BLACKROCK INCOME TRUST INC
Form N-CSR
November 10, 2008

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 811-05542

Name of Fund: BlackRock Income Trust, Inc. (BKT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock Income Trust, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536.
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Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 08/31/2008

Date of reporting period: 11/01/2007 – 08/31/2008

Item 1 Report to Stockholders

EQUITIES FIXED INCOME REAL ESTATE LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

Annual Report

AUGUST 31, 2008

BlackRock Core Bond Trust (BHK)

BlackRock High Income Shares (HIS)

BlackRock High Yield Trust (BHY)

BlackRock Income Opportunity Trust, Inc. (BNA)

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BlackRock Limited Duration Income Trust (BLW)

BlackRock Strategic Bond Trust (BHD)

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A Letter to Shareholders

Dear Shareholder

It has been a tumultuous year for investors, marked by almost daily headlines related to the beleaguered housing market, rising food and energy prices, and the escalating credit crisis. The news took an extraordinarily heavy tone shortly after the close of this reporting period as the credit crisis boiled over and triggered unprecedented failures and consolidation in the financial sector, stoking fears of a market and economic collapse and prompting the largest government rescue plan since the Great Depression.

Through it all, the Federal Reserve Board (the Fed) has been aggressive in its attempts to restore order in financial markets. Key moves included slashing the target federal funds rate 325 basis points (3.25%) between September 2007 and April 2008 and providing numerous cash injections and lending programs. As the credit crisis took an extreme turn for the worse in September, the Fed, in concert with five other global central banks, cut interest rates by 50 basis points in a rare move intended to stave off worldwide economic damage from the intensifying financial market turmoil. The U.S. economy managed to grow at a slow-but-positive pace through the second quarter of the year, though the recent events almost certainly portend a global economic recession.

Against this backdrop, U.S. stocks experienced intense volatility (steep declines and quick recoveries), generally posting losses for the current reporting period. Small-cap stocks fared significantly better than their larger counterparts. Non-U.S. markets followed the U.S. on the way down and, notably, decelerated at a faster pace than domestic equities a stark reversal of recent years trends, when international stocks generally outpaced U.S. stocks.

Treasury securities also traded in a volatile fashion, but rallied overall (yields fell and prices correspondingly rose), as the broader flight-to-quality theme persisted. The yield on 10-year Treasury issues, which fell to 3.34% in March, climbed to the 4.20% range in mid-June as investors temporarily shifted out of Treasury issues in favor of riskier assets (such as stocks and other high-quality fixed income sectors), then declined again to 3.83% by period-end when credit fears resurfaced. Tax-exempt issues posted positive returns, but problems among municipal bond insurers and the collapse in the market for auction rate securities pressured the group throughout the course of the past year. Economic and financial market distress also dampened the performance of high yield issues, which were very volatile due to the macro factors noted above.

Overall, severe market instability resulted in mixed results for the major benchmark indexes:

Total returns as of August 31, 2008	**6-month**	**12-month**
U.S. equities (S&P 500 Index)	(2.57)%	(11.14)%
Small cap U.S. equities (Russell 2000 Index)	8.53	(5.48)
International equities (MSCI Europe, Australasia, Far East Index)	(10.18)	(14.41)
Fixed income (Lehman Brothers U.S. Aggregate Index)	0.18	5.86
Tax-exempt fixed income (Lehman Brothers Municipal Bond Index)	5.12	4.48
High yield bonds (Lehman Brothers U.S. Corporate High Yield 2% Issuer Capped Index)	0.74	(0.66)

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

Through periods of market turbulence, as ever, BlackRock s full resources are dedicated to the management of our clients assets. For our most current views on the economy and financial markets, we invite you to visit www.blackrock.com/funds. As always, we thank you for entrusting BlackRock with your investments, and we look forward to continuing to serve you in the months and years ahead.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

Trust Summary as of August 31, 2008

BlackRock Core Bond Trust

Investment Objective

BlackRock Core Bond Trust (BHK) (the Trust) seeks to provide high current income with the potential for capital appreciation.

Performance

For the 12 months ended August 31, 2008, the Trust returned (0.44)% based on market price and 1.87% based on net asset value (NAV). For the same period, the closed-end Lipper Corporate Debt Funds BBB-Rated category posted an average return of 0.76% on a NAV basis. All returns reflect reinvestment of dividends. The Trust s allocation to mortgage-backed securities (MBS) which comprised 43% of net assets as of August 31, 2008, benefited performance as MBS outperformed corporate bonds. Conversely, allocations to high yield and preferred securities detracted from performance. The Trust s lower leverage position versus its peers (about 24% of the portfolio as of August 31, 2008) also hurt performance.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on New York Stock Exchange:	BHK
Initial Offering Date:	November 27, 2001
Yield on Closing Market Price as of August 31, 2008 ($11.51):[1]	6.46%
Current Monthly Distribution per Share:[2]	$0.062
Current Annualized Distribution per Share:[2]	$0.744
Leverage as of August 31, 2008:[3]	24%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 The distribution is not constant and is subject to change.
3 As a percentage of total managed assets, which is the total assets of the 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 table below summarizes the changes in the Trust s market price and net asset value per share:

	8/31/08	10/31/07	Change	High	Low
Market Price	$ 11.51	$ 12.23	(5.89)%	$ 12.68	$ 11.06
Net Asset Value	$ 12.81	$ 13.63	(6.02)%	$ 13.77	$ 12.67

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

Portfolio Composition

	8/31/08	10/31/07

Corporate Bonds	47%	42%
U.S. Government Agency Mortgage-Backed Securities	18	38
Non-Government Agency Mortgage-Backed Securities	13	9
Asset-Backed Securities	9	4
U.S. Government Obligations	8	4
Preferred Securities	2	2
U.S. Government Agency Mortgage-Backed Securities- Collateralized Mortgage Obligations	2	1
Foreign Government Obligations	1	

Credit Quality Allocations[4]

Credit Rating	**8/31/08**	**10/31/07**
AAA/Aaa	7%	6%
AA/Aa	18	24
A/A	26	21
BBB/Baa	26	20
BB/Ba	5	7
B/B	13	16
CCC/Caa	4	6
Not Rated	1	

4 Using the higher of Standard & Poor s (S&P s) or Moody s Investors Service (Moody s) ratings.

Trust Summary as of August 31, 2008

BlackRock High Income Shares

Investment Objective

BlackRock High Income Shares (HIS) (the Trust) seeks to provide the highest current income and to a lesser extent capital appreciation, by investing in a diversified portfolio of below investment grade securities.

Performance

For the 12 months ended August 31, 2008, the Trust returned (11.04)% based on market price and (3.17)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of (14.03)% on a NAV basis. All returns reflect reinvestment of dividends. Amid considerable volatility in credit markets, the Trust s relative performance was aided by conservative positioning, with higher-than-normal credit quality, defensive sector positioning, an allocation to bank loans, and higher-than-normal cash balances. The Trust had much lower leverage (18% as of August 31, 2008) than most of its peers, which also aided relative performance. The Trust s discount to NAV, which widened from 13.4% to 15.7% during the period, accounts for the difference between performance based on price and performance based on NAV.

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Trust Information

Symbol on New York Stock Exchange:	HIS
Initial Offering Date:	August 10, 1988
Yield on Closing Market Price as of August 31, 2008 ($1.88):[1]	11.62%
Current Monthly Distribution per Share:[2]	$0.0182
Current Annualized Distribution per Share:[2]	$0.2184
Leverage as of August 31, 2008:[3]	18%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 The distribution is not constant and is subject to change.
3 As a percentage of total managed assets, which is the total assets of the 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 table below summarizes the changes in the Trust s market price and net asset value per share:

	8/31/08	12/31/07	Change	High	Low
Market Price	$ 1.88	$ 2.14	(12.15)%	$ 2.28	$ 1.84
Net Asset Value	$ 2.23	$ 2.47	(9.72)%	$ 2.47	$ 2.22

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

Portfolio Composition

	8/31/08	12/31/07
Corporate Bonds	86%	93%
Floating Rate Loan Interests	11	5
Preferred Securities	3	2

Credit Quality Allocations[4]

Credit Rating	8/31/08	12/31/07
BBB/Baa	4%	1%
BB/Ba	23	21
B/B	52	54
CCC/Caa	16	21
Not Rated	5	3

4 Using the higher of S&P s or Moody s ratings.

Trust Summary as of August 31, 2008

BlackRock High Yield Trust

Investment Objective

BlackRock High Yield Trust (BHY) (the Trust) seeks to provide high current income and to a lesser extent to seek capital appreciation by investing in a diversified portfolio of below investment grade securities.

Performance

For the 12 months ended August 31, 2008, the Trust returned (11.03)% based on market price and (3.16)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of (14.03)% on a NAV basis. All returns reflect reinvestment of dividends. Amid considerable volatility in credit markets, the Trust s relative performance was aided by conservative positioning, with higher-than-normal credit quality, defensive sector positioning, an allocation to bank loans, and higher-than-normal cash balances. The Trust had much lower leverage (12% as of August 31, 2008) than most of its peers, which also aided relative performance. The Trust s discount to NAV, which widened from 12.5% to 12.9% during the period, accounts for the difference between performance based on price and performance based on NAV.

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Trust Information

Symbol on New York Stock Exchange:	BHY
Initial Offering Date:	December 23, 1998
Yield on Closing Market Price as of August 31, 2008 ($5.96):[1]	10.27%
Current Monthly Distribution per Share:[2]	$0.051
Current Annualized Distribution per Share:[2]	$0.612
Leverage as of August 31, 2008:[3]	12%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 The distribution is not constant and is subject to change.
3 As a percentage of total managed assets, which is the total assets of the 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 table below summarizes the changes in the Trust s market price and net asset value per share:

	8/31/08	10/31/07	Change	High	Low
Market Price	$ 5.96	$ 6.92	(13.87)%	$ 7.21	$ 5.65
Net Asset Value	$ 6.84	$ 7.91	(13.53)%	$ 7.91	$ 6.82

The following unaudited charts show the ten largest industries and credit quality allocations of the Trust s corporate bond investments:

Ten Largest Industries[4]

	8/31/08	10/31/07
Media	13%	17%
Oil, Gas & Consumable Fuels	11	8
Wireless Telecommunications Services	6	5
Hotels, Restaurants & Leisure	6	6
Diversified Telecommunications Services	6	4
Independent Power Producers & Energy Traders	5	6
Metals & Mining	4	3
Diversified Financial Services	4	
Specialty Retail	3	4
Chemicals	3	5

4 For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine sector and industry sub-classification for reporting ease.

Credit Quality Allocations[4]

Credit Rating	8/31/08	10/31/07
BBB/Baa	6%	4%
BB/Ba	24	21
B	52	51
CCC/Caa	15	21
Not Rated	3	3

4 Using the higher of S&P s or Moody s ratings.

Trust Summary as of August 31, 2008

BlackRock Income Opportunity Trust

Investment Objective

BlackRock Income Opportunity Trust (BNA) (the Trust) seeks to provide current income and capital appreciation in a portfolio of primarily U.S. dollar-denominated securities.

Performance

For the 12 months ended August 31, 2008, the Trust returned 4.76% based on market price and 1.94% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds BBB-Rated category posted an average return of 0.76% on a NAV basis. All returns reflect reinvestment of dividends. The Trust s relative performance was aided by holdings in U.S. government agency mortgage-backed securities. Conversely, holdings in investment-grade financials, non-agency mortgage securities, high yield bonds and preferred securities detracted from results. The Trust had much lower leverage (22% as of August 31, 2008) than its peers, which also hurt performance. The Trust s discount to NAV, which narrowed modestly during the period, accounts for the difference between performance based on price and performance based on NAV.

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Trust Information

Symbol on New York Stock Exchange:	BNA
Initial Offering Date:	December 20, 1991
Yield on Closing Market Price as of August 31, 2008 ($9.82):[1]	6.23%
Current Monthly Distribution per Share:[2]	$0.051
Current Annualized Distribution per Share:[2]	$0.612
Leverage as of August 31, 2008:[3]	22%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 The distribution rate is not constant and is subject to change.
3 As a percentage of total managed assets, which is the total assets of the 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 table below summarizes the changes in the Trust s market price and net asset value per share:

	8/31/08	10/31/07	Change	High	Low
Market Price	$ 9.82	$ 10.19	(3.63)%	$ 10.50	$ 9.06
Net Asset Value	$ 10.35	$ 11.02	(6.08)%	$ 11.16	$ 10.20

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

Portfolio Composition

	8/31/08	10/31/07

Corporate Bonds	42%	38%
U.S. Government Agency Mortgage Backed Securities	15	34
Non-U.S. Government Agency Mortgage Backed Securities	14	9
U.S. Government Obligations	11	4
Asset-Backed Securities	10	7
U.S. Government and Agency Mortgage-Backed Securities - Collateralized Mortgage Obligations	3	5
Capital Trusts	4	
Foreign Government Obligations	1	
Trust Preferred		2
Municipal Bonds		1

Credit Quality Allocations[4]

Credit Rating	8/31/08	10/31/07
AAA/Aaa	8%	8%
AA/Aa	18	21
A/A	28	20
BBB/Baa	26	22
BB/Ba	5	6
B/B	12	17
CCC/Caa	3	6

4 Using the higher of S&P s or Moody s rating s.

Trust Summary as of August 31, 2008

BlackRock Income Trust Inc.

Investment Objective

BlackRock Income Trust Inc. (BKT) (the Trust) seeks to provide high monthly income while preserving capital by investing in a portfolio of mortgage-backed securities.

Performance

For the 12 months ended August 31, 2008, the Trust returned 6.59% based on market price and 11.98% based on NAV. For the same period, the closed-end Lipper U.S. Mortgage Funds category posted an average return of 1.41% on a NAV basis. All returns reflect reinvestment of dividends. The primary driver behind the Trust s relative outperformance was its large allocation to U.S. government agency mortgage-backed securities (MBS). Meanwhile, small allocations to non-agency MBS and other structured securities detracted from results. The Trust had much lower leverage during the period than its peers, which also hurt performance. The Trust s discount to NAV, which widened modestly during the period, accounts for the difference between performance based on price and performance based on NAV.

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Trust Information

Symbol on New York Stock Exchange:	BKT
Initial Offering Date:	July 22, 1988
Yield on Closing Market Price as of August 31, 2008 ($6.07):[1]	4.74%
Current Monthly Distribution per Share:[2]	$0.024
Current Annualized Distribution per Share:[2]	$0.288

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

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

The table below summarizes the changes in the Trust s market price and net asset value per share:

	8/31/08	10/31/07	Change	High	Low
Market Price	$ 6.07	$ 5.81	4.48%	$ 6.20	$ 5.23
Net Asset Value	$ 6.94	$ 6.53	6.28%	$ 7.05	$ 6.35

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

Portfolio Composition

	8/31/08	10/31/07
U.S. Government Agency Mortgage-Backed Securities	46%	51%
U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations	28	25
Non U.S. Government Agency Mortgage Backed Securities	18	12

U.S. Government and Agency Obligations	6	9
Asset-Backed Securities	2	2
Corporate Bonds		1

Trust Summary as of August 31, 2008

BlackRock Limited Duration Income Trust

Investment Objective

BlackRock Limited Duration Income Trust (BLW) (the Trust) seeks to provide current income and capital appreciation.

Performance

For the 12 months ended August 31, 2008, the Trust returned (7.37)% based on market price and 0.58% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of (14.03)% on a NAV basis. All returns reflect reinvestment of dividends. The Trust s allocations to high yield loans (58% of net assets as of August 31, 2008) and mortgage securities (21% as of August 31, 2008) benefited relative performance, as those sectors outperformed high yield bonds. The Trust was modestly leveraged (9% as of August 31, 2008) relative to its peers, which also aided relative performance. The Trust s discount to NAV, which widened from 9.9% to 12.8% during the period, accounts for the difference between performance based on price and performance based on NAV.

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Trust Information

Symbol on New York Stock Exchange:	BLW
Initial Offering Date:	July 30, 2003
Yield on Closing Market Price as of August 31, 2008 ($14.57):[1]	8.65%
Current Monthly Distribution per Share:[2]	$0.105
Current Annualized Distribution per Share:[2]	$1.260
Leverage as of August 31, 2008:[3]	9%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 The distribution is not constant and is subject to change.
3 As a percentage of total managed assets, which is the total assets of the 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 table below summarizes the Trust s market price and net asset value per share:

	8/31/08	10/31/07	Change	High	Low
Market Price	$ 14.57	$ 16.68	(12.65)%	$ 16.99	$ 13.60
Net Asset Value	$ 16.71	$ 18.52	(9.77)%	$ 18.52	$ 16.59

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

Portfolio Composition

	8/31/08	10/31/07

Floating Rate Loan Interests	46%	42%
Corporate Bonds	32	37
U.S. Government Agency Mortgage Backed Securities	16	16
U.S. Government and Agency Obligations	4	3
Foreign Government Obligations	2	2

Credit Quality Allocations[4]

Credit Rating	**8/31/08**	**10/31/07**
AAA/Aaa	7%	1%
A/A		4
BBB/Baa	14	8
BB/Ba	17	23
B/B	44	43
CCC/Caa	13	18
Not Rated	5	3

4 Using the higher of S&P s or Moody s rating s.

Trust Summary as of August 31, 2008

BlackRock Strategic Bond Trust

Investment Objective

BlackRock Strategic Bond Trust (BHD) (the Trust) seeks total return through high current income and capital appreciation.

