisse First Boston USA, Inc.,	
AA-	700[2]	6.125%, 11/15/11	770,077
AA-	1,000	7.125%, 7/15/32	1,184,270
BB	1,000	Crum & Forster Holdings Corp., 10.375%, 6/15/13	1,070,000
AAA	4,000[2]	Federal Home Loan Mortgage Corp., 6.875%, 9/15/10	4,628,320
		Federal National Mortgage Assoc.,	
AAA	4,000	4.375%, 9/15/12	4,032,680
AAA	1,805	7.125%, 6/15/10	2,105,280
AAA	3,000	General Electric Capital Corp., Ser. A, 6.75%, 3/15/32	3,497,760
		General Motors Acceptance Corp.,	
Baa1	700	6.75%, 1/15/06	726,082
Baa1	4,000	6.875%, 8/28/12	4,142,000
Aa3	1,000	Goldman Sachs Group, Inc., 6.60%, 1/15/12	1,119,940
A+	3,650	Household Finance Corp., 6.375%, 10/15/11 - 11/27/12	4,073,468

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Financial Institutions—(cont'd)	

		HSBC Bank USA, Inc.,	
AA	$ 2,525	3.875%, 9/15/09	$ 2,535,125
AA-	850	5.875%, 11/01/34	849,150
		JP Morgan Chase & Co.,	
Aa3	2,100	5.25%, 5/30/07	2,208,591
A1	1,000	6.75%, 2/01/11	1,132,770
AAA	3,000	KFW Intl. Finance, Inc., 5.25%, 6/28/06	3,124,710
A+	1,500	Lehman Brothers Holdings, Inc., 6.625%, 1/18/12	1,696,095
		Marsh & McLennan Cos, Inc.,	
BBB+	275	2.193%, 7/13/07	265,966
BBB+	285	5.375%, 7/15/14	277,499
AA-	600	Morgan Stanley, 5.80%, 4/01/07	637,590
AA-	1,200	National City Bank Cleveland Ohio, 3.375%, 10/15/07	1,203,756
A+	2,000	Northern Trust Co., 6.30%, 3/07/11	2,240,940
		Rainbow National Services LLC,	
B3	225 3	8.75%, 9/01/12	240,750
CCC+	675 3	10.375%, 9/01/14	732,375
Aa2	3,025	U.S. Bank NA, 2.036%, 10/01/07	3,022,429
AA	2,000	UBS Preferred Funding Trust I, 8.622%, 10/29/49	2,453,878
Aa3	1,450	Wachovia Bank NA, 4.80%, 11/01/14	1,442,996
Aa1	3,780	Wells Fargo & Co., 1.98%, 9/15/09	3,778,715
Aa1	2,000	Wells Fargo Bank, 7.55%, 6/21/10	2,362,420
			72,467,663
		Health Care 1.6%	
A+	1,000	Bristol Myers Squibb Co., 5.75%, 10/01/11	1,078,960
NR	3,000	HealthSouth Corp., 7.00%, 6/15/08	2,985,000
BB+	1,500	Omnicare, Inc., Ser. B, 8.125%, 3/15/11	1,627,500
A	1,310	UnitedHealth Group, Inc., 3.375%, 8/15/07	1,306,594
			6,998,054
		Industrials 0.7%	
BBB+	825	Allegiance Corp., 7.00%, 10/15/26	858,841
B	2,010	Manitowoc, Inc., 10.50%, 8/01/12	2,319,037
			3,177,878
		Media 4.5%	
B1	2,000	Alliance Atlantis Communications, Inc., 13.00%, 12/15/09 (Canada)	2,150,000
		AOL Time Warner, Inc.,	
BBB+	2,410	7.57%, 2/01/24	2,777,163
BBB+	3,000	9.125%, 1/15/13	3,784,200
BBB	1,860	AT&T Broadband Corp., 8.375%, 3/15/13	2,281,718
CCC+	675	Charter Communications Holdings II, LLC, 10.25%, 9/15/10	702,000
CCC+	2,425	Charter Communications Holdings LLC, 10.75%, 10/01/09	2,049,125
BBB	1,000	Comcast Cable Communications, Inc., 6.75%, 1/30/11	1,117,070
BBB	325	Comcast Corp., 7.05%, 3/15/33	367,243
B	1,000	Quebecor Media, Inc., 11.125%, 7/15/11 (Canada)	1,157,500

CCC	3,000	WRC Media, Inc., 12.75%, 11/15/09	2,820,000
			19,206,019
		Other 4.3%	
A3	16,320 3	Targeted Return Index Securities Trust, Inc., Ser. 10-2002, 6.896%, 1/15/12	18,465,264
		Real Estate 1.2%	
BBB+	1,000	AvalonBay Communities, Inc., 6.625%, 9/15/11	1,111,710
		EOP Operating LP,	
BBB+	2,285	4.65%, 10/01/10	2,298,916
BBB+	800	7.00%, 7/15/11	905,064
BBB-	725	Rouse Co., 3.625%, 3/15/09	683,073
			4,998,763
		Technology 0.5%	
BB+	2,000	Seagate Technology Holdings, 8.00%, 5/15/09 (Cayman Island)	2,160,000

See Notes to Financial Statements.

BlackRock Income Opportunity Trust (BNA) (continued)

Rating[1] (unaudited)	Principal/Notional Amount (000)	Description	Value
		Telecommunications 3.4%	
A	$ 3,675	BellSouth Corp., 5.20%, 9/15/14	$ 3,745,450
BB	250 3	Qwest Corp., 7.875%, 9/01/11	265,625
		SBC Communications, Inc.,	
A	350	4.125%, 9/15/09	349,923
A	3,125	5.10%, 9/15/14	3,141,999
A+	1,000	6.25%, 3/15/11	1,102,790
A+	575	Verizon Global Funding Corp., 7.75%, 6/15/32	704,289
Aa3	540	Verizon Maryland, Inc., 5.125%, 6/15/33	474,925
Aa3	3,000	Verizon Pennsylvania, Inc., Ser. A, 5.65%, 11/15/11	3,194,580
A	1,000	Vodafone Group PLC, 7.75%, 2/15/10 (United Kingdom)	1,177,200
			14,156,781
		Transportation 1.4%	
BBB+	1,000	Burlington Northern Santa Fe Corp., 5.90%, 7/01/12	1,078,510
BBB+	1,000	Canadian National Railway Co., 6.375%, 10/15/11 (Canada)	1,118,527
BBB	1,475	Canadian Pacific Railway Ltd., 6.25%, 10/15/11 (Canada)	1,634,270

BBB+	2,000	Union Pacific Corp., 6.125%, 1/15/12	2,177,160
			6,008,467
		Total Corporate Bonds	260,799,378
		Foreign Government Bonds—0.8%	
Baa2	3,000	United Mexican States, 8.00%, 9/24/22	3,445,500
		Total Long-Term Investments (cost $549,598,840)	571,348,570
		SHORT-TERM INVESTMENTS—0.7%	
NR	2,100	HBOS Treasury Services PLC, 2.04%, 1/26/05	2,089,766
NR	1,200	Santander Hispano, 2.01%, 1/14/05	1,195,042
		Total Short-Term Investments (cost $3,284,808)	3,284,808
		OUTSTANDING OPTIONS PURCHASED—0.1%	
		Interest Rate Swap,	
	24,800	4.365% over 3-month LIBOR, expires 1/28/05	243,131
	17,500	4.60% over 3-month LIBOR, expires 11/19/04	29,365
	24,800	4.865% over 3-month LIBOR, expires 1/28/08	169,885
	13,100	6.25% over 3-month LIBOR, expires 11/19/04	13
		Total Outstanding Options Purchased (cost $505,980)	442,394
		Total investments before investments sold short and outstanding options written (cost $553,389,628)	575,075,772
		INVESTMENT SOLD SHORT—(10.7)%	
	(45,000)	Federal National Mortgage Assoc., 5.50%, TBA (proceeds $45,796,477)	(45,815,760)

Contracts/Notional Amount (000)		
	OUTSTANDING OPTIONS WRITTEN—(0.3%)	
	Interest Rate Swap,	
(28,400)	3.00% over 3-month LIBOR, expires 1/19/05	(82,205)
(24,800)	4.375% over 3-month LIBOR, expires 10/28/05	(468,273)
(31,300)	4.60% over 3-month LIBOR, expires 2/23/05	(273,343)
(24,800)	5.375% over 3-month LIBOR, expires 10/28/05	(418,239)
(55,000)	5.75% over 3-month LIBOR, expires 9/23/05	(129,250)
(13,100)	6.05% over 3-month LIBOR, expires 2/23/05	(5,502)
(25)	U.S. Treasury Notes Futures, expires 11/26/04	(25,781)
(25)	U.S. Treasury Notes Futures, expires 11/26/04	(391)

Total Outstanding Options Written (premium received $2,557,620)	(1,402,984)
Total investments net of investments sold short and outstanding options written 123.7%	$ 527,857,109
Liabilities in excess of other assets (23.7)%	(101,213,660)
Net Assets 100%	$ 426,643,449

1 Using the higher of S&P s, Moody s or Fitch s rating.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements or financial futures contracts.

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, 2004, the Trust held 5.8% of its net assets, with a current market value of $24,880,897 in securities restricted as to resale.

Details of open reverse repurchase agreements are disclosed in Note 4 in the Notes to Financial Statements.

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.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2004
BlackRock Income Trust Inc. (BKT)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 148.9%	
		Mortgage Pass-Through Securities 33.5%	
		Federal Home Loan Mortgage Corp.,	
	$ 15,414	5.50%, 10/01/16 - 5/01/17	$ 15,979,706
	87	6.50%, 5/01/29 - 5/01/30	91,840
	24	7.50%, 2/01/23	25,580
	136	8.00%, 11/01/15	144,486
	90	8.50%, 10/01/06 - 3/01/08	93,510
	270	9.00%, 9/01/20	302,589
		Federal National Mortgage Assoc.,	
	25,176[2]	5.00%, 6/01/33 - 7/01/34	25,145,474
	67,492[2]	5.50%, 12/01/13 - 8/01/34	69,544,223
	11,587[2]	6.00%, 11/01/31 - 10/01/32	12,026,278
	5,991	6.50%, 2/01/26 - 5/01/31	6,310,412
	9,872[2]	7.00%, 6/01/26 - 2/01/32	10,479,209
	5,208	7.50%, 11/01/14 - 9/01/23	5,622,041
	546	8.00%, 5/01/08 - 5/01/22	577,390
	12	9.50%, 1/01/19 - 9/01/19	13,955
		Government National Mortgage Assoc.,	

	148	7.00%, 10/15/17	158,872
	838	7.50%, 8/15/21 - 12/15/23	908,965
	596	8.00%, 10/15/22 - 2/15/29	651,415
	56	9.00%, 6/15/18 - 9/15/21	63,011
		Total Mortgage Pass-Through Securities	148,138,956
		Federal Housing Administration 2.4%	
		GMAC Projects,	
	649	Ser. 51, 7.43%, 2/01/23	689,419
	1,067	Ser. 56, 7.43%, 11/01/22	1,135,307
	54	Merrill Projects, Ser. 54, 7.43%, 5/15/23	57,795
	872	Reilly Project, Ser. 41, 8.28%, 3/01/20	914,091
		USGI Projects,	
	206	Ser. 87, 7.43%, 12/01/22	219,098
	963	Ser. 99, 7.43%, 10/01/23	1,024,230
	6,047	Yorkville, Ser. 6094, 7.43%, 6/01/21	6,429,203
		Total Federal Housing Administration	10,469,143
		Agency Multiple Class Mortgage Pass-Through Securities 17.7%	
		Federal Home Loan Mortgage Corp.,	
	6,960	Ser. 11, Class A9, 5.00%, 1/25/28	6,232,320
	447	Ser. 19, Class F, 8.50%, 3/15/20	447,376
	3,000	Ser. 1598, Class J, 6.50%, 10/15/08	3,205,740
	2,375	Ser. 2534, Class NG, 4.50%, 3/15/22	2,378,835
	12,751	Ser. 2758, Class KV, 5.50%, 5/15/23	13,211,499
	2,240	Ser. 2765, Class UA, 4.00%, 3/15/11	2,171,638
		Federal National Mortgage Assoc.,	
	9,551	Ser. 28, Class PB, 6.00%, 8/25/28	10,055,154
	3,419	Ser. 29, Class HC, 7.50%, 7/25/30	3,700,068
	1,903	Ser. 31, Class ZG, 7.50%, 5/25/34	2,205,517
	9,133	Ser. 32, Class VT, 6.00%, 9/25/15	9,456,453
	430	Ser. 43, Class E, 7.50%, 4/25/22	448,772
	1,749	Ser. 60, Class PA, 5.50%, 4/25/34	1,821,056
	5,000	Ser. 81, Class BR, 5.25%, 4/25/25	5,101,050
	12,264	Ser. 135, Class PB, 6.00%, 1/25/34	12,796,626
		Government National Mortgage Assoc.,	
	2,216	Ser. 5, Class Z, 7.00%, 5/16/26	2,360,047
	2,500	Ser. 33, Class PB, 6.50%, 7/20/31	2,604,274
		Total Agency Multiple Class Mortgage Pass-Through Securities	78,196,425
		Non-Agency Multiple Class Mortgage Pass-Through Securities 0.0%	
AAA	2123	Summit Mortgage Trust, Ser. 1, Class B1, 5.904%, 12/28/12	212,141

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Adjustable Rate Mortgage Securities-0.1%	
		Federal National Mortgage Assoc.,	
	$ 184	Ser. 38, Class F, 8.325%, 4/25/21	$ 202,245
	43	Ser. 256, Class F, 3.438%, 11/25/23	37,674
		Total Adjustable Rate Mortgage Securities	239,919
		Inverse Floating Rate Mortgage Securities 3.7%	
		Federal Home Loan Mortgage Corp.,	
	70	Ser. 1160, Class F, 32.194%, 10/15/21	81,632
	753 [2]	Ser. 1616, Class SB, 8.50%, 11/15/08	771,944
	2,524	Ser. 1688, Class S, 10.303%, 12/15/13	2,671,560
	3,626	Ser. 2664, Class SR, 8.854, 8/15/33	3,227,524
	1,456	Ser. 2752, Class SV, 15.428%, 9/15/33	1,490,316
		Federal National Mortgage Assoc.,	
	78	Ser. 7, Class S, 3/25/21	11,366
	186	Ser. 38, Class SA, 10.186%, 4/25/21	196,538
	38	Ser. 46, Class S, 20.753%, 5/25/21	10,348
	45	Ser. 49, Class S, 8.431%, 12/25/21	4,531
	1,239	Ser. 72, Class S, 8.75%, 5/25/08	1,283,992
	237	Ser. 87, Class S, 21.797%, 8/25/21	280,580
	549	Ser. 93, Class S, 8.50%, 5/25/08	566,640
	44	Ser. 145, Class S, 29.269%, 10/25/06	49,997
	284	Ser. 170, Class SC, 9.00%, 9/25/08	292,484
	2,162	Ser. 196, Class SC, 8.973%, 10/25/08	2,265,555
	755	Ser. 214, Class SH, 13.569%, 12/25/08	795,440
	1,936	Ser. 247, Class SN, 10.00%, 12/25/23	1,985,787
AAA	404	Kidder Peabody Acceptance Corp., Ser. 1, Class A6, 13.032%, 8/25/23	412,683
		Total Inverse Floating Rate Mortgage Securities	16,398,917
		Interest Only Asset-Backed Securities 1.6%	
		Sterling Coofs Trust,	
	51,687	Ser. 1, 4/15/29	4,590,415
	33,705	Ser. 2, 3/30/30	2,685,867
		Total Interest Only Asset-Backed Securities	7,276,282
		Interest Only Mortgage-Backed Securities 15.5%	

11,325	ABN Amro Mortgage Corp., Ser. IV, Class A2, 3/25/33	497,167
	American Housing Trust,	
320	Ser. III, Class 4, 3/25/19	4,999
76	Ser. VII, Class 2, 11/25/20	180,000
100,158	Commercial Mortgage Acceptance Corp., Ser. ML1, 12/15/30	2,208,879
30,590 3	Credit Suisse First Boston Mortgage Securities Corp., Ser. C1, Class AX, 6/20/29	1,415,706
	Federal Home Loan Mortgage Corp.,	
16,455	Ser. 60, Class HS, 4/25/24	532,975
11	Ser. 176, Class M, 7/15/21	150
1	Ser. 192, Class U, 2/15/22	164
3,824	Ser. 204, 5/1/29	706,218
35	Ser. 1043, Class H, 2/15/21	48,406
5	Ser. 1054, Class I, 3/15/21	865
33	Ser. 1056, Class KD, 3/15/21	4,354
41	Ser. 1057, Class J, 3/15/21	8,788
115	Ser. 1148, Class E, 10/15/21	2,375
30	Ser. 1179, Class O, 11/15/21	522
29	Ser. 1221 Class H, 3/15/07	501
900	Ser. 1706, Class IA, 10/15/23	75,519
289	Ser. 1720, Class PK, 1/15/24	28,041
8,498	Ser. 1914, Class PC, 12/15/11	100,696
10,672	Ser. 2002, Class HJ, 10/15/08	251,590
211	Ser. 2099, Class JB, 9/15/22	11,483
1,911	Ser. 2296, Class SA, 3/15/16	153,816
1,425	Ser. 2444, Class ST, 9/15/29	110,784
1,319	Ser. 2513, Class BI, 12/15/15	67,217
2,615	Ser. 2542, Class MX, 5/15/22	297,603
2,385	Ser. 2543, Class IM, 9/15/12	109,552
5,658	Ser. 2545, Class NI, 3/15/22	639,129
38,385	Ser. 2559, Class IO, 8/15/30	161,936
9,087	Ser. 2561, Class EW, 9/15/16	845,953

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)	
		Federal Home Loan Mortgage Corp. (cont'd),	
	$ 16,571	Ser. 2611, Class QI, 9/15/32	$ 3,135,398
	26,066	Ser. 2633, Class PI, 3/15/12	1,371,849
	6,145	Ser. 2653, Class MI, 4/15/26	898,100
	11,549	Ser. 2658, Class PI, 6/15/13	1,000,178
	5,662	Ser. 2672, Class TQ, 3/15/23	664,475
	12,324	Ser. 2676, Class JI, 8/15/13	746,487

3,633	Ser. 2687, Class IL, 9/15/18	663,702
26,076	Ser. 2687, Class IQ, 9/15/22	1,993,021
6,533	Ser. 2693, Class IB, 6/15/13	673,848
4,841	Ser. 2694, Class LI, 7/15/19	564,144
2,050	Ser. 2750, Class TC, 2/15/34	2,043,461
9,253	Ser. 2773, Class OX, 2/15/18	1,162,347
20,215	Ser. 2779, Class YS, 1/15/33	2,027,805
28,207	Ser. 2780, Class SM, 4/15/34	1,530,023
22,898	Ser. 2786, Class PI, 10/15/10	1,244,265
3,571	Ser. 2791, Class KS, 5/15/34	3,687,652
	Federal National Mortgage Assoc.,	
433	Ser. 5, Class H, 1/25/22	62,334
26	Ser. 7, Class 2, 4/1/17	4,699
222	Ser. 10, Class S, 5/25/21	26,853
175	Ser. 12, Class S, 5/21/21	34,201
114	Ser. 17, Class S, 6/25/21	16,650
6,455	Ser. 11, Class PI, 1/25/19	157,507
111	Ser. 12, Class C, 2/25/22	19,683
12,037	Ser. 13, Class IG, 10/25/22	1,133,633
23,150	Ser. 16, Class PI, 11/25/12	1,228,826
1	Ser. 20, Class H, 3/25/06	49
154	Ser. 33, Class PV, 10/25/21	35,241
4,907	Ser. 33, Class SG, 3/25/09	290,121
2,504	Ser. 37, Class SE, 10/25/22	14,768
14	Ser. 38, Class N, 4/25/21	1,578
126	Ser. 50, Class G, 12/25/21	17,674
1,497	Ser. 50, Class SI, 4/25/23	34,627
7,372	Ser. 51, Class IE, 4/25/26	902,203
2	Ser. 54, Class H, 5/25/05	84
6,044	Ser. 55, Class GI, 7/25/19	1,049,839
1,254	Ser. 60, Class SB, 10/25/22	29,087
1,782	Ser. 62, Class IC, 7/25/15	96,704
1,837	Ser. 62, Class IL, 3/25/24	57,708
23,489	Ser. 64, Class QI, 1/25/33	4,537,986
8,384	Ser. 66, Class CI, 7/25/33	1,680,842
5,725	Ser. 68, Class SC, 1/25/24	532,825
6,814	Ser. 71, Class EI, 8/25/33	1,328,203
6,530	Ser. 82, Class IR, 9/25/12	320,375
13	Ser. 84, Class H, 8/25/06	809
29,836	Ser. 88, Class TI, 11/25/13	1,593,545
46	Ser. 89, Class 2, 6/1/18	7,470
46,000	Ser. 90, Class JH, 6.00%, 12/31/49	4,909,063
23,742	Ser. 90, Class M, 1/25/28	3,634,731
13	Ser. 94, Class 2, 8/1/21	2,636
56	Ser. 99, Class L, 8/25/21	7,890
6,639	Ser. 122, Class IA, 9/25/09	241,184
3,741	Ser. 122, Class IC, 9/25/18	733,499
10	Ser. 123, Class M, 10/25/20	1,521
79	Ser. 136, Class S, 11/25/20	85,096
90	Ser. 139, Class PT, 10/25/21	9,314
45	Ser. 141, Class SA, 8/25/07	8,919