Performance

For the 12 months ended August 31, 2008, the Trust returned (2.53)% based on market price and 1.49% based on NAV. For the same period, the closed-end Lipper General Bond Funds category posted an average return of 2.15% on a NAV basis. All returns reflect reinvestment of dividends. The Trust s allocation to high yield loans (5% of net assets as of August 31, 2008) hurt relative performance as the Trust is in a general bond fund category and high yield bonds underperformed investment-grade bonds. The Trust s discount to NAV, which widened modestly during the period, accounts for the difference between performance based on price and performance based on NAV.

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Trust Information

Symbol on New York Stock Exchange:	BHD
Initial Offering Date:	February 26, 2002
Yield on Closing Market Price as of August 31, 2008 ($10.85):[1]	8.52%
Current Monthly Distribution per Share:[2]	$0.077
Current Annualized Distribution per Share:[2]	$0.924
Leverage as of August 31, 2008:[3]	2%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 The distribution is not constant and is subject to change.
3 As a percentage of total management assets, which is the total assets of the Trust (including any assets attributable to any borrowing that maybe outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

The table below summarizes the changes in the Trust s market price and net asset value per share:

	8/31/08	10/31/07	Change	High	Low
Market Price	$ 10.85	$ 11.88	(8.67)%	$ 12.12	$ 10.48
Net Asset Value	$ 12.76	$ 13.80	(7.54)%	$ 13.82	$ 12.72

The following unaudited charts show the ten largest industries and credit quality allocations of the Trust s corporate bond investments:

Ten Largest Industries[3]

	8/31/08	10/31/07

Media	15%	22%
Diversified Telecommunications Services	10	8
Aerospace & Defense	7	8
Oil, Gas & Consumable Fuels	7	6
Wireless Telecommunications Services	5	3
Commercial Services & Supplies	4	5
Diversified Financial Services	4	2
Electric Utilities	3	4
Independent Power Producers & Energy Traders	3	
Specialty Retail	3	4
Hotels, Restaurants & Leisure		2

3 For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine sector and industry sub-classification for reporting ease.

Credit Quality Allocations[4]

Credit Rating	8/31/08	10/31/07
AAA/Aaa	%	1%
AA/Aa	4	4
A	18	17
BBB/Baa	18	15
BB/Ba	14	12
B	36	37
CCC/Caa	8	12
Not Rated	2	2

4 Using the higher of S&P s or Moody s rating s.

The Benefits and Risks of Leveraging

The Trusts may utilize leverage through borrowings or issuance of short-term debt securities. The concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each Trust on its longer-term portfolio investments. To the extent that the total assets of each Trust (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Trust s shareholders will benefit from the incremental yield.

Leverage creates risks for shareholders including the likelihood of greater NAV and market price volatility. In addition, there is the risk that fluctuations in interest rates on borrowings may reduce each Trust s yield and negatively impact its NAV and market price. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Trust s net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, the Trust s net income will be less than if leverage had not been used, and therefore the amount available for distribution to shareholders will be reduced.

Under the Investment Company Act of 1940, the Trusts are permitted to borrow through a credit facility and the issuance of short-term debt securities up to $33^1/_3$% of total managed assets. As of August 31, 2008, the Trusts had outstanding leverage from short-term debt securities or credit facility borrowings as a percentage of total managed assets as follows:

	Percent of Leverage
BlackRock Core Bond Trust	24%
BlackRock High Income Shares	18%
BlackRock High Yield Trust	12%
BlackRock Income Opportunity Trust	22%
BlackRock Limited Duration Income Trust, Inc.	9%
BlackRock Strategic Bond Trust	2%

Swap Agreements

The Trusts may invest in swap agreements, which are over-the-counter contracts in which one party agrees to make periodic payments based on the change in market value of a specified bond, basket of bonds, or index in return for periodic payments based on a fixed or variable interest rate or the change in market value of a different bond, basket of bonds or index. Swap agreements may be used to obtain exposure to a bond or market without owning or taking physical custody of securities. Swap agreements involve the risk that the party with whom the Trusts have entered into a swap will default on its obligation to pay the Trusts and the risk that the Trusts will not be able to meet their obligations to pay the other party to the agreement.

Schedule of Investments August 31, 2008

BlackRock Core Bond Trust (BHK)
(Percentages shown are based on Net Assets)

Asset-Backed Securities		Par (000)		Value
American Express Issuance Trust Series 2008-2 Class A, 4.02%, 1/18/11	USD	2,580	$	2,584,864
Bank of America Credit Card Trust Series 2008-A9 Class A9, 4.07%, 7/16/12		2,485		2,492,806
Chase Issuance Trust:				
Series 2007-A17 Class A, 5.12%, 10/15/14		2,300		2,294,002
Series 2008-A9 Class A9, 4.26%, 5/15/13		2,525		2,499,894
Chase Manhattan Auto Owner Trust Series 2005-B Class A4, 4.88%, 6/15/12		2,469		2,482,893
Citibank Credit Card Issuance Trust Series 2006-A2 Class A2, 4.85%, 2/10/11		2,825		2,841,499
Citibank Omni Master Trust Series 2007-A9A Class A9, 3.571%, 12/23/13 (a)		2,720		2,720,638
Daimler Chrysler Auto Trust Series 2006-A Class A3, 5%, 5/08/10		878		883,046
Ford Credit Auto Owner Trust Series 2006-A Class A4, 5.07%, 12/15/10		2,850		2,839,728
Harley-Davidson Motorcycle Trust Series 2005-2 Class A2, 4.07%, 2/15/12		1,524		1,526,441
Home Equity Asset Trust Series 2007-2 Class 2A1, 2.582%, 7/25/37 (a)		842		771,735
JPMorgan Mortgage Acquisition Corp. Series 2007-CH5 Class A3, 2.582%, 6/25/37 (a)		3,635		3,118,721
MBNA Credit Card Master Note Trust Series 2006-A1 Class A1, 4.90%, 7/15/11		2,825		2,842,981
SLM Student Loan Trust (a):				
Series 2005-5 Class A1, 2.80%, 1/25/18		289		288,343
Series 2008-5 Class A2, 3.90%, 10/25/16		3,200		3,203,840
Series 2008-5 Class A3, 4.10%, 1/25/18		810		827,018
Series 2008-5 Class A4, 4.50%, 7/25/23		2,180		2,244,572
Small Business Administration Class 1:				
Series 2003-P10B, 5.136%, 8/10/13		888		882,117
Series 2004-P10B, 4.754%, 8/10/14		519		500,854
Sterling Bank Trust Series 2004-2 Class Note, 2.081%, 3/30/30 (b)		7,226		270,967
Sterling Coofs Trust Series 1, 2.362%, 4/15/29 (b)		9,987		808,315
USAA Auto Owner Trust Series 2006-1 Class A4, 5.04%, 12/15/11		2,725		2,751,427
Total Asset-Backed Securities 12.0%				41,676,701

Corporate Bonds		
Aerospace & Defense 1.2%		
CHC Helicopter Corp., 7.375%, 5/01/14	405	421,200
DRS Technologies, Inc.:		
6.875%, 11/01/13	70	70,875
7.625%, 2/01/18	80	84,200
Hexcel Corp., 6.75%, 2/01/15	140	135,800
Honeywell International, Inc., 5.70%, 3/15/37	975	907,664
Northrop-Grumman Corp., 7.875%, 3/01/26	960	1,122,810
TransDigm, Inc., 7.75%, 7/15/14	120	116,700

United Technologies Corp., 4.875%, 5/01/15		1,125		1,129,653
				3,988,902
Air Freight & Logistics 0.5%				
Park-Ohio Industries, Inc., 8.375%, 11/15/14		120		99,000
United Parcel Service, Inc., 6.20%, 1/15/38		1,650		1,660,996
				1,759,996
Airlines 0.0%				
American Airlines, Inc. Series 99-1, 7.324%, 4/15/11		115		104,650
Auto Components 0.1%				
Lear Corp., 8.75%, 12/01/16		250		188,125
Metaldyne Corp., 10%, 11/01/13		250		67,500
				255,625

Corporate Bonds		Par (000)		Value
Automobiles 0.2%				
Ford Capital BV, 9.50%, 6/01/10	USD	600	$	499,500
Building Products 0.1%				
CPG International I, Inc., 10.50%, 7/01/13		200		154,000
Momentive Performance Materials, Inc., 11.50%, 12/01/16		405		315,900
				469,900
Capital Markets 2.7%				
The Goldman Sachs Group, Inc., 6.75%, 10/01/37		975		857,857
Lehman Brothers Holdings, Inc.:				
4.476%, 9/15/22 (a)		525		485,881
Series MTN, 7%, 9/27/27		1,250		1,114,613
Morgan Stanley:				
3.041%, 1/09/12 (a)		1,340		1,213,564
6.25%, 8/28/17		1,700		1,547,328
6.25%, 8/09/26		525		448,993
Series F, 5.55%, 4/27/17		1,375		1,207,063
UBS AG Series DPNT, 5.875%, 12/20/17 (d)		2,575		2,510,275
				9,385,574
Chemicals 0.7%				
American Pacific Corp., 9%, 2/01/15		250		242,500
Ames True Temper, Inc., 6.791%, 1/15/12 (a)		650		520,000
Huntsman LLC, 11.50%, 7/15/12		66		68,970
Ineos Group Holdings Plc, 7.875%, 2/15/16 (e)	EUR	285		257,137
Innophos, Inc., 8.875%, 8/15/14	USD	885		907,125
Key Plastics LLC, 11.75%, 3/15/13 (e)		515		180,250
Terra Capital, Inc. Series B, 7%, 2/01/17		80		77,800
				2,253,782
Commercial Banks 2.8%				
DEPFA ACS Bank, 5.125%, 3/16/37 (e)		3,775		3,583,702
HBOS Treasury Services Plc, 3.75%, 9/30/08 (e)		825		824,073
HSBC Bank USA NA, 5.875%, 11/01/34		775		679,165
HSBC Finance Corp., 6.50%, 5/02/36		300		276,934

SunTrust Bank Series CD, 4.415%, 6/15/09	1,265	1,271,321
SunTrust Banks, Inc., 4%, 10/15/08	995	994,955
Wachovia Bank NA, 6.60%, 1/15/38	1,925	1,508,139
Wells Fargo & Co., 4.875%, 1/12/11	435	442,144
		9,580,433
Commercial Services & Supplies 0.7%		
DI Finance Series B, 9.50%, 2/15/13	598	593,515
Sally Holdings LLC, 10.50%, 11/15/16	281	282,405
Waste Services, Inc., 9.50%, 4/15/14	590	595,900
West Corp., 11%, 10/15/16	1,100	860,750
		2,332,570
Communications Equipment 0.2%		
Nortel Networks Ltd., 7.041%, 7/15/11 (a)	670	621,425
Computers & Peripherals 0.9%		
International Business Machines Corp., 5.70%, 9/14/17 (d)	3,125	3,186,759
Consumer Finance 0.1%		
SLM Corp. Series A, 3.10%, 1/27/14 (a)	550	436,128
Containers & Packaging 0.7%		
Berry Plastics Holding Corp., 8.875%, 9/15/14	95	78,850
Crown Americas LLC, 7.75%, 11/15/15	150	153,750
Impress Holdings BV, 5.916%, 9/15/13 (a)(e)	300	270,000
Owens-Brockway Glass Container, Inc., 8.25%, 5/15/13	1,500	1,545,000
Pregis Corp., 12.375%, 10/15/13	545	520,475
		2,568,075

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Diversified Financial Services 7.1%				
Bank of America Corp.:				
6%, 9/01/17	USD	1,590	$	1,513,550
5.75%, 12/01/17		1,355		1,264,028
Bank of America NA, 6.10%, 6/15/17 (h)		1,975		1,894,600
Citigroup, Inc.:				
3.625%, 2/09/09 (f)		3,950		3,943,348
4.25%, 7/29/09 (d)		1,020		1,019,253
4.125%, 2/22/10 (f)(h)		4,790		4,745,031
6.875%, 2/15/98		525		454,043
Ford Motor Credit Co. LLC:				
5.538%, 1/13/12 (a)		125		92,288
7.80%, 6/01/12		340		252,506
General Electric Capital Corp.:				
6.15%, 8/07/37 (d)		6,855		6,500,836
5.875%, 1/14/38		1,525		1,373,163
JPMorgan Chase & Co. 6%, 1/15/18		125		121,048
Structured Asset Repackaged Trust, 3.761%, 1/21/10		1,510		1,462,908
				24,636,602
Diversified Telecommunication Services 5.9%				
AT&T, Inc.:				
6.45%, 6/15/34		780		745,271
6.50%, 9/01/37 (d)		2,875		2,767,090
6.30%, 1/15/38		600		565,778
Bellsouth Telecommunications, Inc., 6.027%, 12/15/95 (g)		1,700		844,274
Cincinnati Bell, Inc., 7.25%, 7/15/13		210		201,863
Comcast Cable Holdings LLC, 7.875%, 8/01/13		10		10,882
Deutsche Telekom International Finance BV,				
5.75%, 3/23/16 (d)		3,000		2,882,088
Qwest Communications International, Inc. 7.50%, 2/15/14		180		163,800
Qwest Corp., 6.026%, 6/15/13 (a)		470		434,750
Telecom Italia Capital SA:				
4.95%, 9/30/14		1,075		974,160
6%, 9/30/34		1,550		1,263,092
Telefonica Emisiones SAU, 7.045%, 6/20/36		1,975		2,005,496
Telefonica Europe BV, 7.75%, 9/15/10		725		764,287
Verizon Communications, Inc., 6.40%, 2/15/38 (h)		2,125		1,977,215
Verizon Global Funding Corp., 7.75%, 12/01/30		70		74,485
Verizon Maryland, Inc. Series B, 5.125%, 6/15/33		125		96,769
Verizon New Jersey, Inc.:				
5.875%, 1/17/12		335		340,621
7.85%, 11/15/29		230		239,239
Verizon Virginia, Inc. Series A, 4.625%, 3/15/13 (d)(e)		3,150		3,031,941
Wind Acquisition Finance SA, 10.75%, 12/01/15 (e)		350		358,750
Windstream Corp.:				
8.125%, 8/01/13		500		495,000
8.625%, 8/01/16		230		227,700
				20,464,551
Electric Utilities 3.7%				
Duke Energy Carolinas LLC:				
6.10%, 6/01/37		315		299,916

6%, 1/15/38		825		798,632
E.ON International Finance BV, 6.65%, 4/30/38 (e)		1,525		1,547,073
EDP Finance BV, 6%, 2/02/18 (e)		1,125		1,115,850
Edison Mission Energy, 7.50%, 6/15/13		115		115,288
Elwood Energy LLC, 8.159%, 7/05/26		116		109,396
Florida Power & Light Co., 4.95%, 6/01/35		950		816,975
Florida Power Corp., 6.40%, 6/15/38		875		890,389
Midwest Generation LLC Series B, 8.56%, 1/02/16		75		77,574
PacifiCorp., 6.25%, 10/15/37		575		558,607
Progress Energy Florida, Inc., 6.35%, 9/15/37		1,325		1,339,408
Public Service Co. of Colorado, 6.25%, 9/01/37		1,200		1,205,120

Corporate Bonds		**Par (000)**		**Value**
Electric Utilities (concluded)				
Southern California Edison Co.:				
5.625%, 2/01/36	USD	625	$	592,984
Series 05-E, 5.35%, 7/15/35		125		114,091
Series 08-A, 5.95%, 2/01/38		1,075		1,066,372
The Toledo Edison Co., 6.15%, 5/15/37		350		303,055
Virginia Electric and Power Co. Series A, 6%, 5/15/37		2,000		1,890,772
				12,841,502
Electrical Equipment 0.3%				
Superior Essex Communications LLC, 9%, 4/15/12		945		987,525
Electronic Equipment & Instruments 0.3%				
Sanmina-SCI Corp., 8.125%, 3/01/16		1,190		1,073,975
Energy Equipment & Services 0.6%				
Compagnie Generale de Geophysique-Veritas:				
7.50%, 5/15/15		55		54,725
7.75%, 5/15/17		90		89,550
Grant Prideco, Inc. Series B, 6.125%, 8/15/15		80		77,755
North American Energy Partners, Inc., 8.75%, 12/01/11		85		84,575
Transocean, Inc., 6.80%, 3/15/38		1,100		1,097,461
Weatherford International, Inc., 6.80%, 6/15/37		625		619,455
				2,023,521
Food & Staples Retailing 1.4%				
CVS Caremark Corp., 6.25%, 6/01/27		775		736,402
The Pantry, Inc., 7.75%, 2/15/14		1,000		835,000
Rite Aid Corp., 7.50%, 3/01/17		695		576,850
Wal-Mart Stores, Inc.:				
6.50%, 8/15/37		1,900		1,945,089
6.20%, 4/15/38		850		840,835
				4,934,176
Food Products 0.4%				
Kraft Foods, Inc., 7%, 8/11/37		1,455		1,447,751
Gas Utilities 0.2%				
El Paso Natural Gas Co.:				
8.625%, 1/15/22		265		291,788
8.375%, 6/15/32		225		248,850
Targa Resources, Inc., 8.50%, 11/01/13		320		304,000
				844,638

Health Care Equipment & Supplies 0.6%		
Biomet, Inc.:		
10.375%, 10/15/17 (i)	340	358,700
11.625%, 10/15/17	340	357,425
DJO Finance LLC, 10.875%, 11/15/14	1,380	1,383,450
		2,099,575
Health Care Providers & Services 0.5%		
Tenet Healthcare Corp., 6.50%, 6/01/12	1,020	986,850
UnitedHealth Group, Inc., 5.80%, 3/15/36	870	705,586
WellPoint, Inc., 5.95%, 12/15/34	85	73,243
		1,765,679
Hotels, Restaurants & Leisure 1.5%		
American Real Estate Partners LP:		
8.125%, 6/01/12	3,165	2,947,406
7.125%, 2/15/13	320	279,600
Circus and Eldorado Joint Venture, 10.125%, 3/01/12	1,000	915,000
Gaylord Entertainment Co., 6.75%, 11/15/14	150	130,875
Greektown Holdings, LLC, 10.75%, 12/01/13 (e)(j)	315	237,825
Harrah s Operating Co., Inc., 10.75%, 2/01/18 (e)(i)	880	519,774
Seneca Gaming Corp. Series B, 7.25%, 5/01/12	260	232,050
Wynn Las Vegas LLC, 6.625%, 12/01/14	40	36,450
		5,298,980

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Household Durables 0.7%				
Belvoir Land LLC Series A-1, 5.27%, 12/15/47	USD	350	$	256,498
Irwin Land LLC:				
Series A-1, 5.03%, 12/15/25		525		457,044
Series A-2, 5.40%, 12/15/47		1,500		1,211,730
Ohana Military Communities LLC Series 04I,				
6.193%, 4/01/49		350		322,063
				2,247,335
Household Products 0.3%				
Kimberly-Clark, Corp., 6.625%, 8/01/37		850		895,861
IT Services 0.4%				
iPayment, Inc., 9.75%, 5/15/14		240		201,000
iPayment Investors LP, 12.75%, 7/15/14 (e)(i)		904		897,607
SunGard Data Systems, Inc., 9.125%, 8/15/13		205		208,075
				1,306,682
Independent Power Producers & Energy Traders 0.1%				
NRG Energy, Inc.:				
7.25%, 2/01/14		50		49,312
7.375%, 2/01/16		285		281,437
				330,749
Industrial Conglomerates 0.6%				
Sequa Corp. (e):				
11.75%, 12/01/15		690		607,200
13.50%, 12/01/15 (i)		1,644		1,338,995
				1,946,195
Insurance 2.6%				
Berkshire Hathaway Finance Corp., 4.75%, 5/15/12		1,075		1,093,455
Chubb Corp., 6%, 5/11/37		1,100		974,401
Hartford Life Global Funding Trusts, 2.946%, 9/15/09 (a)		925		921,618
MetLife, Inc., 5.70%, 6/15/35		1,525		1,315,315
Metropolitan Life Global Funding I, 4.25%, 7/30/09 (e)		1,150		1,140,706
Monument Global Funding Ltd., 2.646%, 6/16/10 (a)		1,810		1,795,071
New York Life Global Funding, 3.875%, 1/15/09 (e)		850		851,380
Prudential Financial, Inc.:				
5.70%, 12/14/36		675		548,496
Series D, 5.90%, 3/17/36		500		420,500
				9,060,942
Machinery 0.3%				
AGY Holding Corp., 11%, 11/15/14		360		334,800
Accuride Corp., 8.50%, 2/01/15		265		170,925
Sunstate Equipment Co. LLC, 10.50%, 4/01/13 (e)		950		693,500

				1,199,225
Marine 0.3%				
Nakilat, Inc. Series A, 6.067%, 12/31/33 (e)		1,050		916,828
Navios Maritime Holdings, Inc., 9.50%, 12/15/14		141		134,655
				1,051,483
Media 6.0%				
Affinion Group, Inc., 10.125%, 10/15/13		695		684,575
CMP Susquehanna Corp., 9.875%, 5/15/14		645		403,125
Cablevision Systems Corp. Series B, 7.133%, 4/01/09 (a)		180		180,900
Charter Communications Holdings I, LLC, 11%, 10/01/15		175		134,313
Charter Communications Holdings II, LLC, 10.25%, 9/15/10		1,450		1,391,350
Comcast Cable Holdings LLC, 7.125%, 2/15/28		200		194,967
Comcast Corp.:				
6.50%, 1/15/17		1,750		1,765,076
6.50%, 11/15/35		625		588,010
6.45%, 3/15/37		790		728,613
6.95%, 8/15/37		25		24,397
DirecTV Holdings LLC, 8.375%, 3/15/13		125		129,375
EchoStar DBS Corp.:				
5.75%, 10/01/08		175		175,000
7%, 10/01/13		43		40,850
7.125%, 2/01/16		75		69,000

Corporate Bonds		**Par (000)**		**Value**
Media (concluded)				
Network Communications, Inc., 10.75%, 12/01/13	USD	155	$	111,406
News America Holdings, Inc.:				
7.70%, 10/30/25		825		885,343
8.45%, 8/01/34		625		710,362
News America, Inc., 7.625%, 11/30/28		985		1,045,827
Nielsen Finance LLC, 10%, 8/01/14		965		977,062
R.H. Donnelley Corp., 11.75%, 5/15/15 (e)		1,720		1,264,200
Rainbow National Services LLC (e):				
8.75%, 9/01/12		200		204,000
10.375%, 9/01/14		943		1,003,116
TCI Communications, Inc., 7.875%, 2/15/26		610		641,780
TL Acquisitions, Inc., 10.50%, 1/15/15 (b)		1,000		855,000
Time Warner Cable, Inc., 7.30%, 7/01/38		2,525		2,537,188
Time Warner Cos., Inc.:				
7.57%, 2/01/24 (d)		3,040		3,078,912
6.95%, 1/15/28		70		66,515
6.625%, 5/15/29		90		82,319
Time Warner, Inc.:				
7.625%, 4/15/31		205		205,128
7.70%, 5/01/32		85		85,746
Windstream Regatta Holdings, Inc., 11%, 12/01/17 (e)		823		477,340
				20,740,795
Metals & Mining 1.5%				
AK Steel Corp., 7.75%, 6/15/12		995		1,017,388
Falconbridge Ltd.:				
6%, 10/15/15		825		782,225
6.20%, 6/15/35		1,250		1,021,918
Freeport-McMoRan Copper & Gold, Inc.:				
5.883%, 4/01/15 (a)		490		491,294
8.375%, 4/01/17		790		837,400
Teck Cominco Ltd., 6.125%, 10/01/35		1,430		1,156,347

		5,306,572
Multi-Utilities 0.6%		
DTE Energy Co., 6.35%, 6/01/16	725	722,112
Energy East Corp., 6.75%, 7/15/36	1,500	1,433,321
		2,155,433
Oil, Gas & Consumable Fuels 5.5%		
Amerada Hess Corp., 7.125%, 3/15/33	425	453,535
Anadarko Petroleum Corp., 6.45%, 9/15/36	2,350	2,159,901
Berry Petroleum Co., 8.25%, 11/01/16	140	133,700
Burlington Resources Finance Co., 7.40%, 12/01/31	875	1,000,894
Canadian Natural Resources, Ltd.:		
6.25%, 3/15/38	375	345,397
6.75%, 2/01/39	1,025	1,008,277
Chaparral Energy, Inc., 8.50%, 12/01/15	320	278,400
Chesapeake Energy Corp., 6.375%, 6/15/15	150	139,500
Compton Petroleum Finance Corp., 7.625%, 12/01/13	115	107,956
Conoco Funding Co., 7.25%, 10/15/31	125	144,044
ConocoPhillips Canada Funding Co., 5.95%, 10/15/36	535	534,959
ConocoPhillips Holding Co., 6.95%, 4/15/29	650	711,039
Devon Energy Corp., 7.95%, 4/15/32	625	723,520
EXCO Resources, Inc., 7.25%, 1/15/11	130	128,700
EnCana Corp.:		
6.50%, 8/15/34	670	639,512
6.625%, 8/15/37	700	666,086
6.50%, 2/01/38	325	304,522
Encore Acquisition Co., 6%, 7/15/15	40	34,900
MidAmerican Energy Co., 5.80%, 10/15/36	700	635,538
MidAmerican Energy Holdings Co.:		
5.95%, 5/15/37	800	741,258
6.50%, 9/15/37	1,525	1,521,396

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Oil, Gas & Consumable Fuels (concluded)				
Nexen, Inc., 6.40%, 5/15/37	USD	550	$	493,311
OPTI Canada, Inc., 8.25%, 12/15/14		450		449,437
Pemex Project Funding Master Trust, 9.375%, 12/02/08		833		846,578
Sabine Pass LNG LP, 7.50%, 11/30/16		330		288,750
Suncor Energy, Inc., 6.50%, 6/15/38		645		617,336
TransCanada PipeLines Ltd., 5.85%, 3/15/36		550		472,153
Valero Energy Corp., 6.625%, 6/15/37		495		436,762
Whiting Petroleum Corp.:				
7.25%, 5/01/12		40		38,600
7.25%, 5/01/13		335		321,600
XTO Energy, Inc.:				
6.75%, 8/01/37		1,925		1,815,643
6.375%, 6/15/38		900		811,318
				19,004,522
Paper & Forest Products 0.5%				
Bowater, Inc., 5.776%, 3/15/10 (a)		80		65,600
Domtar Corp., 7.125%, 8/15/15		60		57,900
NewPage Corp., 10%, 5/01/12		1,625		1,576,250
				1,699,750
Pharmaceuticals 1.9%				
Bristol-Myers Squibb Co., 5.875%, 11/15/36		340		321,443
Eli Lilly & Co., 5.55%, 3/15/37 (d)		2,275		2,167,056
Schering-Plough Corp., 6.55%, 9/15/37		1,125		1,073,429
Teva Pharmaceutical Finance LLC, 6.15%, 2/01/36		1,445		1,301,207
Wyeth:				
6%, 2/15/36		675		663,386
5.95%, 4/01/37		925		888,195
				6,414,716
Professional Services 0.0%				
FTI Consulting, Inc., 7.75%, 10/01/16		100		103,750
Real Estate Investment Trusts (REITs) 0.1%				
AvalonBay Communities, Inc., 6.625%, 9/15/11		350		354,416
Road & Rail 0.1%				
Canadian National Railway Co., 6.25%, 8/01/34		350		350,064
Semiconductors & Semiconductor Equipment 0.1%				
Amkor Technology, Inc.:				
7.75%, 5/15/13		80		75,000
9.25%, 6/01/16		85		82,025
Freescale Semiconductor, Inc.:				
8.875%, 12/15/14		120		97,200
9.125%, 12/15/14 (i)		290		226,200
				480,425

Software 0.7%				
BMS Holdings, Inc., 10.595%, 2/15/12 (a)(e)(i)		107		64,117
Oracle Corp., 5.75%, 4/15/18 (d)		2,225		2,231,343
				2,295,460
Specialty Retail 0.9%				
AutoNation, Inc.:				
4.791%, 4/15/13 (a)		150		123,750
7%, 4/15/14		150		129,750
General Nutrition Centers, Inc.:				
7.199%, 3/15/14 (h)		500		411,745
10.75%, 3/15/15		400		347,000
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12		314		157,000
Michaels Stores, Inc.:				
10%, 11/01/14		380		285,000
11.375%, 11/01/16		110		70,400
Sonic Automotive, Inc. Series B, 8.625%, 8/15/13		2,100		1,617,000
				3,141,645

Corporate Bonds		Par (000)		Value
Textiles, Apparel & Luxury Goods 0.0%				
Quiksilver, Inc., 6.875%, 4/15/15	USD	175	$	140,438
Wireless Telecommunication Services 1.8%				
Cricket Communications, Inc., 9.375%, 11/01/14		100		99,125
Digicel Group Ltd. (e):				
8.875%, 1/15/15		240		225,312
9.125%, 1/15/15 (i)		560		506,100
MetroPCS Wireless, Inc., 9.25%, 11/01/14		80		79,300
Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (e)		770		741,125
Rogers Communications, Inc., 7.50%, 8/15/38		1,150		1,180,882
Sprint Capital Corp., 6.875%, 11/15/28		915		777,750
Vodafone Group Plc, 7.75%, 2/15/10 (d)		2,504		2,619,850
				6,229,444
Total Corporate Bonds 58.4%				202,317,696

Foreign Government Obligations				
Bundesrepublik Deutschland Series 07, 4.25%, 7/04/39	EUR	1,290		1,792,363
France Government Bond, 3.15%, 7/25/32		584		1,012,228
Israel Government AID Bond:				
5.50%, 4/26/24	USD	825		886,652
5.50%, 9/18/33		845		915,864
Total Foreign Government Obligations 1.3%				4,607,107

Non-Government Agency Mortgage-Backed Securities

Collateralized Mortgage Obligations 4.3%

American Home Mortgage Assets Series 2006-6 Class A1A, 2.662%, 12/25/46 (a)	354	215,452
Bear Stearns Adjustable Rate Mortgage Series 2004-8 Class 14A1, 5.473%, 11/25/34 (a)	784	722,161
Citigroup Mortgage Loan Trust, Inc. Series 2005-4 Class A, 5.344%, 8/25/35 (a)	718	630,949
Countrywide Alternative Loan Trust:		
Series 2005-64CB Class 1A15, 5.50%, 12/25/35	1,600	1,111,486
Series 2006-01A0 Class 1A1, 4.039%, 8/25/46 (a)	367	231,107
Series 2006-0A19 Class A1, 2.651%, 2/20/47 (a)	532	329,143
Series 2006-0A21 Class A1, 2.661%, 3/20/47 (a)	979	609,134
Countrywide Home Loan Mortgage Pass-Through Trust Series 2006-0A5 Class 2A1, 2.672%, 4/25/46 (a)	424	257,664
Deutsche Alt-A Securities, Inc. Alternate Loan Trust:		
Series 2003-3 Class 2A1, 5.50%, 10/25/33	1,300	1,076,968
Series 2006-0A1 Class A1, 2.672%, 2/25/47 (a)	518	328,640
GSR Mortgage Loan Trust (a):		
Series 2005-AR4 Class 6A1, 5.25%, 7/25/35	717	655,080
Series 2006-0A1 Class 2A1, 2.662%, 8/25/46	1,096	756,121
Harborview Mortgage Loan Trust Series 2006-9 Class 2A1A, 2.676%, 11/19/36 (a)	733	447,191
Homebanc Mortgage Trust Series 2006-2 Class A1, 2.652%, 12/25/36 (a)	1,099	730,074
Maryland Insurance Backed Securities Trust Series 2006-1A, 5.55%, 12/10/65	2,500	1,750,000
Merrill Lynch Mortgage Investors, Inc. Series 2006-A3 Class 3A1, 5.823%, 5/25/36 (a)(k)	1,045	678,964
Structured Asset Securities Corp. Series 2002-AL1 Class A2, 3.45%, 2/25/32	2,096	1,738,939
WaMu Mortgage Pass Through Certificates (a):		
Series 2005-AR10 Class 1A3, 4.834%, 9/25/35	1,800	1,589,221
Series 2007-0A4 Class 1A, 3.849%, 5/25/47	501	300,468
Series 2007-0A5 Class 1A, 3.829%, 6/25/47	860	583,748
		14,742,510

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)
(Percentages shown are based on Net Assets)