4,554	Ser. 199, Class SB, 10/25/23	344,679
4,043	Ser. 302, Class 2, 6/1/29	759,439
7,958	Ser. 602, Class BI, 10/25/22	1,017,977
1,326	Ser. W4, 12/25/28	210,051

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)	
	$ 155	First Boston Mortgage Securities Corp., Ser. C, Class I, 4/25/17	$ 27,895
	30,435	GMAC Commercial Mortgage Securities, Inc., Ser. C1, Class X, 7/15/27	1,372,249
	19,2763	Goldman Sachs Mortgage Securities Corp., Ser. 5, 2/19/25	407,352
		Government National Mortgage Assoc.,	
	6,124	Ser. 39, Class ID, 5.00%, 5/20/33	685,942
	4,087	Ser. 58, Class IT, 5.50%, 7/20/33	651,105
	9,341 3	Hanover Grantor Trust, Ser. A, Class 1, 8/1/27	44,838
	140	Kidder Peabody Acceptance Corp., Ser. B, Class A2, 4/22/18	27,254
	3,019	MASTR Alternative Loan Trust, Ser. 9, Class 15X2, 1/25/19	350,062
	135,942	MLCC Mortgage Investors, Inc., Ser. A, Class XA, 3/25/28	4,333,155
		Morgan Stanley Mortgage Trust,	
	121	Ser. 38, Class 2, 11/20/21	21,731
	128	Ser. 39, Class 2, 12/20/21	23,042
	4,275	Merrill Lynch Mortgage Investors, Inc., Ser. C2, 6/15/21	74,823
	3,077	Morgan Stanley Cap. Trust I, Ser. 3, Class 1AX, 5/25/19	369,256
	8,6983	Morgan Stanley Capital I, Inc., Ser. HF1, Class X, , 6/15/17	225,073
	2,812	Residential Accredit Loans, Inc., Ser. QS7, Class A1, 4/25/33	487,150
	19,955	Small Business Administration, Ser. 1, 4/1/15	149,665
	168,425	Vendee Mortgage Trust, Ser. 2, Class 1, 5/15/29	247,583
		Total Interest Only Mortgage-Backed Securities	68,552,441
		Principal Only Mortgage-Backed Securities 8.7%	
AAA	136	Collateralized Mortgage Obligation Trust, Ser. 29, Class A, 5/23/17	123,002
		Countrywide Home Loans, Inc.,	
AAA	8,202	Ser. 26, 8/25/33	5,197,917
AAA	1,504	Ser. J4, 6/25/33	1,177,651
AAA	2,084	Ser. J5, 7/25/33	1,320,685
AAA	1,531	Ser. J8, 9/25/23	944,081
		Drexel Burnham Lambert, Inc.,	
AAA	60	Ser. K, Class 1, 9/23/17	53,370
AAA	614	Ser. V, Class 1, 9/1/18	566,390

		Federal Home Loan Mortgage Corp.,	
	495	Ser. 8, Class A10, 11/15/28	420,211
	321	Ser. 1418, Class M, 11/15/22	278,885
	775	Ser. 1571, Class G, 8/15/23	566,075
	4,311	Ser. 1691, Class B, 3/15/24	3,849,534
	494	Ser. 1739, Class B, 2/15/24	433,020
		Federal National Mortgage Assoc.,	
	643	Ser. 2, Class KB, 1/25/23	536,116
	83	Ser. 7, Class J, 2/25/21	70,475
	1,993	Ser. 13, Class PR, 3/25/32	1,636,862
	154	Ser. 51, Class E, 2/25/23	125,749
	54	Ser. 70, Class A, 5/25/23	48,493
	71	Ser. 167, Class D, 10/25/17	68,337
	95	Ser. 203, Class 1, 2/1/23	85,378
	68	Ser. 228, Class 1, 5/1/23	60,186
	3,286	Ser. 249, Class B, 11/25/23	2,861,463
	526	Ser. 273, Class 1, 7/1/26	471,798
	9,444	Ser. 328, Class 1, 11/1/32	8,006,596
	6,216	Ser. 338, Class 1, 6/1/33	5,054,189
	657	Ser. W4, 2/25/29	509,093
AAA	92	First Union Residential Securitization Trust, Ser. A, Class 1APO, 3/25/15	90,877
AAA	700	MASTR Asset Securitization Trust, Ser. 3, Class 4A15, 3/25/34	348,270
AAA	45	Structured Mortgage Asset Residential Trust, Ser. 3C, Class CX, 4/25/24	41,270
NR	13,0002	Resolution Funding Corp., Ser. B, 4/15/30	3,404,700
		Total Principal Only Mortgage-Backed Securities	38,350,673
		Commercial Mortgage-Backed Securities 2.8%	
AAA	10,250 3	New York City Mortgage Loan Trust, Multi-Family, Class A2, 6.75%, 6/25/11	11,002,893
Aaa	1,278	Banc of America Alternative Loan Trust, Ser. 11, Class 5A1, 5.50%, 1/25/19	1,284,181
		Total Commercial Mortgage-Backed Securities	12,287,074
		Collateralized Mortgage Obligations 14.7%	
		Federal Home Loan Mortgage Corp.,	
	1,185	Ser. 1961, Class H, 5/15/12	1,248,754
	7,372	Ser. 2218, Class Z, 3/15/30	8,580,066
	13,884	Ser. 2461, Class Z, 6/15/32	14,985,160

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Collateralized Mortgage Obligations (cont d)	
		GSR Mortgage Loan Trust,	

$ 6,264	Ser. 10, Class 2A1, 10/25/33	$ 6,164,374
6,051	Ser. 13, Class 1A1, 10/25/33	6,014,792
2,966	MASTR Alternative Loan Trust, Ser. 7, Class 4A3, 11/25/18	3,279,923
9,966	MASTR Asset Securitization Trust, Ser. 12, Class 3A5, 10/25/14	10,003,320
13,717	Residential Funding Securities Corp., Ser. RM2, Class A15, 5/25/33	15,259,798
	Total Collateralized Mortgage Obligations	65,536,187
	Collateralized Mortgage Obligation Residuals□0.1%	
	Collateralized Mortgage Obligation Trust,	
7	Ser. 40, Class R, 4/01/18	664
122	Ser. 42, Class R, 10/01/14	16,647
1	FBC Mortgage Securities Trust 16, Ser. A, Class 1, 7/01/17	283,265
	Federal Home Loan Mortgage Corp.,	
42	Ser. 19, Class R, 3/15/20	4,975
0	Ser. 75, Class R, 1/15/21	11
0	Ser. 75, Class RS, 1/15/21	11
0	Ser. 173, Class R, 11/15/21	49
0	Ser. 173, Class RS, 11/15/21	49
59	Ser. 200, Class R, 12/15/22	1,096
13 4	PaineWebber Trust, Ser. 88 M, Class 6, 9/01/18	0
	Total Collateralized Mortgage Obligation Residuals	306,767
	U.S. Government and Agency Securities□47.1%	
17,115	Overseas Private Investment Corp., zero coupon-7.35%, 5/29/12	17,814,428
	Small Business Administration,	
1,230	Ser. 20C-1, 7.15%, 3/01/17	1,331,001
1,681	Ser. 20E-1, 7.60%, 5/01/16	1,816,220
2,316	Ser. 20F-1, 7.55%, 6/01/16	2,503,396
1,419	Ser. 20G-1, 7.70%, 7/01/16	1,538,859
1,954	Ser. 20H-1, 7.25%, 8/01/16	2,106,439
3,321	Ser. 20K-1, 6.95%, 11/01/16	3,564,648
1,805	Small Business Investment Companies, Ser. P10A, Class 1, 6.12%, 2/01/08	1,918,298
	U.S. Treasury Bonds,	
129,000		
2	zero coupon, 11/15/24	46,657,107
550	6.125%, 11/15/27	646,730
	U.S. Treasury Notes,	
50,0002	1.50%, 3/31/06	49,414,000
42,600 2	2.50%, 5/31/06	42,640,044
3,000	3.875%, 2/15/13	3,000,936
745	4.00%, 2/15/14	745,231
9,000 2	4.25%, 11/15/13	9,185,670
20,200 2	4.25%, 8/15/14	20,553,500
3,250 2	4.375%, 8/15/12	3,372,883
	Total U.S. Government and Agency Securities	208,809,390
	Corporate Bonds□1.0%	
	Financial Institutions□1.0%	

NR	4,380	2,5 Structured Asset Receivable Trust, 1.649%, 1/21/10	4,372,797
		Total Long-Term Investments (cost $667,477,527)	659,147,112
		SHORT-TERM INVESTMENT—2.6%	
		U.S Government and Agency Security—2.6%	
	11,534	U.S. Treasury Bonds, 1.57%, 11/03/04 (cost $11,533,550)	11,533,550

See Notes to Financial Statements.

BlackRock Income Trust Inc. (BKT) (continued)

Rating[1] (unaudited)	Principal/ Notional Amount (000)	Description	Value
		OUTSTANDING OPTIONS PURCHASED—0.1%	
		Interest Rate Swap,	
	$ 24,800	4.365% over 3-month LIBOR, expires 1/28/05	$ 243,131
	18,000	4.60% over 3-month LIBOR, expires 11/19/04	30,204
	24,800	4.865% over 3-month LIBOR, expires 1/28/08	169,885
	13,500	6.25% over 3-month LIBOR, expires 11/19/04	14
		Total Outstanding Options Purchased (cost $508,240)	443,234
		Total investments before investments sold short and outstanding options written (cost $679,519,317)	671,123,896
		INVESTMENTS SOLD SHORT—(3.0%)	
	(1,500)	Federal National Mortgage Assoc., 5.50%, TBA	(1,527,187)
	(10,630)	U.S. Treasury Bonds, 5.375%, 2/15/31	(11,550,133)
		Total Investments Sold Short (proceeds $12,897,590)	(13,077,320)
		OUTSTANDING OPTIONS WRITTEN—(0.3%)	
		Interest Rate Swap,	
	(29,200)	3.00% over 3-month LIBOR, expires 1/19/05	(84,520)
	(24,800)	4.375% over 3-month LIBOR, expires 10/28/05	(468,273)
	(13,500)	5.05% over 3-month LIBOR, expires 2/23/05	(383,535)
	(24,800)	5.375% over 3-month LIBOR, expires 10/28/05	(418,240)
	(77,000)	5.75% over 3-month LIBOR, expires 9/23/05	(180,950)
	(13,500)	6.05% over 3-month LIBOR, expires 2/23/05	(5,670)
		Total Outstanding Options Written (premium received $2,915,166)	(1,541,188)
		Total investments net of investments sold short and outstanding options written—148.3%	$ 656,505,388

Liabilities in excess of other assets (48.3)%	(213,870,772)
Net Assets 100%	$ 442,634,616

1 Using the higher of S&P's, Moody's or Fitch's rating.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements or financial futures contracts.

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, 2004, the Trust held 3.3% of its net assets, with a current market value of $14,485,164, in securities restricted as to resale.

4 Security is fair valued.

5 This bond is borrowed. The rate shown is the yield on the collateral deposited with the counterparty.

Details of open reverse repurchase agreements are disclosed in Note 4 in the Notes to Financial Statements.

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2004
BlackRock Limited Duration Income Trust (BLW)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 136.6%	
		Corporate Bonds 58.2%	
		Aero & Defense 2.3%	
NR	$ 1,000	AAR Corp., Ser. 20001A2, 8.39%, 5/15/11	$ 975,000
NR	4,000	Raytheon Co., 7.00%, 5/15/06	4,223,856
BB-	5,000	Sequa Corp., Ser. B, 8.875%, 4/01/08	5,431,250
B-	5,881	Transdigm, Inc., 8.375%, 7/15/11	6,326,375
			16,956,481
		Automotive 4.7%	
B2	2,750	Collins & Aikman Products Co., 10.75%, 12/31/11	2,750,000
A3	7,5002	DaimlerChrysler NA Holding Corp., 4.05%, 6/04/08	7,532,475
B1	3,000	Dura Operating Corp., Ser. B, 8.625%, 4/15/12	2,970,000
A3	7,5002	Ford Motor Credit Co., 7.375%, 2/01/11	8,135,963
Baa1	7,5002	General Motors Acceptance Corp., 6.875%, 8/28/12	7,766,250
BB-	4,640	TRW Automotive, Inc., 9.375%, 2/15/13	5,336,000
			34,490,688
		Basic Materials 6.9%	
B-	2,8203	BCP Caylux Holdings SCA, 9.625%, 6/15/14 (Luxembourg)	3,158,400
B	4,000	Caraustar Industries, Inc., 9.875%, 4/01/11	4,350,000

BB+	5,685	Georgia Pacific Corp., 8.875%, 2/01/10	6,708,300
B2	1,300	Gold Kist, Inc., 10.25%, 3/15/14	1,469,000
B	2,5003	Huntsman Advanced Materials LLC, 11.00%, 7/15/10	2,900,000
B	3,000	Huntsman LLC, 11.625%, 10/15/10	3,536,250
BB	5,000	Ipsco, Inc., 8.75%, 6/01/13 (Canada)	5,737,500
B+	5,000	Lyondell Chemical Co., 11.125%, 7/15/12	5,893,750
B-	5,000	Rockwood Specialties Group, Inc., 10.625%, 5/15/11	5,550,000
Ba2	3,250	United States Steel LLC, 10.75%, 8/01/08	3,851,250
BBB	7,500 2	Weyerhaeuser Co., 5.25%, 12/15/09	7,907,655
			51,062,105
		Building & Development 0.4%	
BBB-	3,000	DR Horton, Inc., 5.875%, 7/01/13	3,007,500
		Conglomerates 1.5%	
B	3,000	Trimas Corp., 9.875%, 6/15/12	3,090,000
BBB+	7,5002	Tyco Intl. Group SA, 6.125%, 11/01/08 (Luxembourg)	8,145,375
			11,235,375
		Consumer Products 2.7%	
B+	5,000	Group 1 Automotive, Inc., 8.25%, 8/15/13	5,300,000
BB+	5,000	JC Penney Co., Inc., 8.00%, 3/01/10	5,737,500
B+	5,000	Rite Aid Corp., 8.125%, 5/01/10	5,325,000
B+	3,500	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	3,692,500
			20,055,000
		Containers & Glass 1.6%	
		Graham Packaging Co., Inc.,	
CCC+	7853	8.50%, 10/15/12	822,288
CCC+	1,1003	9.875%, 10/15/14	1,163,250
B-	5,000	Graphic Packaging Intl., Inc., 9.50%, 8/15/13	5,762,500
B+	4,000	Silgan Holdings, Inc., 6.75%, 11/15/13	4,120,000
			11,868,038
		Ecological Services & Equipment 2.0%	
B+	5,5482	Allied Waste NA, Inc., Ser. B, 10.00%, 8/01/09	5,797,660
B	2,000	Casella Waste Systems, Inc., 9.75%, 2/01/13	2,220,000
B-	6,2502	National Waterworks, Inc., Ser. B, 10.50%, 12/01/12	7,000,000
			15,017,660

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		Energy 7.4%	
BB	$ 5,500 2,3	AES Corp., The, 8.75%, 5/15/13	$ 6,331,874
BB	5,290	Chesapeake Energy Corp., 7.50%, 9/15/13	5,911,574
BB	2,000	Compagnie Generale de Geophysique SA, 10.625%, 11/15/07 (France)	2,116,000
B	5,000	Dresser, Inc., 9.375%, 4/15/11	5,575,000
B	4,475 2,3	Dynegy Holdings, Inc., 10.125%, 7/15/13	5,213,374
B-	4,000	El Paso Production Holding Co., 7.75%, 6/01/13	4,180,000
BB-	2,160 3	Gazprom, 9.625%, 3/01/13 (Russia)	2,484,000
B+	2,950	Hanover Equipment Trust, Ser. B, 8.75%, 9/01/11	3,245,000
B	5,000 3	Hilcorp Energy I LP, 10.50%, 9/01/10	5,637,500
A-	2,000	Massey Energy Corp., 6.95%, 3/01/07	2,100,000
B1	5,000	Midwest Generation LLC, Ser. A, 8.30%, 7/02/09	5,400,000
B	5,000	Swift Energy Co., 9.375%, 5/01/12	5,600,000
B+	1,000	Williams Cos, Inc., 8.125%, 3/15/12	1,175,000
			54,969,322
		Entertainment & Leisure 1.9%	
B	2,000	Hammons John Q. Hotels LP, Ser. B, 8.875%, 5/15/12	2,300,000
Ba3	1,271	Host Marriot Corp., Ser. B, 7.875%, 8/01/08	1,305,953
Ba2	5,425	MGM Mirage, 9.75%, 6/01/07	6,103,125
BB+	3,500	Royal Caribbean Cruises Ltd., 8.00%, 5/15/10 (Liberia)	3,990,000
			13,699,078
		Financial Institutions 7.6%	
BB	3,000	Crum & Forster Holdings Corp., 10.375%, 6/15/13	3,210,000
BB	10,000 2,3	JP Morgan HYDIB, 6.40%, 6/20/08	10,150,000
B-	9,815 2,3	9.00%, 6/20/08	10,305,555
Baa2	5,000 3	Kazkommerts Intl. BV, 10.125%, 5/08/07 (Netherlands)	5,462,500
BBB+	200	Marsh & McLennan Cos, Inc., 2.193%, 7/13/07	193,430
B3	925 3	Rainbow National Services LLC, 8.75%, 9/01/12	989,750
CCC+	2,850 3	10.375%, 9/01/14	3,092,250
B1	4,500 3	Sheridan Acquisition Corp., 10.25%, 8/15/11	4,882,500
B+	5,000	Southern Star Central Corp., 8.50%, 8/01/10	5,525,000
NR	7,888 2	Structured Asset Receivable Trust, 1.649%, 1/21/10	7,876,003
BB-	4,215	Western Financial Bank, 9.625%, 5/15/12	4,805,100
			56,492,088
		Health Care 3.6%	

BBB-	5,000	Amerisourcebergen Corp., 8.125%, 9/01/08	5,487,500
B-	5,0002	Concentra Operating Corp., 9.50%, 8/15/10	5,537,500
B3	2,610	Insight Health Services Corp., Ser. B, 9.875%, 11/01/11	2,610,000
B-	3,000	Norcross Safety Products LLC, 9.875%, 8/15/11	3,270,000
		Tenet Healthcare Corp.,	
B-	1,875	6.375%, 12/01/11	1,710,938
B-	25	6.50%, 6/01/12	22,688
B-	3,0053	9.875%, 7/01/14	3,147,738
B	4,500	United Surgical Partners Intl., Inc., 10.00%, 12/15/11	5,163,750
			26,950,114
		Industrials 1.8%	
B-	4,0003	Fasten Tech, Inc., 11.50%, 5/01/11	4,520,000
B	4,900	Hexcel Corp., 9.875%, 10/01/08	5,537,000
B-	3,000	Williams Scotsman, Inc., 9.875%, 6/01/07	2,880,000
			12,937,000

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		Media 6.4%	
B1	$ 2,500	Alliance Atlantis Communications, Inc., 13.00%, 12/15/09 (Canada)	$ 2,687,500
CCC+	3,500	CBD Media Inc., 8.625%, 6/01/11	3,648,750
BB-	5,000	Cenveo Corp., 9.625%, 3/15/12	5,575,000
BBB	6,685	Comcast Cable Communications, Inc., 6.875%, 6/15/09	7,478,530
BB-	6,0002	CSC Holdings, Inc., 7.875%, 12/15/07	6,450,000
B	1,300	Dex Media East, LLC, 12.125%, 11/15/12	1,615,250
BB-	2,000	Echostar DBS Corp., 5.75%, 10/01/08	2,040,000
B-	5,000	Houghton Mifflin Co., 9.875%, 2/01/13	5,425,000
B-	3,250	Nextmedia Operating, Inc., 10.75%, 7/01/11	3,656,250
B1	2,5003	Paxson Communications Corp., 4.82%, 1/18/05	2,515,625
B-	4,650	Salem Communications Corp., 7.75%, 12/15/10	4,963,875
CCC	1,375	WRC Media, Inc., 12.75%, 11/15/09	1,292,500
			47,348,280
		Real Estate 1.1%	
BB	5,8603	American Real Estate Partners LP, 8.125%, 6/01/12	6,182,300
BBB-	2,000	Rouse Co., 5.375%, 11/26/13	1,903,057