Non-Government Agency Mortgage-Backed Securities		Par (000)		Value
Commercial Mortgage-Backed Securities 12.7%				
Banc of America Commercial Mortgage, Inc. Series 2005-1 Class 4A, 4.988%, 11/10/42 (a)	USD	2,180	$	2,142,973
CS First Boston Mortgage Securities Corp. Series 2002-CP5 Class A2, 4.94%, 12/15/35		2,720		2,643,455
Citigroup Commercial Mortgage Trust Series 2008-C7 Class A4, 6.299%, 12/10/49 (a)		1,370		1,283,135
Citigroup/Deutsche Bank Commercial Mortgage Trust Series 2007-CD5 Class A4, 5.886%, 11/15/44 (a)		2,500		2,284,573
Commercial Mortgage Pass-Through Certificates Series 2004-LB3A Class A3, 5.09%, 7/10/37 (a)		960		950,534
First Union National Bank Commercial Mortgage:				
Series 2001-C3 Class A3, 6.423%, 8/15/33		2,910		2,965,044
Series 2001-C4 Class A2, 6.223%, 12/12/33		2,265		2,298,385
GMAC Commercial Mortgage Securities, Inc. Class A2:				
Series 1999-C3, 7.179%, 8/15/36 (a)		1,302		1,321,719
Series 2002-C3, 4.93%, 7/10/39		2,350		2,279,239
Heller Financial Commercial Mortgage Asset Series 1999-PH1 Class A2, 6.847%, 5/15/31 (a)		819		819,520
JPMorgan Chase Commercial Mortgage Securities Corp.:				
Series 2001-C1 Class A3, 5.857%, 10/12/35		2,140		2,150,813
Series 2004-CB8 Class A1A, 4.158%, 1/12/39		976		914,922
Series 2004-CBX Class A4, 4.529%, 1/12/37		2,180		2,118,693
Series 2006-LDP9 Class A3, 5.336%, 5/15/47		960		866,961
JPMorgan Commercial Mortgage Finance Corp. Series 2000-C10 Class A2, 7.371%, 8/15/32 (a)		1,621		1,660,008
LB-UBS Commercial Mortgage Trust (a):				
Series 2007-C6 Class A4, 5.858%, 7/15/40		1,816		1,660,552
Series 2007-C7 Class A3, 5.866%, 9/15/45		5,000		4,563,787
Merrill Lynch Mortgage Trust Series 2007-C1 Class AM, 6.022%, 6/12/50 (a)(k)		925		792,051
Morgan Stanley Capital I:				
Series 2005-HQ6 Class A4A, 4.989%, 8/13/42		1,475		1,376,293
Series 2007-IQ16 Class A4, 5.809%, 12/12/49		618		561,011
Series 2007-T27 Class A4, 5.804%, 6/13/42 (a)		995		903,414
Series 2008-T29 Class A4, 6.458%, 1/11/43 (a)		1,370		1,293,780
Salomon Brothers Mortgage Securities VII, Inc. Series 2000-C1 Class A2, 7.52%, 12/18/09 (a)		3,265		3,335,013
Wachovia Bank Commercial Mortgage Trust (a):				
Series 2005-C21 Class A3, 5.274%, 10/15/44		910		906,421
Series 2006-C25 Class A4, 5.926%, 5/15/43		1,190		1,119,525
Series 2007-C33 Class A4, 6.10%, 2/15/51		995		920,108
				44,131,929
Total Non-Government Agency Mortgage-Backed Securities 17.0%				58,874,439

U.S. Government Agency Mortgage-Backed Securities				
Fannie Mae Guaranteed Pass Through Certificates:				
5.00%, 3/01/21 7/01/36 (l)		7,344		7,120,308
5.50%, 9/15/23 9/15/38 (h)(l)		60,991		60,374,119

6.00%, 8/01/29 3/01/38		8,406		8,497,446
7.00%, 1/01/31 7/01/32		214		225,617
Freddie Mac Mortgage Participation Certificates:				
5.00%, 8/01/33		70		67,454
5.50%, 11/01/34 5/01/36 (d)		4,502		4,451,684
6.00%, 2/01/13 12/01/18 (h)		2,113		2,164,347
6.277%, 5/01/32		47		47,367
7.00%, 9/01/31		19		20,397
Ginnie Mae MBS Certificates:				
5.50%, 8/15/33 (d)		190		190,620
6.50%, 10/18/37 (l)		200		204,750
Total U.S. Government Agency Mortgage-Backed Securities 24.1%				83,364,109

U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations		**Par (000)**		**Value**
Fannie Mae Trust:				
Series 378 Class 5, 5%, 7/01/36 (b)	USD	3,984	$	1,000,476
Series 2004-90 Class JH, 1.828%, 11/25/34 (a)(b)		20,628		1,912,141
Series 2005-5 Class PK, 5%, 12/25/34		2,250		2,268,900
Freddie Mac Multiclass Certificates:				
Series 2579 Class HI, 5%, 8/15/17(b)		1,736		200,646
Series 2611 Class QI, 5.50%, 9/15/32 (b)		5,107		890,595
Series 2684 Class SP, 4.986%, 1/15/33 (a)(b)		395		64,189
Series 2825 Class VP, 5.50%, 6/15/15		1,189		1,215,251
Series 3208 Class PS, 4.586%, 8/15/36 (a)(b)		1,942		227,571
Series 3316 Class SB, 4.729%, 8/15/35 (a)(b)		354		47,849
Total U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations 2.3%				7,827,618

U.S. Government Obligations				
Federal Housing Administration, Hebre Home Hospital, 6.25%, 9/01/28		1,007		1,028,029
Resolution Funding Corp. (m):				
6.196%, 7/15/18		525		343,762
6.30%, 10/15/18		525		338,152
U.S. Treasury Bonds, 6.125%, 11/15/27		1,345		1,634,071
U.S. Treasury Inflation Indexed Bonds:				
2.375%, 1/15/27 (d)		1,534		1,587,066
1.75%, 1/15/28		4,727		4,429,269
U.S. Treasury Notes:				
4%, 8/15/18 (d)		17,125		17,385,882
5%, 5/15/37		545		595,540
4.375%, 2/15/38 (d)		8,115		8,057,310
4.50%, 5/15/38		3,000		3,034,686
Total U.S. Government Obligations 11.1%				38,433,767

Preferred Securities				
Capital Trusts				
Capital Markets 0.1%				
Credit Suisse Guernsey Ltd., 5.86% (a)(c)		494		400,876

Commercial Banks 1.9%		
BAC Capital Trust XI, 6.625%, 5/23/36	545	482,819
Barclays Bank Plc, 7.434% (a)(c)(e)	1,975	1,745,051
Credit Agricole SA, 6.637% (a)(c)(e)	250	199,461
RBS Capital Trust IV, 3.496% (a)(c)(d)	475	349,518
Royal Bank of Scotland Group Plc, Series MTN, 7.64% (c)(d)	2,200	1,858,461
Wachovia Corp. Series K, 7.98% (a)(c)(d)	2,550	1,915,790
		6,551,100
Diversified Financial Services 2.4%		
Bank of America Corp. (a)(c):		
Series K, 8%	1,360	1,212,010
Series M, 8.125%	1,050	947,919
Citigroup, Inc. 8.30%, 12/21/57 (a)(h)	2,225	2,008,454
JPMorgan Chase & Co., 7.90% (a)(c)	1,925	1,748,863
JPMorgan Chase Capital XXV, 6.80%, 10/01/37 (d)	2,780	2,373,050
		8,290,296
Electric Utilities 0.2%		
PECO Energy Capital Trust IV, 5.75%, 6/15/33	790	657,741
Insurance 1.4%		
The Allstate Corp., 6.50%, 5/15/57 (a)	1,950	1,591,512
American International Group, Inc., 8.175%, 5/15/58 (a)(e)	1,230	950,030
Lincoln National Corp., 6.05%, 4/20/67 (a)	675	529,291
Progressive Corp., 6.70%, 6/15/37 (a)	605	495,684
The Travelers Cos., Inc., 6.25%, 3/15/67 (a)	675	574,860
ZFS Finance (USA) Trust V, 6.50%, 5/09/67 (a)(e)	675	581,494
		4,722,871
Total Capital Trusts 6.0%		20,622,884

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)
(Percentages shown are based on Net Assets)

Preferred Stocks		Shares		Value
Diversified Financial Services 0.1%				
Citigroup, Inc. Series AA, 8.125%		25,500	$	506,940
Total Preferred Stocks 0.1%				506,940
Total Preferred Securities 6.1%				21,129,824

Other Interests (n)		Beneficial Interest (000)	Value
Health Care Providers & Services 0.0%			
Critical Care Systems International, Inc. (o)	USD	2	637
Total Other Interests 0.0%			637
Total Long-Term Investments (Cost $478,486,079) 132.3%			458,231,898

Short-Term Securities		Par (000)	Value
U.S. Government & Agency Obligations 0.9%			
Federal Home Loan Bank, 2.60%, 9/02/08 (p)	USD	400	400,000
U.S. Treasury Bills, 1.79%, 9/25/08 (p)		2,600	2,597,126
Total Short-Term Securities (Cost $2,997,126) 0.9%			2,997,126

Options Purchased	Contracts (q)	Value
Call Swaptions Purchased		
Receive a fixed rate of 5.12% and pay a floating rate based on 3-month LIBOR, expiring November 2010	11	398,475
Receive a fixed rate of 5.39% and pay a floating rate based on 3-month LIBOR, expiring March 2012	6	410,758
Receive a fixed rate of 5.47% and pay a floating rate based on 3-month LIBOR, expiring May 2012	11	729,814
Receive a fixed rate of 6.025% and pay a floating rate based on 3-month LIBOR, expiring June 2012	7	680,542

		2,219,589
Put Swaptions Purchased		
Pay a fixed rate of 5.12% and receive a floating rate based on 3-month LIBOR, expiring November 2010	11	230,549
Pay a fixed rate of 5.39% and receive a floating rate based on 3-month LIBOR, expiring March 2012	6	272,026
Pay a fixed rate of 5.47% and receive a floating rate based 3-month LIBOR, expiring May 2012	11	443,363
Pay a fixed rate of 6.025% and receive a floating rate based on 3-month LIBOR, expiring June 2012	7	201,169
		1,147,107
Total Options Purchased (Cost $2,586,423) 1.0%		3,366,696
Total Investments Before TBA Sale Commitments and Options Written (Cost $484,069,628*) 134.2%		464,595,720

TBA Sale Commitments		**Par (000)**	
Fannie Mae Guaranteed Pass Through Certificates:			
5.00%, 3/01/21 7/01/36	USD	(4,100)	(3,945,389)
5.50%, 9/15/23 9/15/38		(9,900)	(9,787,754)
6.00%, 8/01/29 3/01/38		(2,700)	(2,729,257)
Freddie Mac Mortgage Participation Certificates, 5.50%, 11/01/34 5/01/36		(4,500)	(4,441,955)
Ginnie Mae MBS Certificates, 5.50%, 8/15/33		(100)	(99,531)
Total TBA Sale Commitments (Proceeds $20,649,320) (6.1)%			(21,003,886)

Options Written	**Contracts**		**Value**
Call Option Written			
30-Year U.S. Treasury Bonds, expiring November 2008 at $118	100	$	(181,250)
Call Swaptions Written (q)			
Pay a fixed rated of 4.58% and received a floating rate based on 3-month LIBOR, expiring May 2009	9		(219,870)
Pay a fixed rate of 4.94% and receive floating rate based on 3-month LIBOR, expiring December 2008	14		(524,986)
Pay a fixed rate of 5.01% and receive a floating rate based on 3-month LIBOR, expiring November 2008	4		(162,520)
Pay a fixed rate of 5.05% and receive a floating rate based on 3-month LIBOR, expiring May 2011	10		(494,250)
Pay a fixed rate of 5.08% and receive a floating rate based on 3-month LIBOR, expiring May 2011	6		(307,544)
Pay a fixed rate of 5.0825% and receive a floating rate based on 3-month LIBOR, expiring July, 2010	3		(121,990)
Pay a fixed rate of 5.325% and receive a floating rate based on 3-month LIBOR, expiring July 2013	8		(322,972)
Pay a fixed rated of 5.485% and receive a floating rate based on 3-month LIBOR, expiring October 2009	4		(308,709)

Pay a fixed rated of 5.67% and receive a floating rate based on 3-month LIBOR, expiring January 2010	11	(899,151)
		(3,361,992)
Put Swaptions Written (q)		
Receive a fixed rate of 3.10% and pay a floating rate based on 3-month LIBOR, expiring October 2008	20	(127,745)
Receive a fixed rate of 4.58% and pay a floating rate based on 3-month LIBOR, expiring May 2009	9	(287,325)
Receive a fixed rate of 4.94% and pay a floating rate based on 3-month LIBOR, expiring December 2008	14	(131,320)
Receive a fixed rate of 5.01% and pay a floating rate based on 3-month LIBOR, expiring November 2008	4	(19,310)
Receive a fixed rate of 5.05% and pay a floating rate based on 3-month LIBOR, expiring May 2011	10	(468,630)
Receive a fixed rate of 5.08% and pay a floating rate based on 3-month LIBOR, expiring May 2011	6	(277,904)
Receive a fixed rate of 5.0825% and pay a floating rate based on 3-month LIBOR, expiring July, 2010	3	(91,080)
Receive a fixed rate of 5.325% and pay a floating rate based on 3-month LIBOR, expiring July 2013	8	(248,470)
Receive a fixed rate of 5.485% and pay a floating rate based on 3-month LIBOR, expiring October 2009	4	(68,612)
Receive a fixed rate of 5.67% and pay a floating rate based on 3-month LIBOR, expiring January 2010	12	(163,565)
		(1,883,961)
Total Options Written (Premiums Received $5,724,085) (1.5)%		(5,427,203)
Total Investments, Net of TBA Sale Commitments and Options Written 126.6%		438,164,631
Liabilities in Excess of Other Assets (26.6)%		(91,988,005)
Net Assets 100.0%	$	346,176,626

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$	484,079,937
Gross unrealized appreciation	$	4,718,525
Gross unrealized depreciation		(24,202,742)
Net unrealized depreciation	$	(19,484,217)

(a) Variable rate security. Rate shown is as of report date. Maturity shown is the final maturity date.
(b) Represents the interest only portion of a mortgage-backed security and has either a nominal or a notional amount of principal.
(c) Security is perpetual in nature and has no stated maturity date.
(d) All or a portion of the security has been pledged as collateral for reverse repurchase agreements.
(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
(f) All or a portion of the security has been pledged as collateral in connection with open financial futures contracts.
(g) Represents a step bond. Rate shown reflects the effective yield at the time of purchase.
(h) All or a portion of the security has been pledged as collateral in connection with swaps.
(i) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
(j) Non-income producing security; issuer filed for bankruptcy or is in default of interest payments.
(k) Investments in companies considered to be an affiliate of the Trust, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Purchase Cost	Sale Cost	Realized Gain	Income
Merrill Lynch Mortgage Investors, Inc. Series 2006-A3 Class 3A1, 5.823%, 5/25/36	$ 720,827			$ 1,014
Merrill Lynch Mortgage Trust Series 2007-C1 Class AM, 6.022%, 6/12/50				$ 53,024

(l) Represents or includes a to-be-announced transaction. The Trust has committed to purchasing securities for which all specific information is not available at this time.
(m) Represents a zero-coupon bond. Rate shown reflects the effective yield at the time of purchase.
(n) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
(o) Security is fair valued.
(p) Rate shown is the yield to maturity as of the date of purchase.
(q) One contract represents a notional amount of $1,000,000.

For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine industry subclassifications for reporting ease. These industry classifications are unaudited.

Reverse repurchase agreements outstanding as of August 31, 2008 were as follows:

Counterparty

	Interest Rate	Trade Date	Maturity Date	Net Closing Amount	Face Amount
Credit Suisse Securities LLC	2.60%	8/14/08	Open	$ 14,179,559	$ 14,161,150
Lehman Brothers International	2.10%	7/12/08	Open	1,466,454	1,459,219
Lehman Brothers International	2.75%	7/13/08	Open	23,076,597	22,934,688
Lehman Brothers International	2.00%	8/07/08	Open	7,893,079	7,881,694
Lehman Brothers International	2.40%	8/12/08	9/11/08	46,298,649	46,237,000
Lehman Brothers International	2.15%	8/15/08	Open	6,669,957	6,662,794
Lehman Brothers International	2.03%	8/26/08	Open	8,357,047	8,353,750
Total				$ 107,941,342	$ 107,690,295

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

Foreign currency exchange contracts as of August 31, 2008 were as follows:

Currency Purchased		Currency Sold		Settlement Date	Unrealized Appreciation
USD	5,479,338	EUR	3,501,040	10/23/08	$ 358,360
USD	1,081,352	EUR	683,500	10/23/08	81,595
USD	964,232	EUR	611,500	10/23/08	69,789
EUR	224,000	USD	326,786	10/23/08	859
Total					$ 510,603

Financial futures contracts purchased as of August 31, 2008 were as follows:

Contracts	Issue	Expiration Date	Face Value	Unrealized Appreciation (Depreciation)
968	30-Year U.S. Treasury Bond	September 2008	$ 110,702,598	$ 3,702,902
224	30-Year U.S. Treasury Bond	December 2008	$ 26,388,643	(110,643)
Total				$ 3,592,259

Financial futures contracts sold as of August 31, 2008 were as follows:

Contracts	Issue	Expiration Date	Face Value	Unrealized Depreciation
164	2-Year U.S. Treasury Bond	September 2008	$ 34,479,811	$ (441,939)
253	2-Year U.S. Treasury Bond	December 2008	$ 53,664,638	(42,518)
1,512	5-Year U.S. Treasury Bond	September 2008	$ 167,884,772	(2,144,353)
588	5-Year U.S. Treasury Bond	December 2008	$ 65,565,600	(253,650)
Total				$ (2,882,460)

Swaps outstanding as of August 31, 2008 were as follows:

		Notional Amount (000)	Unrealized Appreciation (Depreciation)
Receive a fixed rate of 4.88% and pay a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Financing Expires August 2009	USD	40,200	$ 729,889
Receive a fixed rate of 4.7709% and pay a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Financing Expires August 2009	USD	27,800	475,478
Receive a fixed rate of 4.62377% and pay a floating rate based on 3-month LIBOR Broker, Credit Suisse First Boston Expires September 2009	USD	50,000	813,357
Receive a fixed rate of 5% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires November 2010	USD	4,600	153,324
Pay a fixed rate of 4.922% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Financing Expires March 2011	USD	13,500	(451,813)
Receive a fixed rate of 5.496% and pay a floating rate based on 3-month LIBOR Broker, Bank of America NA Expires July 2011	USD	25,100	1,288,037
Receive a fixed rate of 4.95% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires November 2011	USD	2,200	82,144
Receive a fixed rate of 5.025% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires November 2011	USD	3,000	118,177
Pay a fixed rate of 5.0016% and receive a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires January 2012	USD	8,300	(327,056)
Pay a fixed rate of 5.58875% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires July 2012	USD	42,000	(2,610,056)
Receive a fixed rate of 5.07625% and pay a floating rate based on 3-month LIBOR Broker, Citibank NA Expires August 2012	USD	82,500	3,644,976
Receive a fixed rate of 5.10531% and pay a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires August 2012	USD	19,500	882,193
Receive a fixed rate of 5.0565% and pay a floating rate based on 3-month LIBOR Broker, Bank of America NA Expires August 2012	USD	49,300	2,115,995

See Notes to Financial Statements.

Schedule of Investments (continued) **BlackRock Core Bond Trust (BHK)**

		Notional Amount (000)		Unrealized Appreciation (Depreciation)
Receive a fixed rate of 4.9034% and pay a floating rate based on 3-month LIBOR Broker, Barclay Bank PLC Expires September 2012	USD	30,000	$	1,129,706
Receive a fixed rate of 4.856% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires October 2012	USD	9,400		339,537
Receive a fixed rate of 4.32% and pay a floating rate based on 3-month LIBOR Broker, Citibank NA Expires November 2012	USD	10,500		161,228
Receive a fixed rate of 4.25% and pay a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires November 2012	USD	2,625		33,138
Pay a fixed rate of 4.2424% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Financing Expires December 2012	USD	45,000		(586,230)
Receive a fixed rate of 3.66375% and pay a floating rate based on 3-month LIBOR Broker, Citibank NA Expires April 2013	USD	7,300		(98,928)
Receive a fixed rate of 5.29375% and pay a floating rate based on 6-month British Pound Sterling LIBOR Broker, Deutsche Bank AG London Expires April 2013	GBP	2,000		(12,234)
Receive a fixed rate of 5.14% and pay a floating rate based on 6-month British Pound Sterling LIBOR Broker, Deutsche Bank AG London Expires April 2013	GBP	2,000		(23,647)
Receive a fixed rate of 4.2825% and pay a floating rate based on 3-month LIBOR Broker, Credit Suisse First Boston Expires July 2013	USD	82,500		973,111
Receive a fixed rate of 4.2125% and pay a floating rate based on 3-month LIBOR Broker, Morgan Stanley Capital Services Expires August 2013	USD	13,200		109,287
Pay a fixed rate of 4.51% and receive a floating rate based on 3-month LIBOR Broker, Citibank NA Expires October 2014	USD	41,200		(718,403)
Receive a fixed rate of 5.005% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires October 2014	USD	9,500		421,059
Pay a fixed rate of 4.5% and receive a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires May 2015	USD	2,800		(41,936)
Receive a fixed rate of 4.725% and pay a floating rate based on 3-month LIBOR				

		Notional Amount (000)		Unrealized Appreciation (Depreciation)
Broker, Morgan Stanley Capital Services Expires August 2015	USD	6,200		173,326
Receive a fixed rate of 4.87% and pay a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires January 2016	USD	5,000	$	178,409
Receive a fixed rate of 5.723% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires July 2016	USD	4,800		439,916
Pay a fixed rate of 5.155% and receive a floating rate based on 3-month LIBOR Broker, Citibank NA Expires September 2017	USD	10,900		(577,741)
Pay a fixed rate of 5.04015% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires September 2017	USD	12,500		(560,294)
Pay a fixed rate of 5.3075% and receive a floating rate based on 3-month LIBOR Broker, Barclay Bank PLC Expires October 2017	USD	13,800		(897,403)
Pay a fixed rate of 5.115% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Financing Expires March 2018	USD	6,600		(330,034)
Receive a fixed rate of 4.311% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires May 2018	USD	6,600		(90,312)
Receive a fixed rate of 4.7058% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires July 2018	USD	8,700		148,211
Pay a fixed rate of 4.52165% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires July 2018	USD	12,300		(27,080)
Receive a fixed rate of 5.411% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires August 2022	USD	8,545		656,068
Pay a fixed rate of 5.365% and receive a floating rate based on 3-month LIBOR Broker, Bank of America NA Expires September 2027	USD	8,000		(591,485)
Pay a fixed rate of 5.0605% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires November 2037	USD	6,200		(224,788)
Pay a fixed rate of 5.06276% and receive a floating rate based on 3-month LIBOR Broker, Citibank NA Expires December 2037	USD	1,300		(47,544)
Pay a fixed rate of 5.0639% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Financing Expires December 2037	USD	1,300		(47,770)

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Core Bond Trust (BHK)

		Notional Amount (000)		Unrealized Appreciation (Depreciation)
Pay a fixed rate of 4.785% and receive a floating rate based on 3-month LIBOR Broker, Citibank NA Expires January 2038	USD	2,000	$	14,638
Pay a fixed rate of 4.601% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Financing Expires January 2038	USD	5,000		181,923
Pay a fixed rate of 4.8375% and receive a floating rate based on the 3-month LIBOR Broker, Morgan Stanley Capital Services Expires January 2038	USD	6,000		(5,900)
Receive a fixed rate of 5.29750% and pay a floating rate based on 3-month LIBOR Broker, Citibank NA Expires February 2038	USD	700		51,907
Receive a fixed rate of 5.1575% and pay a floating rate based on 3-month LIBOR Broker, Citibank NA Expires June 2038	USD	1,000		51,774
Total			$	7,096,154

Currency Abbreviations:
EUR Euro
GBP British Pound
USD U.S. Dollar

See Notes to Financial Statements.

Schedule of Investments August 31, 2008

BlackRock High Income Shares (HIS)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Aerospace & Defense 1.7%				
CHC Helicopter Corp., 7.375%, 5/01/14	USD	679	$	707,200
DRS Technologies, Inc.:				
6.875%, 11/01/13		170		172,125
7.625%, 2/01/18		170		178,925
Hawker Beechcraft Acquisitions Co. LLC, 8.875%, 4/01/15		140		139,300
Hexcel Corp., 6.75%, 2/01/15		405		392,850
L-3 Communications Corp., 5.875%, 1/15/15		140		131,950
TransDigm, Inc., 7.75%, 7/15/14		300		291,750
				2,014,100
Airlines 0.2%				
American Airlines, Inc. Series 99-1, 7.324%, 4/15/11		280		254,800
Auto Components 2.5%				
Allison Transmission, Inc.(a):				
11%, 11/01/15		265		243,800
11.25%, 11/01/15 (b)		695		611,600
The Goodyear Tire & Rubber Co.:				
7.857%, 8/15/11		420		422,100
8.625%, 12/01/11		682		702,460
Lear Corp., 8.75%, 12/01/16		370		278,425
Meritor Automotive Inc., 6.80%, 2/15/09		22		21,670
Metaldyne Corp., 10%, 11/01/13		935		252,450
Stanadyne Corp. Series 1, 10%, 8/15/14		525		493,500
				3,026,005
Automobiles 1.0%				
Ford Capital BV, 9.50%, 6/01/10		1,330		1,107,225
Ford Motor Co., 8.90%, 1/15/32		300		159,000
				1,266,225
Building Products 1.4%				
CPG International I, Inc., 10.50%, 7/01/13		540		415,800
Momentive Performance Materials, Inc., 11.50%, 12/01/16		945		737,100
Ply Gem Industries, Inc., 11.75%, 6/15/13 (a)		635		577,850
				1,730,750
Chemicals 3.2%				
American Pacific Corp., 9%, 2/01/15		400		388,000
Ames True Temper, Inc., 6.791%, 1/15/12 (c)		1,070		856,000
Hexion U.S. Finance Corp.:				
7.304%, 11/15/14 (c)		275		209,688
9.75%, 11/15/14		250		208,125
Innophos, Inc., 8.875%, 8/15/14		1,170		1,199,250
Key Plastics LLC, 11.75%, 3/15/13 (a)		205		71,750
MacDermid, Inc., 9.50%, 4/15/17 (a)		755		690,825
Terra Capital, Inc. Series B, 7%, 2/01/17		265		257,713

				3,881,351
Commercial Services & Supplies 3.3%				
ARAMARK Corp., 8.50%, 2/01/15		85		85,637
Casella Waste Systems, Inc., 9.75%, 2/01/13		400		396,000
DI Finance Series B, 9.50%, 2/15/13		904		897,220
Sally Holdings LLC:				
9.25%, 11/15/14		90		91,013
10.50%, 11/15/16		529		531,645
Waste Services, Inc., 9.50%, 4/15/14		800		808,000
West Corp.:				
9.50%, 10/15/14		375		319,688
11%, 10/15/16		1,195		935,087
				4,064,290
Communications Equipment 0.4%				
Nortel Networks Ltd., 7.041%, 7/15/11 (c)		555		514,762
Construction Materials 1.2%				
Nortek Holdings, Inc., 10%, 12/01/13 (a)		1,580		1,477,300

Corporate Bonds		**Par (000)**		**Value**
Containers & Packaging 5.5%				
Berry Plastics Holding Corp., 6.651%, 9/15/14 (c)	USD	300	$	225,000
Crown Americas LLC, 7.75%, 11/15/15		255		261,375
Graphic Packaging International Corp., 9.50%, 8/15/13		65		61,100
Impress Holdings BV, 5.916%, 9/15/13 (a)(c)		775		697,500
Jefferson Smurfit Corp. US, 7.50%, 6/01/13		1,000		830,000
Owens-Brockway Glass Container, Inc., 8.25%, 5/15/13		2,600		2,678,000
Pregis Corp., 12.375%, 10/15/13		1,034		987,470
Smurfit-Stone Container Enterprises, Inc., 8%, 3/15/17		1,140		912,000
				6,652,445
Diversified Financial Services 4.0%				
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16 (a)		240		241,200
FCE Bank Plc, 7.125%, 1/16/12	EUR	1,100		1,345,966
Ford Motor Credit Co LLC:				
8.625%, 11/01/10	USD	140		116,957
5.538%, 1/13/12 (c)		290		214,108
7.80%, 6/01/12		1,500		1,113,998
GMAC LLC:				
6.875%, 8/28/12		710		416,518
5.011%, 12/01/14 (c)		560		294,082
6.75%, 12/01/14		405		219,901
8%, 11/01/31		675		364,061
Leucadia National Corp., 8.125%, 9/15/15		600		603,750
				4,930,541
Diversified Telecommunication Services 5.9%				
Broadview Networks Holdings, Inc., 11.375%, 9/01/12		440		378,400
Cincinnati Bell, Inc., 7.25%, 7/15/13		2,085		2,004,206
Qwest Capital Funding, Inc., 7%, 8/03/09		230		229,713
Qwest Communications International, Inc., 7.50%, 2/15/14		1,280		1,164,800
Qwest Corp., 6.026%, 6/15/13 (c)		850		786,250
Wind Acquisition Finance SA, 10.75%, 12/01/15 (a)		1,100		1,127,500
Windstream Corp.:				
8.125%, 8/01/13		855		846,450
8.625%, 8/01/16		645		638,550

		7,175,869
Electric Utilities 1.5%		
Edison Mission Energy, 7.50%, 6/15/13	35	35,087
Elwood Energy LLC, 8.159%, 7/05/26	453	427,327
Homer City Funding LLC Series B, 8.734%, 10/01/26	150	162,499
NSG Holdings LLC, 7.75%, 12/15/25 (a)	565	542,400
Salton Sea Funding Corp. Series E, 8.30%, 5/30/11	619	657,639
		1,824,952
Electrical Equipment 1.0%		
Coleman Cable, Inc., 9.875%, 10/01/12	400	372,000
Superior Essex Communications LLC, 9%, 4/15/12	830	867,350
		1,239,350
Electronic Equipment & Instruments 0.8%		
NXP BV, 5.541%, 10/15/13 (c)	440	342,100
Sanmina-SCI Corp., 8.125%, 3/01/16	725	654,313
		996,413
Energy Equipment & Services 1.6%		
Compagnie Generale de Geophysique-Veritas:		
7.50%, 5/15/15	135	134,325
7.75%, 5/15/17	220	218,900
Grant Prideco, Inc. Series B, 6.125%, 8/15/15	100	97,193
North American Energy Partners, Inc., 8.75%, 12/01/11	1,560	1,552,200
		2,002,618
Food & Staples Retailing 0.3%		
Rite Aid Corp., 7.50%, 3/01/17	445	369,350
Food Products 0.4%		
Del Monte Corp., 8.625%, 12/15/12	475	479,750

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock High Income Shares (HIS)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Gas Utilities 0.3%				
El Paso Natural Gas Co., 8.375%, 6/15/32	USD	50	$	55,300
Targa Resources, Inc., 8.50%, 11/01/13		345		327,750
				383,050
Health Care Equipment & Supplies 3.0%				
Biomet, Inc.:				
10.375%, 10/15/17 (b)		120		126,600
11.625%, 10/15/17		120		126,150
Catalent Pharma Solutions, Inc., 9.50%, 4/15/15 (b)		610		509,350
DJO Finance LLC, 10.875%, 11/15/14		2,400		2,406,000
Hologic, Inc., 2%, 12/15/37 (d)(e)		395		322,419
				3,490,519
Health Care Providers & Services 1.9%				
Community Health Systems, Inc.				
8.875%, 7/15/15		250		252,500
Tenet Healthcare Corp.:				
6.375%, 12/01/11		125		120,625
6.50%, 6/01/12		1,735		1,678,613
United Surgical Partners International, Inc.,				
8.875%, 5/01/17		346		297,560
				2,349,298
Hotels, Restaurants & Leisure 5.2%				
American Real Estate Partners LP, 7.125%, 2/15/13		735		642,206
Caesars Entertainment, Inc., 7.875%, 3/15/10		500		426,250
Gaylord Entertainment Co.:				
8%, 11/15/13		1,000		917,500
6.75%, 11/15/14		450		392,625
Great Canadian Gaming Corp., 7.25%, 2/15/15 (a)		1,390		1,310,075
Greektown Holdings, LLC, 10.75%, 12/01/13 (a)(f)(g)		649		489,995
Harrah s Operating Co., Inc., 10.75%, 2/01/18 (a)(b)		1,470		868,258
Seneca Gaming Corp. Series B, 7.25%, 5/01/12		630		562,275
Travelport LLC, 7.436%, 9/01/14 (c)		170		133,875
Tropicana Entertainment LLC, 9.625%, 12/15/14 (f)(g)		215		68,800
Virgin River Casino Corp., 9%, 1/15/12		585		410,963
Wynn Las Vegas LLC, 6.625%, 12/01/14		100		91,125
				6,313,947
Household Durables 0.6%				
Jarden Corp., 7.50%, 5/01/17		690		614,100
The Yankee Candle Co., Inc., 9.75%, 2/15/17		100		63,500
				677,600
IT Services 2.1%				
First Data Corp., 9.875%, 9/24/15 (a)		575		495,937
iPayment, Inc., 9.75%, 5/15/14		335		280,562

iPayment Investors LP, 12.75%, 7/15/14 (a)(b)		1,507		1,496,148
SunGard Data Systems, Inc., 9.125%, 8/15/13		310		314,650
				2,587,297
Independent Power Producers & Energy Traders 3.4%				
AES Red Oak LLC Series B, 9.20%, 11/30/29		1,250		1,256,250
Energy Future Holding Corp., 11.25%, 11/01/17 (a)(b)		1,600		1,576,000
NRG Energy, Inc.:				
7.25%, 2/01/14		100		98,625
7.375%, 2/01/16		570		562,875
Texas Competitive Electric Holdings Co. LLC (a):				
10.50%, 11/01/16 (b)		430		410,650
Series B, 10.25%, 11/01/15		290		289,275
				4,193,675
Industrial Conglomerates 1.8%				
Sequa Corp.(a):				
11.75%, 12/01/15		1,150		1,012,000
13.50%, 12/01/15 (b)		1,499		1,221,634
				2,233,634