			8,085,357
		Technology 1.4%	
B	2,708	Amkor Tech. Inc., 7.75%, 5/15/13	2,342,420
BB+	3,972	Flextronics Intl. Ltd., 6.50%, 5/15/13 (Singapore)	4,170,600
BBB-	3,500	Unisys Corp., 6.875%, 3/15/10	3,718,750
			10,231,770
		Telecommunications 4.2%	
B-	3,000	ACC Escrow Corp., Ser. B, 10.00%, 8/01/11	2,520,000
A-	5,0002	Deutsche Telekom Intl. Finance BV, 8.50%, 6/15/10 (Netherlands)	6,018,050
B-	490 3	New Skies Satellites NV, 9.125%, 11/01/12 (Netherlands)	502,250
BB+	5,000	Nextel Communications, Inc., 7.375%, 8/01/15	5,562,500
B+	4,2103	PanAmSat Corp., 9.00%, 8/15/14	4,441,550
B+	4,0003	Qwest Communications Intl., Inc., 5.211%, 11/15/04	3,900,000
		Qwest Corp.,	
BB	1,0003	7.875%, 9/01/11	1,062,500
BB	6,0002,3	9.125%, 3/15/12	6,765,000
			30,771,850
		Transportation 0.7%	
BB+	1,650	Overseas Shipholding Group, Inc., 8.75%, 12/01/13	1,839,750
B	3,015	Sea Containers Ltd., 10.50%, 5/15/12 (Bermuda)	3,128,063
			4,967,813
		Total Corporate Bonds	430,145,519
		Bank Loans 42.3%	
		Aero & Defense 0.2%	
	1,475	Transdigm, Inc., Term Loan, LIBOR + 2.25%, 11/08/04	1,497,638
		Automotive 1.2%	
	498	CSK Automotive, Inc., Term Loan C, LIBOR + 2.00%, 12/31/04 - 1/12/05	502,682
	1,247	Dayco Products, LLC, Term Loan B, LIBOR + 3.00%, 12/29/04 - 3/29/05	1,262,461
	2,852	EaglePicher Industries, Term Loan B, LIBOR + 3.00%, 11/30/04 - 12/10/04	2,858,754
		Tenneco Automotive, Inc.	
	445	Term Loan B, LIBOR + 3.00%, 12/16/04	452,144
	1,002	Term Loan B1, LIBOR + 3.00%, 11/30/10	1,018,837
	2,769	TRW Automotive Aquisitions Corp., Term Loan D1, LIBOR + 2.25%, 1/14/05	2,808,496
			8,903,374
		Basic Materials 4.7%	
	4,000	Boise, Term Loan, LIBOR + 2.25%, 10/31/10 - 10/31/11	4,048,594
		Celanese AG,	
	1,000	Term Loan, LIBOR + 2.50%, 12/31/04	3,046,251
	3,000	Term Loan C, LIBOR + 3.50%, 12/31/04	1,016,170

3,000	Cognis, Term Loan, LIBOR + 4.75%, 11/15/04	3,101,250
1,750	Huntsman Intl LLC, Term Loan B, LIBOR + 3.25%, 11/15/04	1,778,000
2,000	Huntsman LLC, Term Loan, LIBOR + 3.50%, 11/22/04	2,025,000

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		Basic Materials (cont'd)	
	$ 931	INEOS Group Holdings PLC, Term Loan C, LIBOR + 3.50%, 12/31/04	$ 943,033
		MDCP Acquisitions,	
	4,000	Term Loan B3, LIBOR + 2.75%, 1/10/05	4,005,000
	4,000	Term Loan C3, LIBOR + 3.25%, 1/10/05	4,000,000
	2,497	Nalco Chemical Co., Term Loan B, LIBOR + 2.50%, 11/23/04 - 1/24/05	2,539,597
	1,274	RLC Industries Co., Term Loan B, LIBOR + 2.00%, 11/30/04	1,279,244
		Rockwood Specialties Group, Inc.	
	1,926	Term Loan LIBOR + 8.00%, 11/26/04	1,925,864
	1,000	Term Loan B LIBOR + 2.50%, 1/27/05	1,009,531
	487	SGL Carbon LLC, Term Loan, LIBOR + 3.00%, 11/30/04 - 2/09/05	489,419
		SP Newsprint Co., Term Loan B,	
	1,611	LIBOR, 11/15/04	1,631,250
	870	LIBOR + 3.00%, 11/26/04	881,016
	988	USI Holdings Corp., Term Loan B, LIBOR + 2.50%, 1/31/05	991,820
			34,711,039
		Building & Development 0.9%	
		Associated Materials, Inc., Term Loan,	
	1,474	LIBOR + 2.75%, 11/12/04 - 3/14/05	1,329,770
	1,547	PRIME + 1.75%, 12/31/04	159,572
	995	Builders Firstsource, Inc., Term Loan A, LIBOR + 3.00%, 12/31/04	1,001,219
	830	Goodman Global Holdings, Inc., Term Loan B, LIBOR + 2.00%, 12/31/04 - 1/31/05	836,225
	1,000	Landsource Communities Development, LLC, Term Loan B, LIBOR + 2.50%, 11/26/04	1,015,000
		Nortek, Inc., Term Loan,	
	500	LIBOR + 2.75%, 8/24/11	470,670
	4,985	PRIME + 1.50%, 1/06/10	36,205
		Ply Gem Industries, Inc.,	
	75	CAD Term Loan, LIBOR + 2.50%, 12/31/04	75,467
	1,423	Term Loan, LIBOR + 2.50%, 12/31/04	1,436,397
	500	Term Loan B, LIBOR + 2.50%, 3/31/05	504,375
			6,864,900

	Conglomerates 2.4%	
	Colfax Corp.,	
3,625	Term Loan B, LIBOR + 3.00%, 11/01/04	3,634,062
1,250	Term Loan C, LIBOR + 6.25%, 12/31/04	1,260,938
1,496	Honeywell Security Group, Term Loan B, LIBOR + 4.00%, 12/06/05	1,496,250
	Invesys Intl. Holdings Ltd.,	
4,250	Term Loan, LIBOR + 4.75%, 1/07/05	4,372,188
1,977	Term Loan B1, LIBOR + 3.50%, 1/07/05	2,001,872
746	Precise Technology, Inc., Term Loan, LIBOR + 3.00%, 12/31/04	749,048
2,475	Quintiles Transnational Corp., Term Loan B, LIBOR + 4.25%, 12/31/04	2,499,750
1,980	Trimas Corp., Term Loan B, LIBOR + 3.50%, 12/31/04 - 1/13/05	1,994,611
		18,008,719
	Consumer Products 6.6%	
1,063	Alimentation Couche Tard, Inc., Term Loan, LIBOR + 1.75%, 11/18/04 - 11/30/04	1,074,027
500	Buffets, Inc., Term Loan LC, LIBOR + 3.6%, 12/31/04	500,834
1,344	CKE Restaurants, Term Loan, LIBOR + 3.00%, 11/08/04	1,371,226
499	Coinstar, Inc., Term Loan, LIBOR + 2.25%, 12/31/04 - 1/07/05	506,231
1,000	Denny s Corp., Term Loan, LIBOR, 11/22/04	1,021,875
987	Dole Food Co., Inc., Term Loan D, LIBOR + 2.25%, 11/12/04 - 1/03/05	999,640
3,186	Dr. Pepper Bottling Co. of Texas, Term Loan B, LIBOR + 2.25%, 11/22/04 - 4/22/05	3,226,701
869	DS Waters Enterprises LP, Term Loan, LIBOR + 2.75%, 12/31/04 - 3/30/05	843,137
500	Harbor Freight Tools, Term Loan B, LIBOR + 2.75%, 11/16/04 - 11/17/04	503,750
1,980	Jarden Corp., Term Loan B, LIBOR + 2.25%, 12/31/04	1,981,238
983	Keystone Foods Holdings, LLC, Term Loan, LIBOR + 2.50%, 11/29/04 - 3/31/05	991,817
1,000	Knoll, Inc., Term Loan, LIBOR + 3.00%, 11/05/04	1,011,250
2,750	KOSA B.V., Term Loan B1, LIBOR + 2.75%, 12/31/04	2,798,125
987	Language Line, Inc., Term Loan B, LIBOR + 4.25%, 11/22/04	996,094
1,670	Le Nature, Inc., Term Loan B, LIBOR + 4.00%, 11/26/04 - 2/25/05	1,688,968
1,504	Meow Mix Co., Term Loan, LIBOR + 4.25%, 12/26/04 - 1/03/05	1,466,395

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		Consumer Products (cont d)	
	$ 2,978	Michael Foods, Inc., Term Loan, LIBOR + 2.25%, 11/22/04 - 11/26/04	$ 3,014,719
	1,000	Nice Pak Products, Inc., Term Loan, LIBOR + 3.50%, 12/31/04 - 3/10/05	1,010,000
		Olympus Cable Holdings, LLC,	
	2.000	Term Loan A, Prime + 1.25%, 12/31/04	1,958,750
	3,500	Term Loan B, Prime + 2.00%, 12/31/04	3,442,033

2,781	Oriental Trading Co., Inc., Term Loan B, LIBOR + 2.75%, 12/31/04	2,810,145
3,000	OSI Group LLC, Term Loan B, LIBOR + 2.50%, 12/31/04	3,035,625
1,838	Pantry, Inc., The, Term Loan B, LIBOR + 2.25%, 11/30/04	1,862,949
998	Pierre Foods, Inc., Term Loan B, LIBOR + 2.75%, 12/03/04 - 3/04/05	1,003,733
1,493	Prestige Brands Holdings, Inc., Term Loan B, LIBOR, 12/31/04 - 1/26/05	1,503,070
3,990	R.H. Donnelley, Inc., Term Loan B2, LIBOR, 12/03/04 - 1/10/05	4,046,110
875	Sealy Mattress Co., Term Loan C, LIBOR + 2.25%, 11/05/04 - 12/01/04	886,301
3,209	Tempur Pedic, Inc., Term Loan B, LIBOR + 2.25%, 12/31/04	3,227,427
		48,782,170
	Containers & Glass 2.5%	
956	Bway Corp., Term Loan, LIBOR, 11/12/04	968,097
	Graham Packaging Co., Inc.,	
2,000	Term Loan B, LIBOR, 12/31/04 - 1/08/05	2,027,188
2,000	Term Loan C, PRIME + 3.25%, 12/31/04	2,044,584
1,488	Graphic Packaging Intl., Inc., Term Loan C, LIBOR + 2.50%, 11/30/04 - 1/04/05	1,512,985
	Owens-Illinois Group, Inc.,	
4,916	Term Loan A, LIBOR + 2.75%, 11/02/04	4,985,929
667	Term Loan C1, LIBOR + 2.75%, 11/26/04	677,150
2,970	Silgan Holdings, Inc., Term Loan B, PRIME + 0.75%, 12/31/04	2,999,624
568	Smurfit Stone Container Corp., Term Loan, LIBOR + 2.00%, 11/15/10	567,645
488	Sola International, Inc., Term Loan, LIBOR + 3.00%, 12/31/04	492,984
1,990	Solo Cup, Inc., Term Loan, LIBOR + 2.50%, 11/01/04 - 12/30/04	2,009,070
		18,285,256
	Ecological Services & Equipment 0.9%	
	Allied Waste NA, Inc.,	
4,916	Term Loan A, LIBOR + 2.75%, 12/31/04	999,281
667	Term Loan C, LIBOR + 2.75%, 12/15/04 - 12/15/04	3,969,629
	Envirosolutions, Inc., Term Loan,	
2,273	LIBOR + 2.00%, 12/31/04	55,316
684	LIBOR + 4.50%, 12/31/04	1,939,684
		6,963,910
	Energy 2.9%	
429	AES Corp., The, Term Loan, LIBOR + 2.25%, 11/02/04 - 2/02/05	434,866
1,975	Calpine Corp., Term Loan, LIBOR + 5.75%, 1/18/05	1,654,063
6,924	Centerpoint Energy, Inc., Term Loan, LIBOR + 3.50%, 11/08/04	6,941,635
1,967	Getty Petroleum Marketing, Inc., Term Loan, LIBOR + 3.25%, 12/30/04	1,994,938
2,000	La Grange Acquisition, LP, Term Loan, LIBOR + 3.00%, 11/29/04	2,028,750
1,375	Mission Energy Holdings Co., Term Loan, LIBOR + 5.00%, 12/10/04	1,377,149
	NRG Energy, Inc., Term Loan,	
932	4.00%, 12/31/04	214,479
576	LIBOR + 4.00%, 12/23/04	378,578
489	Pike Electric, Inc., Term Loan B, LIBOR + 2.25%, 11/04/04	497,098
5,639	Reliant Resources, Inc., Term Loan, LIBOR + 4.00%, 11/08/04 - 1/08/04	5,721,234

		21,242,790
	Entertainment & Leisure 1.2%	
998	Boyd Gaming Corp., Term Loan B, LIBOR + 1.75%, 12/31/04 - 3/31/05	1,009,221
1,977	Greektown Casino, LLC, Term Loan D, LIBOR + 3.50%, 11/01/04 - 11/04/04	2,924,989
496	Green Valley Ranch Gaming, LLC, Term Loan B, LIBOR, 12/31/04	502,453
1,000	Loews Cineplex Entertainment Corp., Term Loan B, LIBOR + 2.25%, 11/04/04 - 11/08/04	1,011,875
2,000	Marina District Finance Co., Inc., Term Loan B, LIBOR + 4.50%, 3/31/05	2,012,500
1,239	Wyndham Intl., Inc., Term Loan II, LIBOR + 5.75%, 11/10/04	1,240,811
		8,701,849

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		Financial Institutions 1.1%	
	958	CCC Information Services, Inc., Term Loan, LIBOR + 3.00%, 11/29/04	$ 960,459
	998	Conseco, Inc., Term Loan, LIBOR + 3.50%, 11/26/04	1,015,787
	1,950	Global Cash Access, LLC, Term Loan, LIBOR + 2.75%, 11/30/04	1,981,688
	1,500	Jostens, Inc., Term Loan B, LIBOR + 2.50%, 12/30/04 - 1/08/05	1,521,563
	1,995	SBA Senior Finance, Inc., Term Loan, LIBOR + 3.50%, 12/30/04 - 3/31/05	2,008,716
	488	Universal American Financial Corp., Term Loan, LIBOR + 2.25%, 12/31/04	487,500
			7,975,713
		Health Care 3.5%	
	2,995	Accredo Health, Inc., Term Loan B, LIBOR + 1.75%, 11/30/04	3,009,975
	211	Ameripath, Inc., Term Loan, LIBOR + 3.00%, 11/26/04	211,662
	744	Atrium Companies, Inc., Term Loan, LIBOR + 2.75%, 12/20/04 - 1/18/05	754,921
	1,251	Colgate Medical, Ltd., Term Loan B, LIBOR, 12/29/04 - 12/31/04	1,258,956
	3,000	Community Health Systems, Inc., Term Loan, LIBOR + 1.75%, 11/30/04	3,008,037
	2,743	Concentra Operating Corp., Term Loan, LIBOR + 2.50%, 11/26/04	2,767,127
	2,700	Connecticare, Inc., Term Loan, LIBOR + 3.75%, 12/31/04	2,706,750
	2,960	Davita, Inc., Term Loan B, LIBOR + 2.00%, 11/23/04 - 3/30/05	2,993,818
	481	DJ Orthopedics, LLC, Term Loan, LIBOR + 2.25%, 12/31/04 - 4/29/05	485,461
	499	Fisher Scientific Intl., Inc., Term Loan B, LIBOR + 1.50%, 11/29/04	502,335
	998	IASIS Healthcare Corp., Term Loan B, LIBOR + 2.50%, 12/31/04 - 1/04/05	1,010,176
	3,000	Jean Coutu Group, Inc., Term Loan B, LIBOR + 2.25%, 11/30/04 - 1/31/05	3,044,658
	2,297	Kinetic Concepts, Inc., Term Loan B1, LIBOR + 2.00%, 12/31/04	2,322,869

499	Medical Device Manufacturing, Inc., Term Loan, LIBOR + 3.00%, 11/30/04 - 1/31/05	501,244
998	Wellcare Holdings, Inc., Term Loan, LIBOR + 4.00%, 11/15/04	997,500
		25,575,489
	Industrials 2.6%	
373	Alderwoods Group, Inc., Term Loan B1, LIBOR + 2.75%, 11/19/04 - 3/28/05	378,605
995	Arinc, Inc., Term Loan B, LIBOR + 2.25%, 12/31/04	1,004,950
1,000	Buhrmann U.S., Inc., Term Loan C1, LIBOR + 2.50%, 12/07/04	3,269,689
3,000	Exide Technologies, Term Loan, LIBOR + 3.50%, 11/22/04	2,996,250
952	Ionics, Inc., Term Loan, LIBOR + 2.75%, 12/31/04	962,304
	New Flyer, Inc.,	
381	Term Loan, LIBOR + 2.75%, 1/01/05	386,190
1,208	Term Loan B, LIBOR + 2.75%, 11/30/04	1,222,008
2,887	Roper Industries, Inc., Term Loan, LIBOR + 2.00%, 12/31/04 - 1/28/05	2,887,500
1,477	Sensus Metering Systems, Inc., Term Loan B1, LIBOR + 2.50%, 1/20/05 - 2/22/05	1,487,965
1,824	United Rentals NA, Inc., Term Loan B, LIBOR + 2.25%, 11/29/04 - 11/30/04	1,842,864
1,888	Williams Scotsman, Inc., Term Loan, LIBOR + 3.00%, 11/12/04 - 1/06/05	1,906,465
702	Worldspan, LP, Term Loan, LIBOR + 3.75%, 12/31/04 - 1/10/05	704,045
		19,048,835
	Media 6.6%	
499	Adams Outdoor Advertising, LP, Term Loan, LIBOR + 2.25%, 12/20/04 - 1/20/05	504,569
2,376	Dex Media East, LLC, Term Loan A, LIBOR + 2.00%, 11/08/04 - 11/30/04	2,399,290
	Dex Media West, LLC,	
4,317	Term Loan A, LIBOR + 2.50%, 11/08/04 - 11/30/04	4,292,010
4,234	Term Loan B, LIBOR + 2.25%, 11/08/04 - 11/30/04	1,962,223
3,717	DirecTV Holdings, LLC, Term Loan B2, LIBOR + 2.00%, 11/15/04 - 12/13/04	3,765,878
4,500	Echostar DBS Corp., Term Loan, LIBOR + 2.25%, 1/04/05	4,680,000
3,000	Emmis Operating Co., Term Loan B, LIBOR, 11/08/04	3,025,500
1,750	Freedom Communications, Inc., Term Loan, LIBOR, 11/29/04 - 12/01/04	1,775,813
970	Insight Midwest Holdings LLC, Term Loan, LIBOR + 2.75%, 12/07/04	6,033,840
1,111	Lions Gate Entertainment, Inc., Term Loan, LIBOR + 3.25%, 12/31/04	1,116,667
3,990	Mediacom Communications Corp., Term Loan B, LIBOR + 2.50%, 11/05/04 - 12/31/04	4,023,915
1,000	Mediacom Illinois LLC, Term Loan B, LIBOR + 2.25%, 11/19/04 - 4/22/05	1,005,714
4,000	MGM Studios, Inc., Term Loan B, LIBOR + 2.50%, 12/31/04	4,011,000
645	Mission Broadcasting, Inc., Term Loan D, LIBOR + 1.75%, 12/31/04	644,385
352	Nexstar Broadcasting, Inc., Term Loan D, LIBOR + 1.75%, 12/31/04	352,749
3,000	NTL Investment Holding Ltd., Term Loan B, LIBOR + 3.00%, 4/14/05	3,024,999
2,500	Raycom Media, Inc., Term Loan B, LIBOR + 1.75%, 11/08/05	2,509,375
1,539	Relizon Company, The, Term Loan, LIBOR + 3.00%, 11/19/04	1,544,865
1,990	Warner Music Group, Term Loan B, LIBOR, 11/24/04 - 4/22/05	2,015,942
		48,688,734

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		Real Estate—0.2%	
	$ 1,455	Crescent Real Estate Equities LP, Term Loan, LIBOR + 2.25%, 11/01/04 - 11/15/05	$ 1,464,507
		Technology—0.7%	
	3,235	Knowles Electronics, Inc., Term Loan B2, LIBOR + 5.00%, 4/04/05	3,269,867
	499	Network Communications, Inc., Term Loan B, LIBOR + 4.00%, 11/02/04 - 11/30/04	504,049
	1,496	Verifone, Inc., Term Loan B, LIBOR + 2.50%, 1/31/05	1,516,823
			5,290,739
		Telecommunications—3.5%	
	1,000	Atlantic Broadband Finance, LLC, Term Loan B, LIBOR + 3.25%, 12/07/04	1,014,583
	1,495	Centennial Cellular Operating Co., Term Loan B, LIBOR + 2.75%, 11/30/04 - 3/31/05	1,512,352
	3,491	Charter Communications Operating, LLC, Term Loan B, LIBOR + 3.25%, 12/31/04 - 1/31/05	3,461,372
	1,495	Consolidated Communications, Inc., Term Loan B, LIBOR + 2.75%, 11/16/04 - 12/31/04	1,506,213
	1,000	FairPoint Communications, Inc., Term Loan, TBD, 5/18/12	1,015,000
	3,970	Nextel Finance Co., Term Loan E, LIBOR + 2.25%, 12/17/04	3,980,751
	2,500	Nextel Partners Operating Corp., Term Loan C, LIBOR + 2.50%, 12/01/04	2,537,500
	5,000	Qwest Corp., Term Loan A, LIBOR + 4.75%, 12/09/04	5,190,180
	1,649	Valor Telecommunication Enterprises II, LLC, Term Loan A, LIBOR + 2.50%, 11/10/04 - 11/12/04	1,645,153
	3,990	Western Wireless Corp., Term Loan B, LIBOR + 3.00%, 11/05/04 - 1/28/05	4,048,426
			25,911,530
		Transportation—0.6%	
	998	Kenan Advantage Group, Inc., Term Loan, LIBOR + 3.50%, 12/31/04	1,006,228
	1,953	Sirva Worldwide, Inc., Term Loan, LIBOR + 2.50%, 11/08/04	1,965,147
	725	Transport Industries, LP, Term Loan B, LIBOR + 4.00%, 12/31/04	725,148
	998	Transwestern Pipeline Co., Term Loan B, LIBOR + 2.25%, 11/08/04	1,001,657
			4,698,180
		Total Bank Loans	312,615,372
		Mortgage Pass-Through Securities—22.3%	
		Federal National Mortgage Assoc.,	

	5,714	4.423%, 11/01/04	5,853,736
	121,700	5.00%, TBA	124,171,970
	17,0002	7.25%, 1/15/10	19,807,380
	14,8022	5.50%, 12/01/28 - 11/01/33	15,101,478
		Total Mortgage Pass-Through Securities	164,934,564
		Interest Only Asset-Backed Securities□1.5%	
		Sterling Coofs Trust,	
	73,778	Ser. 1, 4/15/29	6,552,424
	54,298	Ser. 2, 3/30/30	4,326,850
		Total Interest Only Asset-Backed Securities	10,879,274
		Interest Only Mortgage-Backed Securities□0.5%	
	17,301	Federal National Mortgage Assoc., Ser. 64, Class QI, 1/25/33	3,342,528
		Commercial Mortgage-Backed Securities□0.1%	
BB+	1,0003	Bear Stearns Commercial Mortgage Secs., Inc., Class K, 4.368%, 11/15/04	994,900
		Asset-Backed Securities□1.9%	
AAA	6,900	DaimlerChrysler Auto Trust, Ser. B, Class A3, 2.25%, 11/01/04	6,877,309
AAA	7,125	Honda Auto Receivables, Class A3, 2.30%, 10/18/07	7,097,742
		Total Asset-Backed Securities	13,975,051

See Notes to Financial Statements.

BlackRock Limited Duration Income Trust (BLW) (continued)

Rating1 (unaudited)	Principal Amount (000)	Description	Value
		Collateralized Mortgage Obligations□2.4%	
		GSR Mortgage Loan Trust,	
	$ 8,948	Ser. 10, Class 2A1, 10/25/33	$ 8,806,248
	8,834	Ser. 13, Class 1A1, 10/25/33	8,780,718
		Total Collateralized Mortgage Obligations	17,586,966
		Foreign Government Bonds□2.5%	
NR	1,667	Bolivarian Republic of Venezuela, 2.75%, 12/20/04	1,658,272
BB	5,000	Republic of Colombia, 9.75%, 4/23/09	5,662,500
BB	5,0002	Republic of Peru, 9.125%, 2/21/12	5,600,000
BB-	5,000	Republic of Turkey, 11.375%, 11/27/06	5,650,000

	Total Foreign Government Bonds	18,570,772
	U.S. Government Securities—4.9%	
765	U.S. Treasury Bond, 5.25%, 11/15/28	806,692
17,000	U.S. Treasury Notes,	
2	3.375%, 12/15/08	17,172,720
3,4252	3.375%, 9/15/09	3,438,906
6,000 2	3.875%, 5/15/09	6,167,820
8,6602	4.25%, 11/15/13	8,838,656
	Total U.S. Government Securities	36,424,794
Units		
	Warrants—0.0%	
104	Reliant Resources, Inc., Expires 8/25/08, Strike price $.001, 1 share for 1 warrant	0
	Total Long-Term Investments (cost $977,574,292)	1,009,469,740
Principal Amount (000)		
	SHORT-TERM INVESTMENT—0.0%	
	U.S. Government and Agency Zero Coupon Bond—0.0%	
200	Federal Home Loan Bank, zero coupon, 11/01/04 (cost $200,000)	200,000
	Total investments—136.6% (cost $977,774,292)	$ 1,009,669,740
	Liabilities in excess of other assets—(36.6)%	(270,444,346)
	Net Assets—100%	$ 739,225,394

1 Using the higher of S&P's, Moody's or Fitch's rating.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements or financial futures contracts.

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, 2004, the Trust held 13.1% of its net assets, with a current market value of $96,625,104, in securities restricted as to resale.

4 Illiquid security.

Details of open reverse repurchase agreements are disclosed in Note 4 in the Notes to Financial Statements.

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

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 2004
BlackRock Strategic Bond Trust (BHD)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS 112.3%	
		Corporate Bonds 106.5%	
		Aero & Defense 4.7%	
B-	$ 2,000	BE Aerospace, Inc., 9.50%, 11/01/08	$ 2,062,500
BBB+	1,000	Lockheed Martin Corp., 8.20%, 12/01/09	1,192,530
BBB-	650	Raytheon Co., 4.85%, 1/15/11	669,038
A+	1,000	United Technologies Corp., 6.35%, 3/01/11	1,125,080
			5,049,148
		Automotive 11.1%	
B2	2,000	Collins & Aikman Products Co., 10.75%, 12/31/11	2,000,000
A3	1,000	DaimlerChrysler NA Holding Corp., 7.30%, 1/15/12	1,145,910
BB	2,000	Dana Corp., 10.125%, 3/15/10	2,255,000
B3	1,000	Delco Remy Intl., Inc., 11.00%, 5/01/09	1,050,000
		Ford Motor Credit Co.,	
A3	750	5.80%, 1/12/09	771,840
A3	2,000	6.875%, 2/01/06	2,082,480
		General Motors Acceptance Corp.,	
Baa1	250	6.75%, 1/15/06	259,315
Baa1	900	6.875%, 9/15/11	935,442
Baa1	300	8.00%, 11/01/31	309,750
BB-	892	TRW Automotive, Inc., 9.375%, 2/15/13	1,025,800
			11,835,537
		Basic Materials 6.7%	
B	2,000	Caraustar Industries, Inc., 9.875%, 4/01/11	2,175,000
B2	195	Gold Kist, Inc., 10.25%, 3/15/14	220,350
B	1,500	JSG Funding PLC, 9.625%, 10/01/12 (Ireland)	1,710,000
B+	1,800	Lyondell Chemical Co., 9.50%, 12/15/08	1,957,500
BBB	1,000	Weyerhaeuser Co., 6.125%, 3/15/07	1,068,810
			7,131,660
		Building & Development 3.1%	

BB+	1,000	Beazer Homes USA, Inc., 8.625%, 5/15/11	1,095,000
BBB-	2,000	Schuler Homes, Inc., 9.375%, 7/15/09	2,165,000
			3,260,000
		Conglomerates 2.4%	
A+	325	Honeywell Intl., Inc., 7.50%, 3/01/10	380,354
B	1,000	Trimas Corp., 9.875%, 6/15/12	1,030,000
BBB+	1,132	Tyco Intl. Group SA, 6.375%, 2/15/06 (Luxembourg)	1,181,876
			2,592,230
		Consumer Products 5.6%	
BBB-	2,000 2	Autonation, Inc., 9.00%, 8/01/08	2,305,000
BB+	1,000	General Mills, Inc., 5.125%, 2/15/07	1,042,400
BBB+	575	Kellogg Co., Ser. B, 6.00%, 4/01/06	600,513
B-	500	Pantry, Inc., The, 7.75%, 2/15/14	523,750
B+	1,400	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	1,477,000
			5,948,663
		Containers & Glass 1.1%	
B	1,000	Crown European Holdings SA, 10.875%, 3/01/13 (France)	1,190,000
		Ecological Services & Equipment 2.7%	
B+	1,129	Allied Waste NA, Inc., Ser. B, 10.00%, 8/01/09	1,179,805
B	1,500	Casella Waste Systems, Inc., 9.75%, 2/01/13	1,665,000
			2,844,805

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Energy 14.3%	
BB-	$ 750 3	Calpine Corp., 9.625%, 9/30/14	$ 712,500
BB	2,000	Compagnie Generale de Geophysique SA, 10.625%, 11/15/07 (France)	2,116,000
A-	1,000	ConocoPhillips Holding Co., 6.95%, 4/15/29	1,173,810
B	2,000	Dresser, Inc., 9.375%, 4/15/11	2,230,000

BBB	250	DTE Energy Co., 7.05%, 6/01/11	285,460
B	1,125 3	Dynegy Holdings, Inc., 10.125%, 7/15/13	1,310,625
		El Paso Corp.,	
CCC+	165	7.75%, 1/15/32	151,800
CCC+	85	7.80%, 8/01/31	77,988
B-	1,750	El Paso Production Holding Co., 7.75%, 6/01/13	1,828,750
BBB+	105	Exelon Corp., 6.75%, 5/01/11	117,855
BBB-	325	FirstEnergy Corp., Ser. C, 7.375%, 11/15/31	370,308
B+	2,000	Hanover Equipment Trust, Ser. A, 8.50%, 9/01/08	2,155,000
B1	1,000	Midwest Generation LLC, 8.75%, 5/01/34	1,137,500
BBB+	250	Occidental Petroleum Corp., 6.75%, 1/15/12	285,380
Baa2	1,000 2	Progress Energy, Inc., 6.75%, 3/01/06	1,049,070
B+	200	Reliant Energy, Inc., 9.25%, 7/15/10	220,000
			15,222,046
		Entertainment & Leisure 2.8%	
B	1,000	Resorts Intl. Hotel & Casino, Inc., 11.50%, 3/15/09	1,152,500
BB+	1,500	Royal Caribbean Cruises Ltd., 8.75%, 2/02/11 (Liberia)	1,785,000
			2,937,500
		Financial Institutions 17.9%	
AA	185 3	Allstate Financial Global Funding LLC, 5.25%, 2/01/07	193,826
Aa3	1,000 2	Bank One Corp., 6.50%, 2/01/06	1,047,280
Aa3	650 3	Barclays Bank PLC, 8.55%, 9/29/49 (United Kingdom)	800,506
A+	325	Bear Stearns Co., Inc., 6.50%, 5/01/06	342,479
B1	2,000	Bluewater Finance Ltd., 10.25%, 2/15/12 (United Kingdom)	2,210,000
AA+	3,000 2	Citigroup, Inc., 5.75%, 5/10/06	3,133,920
BB	500	Crum & Forster Holdings Corp., 10.375%, 6/15/13	535,000
AAA	2,0002	General Electric Cap. Corp., 3.45%, 7/16/07	2,013,680
AA	1,500 2	HSBC Bank USA, Inc., 3.875%, 9/15/09	1,506,015
AAA	850	KFW Intl. Finance, Inc., 5.25%, 6/28/06	885,334
A	325	MetLife, Inc., 6.125%, 12/01/11	355,024
		Rainbow National Services LLC,	
B3	2103	8.75%, 9/01/12	224,700
CCC+	1,6503	10.375%, 9/01/14	1,790,250
NR	1,020	Structured Asset Receivable Trust, 1.61%, 1/21/10	1,018,663
AAA	1,0003	TIAA Global Markets, Inc., 3.875%, 1/22/08	1,016,200
Aa1	2,000	Wells Fargo & Co., 3.50%, 4/04/08	2,010,640
			19,083,517
		Health Care 7.3%	
NR	2,000	Healthsouth Corp., 7.375%, 10/01/06	2,025,000
B3	1,945	Insight Health Services Corp., Ser. B, 9.875%, 11/01/11	1,945,000
AAA	1,000	Merck & Co., Inc., 4.375%, 2/15/13	994,030
		Tenet Healthcare Corp.,	
B-	405	6.375%, 12/01/11	369,562
B-	15	6.50%, 6/01/12	13,613

B-	640 3	9.875%, 7/01/14	670,400
B	1,500	United Surgical Partners Intl., Inc., 10.00%, 12/15/11	1,721,250
			7,738,855
		Media 13.4%	
NR	1,0004	Adelphia Communications Corp., Ser. B, 10.50%, 12/31/49	880,000
B1	1,500	Alliance Atlantis Communications, Inc., 13.00%, 12/15/09 (Canada)	1,612,500
BBB+	1,000	AOL Time Warner, Inc., 7.70%, 5/01/32	1,196,500
BB-	2,000	Cenveo Corp., 9.625%, 3/15/12	2,230,000
CCC+	325	Charter Communications Holdings II, LLC, 10.25%, 9/15/10	338,000
CCC+	1,775	Charter Communications Holdings LLC, 11.125%, 1/15/11	1,491,000
BBB	1,000	Comcast Cable Communications, Inc., 6.875%, 6/15/09	1,118,703

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Media (cont d)	
B-	$ 2,000	Nextmedia Operating, Inc., 10.75%, 7/01/11	$ 2,250,000
B	775	Primedia, Inc., 7.625%, 4/01/08	780,813
B-	750	Vertis, Inc., 10.875%, 6/15/09	817,500
A-	85	Viacom, Inc., 6.625%, 5/15/11	95,630
CCC	1,500	WRC Media, Inc., 12.75%, 11/15/09	1,410,000
			14,220,646
		Real Estate 2.5%	
BB	8603	American Real Estate Partners LP, 8.125%, 6/01/12	907,300
A-	500	ERP Operating LP, 6.95%, 3/02/11	567,220
		Felcore Lodging LP,	
B1	1,000	9.00%, 6/01/11	1,130,000
B1	80	10.00%, 9/15/08	84,000
			2,688,520
		Technology 2.9%	
B	1,000	Amkor Technology, Inc., 9.25%, 2/15/08	960,000
BBB-	2,000	Unisys Corp., 8.125%, 6/01/06	2,130,000
			3,090,000
		Telecommunications 7.0%	

B-	750	ACC Escrow Corp., Ser. B, 10.00%, 8/01/11	630,000
A	1,000	Bellsouth Corp., 4.20%, 9/15/09	1,009,660
B3	1,000	Crown Castle Intl. Corp., 10.75%, 8/01/11	1,107,500
		MCI, Inc.,	
B	36	5.908%, 5/01/07	36,045
B	36	6.688%, 5/01/09	35,460
B	31	7.735%, 5/01/14	29,915
BB	2003	Qwest Corp., 7.875%, 9/01/11	212,500
A-	1,000 3	Telecom Italia Capital, 4.95%, 9/30/14 (Luxembourg)	992,160
Aa3	2,000	Verizon New England, Inc., 6.50%, 9/15/11	2,222,520
A	1,000	Vodafone Group PLC, 7.75%, 2/15/10 (United Kingdom)	1,177,200
			7,452,960
		Transportation 1.0%	
BBB+	500	Canadian National Railway Co., 6.90%, 7/15/28 (Canada)	570,880
B	440	Sea Containers Ltd., 10.50%, 5/15/12 (Bermuda)	456,500
			1,027,380
		Total Corporate Bonds	113,313,467
		U.S. Government and Agency Securities 3.9%	
	410 2	U.S. Treasury Bonds, 5.375%, 2/15/31	445,490
		U.S. Treasury Notes,	
	1,010 2	2.50%, 5/31/06	1,010,949
	933 2	2.625%, 11/15/06	933,877
	1,000 2	4.25%, 8/15/13	1,022,340
	710 2	4.75%, 5/15/14	750,825
		Total U.S. Government and Agency Securities	4,163,481
		Foreign Government Bonds 1.1%	
Baa2	1,000	United Mexican States, 8.125%, 12/30/19	1,171,000

See Notes to Financial Statements.

BlackRock Strategic Bond Trust (BHD) (continued)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Supranational 0.8%	
AAA	$ 850	European Investment Bank, 4.875%, 9/06/06	$ 883,277

Total Investments (cost $113,309,408)	$ 119,531,225
Liabilities in excess of other assets (12.3)%	(13,098,100)
Net Assets 100%	$ 106,433,125

1 Using the higher of S&P s, Moody s or Fitch s rating.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements or financial futures contracts.

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, 2004, the Trust held 8.3% of its net assets, with a current market value of $8,830,967, in securities restricted as to resale.

4 Issuer is technically in default and/or bankruptcy.

Details of open reverse repurchase agreements are disclosed in Note 4 in the Notes to Financial Statements.

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, 2004

	Broad Investment Grade 2009 Term Trust Inc.1 (BCT)	Core Bond Trust (BHK)
Assets		
Investments at value2	$ 66,171,306	$ 578,546,345
Cash	45,939	47,177
Foreign currency at value3		1,563
Receivable from investments sold		92,655,368
Variation margin receivable	23,313	242,188
Receivable for open forward foreign currency contracts		28,896,140
Interest receivable	690,461	7,932,844
Unrealized appreciation on interest rate swaps		444,416
Other assets	16,904	70,665
	66,947,923	708,836,706
Liabilities		

Reverse repurchase agreement	19,262,500	102,473,974
Payable to custodian	—	—
Payable for investments purchased	—	154,043,827
Payable for dollar rolls	—	9,845,811
Collateral due to broker	—	—
Variation margin payable	—	—
Loan payable	—	—
Investments sold short at value[4]	—	—
Outstanding options written at value[5]	—	1,338,972
Interest payable	12,176	380,262
Unrealized depreciation on interest rate swaps	—	—
Interest rate floors at value[5]	—	—
Payable for open forward foreign currency contracts	—	29,192,235
Investment advisory fee payable	21,923	234,803
Administration fee payable	5,979	—
Deferred Directors/Trustees fees	13,875	46,229
Other accrued expenses	376,037	117,335
	19,692,490	297,673,448
Net Assets	$ 47,255,433	$ 411,163,258
Composition of Net Assets:		
Par value	$ 29,571	$ 27,019
Paid-in capital in excess of par	38,787,677	386,197,188
Cost of shares held in treasury[6]	—	—
Undistributed (distributions in excess of) net investment income	7,945,414	2,267,985
Accumulated net realized gain (loss)	(2,210,230)	4,664,264
Net unrealized appreciation (depreciation)	2,703,001	18,006,802
Net assets, October 31, 2004	$ 47,255,433	$ 411,163,258
Net asset value[7]	$ 15.98	$ 15.22

[1] Consolidated Statement of Assets and Liabilities
[2] Investments at cost $ 63,602,403 $ 562,275,317
[3] Foreign currency at cost — 1,569
[4] Proceeds received — —
[5] Premium received — 2,196,443
[6] Shares held in treasury — —
[7] Common shares outstanding 2,957,093 27,018,774

See Notes to Financial Statements.