Corporate Bonds		Par (000)		Value
Insurance 0.8%				
Alliant Holdings I, Inc., 11%, 5/01/15 (a)	USD	800	$	712,000
USI Holdings Corp., 6.679%, 11/15/14 (a)(c)		310		247,225
				959,225
Leisure Equipment & Products 0.3%				
Easton-Bell Sports, Inc., 8.375%, 10/01/12		430		365,500
Machinery 2.6%				
AGY Holding Corp., 11%, 11/15/14		890		827,700
Accuride Corp., 8.50%, 2/01/15		340		219,300
RBS Global, Inc., 8.875%, 9/01/16		370		345,025
Sunstate Equipment Co. LLC, 10.50%, 4/01/13 (a)		1,720		1,255,600
Terex Corp.:				
7.375%, 1/15/14		175		172,375
8%, 11/15/17		330		325,875
				3,145,875
Marine 0.2%				
Navios Maritime Holdings, Inc., 9.50%, 12/15/14		254		242,570
Media 13.6%				
Affinion Group, Inc., 10.125%, 10/15/13		1,045		1,029,325
CMP Susquehanna Corp., 9.875%, 5/15/14		865		540,625
Cablevision Systems Corp. Series B, 7.133%, 4/01/09 (c)		750		753,750
Charter Communications Holdings I, LLC, 11%, 10/01/15		455		347,313
Charter Communications Holdings II, LLC, 10.25%, 9/15/10		2,860		2,743,025
Charter Communications Operating, LLC, 8.375%, 4/30/14 (a)		500		481,875
Dex Media West LLC, 9.875%, 8/15/13		1,183		910,910
DirecTV Holdings LLC:				
8.375%, 3/15/13		300		310,500
7.625%, 5/15/16 (a)		640		638,400

EchoStar DBS Corp.:		
7%, 10/01/13	192	182,400
7.125%, 2/01/16	325	299,000
Harland Clarke Holdings Corp.:		
7.554%, 5/15/15 (c)	160	112,800
9.50%, 5/15/15	190	149,150
Network Communications, Inc., 10.75%, 12/01/13	830	596,562
Nielsen Finance LLC, 10%, 8/01/14	1,780	1,802,250
ProtoStar I Ltd., 12.50%, 10/15/12 (a)(c)(d)	1,382	1,340,759
R.H. Donnelley Corp., 11.75%, 5/15/15 (a)	870	639,450
Rainbow National Services LLC, 10.375%, 9/01/14 (a)	1,653	1,758,379
Sinclair Broadcast Group, Inc. Class A, 4.875%, 7/15/18 (e)	225	206,156
TL Acquisitions, Inc., 10.50%, 1/15/15 (a)	1,570	1,342,350
Virgin Media, Inc., 6.50%, 11/15/16 (a)(d)	195	178,913
Windstream Regatta Holdings, Inc., 11%, 12/01/17 (a)	304	176,320
		16,540,212
Metals & Mining 4.3%		
AK Steel Corp., 7.75%, 6/15/12	415	424,338
Aleris International, Inc.:		
9%, 12/15/14	200	156,000
10%, 12/15/16	680	474,300
FMG Finance Property Ltd. (a):		
10%, 9/01/13	240	256,800
10.625%, 9/01/16	735	823,200
Freeport-McMoRan Copper & Gold, Inc.:		
5.883%, 4/01/15 (c)	430	431,135
8.375%, 4/01/17	1,720	1,823,200
Ryerson, Inc.(a):		
10.176%, 11/01/14 (c)	180	171,900
12%, 11/01/15	125	122,500
Steel Dynamics, Inc., 7.375%, 11/01/12	230	227,700
Vedanta Resources Plc, 9.50%, 7/18/18 (a)	295	294,586
		5,205,659
Multiline Retail 0.3%		
Neiman Marcus Group, Inc., 9%, 10/15/15 (b)	345	335,512

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock High Income Shares (HIS)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Oil, Gas & Consumable Fuels 7.8%				
Atlas Energy Resources LLC, 10.75%, 2/01/18 (a)	USD	575	$	577,875
Berry Petroleum Co., 8.25%, 11/01/16		275		262,625
Chaparral Energy, Inc., 8.50%, 12/01/15		100		87,000
Chesapeake Energy Corp.:				
6.375%, 6/15/15		350		325,500
6.625%, 1/15/16		235		220,312
7.25%, 12/15/18		650		633,750
2.25%, 12/15/38 (d)		375		351,563
Compton Petroleum Finance Corp., 7.625%, 12/01/13		245		229,994
Connacher Oil and Gas Ltd., 10.25%, 12/15/15 (a)		605		624,662
Corral Finans AB, 7.713%, 4/15/10 (a)(b)		928		858,692
Denbury Resources, Inc., 7.50%, 12/15/15		75		73,219
EXCO Resources, Inc., 7.25%, 1/15/11		1,115		1,103,850
Encore Acquisition Co., 6%, 7/15/15		130		113,425
Forest Oil Corp., 7.25%, 6/15/19		1,035		952,200
OPTI Canada, Inc., 8.25%, 12/15/14		980		978,775
Petrohawk Energy Corp., 7.875%, 6/01/15 (a)		300		279,750
Sabine Pass LNG LP, 7.50%, 11/30/16		210		183,750
SandRidge Energy, Inc., 8%, 6/01/18 (a)		455		426,563
Whiting Petroleum Corp.:				
7.25%, 5/01/12		150		144,750
7.25%, 5/01/13		1,155		1,108,800
				9,537,055
Paper & Forest Products 2.6%				
Abitibi-Consolidated, Inc., 8.85%, 8/01/30		80		29,600
Bowater, Inc.:				
9%, 8/01/09		270		251,100
5.776%, 3/15/10 (c)		350		287,000
Domtar Corp.:				
7.875%, 10/15/11		100		102,750
7.125%, 8/15/15		160		154,400
NewPage Corp.:				
10%, 5/01/12		1,260		1,222,200
12%, 5/01/13		435		406,725
Norske Skog Canada Ltd., 7.375%, 3/01/14		175		122,937
Verso Paper Holdings LLC Series B:				
6.551%, 8/01/14 (c)		130		115,700
9.125%, 8/01/14		465		437,100
				3,129,512
Pharmaceuticals 0.5%				
Angiotech Pharmaceuticals, Inc., 6.56%, 12/01/13 (c)		630		557,550
Professional Services 0.2%				
FTI Consulting, Inc., 7.75%, 10/01/16		275		285,312
Real Estate Management & Development 0.9%				
Realogy Corp.:				
10.50%, 4/15/14		680		401,200
11%, 4/15/14 (b)		1,045		491,150

12.375%, 4/15/15		325		149,500
				1,041,850
Semiconductors & Semiconductor Equipment 0.9%				
Amkor Technology, Inc.:				
7.75%, 5/15/13		160		150,000
9.25%, 6/01/16		155		149,575
Freescale Semiconductor, Inc.:				
8.875%, 12/15/14		160		129,600
9.125%, 12/15/14 (b)		360		280,800
Spansion, Inc., 5.935%, 6/01/13 (a)(c)		550		382,250
				1,092,225
Software 0.1%				
BMS Holdings, Inc., 10.595%, 2/15/12 (a)(b)(c)		198		118,705

Corporate Bonds		**Par (000)**		**Value**
Specialty Retail 5.7%				
Asbury Automotive Group, Inc., 7.625%, 3/15/17	USD	240	$	171,600
AutoNation, Inc.:				
4.791%, 4/15/13 (c)		360		297,000
7%, 4/15/14		360		311,400
General Nutrition Centers, Inc.:				
7.199%, 3/15/14 (b)(c)		800		658,791
10.75%, 3/15/15		990		858,825
Group 1 Automotive, Inc., 2.25%, 6/15/36 (e)		470		280,238
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12		2,307		1,153,500
Michaels Stores, Inc.:				
10%, 11/01/14		680		510,000
11.375%, 11/01/16		490		313,600
Rent-A-Center, Inc. Series B, 7.50%, 5/01/10		1,910		1,871,800
United Auto Group, Inc., 7.75%, 12/15/16		710		575,988
				7,002,742
Textiles, Apparel & Luxury Goods 0.2%				
Quiksilver, Inc., 6.875%, 4/15/15		350		280,875
Wireless Telecommunication Services 8.0%				
American Tower Corp., 7.125%, 10/15/12		1,000		1,020,000
Centennial Communications Corp.:				
8.541%, 1/01/13 (c)		650		646,750
8.125%, 2/01/14		645		654,675
Cricket Communications, Inc.:				
10.875%, 11/01/14		540		535,275
10%, 7/15/15 (a)		40		40,200
Digicel Group Ltd. (a):				
8.875%, 1/15/15		590		553,892
9.125%, 1/15/15 (b)		1,320		1,192,950
FiberTower Corp., 9%, 11/15/12 (d)		300		198,000
iPCS, Inc., 4.926%, 5/01/13 (c)		280		248,500
MetroPCS Wireless, Inc., 9.25%, 11/01/14		1,415		1,402,619
Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (a)		1,980		1,905,750
Rural Cellular Corp., 8.25%, 3/15/12		350		364,438
Sprint Capital Corp., 7.625%, 1/30/11		1,025		1,025,000
				9,788,049
Total Corporate Bonds 103.2%				125,758,319

Floating Rate Loan Interests

Auto Components 0.6%		
Dana Corp. Term Advance, 6.75%, 1/31/15	724	665,302
Delphi Automotive Systems:		
Initial Tranche C, 8.50%, 12/31/08	136	112,596
Subsequent Tranche C Term Loan, 8.50%, 12/31/08	14	11,467
		789,365
Automobiles 0.5%		
Ford Motor Term Loan, 5.47%, 12/16/13	425	328,978
General Motors Corp. Term Secured Loan, 5.163%, 11/29/13	374	276,154
		605,132
Building Products 2.1%		
Building Material Corp. of America Term Loan Advance,		
5.438% - 5.5625%, 2/24/14	249	213,943
CPG International, I Inc. Term Loan B, 7.85%, 2/28/11	1,500	1,470,000
Stile Acquisition (Masonite International):		
Canadian Term Loan, 4.63% - 5.046%, 4/06/13	498	424,086
U.S. Term Loan, 4.63% - 5.046%, 4/06/13	500	426,070
		2,534,099
Chemicals 1.1%		
PQ Corp. Second Lien Loan, 9.30%, 7/30/15	1,500	1,297,500

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock High Income Shares (HIS)
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests		Par (000)		Value
Health Care Providers & Services 1.2%				
Community Health Systems, Inc. Term Loan B, 5.06%, 6/18/14	USD	714	$	674,347
Rotech Healthcare, Inc. Term Loan, 9.676%, 9/26/11 (b)		808		764,352
				1,438,699
Hotels, Restaurants & Leisure 0.9%				
Travelport, Inc. Term Loan, 9.793%, 3/27/12 (b)		1,834		1,127,704
Household Products 0.2%				
Spectrum Brands, Inc.:				
Dollar Term Loan B, 6.669% - 6.804%, 3/30/13		271		232,982
Letter of Credit, 2.31375%, 3/30/13		13		11,765
				244,747
Independent Power Producers & Energy Traders 1.6%				
Calpine Corp. First Priority Term Loan, 5.685%, 3/29/14		300		278,625
Texas Competitive Electric Holdings Co., LLC (TXU):				
Initial Tranche Term Loan B-2, 5.963% - 6.303%, 10/10/14		249		231,821
Initial Tranche Term Loan B-3, 5.963% - 6.303%, 10/10/14		1,489		1,384,538
				1,894,984
Machinery 0.8%				
Navistar International Transportation Corp.:				
Revolving Credit, 5.686%, 6/30/12		245		225,706
Term Loan, 6.292%, 6/30/12		680		626,450
Rexnord Corp. Loan, 9.676%, 3/01/13 (b)		186		148,673
				1,000,829
Media 3.1%				
Cengage (Thomson Learning, Inc.) Tranche 1 Incremental Term Loan 2, 7.50%, 7/05/14		750		742,500
HMH Publishing (Education Media):				
Mezzanine Term Loan, 5.50% - 6.46375%, 11/14/14		2,586		2,068,985
Tranche A Term Loan B, 6.46375%, 11/14/14		1,098		985,890
				3,797,375
Oil, Gas & Consumable Fuels 0.8%				
Turbo Beta Limited Dollar Facility, 14.50%, 3/15/18 (h)		1,003		983,338
Paper & Forest Products 0.3%				
Verso Paper Holdings LLC:				
Term Loan, 9.03313%, 2/01/13		421		394,800
Total Floating Rate Loan Interests 13.2%				16,108,572

Common Stocks (g)		Shares		
Containers & Packaging 0.2%				
Owens-Illinois, Inc.		4,745		211,627
Machinery 0.0%				
Goss Holdings Inc. Class B (h)		64,467		1
Wireless Telecommunication Services 0.0%				
Crown Castle International Corp.		495		18,513
Total Common Stocks 0.2%				230,141

Preferred Securities		Par (000)		Value
Capital Trusts				
Diversified Financial Services 1.1%				
Citigroup, Inc., 8.40% (c)(i)	USD	1,210	$	1,027,314
JPMorgan Chase & Co., 7.90% (c)(i)		350		317,975
Total Capital Trusts 1.1%				1,345,289

Preferred Stocks		Shares		
Containers & Packaging 0.4%				
Smurfit-Stone Container Corp., 7% (b)(d)		30,000		525,000
Independent Power Producers & Energy Traders 0.8%				
NTG Energy, Inc., 4%		500		954,375
Media 0.2%				
Emmis Communications Corp. Class A, 6.25% (d)		10,300		260,075
Wireless Telecommunication Services 0.5%				
Crown Castle International Corp., 6.25% (d)		10,000		547,500
Total Preferred Stocks 1.9%				2,286,950
Total Preferred Securities 3.0%				3,632,239

Other Interests (j)		Beneficial Interest (000)		

Health Care Providers & Services 0.0%			
Critical Care Systems International, Inc. (h)	USD	5	1,591
Total Other Interests 0.0%			1,591
Total Long-Term Investments (Cost $161,390,640) 119.6%			145,730,862

Short-Term Securities	**Par (000)**		
U.S. Government & Agency Obligations 1.3%			
Federal Home Loan Bank, 2.60%, 9/02/08 (k)	1,600		1,600,000
Total Short-Term Securities (Cost $1,600,000) 1.3%			1,600,000
Total Investments (Cost $162,990,640*) 120.9%			147,330,862
Liabilities in Excess of Other Assets (20.9)%			(25,522,519)
Net Assets 100.0%		$	121,808,343

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock High Income Shares (HIS)

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$ 163,361,591
Gross unrealized appreciation	$ 1,367,022
Gross unrealized depreciation	(17,397,751)
Net unrealized depreciation	$ (16,030,729)

(a) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
(b) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
(c) Variable rate security. Rate shown is as of report date.
(d) Convertible security.
(e) Represents a step bond. Rate shown reflects the effective yield at time of purchase.
(f) Issuer filed for bankruptcy or is in default of interest payments.
(g) Non-income producing security.
(h) Security is fair valued.
(i) Security is perpetual in nature and has no stated maturity date.
(j) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
(k) Rate shown is yield to maturity as of the date of purchase.

For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report which may combine industry subclassifications for reporting ease. These industry classifications are unaudited.

Foreign currency exchange contracts as of August 31, 2008 were as follows:

Currency Purchased	Currency Sold		Settlement Date	Unrealized Appreciation
USD 1,397,924	EUR	948,000	10/23/08	$11,282

Currency abbreviations:

EUR Euro
USD U.S. Dollar

Effective January 1, 2008, the Trust adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 - price quotations in active markets/exchanges for identical securities
Level 2 - other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, and default rates) or other market-corroborated inputs)

Level 3 - unobservable inputs based on the best information available in the circumstance, to the extent observable inputs are not available (including the Trust s own assumption used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust s policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of August 31, 2008 in determining the fair valuation of the Trust s investments:

Valuation Inputs	**Investments in Securities**	**Other Financial Instruments***
Level 1	$ 230,140	$
Level 2	146,115,792	11,282
Level 3	984,930	
Total	$ 147,330,862	$ 11,282

* Other financial instruments are foreign currency exchange contracts.

The following is a reconciliation of investments for unobservable inputs (Level 3):

	Investments in Securities
Balance, as of December 31, 2007	$ 1,592
Accrued discounts/premiums	
Realized gain (loss)	
Change in unrealized appreciation (depreciation)	
Net purchases (sales)	983,338
Net transfers in/out of Level 3	
Balance, as of August 31, 2008	$ 984,930

See Notes to Financial Statements.

Schedule of Investments August 31, 2008

BlackRock High Yield Trust (BHY)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Aerospace & Defense 1.2%		
CHC Helicopter Corp., 7.375%, 5/01/14	$ 170	$ 176,800
DRS Technologies, Inc.:		
6.875%, 11/01/13	40	40,500
7.625%, 2/01/18	100	105,250
Hexcel Corp., 6.75%, 2/01/15	80	77,600
L-3 Communications Corp., 5.875%, 1/15/15	20	18,850
TransDigm, Inc., 7.75%, 7/15/14	100	97,250
		516,250
Air Freight & Logistics 0.2%		
Park-Ohio Industries, Inc., 8.375%, 11/15/14	85	70,125
Airlines 0.2%		
American Airlines, Inc. Series 99-1, 7.324%, 4/15/11	95	86,450
Auto Components 2.7%		
Allison Transmission, Inc. (a):		
11%, 11/01/15	95	87,400
11.25%, 11/01/15 (b)	235	206,800
The Goodyear Tire & Rubber Co.:		
7.857%, 8/15/11	135	135,675
8.625%, 12/01/11	236	243,080
Lear Corp., 8.75%, 12/01/16	135	101,587
Metaldyne Corp., 10%, 11/01/13	255	68,850
Stanadyne Corp. Series 1, 10%, 8/15/14	350	329,000
		1,172,392
Automobiles 1.1%		
Ford Capital BV, 9.50%, 6/01/10	520	432,900
Ford Motor Co., 8.90%, 1/15/32	125	66,250
		499,150
Building Products 1.2%		
CPG International I, Inc., 10.50%, 7/01/13	150	115,500
Momentive Performance Materials, Inc., 11.50%, 12/01/16	285	222,300
Ply Gem Industries, Inc., 11.75%, 6/15/13 (a)	220	200,200
		538,000
Capital Markets 0.5%		
Marsico Parent Co., LLC, 10.625%, 1/15/16 (a)	174	146,160
Marsico Parent Holdco, LLC, 12.50%, 7/15/16 (a)(b)	64	53,512
Marsico Parent Superholdco, LLC, 14.50%, 1/15/18 (a)(b)	43	36,080
		235,752
Chemicals 3.3%		
American Pacific Corp., 9%, 2/01/15	140	135,800

Ames True Temper, Inc., 6.791%, 1/15/12 (c)		265		212,000
Hexion U.S. Finance Corp.:				
7.304%, 11/15/14 (c)		100		76,250
9.75%, 11/15/14		75		62,437
Huntsman LLC, 11.50%, 7/15/12		95		99,275
Innophos, Inc., 8.875%, 8/15/14		545		558,625
Key Plastics LLC, 11.75%, 3/15/13 (a)		70		24,500
MacDermid, Inc., 9.50%, 4/15/17 (a)		265		242,475
Terra Capital, Inc. Series B, 7%, 2/01/17		40		38,900
				1,450,262
Commercial Services & Supplies 2.8%				
ARAMARK Corp., 8.50%, 2/01/15		55		55,412
DI Finance Series B, 9.50%, 2/15/13		201		199,492
Sally Holdings LLC:				
9.25%, 11/15/14		35		35,394
10.50%, 11/15/16		179		179,895
US Investigations Services, Inc., 10.50%, 11/01/15 (a)		100		89,000
Waste Services, Inc., 9.50%, 4/15/14		185		186,850
West Corp.:				
9.50%, 10/15/14		125		106,563
11%, 10/15/16		475		371,688
				1,224,294

Corporate Bonds		Par (000)		Value
Communications Equipment 0.3%				
Nortel Networks Ltd., 7.041%, 7/15/11 (c)	$	145	$	134,487
Construction Materials 1.1%				
Nortek Holdings, Inc., 10%, 12/01/13 (a)		530		495,550
Containers & Packaging 2.6%				
Berry Plastics Holding Corp., 6.651%, 9/15/14 (c)		75		56,250
Cascades, Inc., 7.25%, 2/15/13		175		147,875
Crown Americas LLC, 7.75%, 11/15/15		85		87,125
Graphic Packaging International Corp., 9.50%, 8/15/13		30		28,200
Impress Holdings BV, 5.916%, 9/15/13 (a)(c)		270		243,000
Pregis Corp., 12.375%, 10/15/13		310		296,050
Smurfit-Stone Container Enterprises, Inc., 8%, 3/15/17		375		300,000
				1,158,500
Diversified Financial Services 3.5%				
CDX North America High Yield Series 6-T1, 8.625%, 6/29/11		490		494,596
Ford Motor Credit Co. LLC:				
5.538%, 1/13/12 (c)		110		81,213
7.80%, 6/01/12		500		371,332
GMAC LLC:				
5.011%, 12/01/14 (c)		225		118,158
6.75%, 12/01/14		230		124,882
8%, 11/01/31		240		129,444
Leucadia National Corp., 8.125%, 9/15/15		200		201,250
				1,520,875
Diversified Telecommunication Services 5.3%				
Asia Global Crossing Ltd., 13.375%, 10/15/10 (d)(e)		2,000		90,000
Broadview Networks Holdings, Inc., 11.375%, 9/01/12		180		154,800
Cincinnati Bell, Inc., 7.25%, 7/15/13		405		389,306

Qwest Communications International, Inc., 7.50%, 2/15/14	875	796,250
Qwest Corp., 6.026%, 6/15/13 (c)	230	212,750
Wind Acquisition Finance SA, 10.75%, 12/01/15 (a)	375	384,375
Windstream Corp.:		
8.125%, 8/01/13	200	198,000
8.625%, 8/01/16	120	118,800
		2,344,281
Electric Utilities 1.7%		
Elwood Energy LLC, 8.159%, 7/05/26	449	423,908
Homer City Funding LLC Series B, 8.734%, 10/01/26	97	104,838
NSG Holdings LLC, 7.75%, 12/15/25 (a)	170	163,200
Sithe/Independence Funding Corp. Series A, 9%, 12/30/13	36	37,903
		729,849
Electrical Equipment 1.1%		
Coleman Cable, Inc., 9.875%, 10/01/12	155	144,150
Superior Essex Communications LLC, 9%, 4/15/12	305	318,725
		462,875
Electronic Equipment & Instruments 0.8%		
NXP BV, 5.541%, 10/15/13 (c)	125	97,187
Sanmina-SCI Corp., 8.125%, 3/01/16	255	230,137
		327,324
Energy Equipment & Services 1.2%		
Compagnie Generale de Geophysique-Veritas:		
7.50%, 5/15/15	50	49,750
7.75%, 5/15/17	80	79,600
Grant Prideco, Inc. Series B, 6.125%, 8/15/15	50	48,597
Hornbeck Offshore Services, Inc. Series B, 6.125%, 12/01/14	5	4,650
North American Energy Partners, Inc., 8.75%, 12/01/11	335	333,325
		515,922
Food & Staples Retailing 1.0%		
The Pantry, Inc., 7.75%, 2/15/14	265	221,275
Rite Aid Corp., 7.50%, 3/01/17	250	207,500
		428,775

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock High Yield Trust (BHY)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Gas Utilities 0.4%				
Targa Resources, Inc., 8.50%, 11/01/13	$	200	$	190,000
Health Care Equipment & Supplies 3.0%				
Biomet, Inc.:				
10%, 10/15/17		75		81,000
10.375%, 10/15/17 (b)		120		126,600
11.625%, 10/15/17		100		105,125
Catalent Pharma Solutions, Inc., 9.50%, 4/15/15 (b)		150		125,250
DJO Finance LLC, 10.875%, 11/15/14		760		761,900
Hologic, Inc., 2%, 12/15/37 (f)(g)		145		118,356
				1,318,231
Health Care Providers & Services 2.0%				
Community Health Systems, Inc., 8.875%, 7/15/15		40		40,400
Tenet Healthcare Corp.:				
6.375%, 12/01/11		45		43,425
6.50%, 6/01/12		615		595,012
United Surgical Partners International, Inc., 8.875%, 5/01/17		119		102,340
Viant Holdings, Inc., 10.125%, 7/15/17 (a)		115		97,175
				878,352
Hotels, Restaurants & Leisure 5.7%				
American Real Estate Partners LP:				
8.125%, 6/01/12		185		161,644
7.125%, 2/15/13		300		279,375
Gaylord Entertainment Co.:				
8%, 11/15/13		40		36,700
6.75%, 11/15/14		280		244,300
Great Canadian Gaming Corp., 7.25%, 2/15/15 (a)		320		301,600
Greektown Holdings, LLC, 10.75%, 12/01/13 (a)(d)(e)		174		131,370
Harrah s Operating Co., Inc. (a):				
10.75%, 2/01/16		525		353,063
10.75%, 2/01/18 (b)		702		414,638
Seneca Gaming Corp. Series B, 7.25%, 5/01/12		140		124,950
Shingle Springs Tribal Gaming Authority, 9.375%, 6/15/15 (a)		40		32,500
Travelport LLC, 7.436%, 9/01/14 (c)		60		47,250
Tropicana Entertainment LLC, 9.625%, 12/15/14 (d)(e)		25		8,000
Virgin River Casino Corp., 9%, 1/15/12		445		312,613
Wynn Las Vegas LLC, 6.625%, 12/01/14		70		63,788
				2,511,791
Household Durables 0.3%				
Jarden Corp., 7.50%, 5/01/17		150		133,500
The Yankee Candle Co., Inc., 9.75%, 2/15/17		30		19,050
				152,550
IT Services 1.9%				

First Data Corp., 9.875%, 9/24/15 (a)		195		168,188
iPayment, Inc., 9.75%, 5/15/14		120		100,500
iPayment Investors LP, 12.75%, 7/15/14 (a)(b)		500		494,450
SunGard Data Systems, Inc., 9.125%, 8/15/13		85		86,275
				849,413
Independent Power Producers & Energy Traders 4.4%				
AES Red Oak LLC:				
Series A, 8.54%, 11/30/19		127		129,476
Series B, 9.20%, 11/30/29		500		502,500
Energy Future Holding Corp., 11.25%, 11/01/17 (a)(b)		575		566,375
NRG Energy, Inc.:				
7.25%, 2/01/14		130		128,212
7.375%, 2/01/16		385		380,188
Texas Competitive Electric Holdings Co. LLC (a):				
10.50%, 11/01/16 (b)		160		152,800
Series B, 10.25%, 11/01/15		70		69,825
				1,929,376

Corporate Bonds		Par (000)		Value
Industrial Conglomerates 1.7%				
Sequa Corp. (a):				
11.75%, 12/01/15	$	380	$	334,400
13.50%, 12/01/15 (b)		496		404,403
				738,803
Insurance 0.8%				
Alliant Holdings I, Inc., 11%, 5/01/15 (a)		300		267,000
USI Holdings Corp., 6.679%, 11/15/14 (a)(c)		100		79,750
				346,750
Leisure Equipment & Products 0.2%				
Easton-Bell Sports, Inc., 8.375%, 10/01/12		115		97,750
Machinery 2.0%				
AGY Holding Corp., 11%, 11/15/14		200		186,000
Accuride Corp., 8.50%, 2/01/15		85		54,825
RBS Global, Inc., 8.875%, 9/01/16		85		79,262
Sunstate Equipment Co. LLC, 10.50%, 4/01/13 (a)		510		372,300
Terex Corp.:				
7.375%, 1/15/14		55		54,175
8%, 11/15/17		135		133,312
				879,874
Marine 0.2%				
Navios Maritime Holdings, Inc., 9.50%, 12/15/14		106		101,230
Media 12.3%				
Affinion Group, Inc., 10.125%, 10/15/13		390		384,150
CMP Susquehanna Corp., 9.875%, 5/15/14		290		181,250
CSC Holdings, Inc. Series B, 7.625%, 4/01/11		45		45,225
Cablevision Systems Corp. Series B, 7.133%, 4/01/09 (c)		175		175,875
Charter Communications Holdings I, LLC, 11%, 10/01/15		190		145,301
Charter Communications Holdings II, LLC, 10.25%, 9/15/10		850		815,625
Dex Media West LLC, 9.875%, 8/15/13		40		30,800

DirecTV Holdings LLC:		
8.375%, 3/15/13	125	129,375
7.625%, 5/15/16 (a)	240	239,400
EchoStar DBS Corp.:		
7%, 10/01/13	40	38,000
7.125%, 2/01/16	260	239,200
Harland Clarke Holdings Corp.:		
7.554%, 5/15/15 (c)	50	35,250
9.50%, 5/15/15	60	47,100
Intelsat Corp., 6.875%, 1/15/28	210	161,700
Network Communications, Inc., 10.75%, 12/01/13	245	176,094
Nielsen Finance LLC, 10%, 8/01/14	560	567,000
ProtoStar I Ltd., 12.50%, 10/15/12 (a)(c)(f)	401	388,922
R.H. Donnelley Corp., 11.75%, 5/15/15 (a)	404	296,940
Rainbow National Services LLC (a):		
8.75%, 9/01/12	310	316,200
10.375%, 9/01/14	318	338,273
TL Acquisitions, Inc., 10.50%, 1/15/15 (a)	590	504,450
Virgin Media, Inc., 6.50%, 11/15/16 (a)(f)	75	68,813
Windstream Regatta Holdings, Inc., 11%, 12/01/17 (a)	150	87,000
		5,411,943
Metals & Mining 3.6%		
AK Steel Corp., 7.75%, 6/15/12	85	86,912
Aleris International, Inc.:		
9%, 12/15/14 (b)	120	93,600
10%, 12/15/16	125	87,187
FMG Finance Property Ltd.(a):		
10%, 9/01/13	85	90,950
10.625%, 9/01/16	205	229,600
Freeport-McMoRan Copper & Gold, Inc.:		
5.883%, 4/01/15 (c)	240	240,634
8.375%, 4/01/17	415	439,900

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock High Yield Trust (BHY)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Metals & Mining (concluded)				
Ryerson, Inc. (a):				
10.176%, 11/01/14 (c)	$	60	$	57,300
12%, 11/01/15		85		83,300
Steel Dynamics, Inc., 7.375%, 11/01/12		80		79,200
Vedanta Resources Plc, 9.50%, 7/18/18 (a)		105		104,853
				1,593,436
Multiline Retail 0.3%				
Neiman Marcus Group, Inc., 9%, 10/15/15 (b)		115		111,837
Oil, Gas & Consumable Fuels 10.8%				
Atlas Energy Resources LLC, 10.75%, 2/01/18 (a)		210		211,050
Berry Petroleum Co., 8.25%, 11/01/16		80		76,400
Chaparral Energy, Inc., 8.50%, 12/01/15		100		87,000
Chesapeake Energy Corp.:				
6.375%, 6/15/15		90		83,700
6.625%, 1/15/16		250		234,375
7.25%, 12/15/18		125		121,875
2.25%, 12/15/38 (f)		125		117,188
Compton Petroleum Finance Corp., 7.625%, 12/01/13		100		93,875
Connacher Oil and Gas Ltd., 10.25%, 12/15/15 (a)		200		206,500
Corral Finans AB, 7.713%, 4/15/10 (a)(b)		338		312,250
Denbury Resources, Inc., 7.50%, 12/15/15		30		29,287
EXCO Resources, Inc., 7.25%, 1/15/11		370		366,300
Encore Acquisition Co., 6%, 7/15/15		40		34,900
Forest Oil Corp.:				
7.25%, 6/15/19		190		174,800
7.25%, 6/15/19 (a)		175		161,000
Frontier Oil Corp., 6.625%, 10/01/11		65		63,212
Newfield Exploration Co., 6.625%, 9/01/14		30		28,238
OPTI Canada, Inc., 8.25%, 12/15/14		440		439,450
Overseas Shipholding Group, Inc., 7.50%, 2/15/24		350		319,375
Petrohawk Energy Corp., 7.875%, 6/01/15 (a)		50		46,625
Range Resources Corp., 7.375%, 7/15/13		185		183,150
Sabine Pass LNG LP, 7.50%, 11/30/16		130		113,750
SandRidge Energy, Inc., 8%, 6/01/18 (a)		165		154,688
Tennessee Gas Pipeline Co., 8.375%, 6/15/32		160		176,960
Transcontinental Gas Pipe Line Corp. Series B, 8.875%, 7/15/12		400		443,852
Whiting Petroleum Corp.:				
7.25%, 5/01/12		125		120,625
7.25%, 5/01/13		370		355,200
				4,755,625
Paper & Forest Products 2.6%				
Abitibi-Consolidated, Inc., 8.85%, 8/01/30		35		12,950
Ainsworth Lumber Co. Ltd., 11%, 7/29/15 (a)		18		14,782
Bowater, Inc.:				
9%, 8/01/09		60		55,800
5.776%, 3/15/10 (c)		130		106,600
Domtar Corp., 7.125%, 8/15/15		40		38,600
NewPage Corp.:				
10%, 5/01/12		520		504,400