High	Income Opportunity	Income	Limited Duration	Strategic

Yield Trust (BHY)	Trust (BNA)	Trust Inc. (BKT)	Income Trust (BLW)	Bond Trust (BHD)
$ 68,414,848	$ 575,075,772	$ 671,123,896	$ 1,009,669,740	$ 119,531,225
123,396		406,123	320,608	159,456
1,851,793	165,321,199	16,812,288	10,623,166	691,470
	434,230			
1,580,281	7,800,964	6,781,264	14,229,589	2,578,853
	601,663			
23,915	132,395	194,224	139,368	15,615
71,994,233	749,366,223	695,317,795	1,034,982,471	122,976,619
	94,643,913	223,735,589	159,415,731	13,187,854
	4,061,767			
1,654,083	157,098,996	9,156,600	10,579,320	3,143,958
	17,775,500		124,172,031	
	529,143	646,730	806,692	
		442,536		
19,250,000				
	45,815,760	13,077,320		
	1,402,984	1,541,188		
38,361	801,096	1,406,471	94,913	6,155
		1,888,354		
		68,890		
43,815	214,954	243,386	480,369	53,544
2,082	69,314	99,859		
20,945	108,035	128,490	25,969	8,272
70,907	201,312	247,766	182,052	143,711
21,080,193	322,722,774	252,683,179	295,757,077	16,543,494
$ 50,914,040	$ 426,643,449	$ 442,634,616	$ 739,225,394	$ 106,433,125
$ 6,404	$ 344,497	$ 637,155	$ 36,727	$ 7,049
93,588,410	406,532,068	528,754,021	700,009,639	100,448,229
	(17,377,850)			
(20,945	2,972,407	3,499,237	1,786,417	188,743
(35,430,908	7,486,517	(79,321,675)	5,497,163	(432,713)
(7,228,921	26,685,810	(10,934,122)	31,895,448	6,221,817
$ 50,914,040	$ 426,643,449	$ 442,634,616	$ 739,225,394	$ 106,433,125

$7.95	$12.38	$6.95	$20.13	$15.10
$ 75,643,790	$ 553,389,628	$ 679,519,317	$ 977,774,292	$ 113,309,408
	45,796,477	12,897,590		
	2,557,620	2,915,166		
	1,757,400			
6,403,606	34,449,693	63,715,468	36,727,287	7,048,718

STATEMENTS OF OPERATIONS

For the year ended October 31, 2004

	Broad Investment Grade 2009 Term Trust Inc.1 (BCT)	Core Bond Trust (BHK)
Investment Income		
Interest income	$ 2,977,991	$ 30,195,091
Expenses		
Investment advisory	259,551	3,130,697
Administration	70,786	
Transfer agent	10,881	15,006
Custodian	63,546	191,332
Reports to shareholders	18,830	112,440
Directors/Trustees	12,960	58,194
Registration	1,721	21,882
Independent accountants	33,869	43,602
Legal	33,972	50,037
Insurance	4,966	39,993
Miscellaneous	11,048	50,770
Total expenses excluding interest expense and excise tax	522,130	3,713,953
Interest expense	263,911	1,604,092
Excise tax	384,842	
Total expenses	1,170,883	5,318,045
Less fees waived by Advisor		

Less fees paid indirectly		(3,160)
Net expenses	1,170,883	5,314,885
Net investment income	1,807,108	24,880,206
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments	(1,393,010)	6,965,518
Foreign currency		1,381,532
Futures	738,035	7,218,852
Interest rate swaps		(4,631,178)
Options written		255,018
Short sales		482,944
	(654,975	11,672,686
Net change in unrealized appreciation/depreciation on:		
Investments	1,547,410	4,369,084
Foreign currency		(269,102)
Futures	(163,998)	359,386
Interest rate floors		
Interest rate swaps		637,592
Options written		941,522
Short sales		1,399
	1,383,412	6,039,881
Net gain (loss)	728,437	17,712,567
Net Increase in Net Assets Resulting from Operations	$ 2,535,545	$ 42,592,773

[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)
$ 7,153,272	$ 30,732,704	$ 38,088,047	$ 62,767,611	$ 11,125,359

708,081	2,490,784	2,911,895	5,802,236	1,008,133
67,437	415,131	671,976		
16,104	33,438	86,402	17,934	15,006
38,318	149,194	175,922	274,426	57,068
30,705	98,514	145,872	150,699	29,278
12,391	59,775	78,324	80,154	13,908
14,646	25,108	44,652	36,948	17,927
34,655	83,649	73,818	43,082	35,955
12,203	49,388	62,251	82,970	15,503
4,040	37,442	42,500	85,340	10,314
10,470	71,499	71,437	45,666	16,772
949,050	3,513,922	4,365,049	6,619,455	1,219,864
346,573	1,105,431	1,780,431	2,585,301	368,468
1,295,623	4,619,353	6,145,480	9,204,756	1,588,332
				(268,836)
(2,840)	(11,694)	(4,268)	(46,186)	(9,122)
1,292,783	4,607,659	6,141,212	9,158,570	1,310,374
5,860,489	26,125,045	31,946,835	53,609,041	9,814,985
(316,410)	2,845,405	(5,931,592)	5,420,385	1,061,047
	5,930,715	(1,391,653)		
	1,619,198	(2,651,215)		
	1,143,460	923,712	76,779	
	(1,253,560)	741,176		
(316,410)	10,285,218	(8,309,572)	5,497,164	1,061,047
6,773,216	5,823,530	(386,069)	10,019,874	648,992
	2,440,701	(2,462,726)		
		759,055		
	(2,050,802)	(2,819,850)		
	1,304,689	1,572,874	186	
	672,046	1,609,585		
6,773,216	8,190,164	(1,727,131)	10,020,060	648,992

6,456,806	18,475,382	(10,036,703)	15,517,224	1,710,039
$ 12,317,295	$ 44,600,427	$ 21,910,132	$ 69,126,265	$ 11,525,024

STATEMENTS OF CASH FLOWS

For the year ended October 31, 2004

Reconciliation of Net Increase in Net Assets Resulting from Operations to Net Cash Flows Provided by (Used for) Operating Activities	**Broad Investment Grade 2009 Term Trust Inc.1 (BCT)**	**Core Bond Trust (BHK)**
Net increase in net assets resulting from operations	$ 2,535,545	$ 42,592,773
Decrease (Increase) in investments	202,833	(16,769,060)
Net realized loss (gain)	654,975	(11,672,686)
Decrease (Increase) in unrealized appreciation (depreciation)	(1,383,412)	(6,039,881)
Increase (Decrease) in investments sold short		(1,459,680)
Increase (Decrease) in outstanding options written		(814,480)
Decrease (Increase) in interest rate floor		
Decrease (Increase) in interest rate swaps		(632,723)
Decrease (Increase) in receivable for investments sold	1,144,618	(47,475,502)
Decrease (Increase) in receivable for open forward foreign currency contracts		(28,828,953)
Decrease (Increase) in variation margin receivable	33,250	(242,188)
Decrease (Increase) in interest receivable	87,945	219,290
Decrease (Increase) in other assets	(2,546)	(20,888)
Increase (Decrease) in payable for investments purchased		51,591,431
Increase in payable for dollar rolls		9,845,811
Increase in collateral due to broker		
Increase (Decrease) in payable for open forward foreign currency contracts		29,192,235
Increase (Decrease) in payable for closed forward foreign currency contracts, net		(64,413)
Increase (Decrease) in variation margin payable		(66,844)
Increase (Decrease) in interest payable	(1,245)	199,421
Increase (Decrease) in investment advisory fee payable	(474)	23,352
Increase (Decrease) in administration fee payable	(129)	
Increase (Decrease) in deferred Directors /Trustees fees	2,695	20,017
Increase (Decrease) in accrued expenses	34,441	75,579
Total adjustments	772,951	(22,920,162)
Net cash provided by (used for) operating activities	$ 3,308,496	$ 19,672,611

Increase (Decrease) in Cash and Foreign Currency		
Net cash provided by (used for) operating activities	$ 3,308,496	$ 19,672,611
Cash provided by (used for) financing activities:		
Capital contributions		
Increase (Decrease) in reverse repurchase agreements	(690,125)	10,805,505
Cash dividends paid	(2,661,384)	(29,969,225)
Net cash provided by (used for) financing activities	(3,351,509)	(19,163,720)
Net increase (decrease) in cash	(43,013)	508,891
Cash and foreign currency at beginning of year	88,952	(460,151)
Cash and foreign currency at end of year	$ 45,939	$ 48,740

[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)
$ 12,317,295	$ 44,600,427	$ 21,910,132	$ 69,126,265	$ 11,525,024
(500,096)	1,996,389	27,894,473	70,982,192	28,538,849
316,410	(10,285,218)	8,309,572	(5,497,164)	(1,061,047)
(6,773,216)	(8,190,164)	2,084,881	(10,020,060)	(648,992)
	(7,924,587)	(123,271,331)		
	(1,179,646)	(1,711,931)		
		(759,055)		
	2,267,698	2,819,850		
(1,448,102)	(162,584,862)	(10,269,936)	1,011,833	1,468,072
	(45,433)	159,375		
280,241	81,713	(1,692,816)	(334,459)	955,497
33,572	(23,967)	(66,937)	(98,320)	(3,610)
1,654,083	157,098,996	7,902,793	(235,976,234)	3,143,958
	17,775,500		124,172,031	
	529,143	646,730	806,692	
		442,536		
11,619	(193,958)	(546,708)	65,758	(18,464)

5,786	5,801	(9,607)	4,990	(17,679)
551	966	(2,218)		
4,117	23,863	26,973	24,469	3,134
(45,235)	64,183	75,988	56,129	10,632
(6,460,270)	(10,583,583)	(87,967,368)	(54,802,143)	32,370,350
$ 5,857,025	$ 34,016,844	$ (66,057,236)	$ 14,324,122	$ 43,895,374
$ 5,857,025	$ 34,016,844	$ (66,057,236)	$ 14,324,122	$ 43,895,374
210,485		2,335,670	429,365	200,599
	(8,734,112)	101,968,776	40,422,256	(32,683,740)
(6,051,794)	(28,937,742)	(38,921,208)	(55,077,640)	(11,337,469)
(5,841,309)	(37,671,854)	65,383,238	(14,226,019)	(43,820,610)
15,716	(3,655,010)	(673,998)	98,103	74,764
107,680	(406,757)	1,080,121	222,505	84,692
$ 123,396	$ (4,061,767)	$ 406,123	$ 320,608	$ 159,456

STATEMENTS OF CHANGES IN NET ASSETS

For the years ended October 31, 2004 and 2003

	Broad Investment Grade 2009 Term Trust Inc.1 (BCT)		Core Bond Trust (BHK)	
	2004	2003	2004	2003
Increase (Decrease) in Net Assets				
Operations:				
Net investment income	$ 1,807,108	$ 3,760,612	$ 24,880,206	$ 22,380,605
Net realized gain (loss)	(654,975)	(2,958,847)	11,672,686	10,108,933
Net change in unrealized appreciation/depreciation	1,383,412	(1,159,473)	6,039,881	10,896,869
Net increase (decrease) in net assets resulting from operations	2,535,545	(357,708)	42,592,773	43,386,407
Dividends and Distributions:				

Net investment income	(2,661,384)	(3,504,653)	(23,226,362)	(27,108,407)
Net realized gain			(6,742,863)	(4,976,352)
Tax return of capital distributions				
Total dividends and distributions	(2,661,384)	(3,504,653)	(29,969,225)	(32,084,759)
Capital Share Transactions:				
Reinvestment of dividends				
Total increase (decrease)	(125,839)	(3,862,361)	12,623,548	11,301,648
Net Assets:				
Beginning of year	47,381,272	51,243,633	398,539,710	387,238,062
End of year	$ 47,255,433	$ 47,381,272	$ 411,163,258	$ 398,539,710
End of year undistributed (distribution in excess of) net investment income	$ 7,945,414	$ 8,349,474	$ 2,267,985	$

[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)	
2004	2003	2004	2003	2004	2003
$ 5,860,489	$ 6,766,264	$ 26,125,045	$ 28,912,640	$ 31,946,835	$ 38,641,106
(316,410)	(4,771,417)	10,285,218	(3,180,087)	(8,309,572)	(22,020,705)
6,773,216	10,326,575	8,190,164	14,036,271	(1,727,131)	(10,738,760)
12,317,295	12,321,422	44,600,427	39,768,824	21,910,132	5,881,641
(5,864,606)	(7,116,448)	(28,937,742)	(27,903,349)	(38,921,208)	(63,862,381)
			(8,364,454)		
(187,188)					
(6,051,794)	(7,116,448)	(28,937,742)	(36,267,803)	(38,921,208)	(63,862,381)
210,485	280,376			2,335,670	3,905,622

6,475,986	5,485,350	15,662,685	3,501,021	(14,675,406)	(54,075,118)
44,438,054	38,952,704	410,980,764	407,479,743	457,310,022	511,385,140
$ 50,914,040	$ 44,438,054	$ 426,643,449	$ 410,980,764	$ 442,634,616	$ 457,310,022
$ (20,945)	$	$ 2,972,407	$ 5,785,104	$ 3,499,237	$ 10,115,860

STATEMENTS OF CHANGES IN NET ASSETS (continued)

For the years ended October 31, 2004 and 2003

	Limited Duration Income Trust1 (BLW)		Strategic Bond Trust (BHD)	
	2004	2003	2004	2003
Increase (Decrease) in Net Assets				
Operations:				
Net investment income	$ 53,609,041	$ 12,026,055	$ 9,814,985	$ 11,147,173
Net realized gain (loss)	5,497,164	390,465	1,061,047	(1,177,052)
Net change in unrealized appreciation/depreciation	10,020,060	21,875,388	648,992	17,670,059
Net increase in net assets resulting from operations	69,126,265	34,291,908	11,525,024	27,640,180
Dividends and Distributions:				
Net investment income	(54,687,174)	(9,176,505)	(11,337,469)	(10,466,535)
Net realized gain	(390,466)			
Total dividends and distributions	(55,077,640)	(9,176,505)	(11,337,469)	(10,466,535)
Capital Share Transactions:				
Net proceeds from the issuance of common shares		653,888,001		
Net proceeds from the underwriters over-allotment option exercised		45,744,000		
Reinvestment of common dividends	429,365		200,599	277,020
Net proceeds from capital share transactions	429,365	699,632,001	200,599	277,020
Total increase	14,477,990	724,747,404	388,154	17,450,665
Net Assets:				

Beginning of period	724,747,404		106,044,971	88,594,306
End of period	$ 739,225,394	$ 724,747,404	$ 106,433,125	$ 106,044,971
End of year undistributed net investment income	$ 1,786,417	$ 2,864,550	$ 188,743	$ 1,711,227

1 Commencement of investment operations for Limited Duration was July 30, 2003. This information includes the initial investment by BlackRock Funding, Inc. The other Trust s statement is for a full year.

See Notes to Financial Statements.

CONSOLIDATED FINANCIAL HIGHLIGHTS

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

	Year Ended October 31,				
	2004	**2003**	**2002**	**2001**	**2000**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 16.02	$ 17.33	$ 16.05	$ 13.64	$ 13.64
Investment operations:					
Net investment income	0.61	1.28	2.01	1.17	0.91
Net realized and unrealized gain (loss)	0.25	(1.40)	0.04	2.01	(0.09)
Net increase (decrease) from investment operations	0.86	(0.12)	2.05	3.18	0.82
Dividends from net investment income	(0.90)	(1.19)	(0.77)	(0.77)	(0.82)
Net asset value, end of year	$ 15.98	$ 16.02	$ 17.33	$ 16.05	$ 13.64
Market price, end of year	$ 15.80	$ 15.85	$ 16.18	$ 14.39	$ 11.94
TOTAL INVESTMENT RETURN[1]	5.45%	5.32%	18.34%	27.66%	12.11%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	2.48%	2.43%	2.50%	3.52%	4.36%
Net expenses	2.48%	2.43%	2.50%	3.52%	4.36%
Net expenses excluding interest expense and excise tax	1.11%	1.18%	1.16%	1.16%	1.31%
Net investment income	3.83%	7.54%	12.22%	7.93%	6.83%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 47,191	$ 49,882	$ 48,731	$ 43,701	$ 39,425
Portfolio turnover	20%	39%	35%	19%	36%
Net assets, end of year (000)	$ 47,255	$ 47,381	$ 51,244	$ 47,466	$ 40,321
Reverse repurchase agreements outstanding, end of year (000) .	$ 19,263	$ 19,953	$ 23,669	$ 13,373	$ 18,850

Asset coverage, end of year[2]	$ 3,453	$ 3,375	$ 3,165	$ 4,550	$ 3,139

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 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 Core Bond Trust (BHK)

	Year Ended October 31,		For the period November 30, 20011 through October 31, 2002
	2004	**2003**	
PER SHARE OPERATING PERFORMANCE:			
Net asset value, beginning of period	$ 14.75	$ 14.33	$ 14.33 2
Investment operations:			
Net investment income	0.92	0.83	0.99
Net realized and unrealized gain	0.66	0.77	0.04
Net increase from investment operations	1.58	1.60	1.03
Dividends and distributions:			
Net investment income	(0.86)	(1.00)	(1.00)
Net realized gain	(0.25)	(0.18)	
Total dividends and distributions	(1.11)	(1.18)	(1.00)
Capital charges with respect to issuance of shares			(0.03)
Net asset value, end of period	$ 15.22	$ 14.75	$ 14.33
Market price, end of period	$ 14.02	$ 13.57	$ 13.82
TOTAL INVESTMENT RETURN[3]	11.93%	6.62%	(1.02)%
RATIOS TO AVERAGE NET ASSETS:			
Total expenses	1.32%	1.05%	1.04%[4]
Net expenses	1.32%	1.05%	1.04%[4]

Net expenses excluding interest expense	0.92%	0.87%	0.93%[4]
Net investment income	6.20%	5.58%	7.67%[4]
SUPPLEMENTAL DATA:			
Average net assets (000)	$ 401,212	$ 401,049	$ 380,277
Portfolio turnover	398%	161%	73%
Net assets, end of period (000)	$ 411,163	$ 398,540	$ 387,238
Reverse repurchase agreements outstanding, end of period (000)	$ 102,474	$ 91,668	$ 165,215
Asset coverage, end of period[5]	$ 5,012	$ 5,348	$ 3,342

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 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 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 High Yield Trust (BHY)

	Year Ended October 31,				
	2004	**2003**	**2002**	**2001**	**2000**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 6.96	$ 6.13	$ 7.20	$ 10.60	$ 13.58
Investment operations:					
Net investment income	0.92	1.06	1.20	1.32	1.66
Net realized and unrealized gain (loss)	1.02	0.89	(0.98)	(3.13)	(3.02)
Net increase (decrease) from investment operations	1.94	1.95	0.22	(1.81)	(1.36)
Dividends and distributions:					
Net investment income	(0.92)	(1.07)	(1.20)	(1.48)	(1.62)
Tax return of capital	(0.03)	(0.05)	(0.09)	(0.11)	
Total dividends and distributions	(0.95)	(1.12)	(1.29)	(1.59)	(1.62)
Net asset value, end of year	$ 7.95	$ 6.96	$ 6.13	$ 7.20	$ 10.60

Market price, end of year	$ 9.30	$ 10.25	$ 8.68	$ 9.18	$ 11.88
TOTAL INVESTMENT RETURN[1]	0.28%	32.87%	7.97%	(11.31)%	8.23%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	2.69%	3.07%	3.45%	4.90%	5.29%
Net expenses	2.68%	3.07%	3.45%	4.90%	5.29%
Net expenses excluding interest expense	1.96%	2.22%	2.20%	2.03%	1.99%
Net investment income	12.16%	16.37%	16.29%	14.23%	13.12%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 48,186	$ 41,326	$ 46,751	$ 58,553	$ 79,602
Portfolio turnover	156%	30%	147%	71%	92%
Net assets, end of year (000)	$ 50,914	$ 44,438	$ 38,953	$ 45,520	$ 66,867
Loan outstanding, end of year (000)	$ 19,250	$ 19,250	$ 19,250	$ 23,000	$ 33,000
Asset coverage, end of year[2]	$ 3,645	$ 3,308	$ 3,024	$ 2,983	$ 3,032

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 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 return does 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 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,				
	2004	**2003**	**2002**	**2001**	**2000**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 11.93	$ 11.83	$ 11.47	$ 11.03	$ 11.45
Investment operations:					
Net investment income	0.76	0.84	1.15	0.87	0.70
Net realized and unrealized gain (loss)	0.53	0.31	(0.05)	0.34	(0.31)
Net increase from investment operations	1.29	1.15	1.10	1.21	0.39
Dividends and distributions:					
Net investment income	(0.84)	(0.81)	(0.75)	(0.23)	(0.39)
Net realized gains		(0.24)			(0.04)
Tax return of capital				(0.54)	(0.41)

Total dividends and distributions	(0.84)	(1.05)	(0.75)	(0.77)	(0.84)
Increase resulting from Trust shares repurchased			0.01		0.03
Net asset value, end of year	$ 12.38	$ 11.93	$ 11.83	$ 11.47	$ 11.03
Market price, end of year	$ 11.38	$ 10.95	$ 10.50	$ 10.41	$ 9.75
TOTAL INVESTMENT RETURN[1]	12.04%	14.71%	8.44%	15.09%	9.82%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	1.11%	1.29%	1.40%	3.62%	3.76%
Net expenses	1.11%	1.29%	1.40%	3.62%	3.76%
Net expenses excluding interest expense	0.84%	0.89%	0.93%	1.01%	0.88%
Net investment income	6.29%	6.99%	10.04%	7.76%	6.14%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 415,131	$ 413,543	$ 394,495	$ 388,478	$ 396,157
Portfolio turnover	300%	46%	153%	83%	82%
Net assets, end of year (000)	$ 426,643	$ 410,981	$ 407,480	$ 397,756	$ 383,651
Reverse repurchase agreements outstanding, end of year (000) .	$ 94,644	$ 103,378	$ 85,704	$ 136,385	$ 178,033
Asset coverage, end of year[2]	$ 5,508	$ 4,976	$ 5,755	$ 3,916	$ 3,155

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 return does 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 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,				
	2004	**2003**	**2002**	**2001**	**2000**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 7.21	$ 8.13	$ 8.06	$ 7.23	$ 7.31
Investment operations:					
Net investment income	0.51	0.61	0.99	0.56	0.50
Net realized and unrealized gain (loss)	(0.16)	(0.52)	(0.35)	0.83	(0.02)

Net increase from investment operations	0.35	0.09	0.64	1.39	0.48
Dividends from net investment income	(0.61)	(1.01)	(0.57)	(0.56)	(0.56)
Net asset value, end of year	$ 6.95	$ 7.21	$ 8.13	$ 8.06	$ 7.23
Market price, end of year	$ 7.50	$ 7.71	$ 8.07	$ 7.26	$ 6.38
TOTAL INVESTMENT RETURN[1]	5.97%	15.41%	15.35%	23.23%	14.01%
RATIOS TO AVERAGE NET ASSETS:					
Total expense	1.37%	1.36%	2.05%	2.54%	2.78%
Net expenses	1.37%	1.36%	2.05%	2.54%	2.78%
Net expenses excluding interest expense	0.97%	1.02%	1.03%	1.03%	1.05%
Net investment income	7.13%	8.18%	12.28%	7.43%	7.11%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 447,984	$ 472,676	$ 506,533	$ 470,185	$ 448,027
Portfolio turnover	120%	64%	125%	32%	114%
Net assets, end of year (000)	$ 442,635	$ 457,301	$ 511,385	$ 506,764	$ 454,510
Reverse repurchase agreements outstanding, end of year (000)	$ 223,736	$ 121,767	$ 205,792	$ 118,634	$ 64,460
Asset coverage, end of year[2]	$ 2.978	$ 4,756	$ 3,485	$ 5,272	$ 8,095

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 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, 2004	For the period July 30, 20031 through October 31, 2003
PER SHARE OPERATING PERFORMANCE:		
Net asset value, beginning of period	$ 19.74	$ 19.102
Investment operations:		
Net investment income	1.46	0.33
Net realized and unrealized gain	0.43	0.60

Net increase from investment operations	1.89	0.93
Dividends and Distributions:		
Net investment income	(1.49)	(0.25)
Net realized gain	(0.01)	
Total dividends and distributions	(1.50)	(0.25)
Capital charges with respect to issuance of shares		(0.04)
Net asset value, end of period	$ 20.13	$ 19.74
Market price, end of period	$ 19.95	$ 18.80
TOTAL INVESTMENT RETURN[3]	14.64%	(4.77)%
RATIOS TO AVERAGE NET ASSETS:		
Total expenses	1.26%	0.82%[4]
Net expenses	1.25%	0.82%[4]
Net expenses excluding interest expense	0.90%	0.79%[4]
Net investment income	7.34%	6.87%[4]
SUPPLEMENTAL DATA:		
Average net assets (000)	$ 730,369	$ 686,655
Portfolio turnover	215%	127%
Net assets, end of period (000)	$ 739,225	$ 724,747
Reverse repurchase agreements outstanding, end of period (000)	$ 159,416	$ 118,993
Asset coverage, end of period[5]	$ 5,637	$ 7,091

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 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 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.

FINANCIAL HIGHLIGHTS

BlackRock Strategic Bond Trust (BHD)

	Year Ended October 31,		For the period February 28, 20021 through October 31, 2002
	2004	2003	
PER SHARE OPERATING PERFORMANCE:			
Net asset value, beginning of period	$ 15.07	$ 12.63	$ 14.332
Investment operations:			
Net investment income	1.39	1.59	0.98
Net realized and unrealized gain (loss)	0.25	2.34	(1.77)
Net increase (decrease) from investment operations	1.64	3.93	(0.79)
Dividends from net investment income	(1.61)	(1.49)	(0.84)
Capital charges with respect to issuance of shares			(0.07)
Net asset value, end of period	$ 15.10	$ 15.07	$ 12.63
Market price, end of period	$ 16.70	$ 15.27	$ 12.35
TOTAL INVESTMENT RETURN[3]	21.54%	37.36%	(12.34)%
RATIOS TO AVERAGE NET ASSETS:			
Total expenses	1.49%	2.01%	2.57%[4]
Net expenses	1.23%	1.71%	2.26%[4]
Net expenses excluding interest expense	0.89%	1.01%	1.25%[4]
Net investment income	9.23%	11.32%	10.68%[4]
SUPPLEMENTAL DATA:			
Average net assets (000)	$ 106,330	$ 98,498	$ 95,675
Portfolio turnover	31%	32%	22%
Net assets, end of period (000)	$ 106,433	$ 106,045	$ 88,594
Reverse repurchase agreements outstanding, end of period (000)	$ 13,188	$ 45,872	$ 44,223
Asset coverage, end of period[5]	$ 9,071	$ 3,312	$ 3,003

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 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 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. 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 regulated 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.

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. 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 and ratified by the Board of Trustees.

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 arms-length transaction. Fair value determinations shall be based upon all available factors that BlackRock Advisors deems relevant.

Investment Transactions and Investment Income: Investment transactions are recorded on trade date. Realized and unrealized gains and losses are calculated on the identified cost basis. Each Trust records interest income on an accrual basis and amortizes premium and/or accretes discount on securities purchased using the interest method. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed. These dividends are recorded as soon as the Trust is informed of the ex-dividend date. Dividend income on foreign securities is recorded net of any withholding tax.

Repurchase Agreements: In connection with transactions in repurchase agreements, a Trust s custodian takes possession of the underlying collateral securities, the value of which at least equals the principal amount of the repurchase transaction, including accrued interest. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to ensure the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by a Trust may be delayed or limited.

Bank Loans: In the process of buying, selling and holding bank loans, a Trust may receive and/or pay certain fees. These fees are in addition to interest payments received and may include facility fees, commitment fees, amendment fees, commissions and prepayment penalty fees. 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.

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.

Options, when used by the Trusts, help in maintaining a targeted duration. 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.

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. 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. Put or call options can be purchased or sold to effectively help manage the targeted duration of the portfolio.

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.

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 may 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, other assets and liabilities at the London 4:00 PM rates 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 including realized foreign exchange gains and losses from sales and maturities of foreign portfolio securities, maturities of foreign reverse repurchase agreements, 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. 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.

Security Lending: The Trusts may lend their portfolio securities to qualified institutions. The loans are secured by collateral at least equal, at all times, to the market value of the securities loaned. The Trusts may bear the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower of the securities fail financially. The Trusts receive compensation for lending their securities in the form of interest on the loan. The Trusts also continue to receive interest on the securities loaned, and any gain or loss in the market price of the securities loaned that may occur during the term of the loan will be for the accounts of the Trusts. The Trusts did not enter into any security lending transactions during the year ended October 31, 2004.

Segregation: In cases in which the Investment Company Act of 1940, as amended, and the interpretive positions of the Securities and Exchange Commission (SEC) require that each Trust segregate assets in connection with certain investments (e.g., when issued securities, reverse repurchase agreements or futures contracts), each Trust will, consistent with certain interpretive letters issued by the SEC, 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 are required. As part of a tax planning strategy, Advantage and Investment Quality may retain a portion of their taxable income and pay excise tax on the undistributed amounts.

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 other sources, if necessary. Net long-term capital gains, if any, in excess of loss car-ryforwards may be distributed annually. 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 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.

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by each Trust s Board, non-interested 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 other BlackRock closed-end funds selected by the Trustees. This has the same economic effect for the Trustees as if the 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 Trustees in order to match its deferred compensation obligations.

Reclassification of Capital Accounts: In order to present undistributed (distribution in excess of) net investment income (UNII) and accumulated net realized gain (Accumulated Gain) more closely to its tax character, the following accounts for each Trust were increased (decreased):

Trust	UNII	Accumulated Gain	PIC
Broad Investment Grade	$ 450,216	$ (53,824)	$ (396,392)
Core Bond	1,398,658	(1,400,207)	1,549
High Yield	187,188		(187,188)
Income Trust		27,373,194	(27,373,194)

Note 2. Agreements

Each Trust has an Investment Management Agreement with BlackRock Advisors, Inc. (the Advisor), which is a wholly owned subsidiary of BlackRock, Inc. BlackRock Financial Management, Inc., a wholly owned subsidiary of BlackRock, Inc., serves as sub-advisor to Core Bond, Limited Duration and Strategic Bond.

BlackRock, Inc. is an indirect, majority owned subsidiary of 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. 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 5 years of the Trust s operations, 0.15% in year 6, 0.10% in year 7 and 0.05% in year 8.

Pursuant to the 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. The Advisor pays occupancy and certain clerical and accounting costs for each Trust. Each Trust bears all other costs and expenses, which include reimbursements to the Advisor for certain operational support services provided to each Trust.

Pursuant to the terms of their custody agreements, Core Bond, High Yield, Income Opportunity, Income Trust, Limited Duration and Strategic Bond received earnings credits from its custodian for positive cash balances maintained, which are used to offset custody fees.

Note 3. Portfolio Investments

Purchases and sales of investment securities, other than short-term investments, dollar rolls and U.S. government securities, for the year ended October 31, 2004, aggregated as follows:

Trust	Purchases	Sales	Trust	Purchases	Sales
Broad Investment Grade	$ 3,971,247	$ 5,073,258	Income Trust Limited	$ 316,820,219	$ 216,371,268
Core Bond	828,465,744	849,608,350	Duration Strategic	2,185,323,272	2,151,695,068
High Yield	95,595,516	94,445,448	Bond	37,119,022	67,945,935
Income Opportunity	111,315,490	187,879,019			

Purchases and sales of U.S. government securities for the year ended October 31, 2004, aggregated as follows:

Trust	Purchases	Sales	Trust	Purchases	Sales
Broad Investment Grade	$ 6,215,742	$ 3,516,882	Income Trust Limited	$540,872,321	$496,292,198
Core Bond	1,710,520,110	1,665,313,586	Duration	86,581,859	131,886,180
High Yield			Strategic Bond	3,074,336	
Income Opportunity	1,499,774,699	1,354,745,467			

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 PNC Bank or its affiliates, including Midland Loan Services, Inc., each of which is an affiliate of BlackRock Advisors, Inc. It is possible under certain circumstances, that PNC Mortgage Securities Corp. or its affiliates, including Midland Loan Services, Inc., could have interests that are in conflict with the holders of these mortgage backed securities, and such holders could have rights against PNC Mortgage Securities Corp. or its affiliates, including Midland Loan Services, Inc.

At October 31, 2004, the total cost of securities for Federal income tax purposes and the aggregate gross unrealized appreciation and depreciation for securities held by each Trust were as follows:

Trust	Cost	Appreciation	Depreciation	Net
Broad Investment Grade	$ 63,726,401	$ 3,401,557	$ 956,652	$ 2,444,905
Core Bond	562,881,902	16,861,803	1,197,360	15,664,443
High Yield	75,644,796	3,044,215	10,274,163	(7,229,948)
Income Opportunity	555,359,120	21,153,280	1,436,628	19,716,652
Income Trust	680,035,277	21,451,696	30,363,077	(8,911,381)
Limited Duration	977,774,375	34,251,308	2,355,943	31,895,365
Strategic Bond	113,309,408	7,108,459	886,642	6,221,817

For Federal income tax purposes, the following Trusts had capital loss carryforwards as of their last respective tax year end. These amounts may be used to offset future realized capital gains, if any:

Trust	Capital Loss Carryforward Amount	Expires	Trust	Capital Loss Carryforward Amount	Expires
Broad Investment Grade	$2,518,895	2011	Income Trust	$33,107,952	2007
				1,352,206	2008
				13,940,898	2009
High Yield	$3,443,603	2007		21,960,613	2011
	3,270,311	2008		10,279,377	2012
	15,159,280	2009		$80,641,046	
	8,468,860	2010			
	4,771,417	2011	Strategic Bond	$432,713	2011
	316,410	2012			
	$35,429,881				

Accordingly, no capital gain distributions are expected to be paid to shareholders of a Trust until that Trust has net realized capital gains in excess of its carryforward amounts.

Details of open financial futures contracts at October 31, 2004 were as follows:

	Number of Contracts	Type	Expiration Date	Value at Trade Date	Value at October 31, 2004	Unrealized Appreciation (Depreciation)
Long Position:						
Broad Investment Grade	53	10 Yr. U.S. T-Note	Dec 04	$ 5,902,127	$ 6,018,813	$ 116,687
	5	30 Yr. U.S. T-Bond	Dec 04	551,808	569,219	17,411
						134,098
Core Bond	254	10 Yr. U.S. T-Bond	Dec. 04	28,510,852	28,844,875	334,023
	698	30 Yr. U.S. T-Bond	Dec. 04	77,219,379	79,462,938	2,243,559
	12	Euro Bond	Dec. 04	1,696,757	1,714,403	17,646
						2,595,228

Income Opportunity	1,933	10 Yr. U.S. T-Note	Dec. 04	215,579,060	219,516,313	3,937,253
Income Trust	390	10 Yr. U.S. T-Note	Dec. 04	43,429,835	44,289,375	859,540
Short Position:						
Core Bond	1,456	5 Yr. U.S. T-Note	Dec. 04	160,295,568	162,162,000	(1,866,432)
	35	Euro Dollar	Dec. 04	8,546,849	8,546,563	286
	35	Euro Dollar	Mar. 05	8,528,894	8,528,625	269
	35	Euro Dollar	June 05	8,512,878	8,513,313	(435)
	41	Euro Dollar	Sept. 05	9,944,630	9,954,800	(10,170)
	38	Euro Dollar	Dec. 05	9,197,700	9,206,925	(9,225)
	38	Euro Dollar	Mar. 06	9,179,244	9,190,300	(11,056)
	38	Euro Dollar	June 06	9,163,194	9,174,625	(11,431)
	32	Euro Dollar	Sept. 06	7,712,999	7,714,000	(1,001)
	25	Euro Dollar	Dec. 06	6,016,298	6,017,500	(1,202)
	25	Euro Dollar	Mar. 07	6,008,484	6,009,688	(1,204)
	25	Euro Dollar	June 07	6,000,672	6,001,875	(1,203)
	25	Euro Dollar	Sep. 07	5,993,422	5,994,375	(953)
						(1,913,757)
Income Opportunity	798	5 Yr. U.S. T-Note	Dec. 04	88,299,451	88,877,250	(577,799)
	25	30 Yr. U.S. T-Bond	Dec. 04	2,758,929	2,846,094	(87,165)
	35	Euro Dollar	Mar. 05	8,528,894	8,528,625	269
	35	Euro Dollar	June 05	8,512,878	8,513,313	(435)
	35	Euro Dollar	Sept. 05	8,495,479	8,498,000	(2,521)
	32	Euro Dollar	Dec. 05	7,752,899	7,753,200	(301)
	32	Euro Dollar	Mar. 06	7,737,699	7,739,200	(1,501)
	32	Euro Dollar	June 06	7,724,499	7,726,000	(1,501)
	32	Euro Dollar	Sept. 06	7,712,999	7,714,000	(1,001)
	25	Euro Dollar	Dec. 06	6,016,297	6,017,500	(1,203)
	25	Euro Dollar	Mar. 07	6,008,484	6,009,688	(1,204)
	25	Euro Dollar	June 07	6,000,672	6,001,875	(1,203)
	25	Euro Dollar	Sep. 07	5,993,422	5,994,375	(953)
	35	Euro Dollar	Dec. 04	8,546,849	8,546,563	286
						(676,232)
Income Trust	44	5 Yr. U.S. T-Note	Dec. 04	4,850,559	4,900,500	(49,941)
	816	30 Yr. U.S. T-Bond	Dec. 04	90,371,330	92,896,500	(2,525,200)
	54	Euro Dollar	Dec. 04	13,174,311	13,186,126	(11,815)
	54	Euro Dollar	Mar. 05	13,144,276	13,158,450	(14,174)
	54	Euro Dollar	June 05	13,116,599	13,134,826	(18,227)
	54	Euro Dollar	Sept. 05	13,088,448	13,111,200	(22,752)
	49	Euro Dollar	Dec. 05	11,851,290	11,872,088	(20,798)
	49	Euro Dollar	Mar. 06	11,827,265	11,850,650	(23,385)
	39	Euro Dollar	Sept. 06	9,400,189	9,401,438	(1,249)

30	Euro Dollar	Dec. 06	7,219,555	7,221,000	(1,445)
30	Euro Dollar	Mar. 07	7,210,180	7,211,625	(1,445)
69	Euro Dollar	June 07	16,615,019	16,618,313	(3,294)
30	Euro Dollar	Sep. 07	7,192,105	7,193,250	(1,145)
					$ (2,694,870)

Details of open forward currency contracts in Core Bond at October 31, 2004, were as follows:

Foreign Currency	Settlement Date	Contract to Purchase/ Receive	Value at Settlement Date	Value at October 31, 2004	Unrealized (Depreciation)
Sold:					
Canadian Dollar	1/28/05	$ 5,042,391	$ 4,109,662	$ 4,128,024	$ (18,362)
Euro	1/25/05	16,291,125	20,531,705	20,719,146	(187,441)
Swedish Krona	1/21/05	30,907,864kr	4,254,773	4,345,065	(90,292)
					$(296,095)

Income Trust held one interest rate floor. Under the agreement, Income Trust pays the excess, if any, of a fixed rate over a floating rate. Income Trust received a transaction fee for the floor. Transaction fees are amortized through the termination of the agreement. Details of the interest rate floor held at October 31, 2004 were as follows:

Notional Amount (000)	Variable Rate	Floating Rate	Termination Date	Amortized Cost	Value at October 31, 2004	Unrealized Depreciation
$11,000	4.04875%	1-month LIBOR	1/25/05	$(59,625)	$(68,890)	$(9,265)

Details of open interest rate swaps at October 31, 2004 were as follows:

Trust	Notional Amount (000)	Fixed Rate	Floating Rate	Termination Date	Unrealized Appreciation (Depreciation)
Core Bond	$19,435	3.215%(a)	3-month LIBOR	6/14/06	$ 329,815
	14,300	3.21%(a)	3-month LIBOR	6/17/06	239,246
	25,000	2.635%(a)	3-month LIBOR	8/14/06	(36,715)
	6,500	3.556%(a)	3-month LIBOR	1/21/07	59,859

	50,000	3.00%(b)	3-month LIBOR	4/16/07	47,600
	5,700	3.52%(a)	3-month LIBOR	9/26/08	21,600
	5,400	4.412%(b)	3-month LIBOR	2/17/14	(41,380)
	7,100	4.508%(b)	3-month LIBOR	10/1/14	(48,683)
	41,200	4.51%(b)	3-month LIBOR	10/29/14	(174,414)
	950	5.365%(b)	3-month LIBOR	7/29/19	(68,330)
	1,300	5.155%(a)	3-month LIBOR	8/13/19	50,597
	800	4.78%(a)	3-month LIBOR	10/27/19	(6,601)
					372,594
Income Opportunity	20,735	3.215%(a)	3-month LIBOR	6/14/06	351,877
	15,300	3.21%(a)	3-month LIBOR	6/17/06	255,977
	50,000	2.635%(a)	3-month LIBOR	8/14/06	(73,429)
	7,100	3.556%(a)	3-month LIBOR	1/21/07	65,384
	48,000	3.50%(a)	3-month LIBOR	2/2/07	368,792
	50,000	3.00%(b)	3-month LIBOR	4/16/07	47,600
	8,000	3.52%(a)	3-month LIBOR	9/26/08	30,316
	5,700	4.412%(b)	3-month LIBOR	2/17/14	(43,679)
	7,700	4.508%(b)	3-month LIBOR	10/1/14	(52,796)
	27,500	4.399%(b)	3-month LIBOR	10/25/14	115,005
	13,800	4.51%(b)	3-month LIBOR	10/29/14	(58,420)
	1,050	5.365%(b)	3-month LIBOR	7/29/19	(75,522)
	1,400	5.155%(a)	3-month LIBOR	8/13/19	54,490
	900	4.78%(a)	3-month LIBOR	10/27/19	(7,426)
	7,000	5.23%(b)	3-month LIBOR	11/4/21	(376,506)
					$ 601,663

Trust	Notional Amount (000)	Fixed Rate	Floating Rate	Termination Date	Unrealized Appreciation (Depreciation)
Income Trust	22,295	3.215%(a)	3-month LIBOR	6/14/06	$ 378,351
	16,400	3.21%(a)	3-month LIBOR	6/17/06	274,381
	50,000	2.635%(a)	3-month LIBOR	8/14/06	(73,429)
	24,000	3.55%(a)	3-month LIBOR	10/26/06	304,731
	7,300	3.556%(a)	3-month LIBOR	1/21/07	67,226
	50,000	3.00%(b)	3-month LIBOR	4/16/07	47,600
	11,200	3.52%(a)	3-month LIBOR	9/26/08	42,442
	19,000	4.889%(b)	3-month LIBOR	4/22/14	(743,383)
	17,000	5.307%(b)	3-month LIBOR	6/14/14	(1,515,307)
	7,700	4.508%(b)	3-month LIBOR	10/1/14	(52,797)
	12,500	4.399%(b)	3-month LIBOR	10/25/14	52,275
	2,800	5.94%(a)	3-month LIBOR	12/7/15	240,352
	1,075	5.365%(b)	3-month LIBOR	7/29/19	(77,320)

1,450	5.155%(a)	3-month LIBOR	8/13/19	56,436
900	4.78%(a)	3-month LIBOR	10/27/19	(7,427)
25,000	5.23%(b)	3-month LIBOR	8/15/23	(882,485)
				$(1,888,354)

Details of open total return swaps at October 31, 2004 were as follows:

Core Bond	$7,210	8.50%(a)	1-month LIBOR +0.70%	1/31/05	$71,822

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

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

Transaction in options written during the year ended October 31, 2004, were as follows:

Trust		Contracts/ Notional Amount (000)	Premium Received
Core Bond			
	Options outstanding at October 31, 2003	$ 105,708	$ 2,069,401
	Options written	412,048	3,748,789
	Options expired	(44)	(49,424)
	Options terminated in closing purchase transactions	(366,012)	(3,572,323)
	Options outstanding at October 31, 2004	$ 151,700	$ 2,196,443
Income Opportunity			
	Options outstanding at October 31, 2003	$ 123,340	$ 2,432,578
	Options written	136,601	2,978,163
	Options expired	(55)	(56,565)
	Options terminated in closing purchase transactions	(82,486)	(2,796,556)
	Options outstanding at October 31, 2004	$ 177,400	$ 2,557,620
Income Trust			
	Options outstanding at October 31, 2003	$ 150,485	$ 3,054,224
	Options written	560,202	6,363,817
	Options expired	(95)	(97,703)
	Options terminated in closing purchase transactions	(527,792)	(6,404,672)
	Options outstanding at October 31, 2004	$ 182,800	$ 2,915,666

Note 4. Borrowings

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 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. Details of open reverse repurchase agreements at October 31, 2004 were as follows (please see Corresponding Underlying Collateral Chart on pages 74-75):

Trust/Counter Party	Rate	Trade Date	Maturity Date	Net Closing Amount	Par
Broad Investment Grade					
Credit Suisse First Boston LLC	1.75%	10/18/04	11/16/04	$19,288,718	$19,262,500
Core Bond					
Credit Suisse First Boston LLC	1.76	10/26/04	11/5/04	30,766,653	30,751,619
	1.75	10/26/04	11/5/04	10,460,382	10,455,300
	1.80	10/26/04	11/5/04	7,173,585	7,170,000
					48,376,919
Lehman Brothers	1.75	10/25/04	11/5/04	22,618,463	22,606,375
	1.65	10/27/04	11/5/04	5,939,862	5,937,413
	1.82	10/27/04	11/5/04	2,216,883	2,215,875
	1.80	10/28/04	11/5/04	16,145,536	16,139,080
	1.85	10/29/04	11/8/04	7,202,012	7,198,312
					54,097,055
Income Opportunity					
Credit Suisse First Boston LLC	1.75	10/18/04	11/4/04	47,008,321	46,971,788
	1.70	10/18/04	11/4/04	16,330,830	16,318,500
					63,290,288
Lehman Brothers	1.87	10/29/04	11/2/04	4,073,971	4,073,125
	1.55	10/20/04	11/4/04	400,759	400,500
	1.55	10/21/04	11/4/04	601,112	600,750
	1.65	10/26/04	11/4/04	1,104,205	1,103,750
	1.68	10/25/04	11/5/04	2,426,745	2,425,500
	1.75	10/29/04	11/5/04	22,757,741	22,750,000
					31,353,625
Income Trust					
Credit Suisse First Boston LLC	1.36	10/28/04	11/1/04	59,136,185	59,127,250
	1.78	10/19/04	11/2/04	43,997,185	43,966,750
	1.72	10/18/04	11/4/04	43,112,182	43,079,250
	1.45	10/29/04	11/8/04	3,264,189	3,262,875

					149,436,125
Lehman Brothers	1.75	10/20/04	11/4/04	6,036,398	6,032,000
	1.72	10/21/04	11/4/04	312,959	312,750
	1.15	10/27/04	11/5/04	20,811,982	20,806,000
	1.85	10/12/04	11/10/04	7,539,219	7,528,000
	1.85	10/14/04	11/10/04	2,692,444	2,688,714
	1.90	10/19/04	11/15/04	36,984,628	36,932,000
					74,299,464
Limited Duration					
Credit Suisse First Boston LLC	1.95	10/19/04	11/18/04	23,099,977	23,062,500
Lehman Brothers	1.85	10/29/04	11/2/04	2,150,442	2,150,000
	1.75	10/26/04	11/5/04	32,783,129	32,767,200
	1.70	10/26/04	11/5/04	3,465,167	3,463,531
	1.82	10/26/04	11/5/04	20,197,706	20,187,500
	2.20	10/19/04	11/10/04	4,711,326	4,705,000
	1.85	10/20/04	11/16/04	656,910	656,000
	2.20	10/19/04	11/18/04	72,556,777	72,424,000
					136,353,231
Strategic Bond					
Lehman Brothers	1.75	10/26/04	11/16/04	1,489,056	1,487,538
	1.78	10/26/04	11/16/04	1,793,948	1,792,088
	1.70	10/26/04	11/16/04	946,767	945,828
	2.00	10/28/04	11/17/04	2,599,886	2,597,000
	2.00	10/18/04	11/18/04	5,352,603	5,343,400
	2.25	10/29/04	11/18/04	1,023,278	1,022,000
					$13,187,854

Details of underlying collateral for open reverse repurchase agreements at October 31, 2004 were as follows:

Trust / Counter Party	Description	Rate	Maturity Date	Original Face	Current Face	Market Value
Broad Investment Grade						
Credit Suisse First Boston LLC	U.S. Treasury Bonds Strip	0.00%	11/15/09	$23,000,000	$23,000,000	$19,334,605
Core Bond						
Credit Suisse First Boston LLC	U.S. Treasury Bonds	10.375	11/15/12	4,770,000	4,770,000	5,792,941

	U.S. Treasury Bonds	12.00	8/18/13	3,170,000	3,170,000	4,178,440
	U.S. Treasury Bonds	6.00	2/15/26	3,860,000	3,860,000	4,455,135
	U.S. Treasury Bonds	6.75	8/15/26	8,960,000	8,960,000	11,260,901
	U.S. Treasury Bonds	6.125	11/15/27	3,695,000	3,695,000	4,342,770
	U.S. Treasury Notes	2.50	5/31/06	5,770,000	5,770,000	5,775,424
	U.S. Treasury Notes	2.75	6/30/06	4,545,000	4,545,000	4,566,998
	Federal Home Loan Mortgage Corp.	6.88	9/15/10	310,000	310,000	358,695
	Federal National Mortgage Assoc.	1.80	6/15/10	6,000,000	6,000,000	6,998,160
						47,729,464
Lehman Brothers	U.S. Treasury Notes	2.375	8/31/06	22,550,000	22,550,000	22,493,625
	U.S. Treasury Notes	2.50	9/30/06	5,930,000	5,930,000	5,923,513
	Federal Home Loan Mortgage Corp.	7.00	3/15/10	1,900,000	1,900,000	2,191,973
	U.S. Treasury Bonds	10.375	11/15/12	6,458,000	6,458,000	7,842,937
	U.S. Treasury Notes	2.50	5/31/06	7,100,000	7,100,000	7,106,674
	U.S. Treasury Notes	2.00	7/15/14	804,200	804,200	832,098
	Federal Home Loan Mortgage Corp.	4.75	12/8/10	2,795,000	2,795,000	2,835,863
	Federal National Mortgage Assoc.	2.35	4/5/04	3,675,000	3,675,000	3,599,185
	Federal National Mortgage Assoc.	4.75	2/21/13	700,000	700,000	697,613
						53,523,481
Income Opportunity						
Credit Suisse First Boston LLC	U.S. Treasury Bonds	8.125	8/15/19	7,110,000	7,110,000	9,891,788
	U.S. Treasury Bonds	6.00	2/15/26	32,000,000	32,000,000	36,933,760
	U.S. Treasury Bonds	4.75	5/15/14	15,180,000	15,180,000	16,052,850
						62,878,398
Lehman Brothers	Federal Home Loan Mortgage Corp.	6.875	9/15/10	3,500,000	3,500,000	4,049,780
	U.S. Treasury Bonds	2.50	9/30/06	400,000	400,000	399,624
	U.S. Treasury Bonds	2.50	9/30/06	600,000	600,000	599,436
	U.S. Treasury Bonds	5.375	2/15/31	1,000,000	1,000,000	1,086,560
	U.S. Treasury Bonds	5.375	2/15/31	2,200,000	2,200,000	2,390,432
	U.S. Treasury Bonds	5.375	2/15/31	20,800,000	20,800,000	22,600,448
						31,126,280

Union Bank of Switzerland	U.S. Treasury Notes	2.50	5/31/06	300,000	300,000	300,282
Income Trust						
Credit Suisse First Boston LLC	U.S. Treasury Notes	1.50	3/31/06	59,800,000	59,800,000	59,099,144
	U.S. Treasury Bonds Strip	4.00	5/31/06	123,850,000	123,850,000	44,794,440
	U.S. Treasury Notes	4.00	5/31/06	42,600,000	42,600,000	42,640,044
	U.S. Treasury Notes	1.50	3/31/06	3,300,000	3,300,000	3,261,324
						149,794,952
Lehman Brothers	U.S. Treasury Notes	4.25	11/15/13	5,800,000	5,800,000	5,919,654
	U.S. Treasury Notes	4.25	11/15/13	300,000	300,000	306,189
	U.S. Treasury Notes	4.25	8/15/14	20,200,000	20,200,000	20,553,500
	Federal Home Loan Mortgage Corp.	3.08	5/1/17	500,000	140,836	146,030
	Federal National Mortgage Assoc.	3.00	5/1/31	48,673,696	4,180,545	4,402,616
	Federal National Mortgage Assoc.	3.00	1/1/32	18,452,625	3,001,451	3,185,290
	Resolution Funding Corp.	3.00	4/15/30	10,500,000	10,500,000	2,749,950
	Federal National Mortgage Assoc.	3.11	10/1/31	30,429,402	4,755,168	5,046,422
	Federal National Mortgage Assoc.	3.10	8/1/32	24,000,000	5,690,704	5,905,869
	Federal National Mortgage Assoc.	3.11	10/1/32	11,667,065	4,665,209	4,841,601
	Federal National Mortgage Assoc.	3.11	6/1/33	5,999,400	5,513,501	5,511,860
	Federal National Mortgage Assoc.	3.10	7/1/34	4,600,000	4,498,157	4,487,219

		Maturity	**Original**	**Current**	**Market**

Trust / Counter Party	Description	Rate	Date	Face	Face	Value
Income Trust (cont d)						
Lehman Brothers (cont d)	Federal National Mortgage Assoc.	3.11%	9/1/17	$30,215,381	$11,876,010	$12,302,834
						75,359,034
Union Bank of Switzerland	U.S. Treasury Notes	4.375	8/15/12	300,000	300,000	311,343
Limited Duration						
Credit Suisse First Boston LLC	Ford Motor Credit Co.	7.375	2/1/11	7,500,000	7,500,000	8,135,963
	General Motors Acceptance Corp.	6.875	8/28/12	7,500,000	7,500,000	7,766,250
	Weyerhaeuser Co.	5.25	12/15/09	7,500,000	7,500,000	7,907,655
						23,809,868
Lehman Brothers	U.S. Treasury Notes	3.375	12/15/08	17,000,000	17,000,000	17,172,720
	U.S. Treasury Notes	3.875	5/15/09	6,000,000	6,000,000	6,167,820
	U.S. Treasury Notes	4.25	11/15/13	8,660,000	8,660,000	8,838,656
	U.S. Treasury Notes	3.375	9/15/09	3,425,000	3,425,000	3,438,906
	Federal National Mortgage Assoc.	7.25	1/15/10	17,000,000	17,000,000	19,807,380
	Allied Waste NA	10.00	8/1/09	5,000,000	5,000,000	5,225,000
	Federal National Mortgage Assoc.	5.50	10/1/33	800,000	663,591	676,452
	AES Corp.	8.75	5/15/13	5,500,000	5,500,000	6,331,874
	Concentra Operating Corp.	9.50	8/15/10	4,500,000	4,500,000	4,983,750
	CSC Holdings, Inc.	7.875	12/15/07	4,800,000	4,800,000	5,160,000
	DaimlerChrysler NA	4.05	6/4/08	7,500,000	7,500,000	7,532,475
	Deutsche Telekom Intl.	8.50	6/15/10	2,200,000	2,200,000	2,647,942
	Dynegy Holdings, Inc.	10.125	7/15/13	4,300,000	4,300,000	5,009,500
	JPMorgan HYDI B	9.00	6/20/08	10,000,000	9,814,815	10,305,556
	JPMorgan HYDI BB	6.40	6/20/08	10,000,000	10,000,000	10,150,000
	National Waterworks, Inc.	10.50	12/1/12	6,250,000	6,250,000	7,000,000
	Peru Republic	9.125	2/21/12	5,000,000	5,000,000	5,600,000
	Qwest Corp.	9.125	3/15/12	6,000,000	6,000,000	6,765,000
	Structured Asset Receivable Trust	1.649	1/21/10	6,500,000	6,474,858	6,464,741
	Tyco Intl. Group	6.125	11/1/08	6,600,000	6,600,000	7,167,930
						146,445,702
Strategic Bond						
Lehman Brothers	U.S. Treasury Bonds	5.375	2/15/31	410,000	410,000	445,490
	U.S. Treasury Notes	4.25	8/15/13	1,000,000	1,000,000	1,022,340

U.S. Treasury Notes	2.50	5/31/06	1,010,000	1,010,000	1,010,949
U.S. Treasury Notes	4.75	5/15/14	710,000	710,000	750,825
U.S. Treasury Notes	2.625	11/16/04	933,000	933,000	933,877
General Electric Capital Corp.	3.45	7/16/07	2,000,000	2,000,000	2,013,680
HSBC Bank USA Global	3.875	9/15/09	800,000	800,000	803,208
Autonation, Inc.	9.00	8/1/08	1,000,000	1,000,000	1,152,500
BankOne Corp.	6.50	2/1/06	1,000,000	1,000,000	1,047,280
Citigroup, Inc.	5.75	5/10/06	3,000,000	3,000,000	3,133,920
Progress Energy, Inc.	6.75	3/1/06	400,000	400,000	419,628
Autonation, Inc.	9.00	8/1/08	1,000,000	1,000,000	1,152,500
					$13,886,197

The average daily balance and weighted average interest rate of reverse repurchase agreements during the year ended October 31, 2004, were as follows:

Trust	Average Daily Balance	Weighted Average Interest Rate
Broad Investment Grade	$22,054,691	1.20%
Core Bond	145,093,933	1.11
Income Opportunity	97,264,139	1.14
Income Trust	158,277,942	1.12
Limited Duration	195,844,775	1.32
Strategic Bond	27,651,966	1.33

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 $33\frac{1}{3}$ % 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.

For the year ended October 31, 2004, High Yield borrowed a daily weighted average balance of $19,250,000 at a weighted average interest rate at 1.80% .

Note 5. Commitments

Bridge Debt Commitments: At October 31, 2004, High Yield and Limited Duration had $2,003,993 and $17,813,268, 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. Distributions to Shareholders

The tax character of distributions paid during the year ended October 31, 2004 and the period ended October 31, 2003 were as follows:

	Period ended October 31, 2004			
Distributions Paid From:	**Ordinary Income**	**Non-taxable Return of Capital**	**Long-term Capital Gains**	**Total Distributions**
Broad Investment Grade	$ 2,661,384	$	$	$ 2,661,384
Core Bond	29,412,475		556,750	29,969,225
High Yield	5,864,606	187,188		6,051,794
Income Opportunity	28,937,742			28,937,742
Income Trust	38,921,208			38,921,208
Limited Duration	55,077,640			55,077,640
Strategic Bond	11,337,469			11,337,469

	Period ended October 31, 2003			
Distributions Paid From:	**Ordinary Income**	**Non-taxable Return of Capital**	**Long-term Capital Gains**	**Total Distributions**
Broad Investment Grade	$ 3,504,653	$	$	$ 3,504,653
Core Bond	30,289,664		1,795,095	32,084,759
High Yield	6,783,092	333,356		7,116,448
Income Opportunity	36,267,803			36,267,803
Income Trust	63,862,381			63,862,381
Limited Duration	9,176,505			9,176,505
Strategic Bond	10,466,535			10,466,535

As of October 31, 2004, the components of distributable earnings on a tax basis were as follows:

Trust	**Undistributed Ordinary Income**	**Undistributed Long-term Gains**	**Unrealized Net Appreciation**
Broad Investment Grade	$ 7,959,288	$	$ 2,431,031
Core Bond	2,018,119	5,953,869	16,968,612
High Yield			
Income Opportunity	6,870,587	8,926,885	21,347,265
Income Trust	3,627,727		
Limited Duration	5,674,866	1,634,766	31,869,396
Strategic Bond	197,015		6,213,545

Note 7. Capital

There are 200 million of $0.01 par value common shares authorized for each of the Broad Investment Grade, Income Opportunity and Income Trusts. There are an unlimited number of $0.001 par value common shares authorized for Core Bond, High Yield, Limited Duration and Strategic Bond. At October 31, 2004, the common shares outstanding and the shares owned by affiliates of the Advisor of each Trust were:

Trust	Common Shares Outstanding	Common Shares Owned
Broad Investment Grade	2,957,093	
Core Bond	27,018,774	
High Yield	6,403,606	
Income Opportunity	34,449,693	
Income Trust	63,715,468	
Limited Duration	36,727,287	6,021
Strategic Bond	7,048,718	

During the year ended October 31, 2004, High Yield, Income Trust, Limited Duration and Strategic Bond issued additional shares under their dividend reinvestment plans of 21,958, 325,777, 21,266, and 13,097, respectively. Transactions in common shares of beneficial interest for the year ended October 31, 2003, were as follows:

	Shares from			
Trust	Intial Public Offering	Underwriters Exercising the Over-allotment Option	Reinvestment of Dividends	Net Increase in Shares Outstanding
High Yield			29,680	29,680
Income Trust			514,874	514,874
Limited Duration	34,306,021	2,400,000		36,706,021
Strategic Bond			19,467	19,467

Offering costs incurred in connection with the Limited Duration offering of common shares have been charged to paid-in capital in excess of par of the common shares in the amount of $1,222,110.

Note 8. Dividends

Subsequent to October 31, 2004, the Board of each of the Trusts declared dividends per common share payable November 28, 2004, to shareholders of record on November 14, 2004. The per share common dividends declared were as follows:

Trust	Common Dividend Per Share
Broad Investment Grade	$0.075000
Core Bond	0.087500
High Yield	0.068333
Income Opportunity	0.070000
Income Trust	0.051042
Limited Duration	0.125000

Strategic Bond	0.130000

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees and Shareholders of:
BlackRock Broad Investment Grade 2009 Term Trust, Inc.
BlackRock Core Bond Trust
BlackRock High Yield Trust
BlackRock Income Opportunity Trust
BlackRock Income Trust, Inc.
BlackRock Limited Duration Income Trust
BlackRock Strategic Bond Trust
(collectively the Trusts)

We have audited the accompanying statements of assets and liabilities of the Trusts, including the portfolios of investments, as of October 31, 2004, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Trusts management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of October 31, 2004, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the Trusts as of October 31, 2004, the results of their operations and cash flows for the year then ended, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented in conformity with accounting principles generally accepted in the United States of America.

Boston, Massachusetts
December 23, 2004

DIRECTORS/TRUSTEES INFORMATION (Unaudited)

Independent Trustees

Name, address, age	Andrew F. Brimmer	Richard E. Cavanagh	Kent Dixon	Frank J. Fabozzi
	P.O. Box 4546 New York, NY	P.O. Box 4546 New York, NY	P.O. Box 4546 New York, NY	P.O. Box 4546 New York, NY

	10163-4546 Age: 77	10163-4546 Age: 58	10163-4546 Age: 67	10163-4546 Age: 56
Current positions held with the Trusts	Lead Trustee Audit Committee Chairman[2]	Trustee Audit Committee Member	Trustee Audit Committee Member[2]	Trustee Audit Committee Member[3]
Term of office and length of time served	3 years[5] / since inception	3 years[5] / since inception[6]	3 years[5] / since inception	3 years[5] / since inception
Principal occupations during the past five years	President of Brimmer & Company, Inc., a Washington, D.C.-based economic and financial consulting firm, also Wilmer D. Barrett Professor of Economics, University of Massachusetts Amherst. Formerly member of the Board of Governors of the Federal Reserve System. Former Chairman, District of Columbia Financial Control Board.	President and Chief Executive Officer of The Conference Board, Inc., a leading global business research organization, from 1995-present. Former Executive Dean of the John F. Kennedy School of Government at Harvard University from 1988-1995. Acting Director, Harvard Center for Business and Government (1991-1993). Formerly Partner (principal) of McKinsey & Company, Inc. (1980-1988). Former Executive Director of Federal Cash Management, White House Office of Management and Budget (1977-1979). Co-author, THE WINNING PERFORMANCE (best selling management book pub-lished in 13 national editions).	Consultant/Investor. Former President and Chief Executive Officer of Empire Federal Savings Bank of America and Banc PLUS Savings Association, former Chairman of the Board, President and Chief Executive Officer of Northeast Savings.	Consultant. Editor of THE JOURNAL OF PORTFOLIO MANAGEMENT and Frederick Frank Adjunct Professor of Finance at the School of Management at Yale University. Author and editor of several books on fixed income portfolio management. Visiting Professor of Finance and Accounting at the Sloan School of Management, Massachusetts Institute of Technology from 1986 to August 1992.
Number of portfolios	52	52	52	52

overseen within the fund complex				
Other Directorships held outside of the fund complex	Director of CarrAmerica Realty Corporation and Borg-Warner Automotive. Formerly Director of Airborne Express, BankAmerica Corporation (Bank of America), BellSouth Corporation, College Retirement Equities Fund (Trustee), Commodity Exchange, Inc. (Public Governor), Connecticut Mutual Life Insurance Company, E.I. du Pont de Nemours & Company, Equitable Life Assurance Society of the United States, Gannett Company, Mercedes-Benz of North America, MNC Financial Corporation (American Security Bank), NCM Capital Management, Navistar International Corporation, PHH Corp. and UAL Corporation (United Airlines).	Trustee: Aircraft Finance Trust (AFT) and Educational Testing Service (ETS). Director, Arch Chemicals, Fremont Group and The Guardian Life Insurance Company of America.	Former Director of ISFA (the owner of INVEST, a national securities broker-age service designed for banks and thrift institutions).	Director, Guardian Mutual Funds Group (18 portfolios).
For Interested Director/ Trustee relationships, events or transactions by				

reason of which the Trustee is an interested person as defined in Section 2(a)(19) of the 1940 Act

1 Interested Trustee as defined by Section 2(a)(19) of the Investment Company Act of 1940.

2 The Board of each Trust has determined that each Trust has two Audit Committee financial experts serving on its Audit Committee, Dr. Brimmer and Mr. Dixon, both of whom are independent for the purpose of the definition of Audit Committee financial expert as applicable to the Trusts.

3 Appointed Audit Committee Member on May 25, 2004.

4 Trustee since inception; appointed Chairman of the Board on August 22, 2002.

Independent Trustees (continued)			Interested Trustees[1]	
R. Glenn Hubbard P.O. Box 4546 New York, NY 10163-4546 Age: 46	James Clayburn La Force, Jr. P.O. Box 4546 New York, NY 10163-4546 Age: 75	Walter F. Mondale P.O. Box 4546 New York, NY 10163-4546 Age: 76	Ralph L. Schlosstein BlackRock, Inc. 40 East 52nd Street New York, NY 10022 Age: 53	Robert S. Kapito BlackRock, Inc. 40 East 52nd Street New York, NY 10022 Age: 47
Trustee	Trustee	Trustee	Chairman of the Board[4]	President and Trustee
3 years[5] / since November 16, 2004	3 years[5] / since inception[7]	3 years[5] / since inception[8]	3 years[5] / since inception	3 years[5] / since August 22, 2002
Dean of Columbia Business School since July 1, 2004. Columbia faculty member since 1988. Co-director of Columbia Business School s Entrepreneurship Program 1994-1997.	Dean Emeritus of the John E. Anderson Graduate School of Management, University of California since July 1, 1993. Acting Dean of the School of Business, Hong Kong	Senior Counsel, Dorsey & Whitney, LLP, a law firm (January 2004-present); Partner, Dorsey & Whitney, LLP, (December 1996-December 2003, September	Director since 1999 and President of BlackRock, Inc. since its formation in 1998 and of BlackRock, Inc. s predecessor entities since 1988. Member of the Management Committee	Vice Chairman of BlackRock, Inc. Head of the Portfolio Management Group. Also a member of the Management Committee, the Investment Strategy Group, the Fixed

	University of Science	1987-August 1993).	and Investment Strategy	
Visiting professor at Harvard s	and	Formerly	Group	Income and Global Operating
	Technology 1990-1993.			
Kennedy School of Government	From	U.S. Ambassador to Japan	of BlackRock, Inc. Formerly,	Committees and the Equity
	1978 to September			
and Harvard Business School,	1993, Dean	(1993-1996). Formerly Vice	Managing Director of Lehman	Investment Strategy Group.
	of the John E.	President of the United		
as well as the University of	Anderson	States,	Brothers, Inc. and Co-head of	Responsible for the portfolio
Chicago. Visiting scholar at the	Graduate School of	U.S. Senator and Attorney	its Mortgage and Savings	management of the Fixed
	Management,			
American Enterprise Institute in	University of	General of the State of	Institutions Group. Chairman	Income, Domestic Equity and
		Minnesota. 1984	and President of the	
Washington and member of	California.	Democratic	BlackRock	International Equity, Liquidity,
		Nominee for President of	Liquidity Funds and Director	
International Advisory Board of		the	of	and Alternative Investment
			several of BlackRock s	
the MBA Program of Ben-		United States.	alternative	Groups of BlackRock.
Gurion University. Deputy				
assis-			investment vehicles.	
tant secretary of the U.S.				
Treasury Department for Tax				
Policy 1991 1993. Chairman of				
the U.S. Council of Economic				
Advisers under the President of				
the United States 2001 2003.				

52	52	52	62	52

	Payden & Rygel			
Director of ADP, Dex Media,	Investment	Director of United Health	Member of the Visiting Board	Chairman of the Hope and
KKR Financial Corporation,	Trust, Metzler-Payden	Foundation and the Japan	of Overseers of the John F.	Heroes Children s Cancer
	Investment Trust,	Society. Member of the	Kennedy School of	
and Ripplewood Holdings.	Advisors	Hubert	Government	Fund. President of the Board
			at Harvard University, a	
Formerly on the advisory	Series Trust, Arena	H. Humphrey Institute of	member	of Directors of the Periwinkle
	Pharmaceuticals, Inc.	Public Affairs Advisory		
boards of the Congressional	and	Board,	of the board of the Financial	National Theatre for Young
	CancerVax			
Budget Office, the Council on	Corporation.	The Mike and Maureen	Institutions Center of The	Audiences. Director of
		Mansfield Foundation,		
Competitiveness, the American		Dean s	Wharton School of the	icruise.com, Corp.
Council on Capital Formation,		Board of Visitors of the	University of Pennsylvania, a	
the Tax Foundation and the		Medical School at the	trustee of the American	
		University of Minnesota,		
Center for Addiction and		and	Museum of Natural History, a	
		the Mayo Foundation	trustee of Trinity School in	
Substance Abuse. Trustee of		Advisory	New	
Fifth Avenue Presbyterian		Council to the President.	York City, a member of the	
			Board of Advisors of	
Church of New York.			Marujupu	
			LLC, and a trustee of New	

	Visions for Public Education and of The Public Theater in New York City. Formerly, a director of Pulte Corporation, the nation s largest homebuilder, a Trustee of Denison University and a member of Fannie Mae s Advisory Council.	
	Director and President of the Advisor	Director and Vice Chairman of the Advisor.

5 The Board is classified into three classes of which one class is elected annually. Each Trustee serves a three-year term concurrent with the class from which he is elected.

6 For Broad Investment Grade, Income Opportunity and Income Trust appointed Director on 08/11/94.

7 For Income Opportunity and Income Trust appointed Director on 06/19/92.

8 Except during the periods 08/12/93 through 04/15/97 and 10/31/02 through 11/11/02.

DIVIDEND REINVESTMENT PLANS

Pursuant to each Trust s respective Dividend Reinvestment Plan (the Plan), shareholders of Broad Investment Grade, Income Opportunity and Income Trust may elect, while shareholders of Core Bond, High Yield, Limited Duration and Strategic Bond are automatically enrolled, to have all distributions of dividends and capital gains reinvested by EquiServe Trust Company, N.A. (the Plan Agent) in the respective Trust s shares pursuant to the Plan. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent, which serves as agent for the shareholders in administering the Plan.

After Broad Investment Grade and/or Income Opportunity Trust declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants account, by the purchase of outstanding shares on the open market, on the Trust s primary exchange or elsewhere (open market purchases). The Trust will not issue any new shares under the Plan.

After Core Bond, High Yield, Income Trust, Limited Duration and/or Strategic Bond declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants account, depending upon the circumstances described below, either (i) through receipt of unissued but authorized shares from the Trust (newly issued shares) or (ii) by open market purchases. If, on the dividend payment date, the NAV is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as market premium), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participant s account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition being referred to herein as market discount), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases.

The Plan Agent s fees for the handling of the reinvestment of dividends and distributions will be paid by each Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent s open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any Federal income tax that may be payable on such dividends or distributions.

Each Trust reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, each Trust reserves the right to amend the Plan to include a service charge payable by the participants. Participants who request a sale of shares

through the Plan Agent are subject to a $2.50 sales fee and a $0.15 per share sold brokerage commisson. All correspondence concerning the Plan should be directed to the Plan Agent at 250 Royall Street, Canton, MA 02021 or (800) 699-1BFM.

ADDITIONAL INFORMATION

On August 25, 2004, BlackRock, Inc., the parent of BlackRock Advisors, Inc., the Trusts investment advisor, entered into an agreement with MetLife, Inc.® to acquire SSRM Holdings, Inc., the parent of State Street Research & Management Company, the investment advisor to the State Street Research mutual funds. Management believes there will be no impact to the Trusts as a result of this transaction.

Quarterly performance and other information regarding the Trusts may be found on BlackRock s website, which can be accessed at http://www.blackrock.com/funds/cefunds/index.html. This reference to BlackRock s website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended, to incorporate BlackRock s website into this report.

Certain of the officers of the Trusts listed on the inside back cover of this Report to Shareholders are also officers of the Advisor or Sub-Advisor. They serve in the following capacities for the Advisor or Sub-Advisor; Robert S. Kapito Director and Vice Chairman of the Advisor and the Sub-Advisor, Henry Gabbay and Anne Ackerley Managing Directors of the Advisor and the Sub-Advisor, Richard M. Shea and James Kong Managing Directors of the Sub-Advisor, Vincent B. Tritto Director of the Sub-Advisor, and Brian P. Kindelan Director of the Advisor

TAX INFORMATION

We wish to advise you as to the federal tax status of dividends paid by the Trusts during the fiscal year ended October 31, 2004.

During the fiscal year ended October 31, 2004, the Trusts paid dividends and distributions as follows:

Trust	Ordinary Income Per Share	Non-taxable Return of Capital per share	Long-term Capital Gains per share	Total
Broad Investment Grade (BCT)	$0.9000	$	$	$0.9000
Core Bond (BHK)	1.0886		0.0206	1.1092
High Yield (BHY)	0.9158	0.0292		0.9451
Income Opportunity (BNA)	0.8400			0.8400
Income Trust (BKT)	0.6109			0.6109
Limited Duration (BLW)	1.4996			1.4996
Strategic Bond (BHD)	1.6084			1.6084

Further, we wish to advise you that your income dividends do not qualify for the dividends received deduction.

For the purpose of preparing your 2004 annual federal income tax return, you should report the amounts as reflected on the appropriate Form 1099 DIV which will be mailed to you in January 2005.

(This page intentionally left blank)

BlackRock Closed-End Funds

Directors/Trustees

Ralph L. Schlosstein, Chairman
Andrew F. Brimmer
Richard E. Cavanagh
Kent Dixon
Frank J. Fabozzi
R. Glenn Hubbard[1]
Robert S. Kapito
James Clayburn La Force, Jr.
Walter F. Mondale

Officers

Robert S. Kapito, President
Henry Gabbay, Treasurer
Bartholomew Battista, Chief Compliance Officer
Anne Ackerley, Vice President
Richard M. Shea, Vice President/Tax
James Kong, Assistant Treasurer
Vincent B. Tritto, Secretary
Brian P. Kindelan, Assistant Secretary

Investment Advisor

BlackRock Advisors, Inc.
100 Bellevue Parkway
Wilmington, DE 19809
(800) 227-7BFM

Sub-Advisor[2]

BlackRock Financial Management, Inc.
40 East 52nd Street
New York, NY 10022

Accounting Agent and Custodian

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

Transfer Agent

EquiServe Trust Company, N.A.
250 Royall Street
Canton, MA 02021
(800) 699-1BFM

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
200 Berkeley Street
Boston, MA 02116

Legal Counsel

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036

Legal Counsel – Independent Trustees

Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Trust shares. Statements and other information contained in this report are as dated and are subject to change.

BlackRock Closed-End Funds
c/o BlackRock Advisors, Inc.
100 Bellevue Parkway
Wilmington, DE 19809
(800) 227-7BFM

---

1 Appointed November 16, 2004.
2 For Core Bond, Limited Duration and Strategic Bond.

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact the Trusts at (800)699-1BFM.

The Trusts have delegated to the Advisor the voting of proxies relating to their voting securities pursuant to the Advisor's proxy voting policies and procedures. You may obtain a copy of these proxy voting policies and procedures, without charge, by calling (800) 699-1BFM. These policies and procedures are also available on the website of the Securities and Exchange Commission (the "Commission") at http://www.sec.gov.

Information on how proxies relating to the Trusts' voting securities were voted (if any) by the Advisor during the most recent 12-month period ended June 30th is available, upon request, by calling (800) 699-1BFM or on the website of the Commission at http://www.sec.gov.

The Trusts file their complete schedule of portfolio holdings for the first and third quarters of their respective fiscal years with the Commission on Form N-Q. Each Trust's Form N-Q will be available on the Commission's website at http://www.sec.gov. Each Trust's Form N-Q, when available, may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information regarding the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. Each Trust's Form N-Q, when available, may also be obtained, upon request, by calling (800) 699-1BFM.

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Trust shares. Statements and other information contained in this report are as dated and are subject to change.

CEF-ANN-3

Item 2. Code of Ethics.

(a) The Registrant has adopted a code of ethics (the "Code of Ethics") that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

(b) Not applicable.

(c) The Registrant has not amended its Code of Ethics during the period covered by the shareholder report presented in Item 1 hereto.

(d) The Registrant has not granted a waiver or an implicit waiver from a provision of its Code of Ethics during the period covered by the shareholder report presented in Item 1 hereto.

(e) Not applicable.

(f) The Registrant's Code of Ethics is attached as an Exhibit hereto.

Item 3. Audit Committee Financial Expert.

The Registrant's Board of Trustees has determined that it has two audit committee financial experts serving on its audit committee, each of whom is an "independent" Trustee: Dr. Andrew F. Brimmer and Mr. Kent Dixon. Under applicable securities laws, a person who is determined to be an audit committee financial expert will not be deemed an "expert" for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification of a person as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities that are greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and Board of Trustees in the absence of such designation or identification.

Item 4. Principal Accountant Fees and Services.

(a) Audit Fees. The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal accountant for the audit of the Registrant's annual financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years were $17,900 for the fiscal year ended October 31, 2004 and $18,100 for the fiscal year ended October 31, 2003.

(b) Audit-Related Fees. The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit of the Registrant□s financial statements and are not

---

reported above in Item 4(a) were $0 for the fiscal year ended October 31, 2004 and $0 for the fiscal year ended October 31, 2003. The nature of these services was attest services not required by statute or regulation, overhead and out-of-pocket expenses.

(c) Tax Fees. The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice and tax planning were $21,000 for the fiscal year ended October 31, 2004 and $26,600 for the fiscal year ended October 31, 2003. The nature of these services was federal, state and local income and excise tax return preparation and related advice and planning and miscellaneous tax advice.

(d) All Other Fees. There were no fees billed in each of the last two fiscal years for products and services provided by the principal accountant, other than the services reported above in Items 4(a) through (c).

(e) Audit Committee Pre-Approval Policies and Procedures

(1) The Registrant has polices and procedures (the "Policy") for the pre-approval by the Registrant's Audit Committee of Audit, Audit-Related, Tax and Other Services (as each is defined in the Policy) provided by the Trust's independent auditor (the "Independent Auditor") to the Registrant and other "Covered Entities" (as defined below). The term of any such pre-approval is 12 months from the date of pre-approval, unless the Audit Committee specifically provides for a different period. The amount of any such pre-approval is set forth in the appendices to the Policy (the "Service Pre-Approval Documents"). At its first meeting of each calendar year, the Audit Committee will review and re-approve the Policy and approve or re-approve the Service Pre-Approval Documents for that year, together with any changes deemed necessary or desirable by the Audit Committee. The Audit Committee may, from time to time, modify the nature of the services pre-approved, the aggregate level of fees pre-approved or both.

For the purposes of the Policy, "Covered Services" means (A) all engagements for audit and non-audit services to be provided by the Independent Auditor to the Trust and (B) all engagements for non-audit services related directly to the operations and financial reporting or the Trust to be provided by the Independent Auditor to any Covered Entity, "Covered Entities" means (1) the Advisor or (2) any entity controlling, controlled by or under common control with the Advisor that provides ongoing services to the Trust.

In the intervals between the scheduled meetings of the Audit Committee, the Audit Committee delegates pre-approval authority under this Policy to the Chairman of the Audit Committee (the "Chairman"). The Chairman shall report any pre-approval decisions under this Policy to the Audit Committee at its next scheduled meeting. At each scheduled meeting, the Audit Committee will review with the Independent Auditor the Covered Services pre-approved by the Chairman pursuant to delegated authority, if any, and the fees related thereto. Based on these reviews, the Audit Committee can modify, at its discretion, the pre-approval originally granted by the Chairman pursuant to delegated authority. This modification can be to the nature of services pre-approved, the aggregate level of fees approved, or both. Pre-approval of Covered Services by the Chairman pursuant to delegated authority is expected to be the exception rather than the rule and the

---

Audit Committee may modify or withdraw this delegated authority at any time the Audit Committee determines that it is appropriate to do so.

Fee levels for all Covered Services to be provided by the Independent Auditor and pre-approved under this Policy will be established annually by the Audit Committee and set forth in the Service Pre-Approval Documents. Any increase in pre-approved fee levels will require specific pre-approval by the Audit Committee (or the Chairman pursuant to delegated authority).

The terms and fees of the annual Audit services engagement for the Trust are subject to the specific pre-approval of the Audit Committee. The Audit Committee (or the Chairman pursuant to delegated authority) will approve, if necessary, any changes in terms, conditions or fees resulting from changes in audit scope, Trust structure or other matters.

In addition to the annual Audit services engagement specifically approved by the Audit Committee, any other Audit services for the Trust not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority.)

Audit-Related services are assurance and related services that are not required for the audit, but are reasonably related to the performance of the audit or review of the financial statements of the Registrant and, to the extent they are Covered Services, the other Covered Entities (as defined in the Joint Audit Committee Charter) or that are traditionally performed by the Independent Auditor. Audit-Related services that are Covered Services and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority).

The Audit Committee believes that the Independent Auditor can provide Tax services to the Covered Entities such as tax compliance, tax planning and tax advice without impairing the auditor□s independence. However, the Audit Committee will not permit the retention of the Independent Auditor in connection with a transaction initially recommended by the Independent Auditor, the sole business purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. Tax services that are Covered Services and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority).

All Other services that are covered and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority).

Requests or applications to provide Covered Services that require approval by the Audit Committee (or the Chairman pursuant to delegated authority) must be submitted to the Audit Committee or the Chairman, as the case may be, by both the Independent Auditor and the Chief Financial Officer of the respective Covered Entity, and must include a joint statement as to whether, in their view, (a) the request or application is consistent with the rules of the Securities and Exchange Commission ("SEC") on auditor independence and (b) the requested service is or is not a non-audit service prohibited by the SEC. A request or application submitted to the Chairman between scheduled meetings of the Audit Committee should include a discussion as to why approval is being sought prior to the next regularly scheduled meeting of the Audit Committee.

(2) None of the services described in each of Items 4(b) through (d) were approved by the audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not applicable.

(g) The aggregate non-audit fees billed by the Trust's accountant for services rendered to the Trust, the Advisor (except for any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) or any entity controlling, controlled by, or under common control with the Advisor that provides ongoing services to the registrant that directly impacted the Trust for each of the last two fiscal years were $21,000 for the fiscal year ended October 31, 2004 and $26,600 for the fiscal year ended October 31, 2003.

(h) Not applicable.

Item 5. Audit Committee of Listed Registrants.

The Registrant has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934. The audit committee of the Registrant is comprised of: Dr. Andrew F. Brimmer; Richard E. Cavanagh; Kent Dixon and Frank Fabozzi.

Item 6. Schedule of Investments.

The Registrant□s Schedule of Investments is included as part of the Report to Shareholders filed under Item 1 of this form.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

The Registrant has delegated the voting of proxies relating to its voting securities to its investment advisor, BlackRock Advisors, Inc. (the "Advisor") and its sub-advisor, BlackRock Financial Management, Inc. (the "Sub-Advisor"). The Proxy Voting Policies and Procedures of the Advisor and Sub-Advisor (the "Proxy Voting Policies") are attached as an Exhibit 99.PROXYPOL hereto.

Item 8. Portfolio Managers of Closed-End Management Investment Companies

Not applicable.

Item 9. Purchases of Equity Securities by Closed-End Management Companies and Affiliated Purchasers.

Not applicable.

Item 10. Submission of Matters to a Vote of Security Holders.

Not applicable.

Item 11. Controls and Procedures.

(a) The Registrant's principal executive officer and principal financial officer have evaluated the Registrant's disclosure controls and procedures as of a date within 90 days of this filing and have concluded that the Registrant s disclosure controls and procedures are effective, as of such date, in ensuring that information required to be disclosed by the registrant in this Form N-CSR was recorded, processed, summarized, and reported timely.

(b) The Registrant's principal executive officer and principal financial officer are aware of no changes in the Registrant's internal control over financial reporting that occurred during the Registrant's last fiscal half-year that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 12. Exhibits.

(a)(1) Code of Ethics attached as EX-99.CODE ETH.

(a)(2) Separate certifications of Principal Executive and Financial Officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 attached as EX-99.CERT.

(a)(3) Not applicable.

(b) Certification of Principal Executive and Financial Officers pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 furnished as EX-99.906CERT.

Proxy Voting Policies attached as EX-99.PROXYPOL.

SIGNATURES

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

(Registrant) BlackRock Broad Investment Grade 2009 Term Trust, Inc.

By: /s/ Henry Gabbay

_____

Name: Henry Gabbay
Title: Treasurer
Date: January 4, 2005

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

By: /s/ Robert S. Kapito

_____

Name: Robert S. Kapito
Title: Principal Executive Officer
Date: January 4, 2005

By: /s/ Henry Gabbay

_____

Name: Henry Gabbay
Title: Principal Financial Officer
Date: January 4, 2005