12%, 5/01/13		160		149,600
Norske Skog Canada Ltd., 7.375%, 3/01/14		120		84,300
Verso Paper Holdings LLC Series B:				
6.551%, 8/01/14 (c)		40		35,600
9.125%, 8/01/14		165		155,100
				1,157,732
Pharmaceuticals 0.5%				
Angiotech Pharmaceuticals, Inc., 6.56%, 12/01/13 (c)		230		203,550
Professional Services 0.2%				
FTI Consulting, Inc., 7.75%, 10/01/16		100		103,750

Corporate Bonds		**Par (000)**		**Value**
Real Estate Management & Development 0.7%				
Realogy Corp.:				
10.50%, 4/15/14	$	200	$	118,000
11%, 4/15/14 (b)		255		119,850
12.375%, 4/15/15		105		48,300
				286,150
Semiconductors & Semiconductor Equipment 1.3%				
Amkor Technology, Inc.:				
7.75%, 5/15/13		40		37,500
9.25%, 6/01/16		125		120,625
Freescale Semiconductor, Inc.:				
8.875%, 12/15/14		100		81,000
9.125%, 12/15/14 (b)		235		183,300
Spansion, Inc., 5.935%, 6/01/13 (a)(c)		190		132,050
				554,475
Software 0.1%				
BMS Holdings, Inc., 10.595%, 2/15/12 (a)(b)(c)		72		43,121
Specialty Retail 3.4%				
Asbury Automotive Group, Inc., 7.625%, 3/15/17		60		42,900
AutoNation, Inc.:				
4.791%, 4/15/13 (c)		80		66,000
7%, 4/15/14		90		77,850
General Nutrition Centers, Inc.:				
7.199%, 3/15/14 (b)(c)		250		203,852
10.75%, 3/15/15		280		243,600
Group 1 Automotive, Inc., 2.25%, 6/15/36 (g)		25		14,906
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12		475		237,500
Michaels Stores, Inc.:				
10%, 11/01/14		150		112,500
11.375%, 11/01/16		130		83,200
Rent-A-Center, Inc. Series B, 7.50%, 5/01/10		250		245,000
United Auto Group, Inc., 7.75%, 12/15/16		180		146,025
				1,473,333
Textiles, Apparel & Luxury Goods 0.2%				
Quiksilver, Inc., 6.875%, 4/15/15		100		80,250
Thrifts & Mortgage Finance 0.0%				
Residential Capital LLC, 8.50%, 5/15/10 (a)		7		4,830

Trading Companies & Distributors 0.3%		
Russel Metals, Inc., 6.375%, 3/01/14	125	117,500
Wireless Telecommunication Services 6.1%		
Centennial Communications Corp.:		
8.541%, 1/01/13 (c)	220	218,900
8.125%, 2/01/14	455	461,825
Cricket Communications, Inc.:		
9.375%, 11/01/14	40	39,650
10.875%, 11/01/14	180	178,425
10%, 7/15/15 (a)	10	10,050
Digicel Group Ltd.(a):		
8.875%, 1/15/15	130	122,044
9.125%, 1/15/15 (b)	294	265,702
iPCS, Inc., 4.926%, 5/01/13 (c)	90	79,875
MetroPCS Wireless, Inc., 9.25%, 11/01/14	515	510,494
Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (a)	445	428,312
Sprint Capital Corp., 7.625%, 1/30/11	355	355,000
		2,670,277
Total Corporate Bonds 96.8%		42,473,042

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock High Yield Trust (BHY)

(Percentages shown are based on Net Assets)

Floating Rate Loan Interests	Par (000)	Value
Auto Components 0.8%		
Dana Corp. Term Advance, 6.75%, 1/31/15	$ 325	$ 298,269
Delphi Automotive Systems		
Initial Tranche C Loan, 8.50%, 12/31/08	50	41,354
		339,623
Automobiles 0.4%		
Ford Motor Term Loan, 5.47%, 12/16/13	150	116,098
General Motors Corp. Secured Term Loan, 5.163%, 11/29/13	100	73,641
		189,739
Building Products 1.1%		
Building Material Corp. of America Term Loan Advance, 5.438% - 5.5625%, 2/24/14	150	128,366
Stile Acquisition (Masonite International):		
Canadian Term Loan, 4.63% - 5.046%, 4/06/13	198	168,851
U.S. Term Loan, 4.63% - 5.046%, 4/06/13	200	170,149
		467,366
Chemicals 1.0%		
PQ Corp. Second Lien Loan, 9.30%, 7/30/15	500	432,500
Health Care Providers & Services 1.2%		
Community Health Systems, Inc. Term Loan B, 4.228%, 7/15/14	285	269,739
Rotech Healthcare, Inc. Term Loan, 9.135%, 9/26/11 (b)	288	242,330
		512,069
Hotels, Restaurants & Leisure 0.6%		
Travelport, Inc. Term Loan, 9.793%, 3/27/12 (b)	446	274,351
Household Products 0.2%		
Spectrum Brands, Inc.:		
Dollar Term Loan B, 6.669% - 6.804%, 3/30/13	80	68,524
Letter of Credit, 2.31375%, 3/30/13	4	3,460
		71,984
Independent Power Producers & Energy Traders 1.8%		
Calpine Corp. First Priority Term Loan, 5.685%, 3/29/14	100	92,875
Texas Competitive Electric Holdings Co., LLC (TXU) Term Loan:		
Initial Tranche Term Loan B-2, 5.963% - 6.303%, 10/10/14	248	231,239
Initial Tranche Term Loan B-3, 5.963% - 6.303%, 10/10/14	496	461,513
		785,627
Machinery 0.8%		

Navistar International Transportation Corp.:			
Revolving Credit, 5.686%, 6/30/12		90	82,913
Term Loan, 6.292%, 6/30/12		245	225,706
Rexnord Corp. Loan, 9.676%, 3/01/13 (b)		58	46,460
			355,079
Media 3.9%			
Affinion Group, Inc. Loan, 9.3675%, 3/01/12		325	272,594
Cengage (Thomson Learning, Inc.) Tranche 1 Incremental Term Loan 2, 7.50%, 7/05/14		250	247,500
HMH Publishing (Education Media):			
Mezzanine Term Loan, 6.46375%, 11/14/14		1,034	827,594
Tranche A Term Loan, 6.46375%, 11/14/14		439	394,356
			1,742,044
Paper & Forest Products 0.4%			
Verso Paper Holdings LLC Term Loan, 9.033%, 2/01/13		179	168,000
Total Floating Rate Loan Interests 12.2%			5,338,382

Common Stocks		**Shares**	
Paper & Forest Products 0.0%			
Ainsworth Lumber Co. Ltd.		2,234	6,418
Ainsworth Lumber Co. Ltd. (a)		2,507	7,215
			13,633

Common Stocks		**Shares**	**Value**
Specialty Retail 0.0%			
Mattress Discounters Corp. (d)(h)		14,992	$
Total Common Stocks 0.0%			13,633

Preferred Securities		**Par (000)**	
Capital Trusts			
Diversified Financial Services 1.1%			
Citigroup, Inc., 8.40% (c)(i)	$	420	356,588
JPMorgan Chase & Co., 7.90% (c)(i)		130	118,105
Total Capital Trusts 1.1%			474,693

Preferred Stocks		**Shares**	
Capital Markets 0.0%			

Marsico Parent Superholdco, LLC, 16.75% (a)		12	10,260
Total Preferred Stocks 0.0%			10,260
Total Preferred Securities 1.1%			484,953

Warrants (j)			
Communications Equipment 0.0%			
PF Net Communications, Inc. (expires 5/15/10) (a)		600	
Diversified Telecommunication Services 0.0%			
NEON Communications, Inc. (expires 12/02/12) (h)		53,622	1
Total Warrants 0.0%			1

Other Interests (k)		**Beneficial Interest (000)**	
Health Care Providers & Services 0.0%			
Critical Care Systems International, Inc. (h)	$	5	1,592
Total Other Interests 0.0%			1,592
Total Long Term Investments (Cost $56,353,746) 110.1%			48,311,603

Short-Term Securities	**Par (000)**	
U.S. Government & Agency Obligations 3.4%		
Federal Home Loan Bank, 2.60%, 9/02/08 (l)	1,500	1,500,000
Total Short-Term Securities (Cost $1,500,000) 3.4%		1,500,000

Options Purchased	**Contracts**		
Call Options Purchased			
Marsico Parent Superholdco LLC, expiring December 2019 at $942.86	3		5,070
Total Options Purchased (Cost $2,933) 0.0%			5,070
Total Investments (Cost $57,856,679*) 113.5%			49,816,673
Liabilities in Excess of Other Assets (13.5)%			(5,919,892)
Net Assets 100.0%		$	43,896,781

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock High Yield Trust (BHY)

* The cost and unrealized appreciation (depreciation) of investments, as of August 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$	57,886,965
Gross unrealized appreciation	$	216,977
Gross unrealized depreciation		(8,287,269)
Net unrealized depreciation	$	(8,070,292)

(a) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
(b) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
(c) Variable rate security. Rate shown is as of report date.
(d) Non-income producing security.
(e) Issuer filed for bankruptcy or is in default of interest payments.
(f) Convertible security.
(g) Represents a step bond. Rate shown reflects the effective yield at time of purchase.
(h) Security is fair valued.
(i) Security is perpetual in nature and has no stated maturity date.
(j) Warrants entitle the Trust to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date.
(k) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
(l) Rate shown is the yield to maturity as of the date of purchase.

For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine industry subclassifications for reporting ease. These industry classifications are unaudited.

Swaps outstanding as of August 31, 2008 were as follows:

	Notional Amount (000)	Unrealized Appreciation
Sold credit default protection on Cooper Tire & Rubber Co. and received 7.70% Broker, Lehman Brothers Special Financing Expires, September 2013	$ 200	$ 61

See Notes to Financial Statements.

Schedule of Investments August 31, 2008

BlackRock Income Opportunity Trust, Inc. (BNA)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Aerospace & Defense 0.8%				
CHC Helicopter Corp., 7.375%, 5/01/14	$	450	$	468,000
DRS Technologies, Inc.:				
6.875%, 11/01/13		80		81,000
7.625%, 2/01/18		80		84,200
Hexcel Corp., 6.75%, 2/01/15		150		145,500
Honeywell International, Inc., 5.70%, 3/15/37		915		851,808
TransDigm, Inc., 7.75%, 7/15/14		140		136,150
United Technologies Corp., 4.875%, 5/01/15 (a)		1,250		1,255,170
				3,021,828
Air Freight & Logistics 0.5%				
Park-Ohio Industries, Inc., 8.375%, 11/15/14		165		136,125
United Parcel Service, Inc., 6.20%, 1/15/38 (a)		1,710		1,721,395
				1,857,520
Airlines 0.0%				
American Airlines, Inc. Series 99-1, 7.324%, 4/15/11		120		109,200
Auto Components 0.1%				
Lear Corp., 8.75%, 12/01/16		270		203,175
Metaldyne Corp., 10%, 11/01/13		295		79,650
				282,825
Biotechnology 0.4%				
Amgen, Inc. Series WI, 2.889%, 11/28/08 (a)(b)		1,325		1,322,792
Building Products 0.1%				
CPG International I, Inc., 10.50%, 7/01/13		230		177,100
Momentive Performance Materials, Inc., 11.50%, 12/01/16		440		343,200
				520,300
Capital Markets 3.4%				
Credit Suisse (USA) Inc.:				
6.125%, 11/15/11 (c)		700		721,003
7.125%, 7/15/32		1,000		1,056,473
The Goldman Sachs Group, Inc.:				
6.60%, 1/15/12		1,000		1,034,832
6.75%, 10/01/37		850		747,875
Lehman Brothers Holdings, Inc.:				
5.625%, 1/24/13		1,415		1,321,318
4.80%, 3/13/14		100		86,665
6.50%, 7/19/17		225		199,173
4.476%, 9/15/22 (b)		575		532,155
Series MTN, 7%, 9/27/27		550		490,430
Morgan Stanley:				
3.041%, 1/09/12 (b)		960		869,419
6.25%, 8/28/17		1,200		1,092,232
6.25%, 8/09/26 (a)		2,100		1,795,970

UBS AG Series DPNT, 5.875%, 12/20/17		1,925		1,876,613
				11,824,158
Chemicals 0.6%				
American Pacific Corp., 9%, 2/01/15		280		271,600
Ames True Temper, Inc., 6.791%, 1/15/12 (b)		720		576,000
Huntsman LLC, 11.50%, 7/15/12		72		75,240
Innophos, Inc., 8.875%, 8/15/14		975		999,375
Key Plastics LLC, 11.75%, 3/15/13 (e)		565		197,750
				2,119,965
Commercial Banks 2.8%				
DEPFA ACS Bank, 5.125%, 3/16/37 (e)		4,150		3,939,699
HSBC Finance Corp., 6.50%, 5/02/36		1,275		1,176,969
Wachovia Bank NA, 6.60%, 1/15/38 (a)		2,125		1,664,829
Wells Fargo & Co., 4.625%, 8/09/10		1,000		1,012,446
Wells Fargo Bank NA, 7.55%, 6/21/10 (a)		2,000		2,104,410
				9,898,353

Corporate Bonds		**Par (000)**		**Value**
Commercial Services & Supplies 1.3%				
Casella Waste Systems, Inc., 9.75%, 2/01/13	$	2,250	$	2,227,500
DI Finance Series B, 9.50%, 2/15/13		679		673,908
Sally Holdings LLC, 10.50%, 11/15/16 (e)		136		136,680
Waste Services, Inc., 9.50%, 4/15/14		600		606,000
West Corp., 11%, 10/15/16		1,210		946,825
				4,590,913
Communications Equipment 0.2%				
Nortel Networks Ltd., 7.041%, 7/15/11 (b)		855		793,012
Computers & Peripherals 1.0%				
International Business Machines Corp., 5.70%, 9/14/17 (a)		3,450		3,518,182
Consumer Finance 0.1%				
SLM Corp. Series A, 3.10%, 1/27/14 (b)		600		475,776
Containers & Packaging 0.3%				
Berry Plastics Holding Corp., 8.875%, 9/15/14		115		95,450
Crown Americas LLC, 7.75%, 11/15/15		150		153,750
Impress Holdings BV, 5.916%, 9/15/13 (b)(e)		330		297,000
Pregis Corp., 12.375%, 10/15/13		535		510,925
				1,057,125
Diversified Financial Services 6.7%				
Bank of America Corp:				
7.80%, 2/15/10 (a)		2,450		2,553,250
6%, 9/01/17		1,795		1,708,693
5.75%, 12/01/17		980		914,205
Bank of America NA:				
5.30%, 3/15/17		600		544,465
6.10%, 6/15/17		1,975		1,894,600
Citigroup, Inc.:				
4.125%, 2/22/10 (a)(c)		5,230		5,180,901
6.875%, 2/15/98		550		475,664
Ford Motor Credit Co. LLC:				

5.538%, 1/13/12 (b)	120	88,597
7.80%, 6/01/12	380	282,213
General Electric Capital Corp. (a):		
6.75%, 3/15/32	3,000	3,031,767
6.15%, 8/07/37	7,610	7,216,829
		23,891,184
Diversified Telecommunication Services 4.8%		
AT&T, Inc., 6.50%, 9/01/37 (a)	4,075	3,922,049
Bellsouth Telecommunications, Inc., 6.207%, 12/15/95 (f)	1,700	844,274
Cincinnati Bell, Inc., 7.25%, 7/15/13	470	451,787
Deutsche Telekom International Finance BV, 5.75%, 3/23/16	325	312,226
Qwest Communications International, Inc., 7.50%, 2/15/14	55	50,050
Qwest Corp., 6.026%, 6/15/13 (b)	375	346,875
Telecom Italia Capital SA, 4.95%, 9/30/14 (a)	4,375	3,964,603
Telefonica Emisiones SAU, 7.045%, 6/20/36	1,000	1,015,441
Verizon Communications, Inc., 6.40%, 2/15/38 (a)	2,100	1,953,953
Verizon Global Funding Corp., 7.75%, 6/15/32	575	609,433
Verizon Maryland, Inc.:		
Series A, 6.125%, 3/01/12 (c)	1,355	1,385,788
Series B, 5.125%, 6/15/33	540	418,043
Verizon Virginia, Inc. Series A, 4.625%, 3/15/13	750	721,891
Wind Acquisition Finance SA, 10.75%, 12/01/15 (e)	360	369,000
Windstream Corp.:		
8.125%, 8/01/13	410	405,900
8.625%, 8/01/16	250	247,500
		17,018,813

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Opportunity Trust, Inc. (BNA)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Electric Utilities 3.8%				
Duke Energy Carolinas LLC:				
6.10%, 6/01/37	$	325	$	309,437
6%, 1/15/38		850		822,833
E.ON International Finance BV, 6.65%, 4/30/38 (e)		1,575		1,597,797
EDP Finance BV, 6%, 2/02/18 (e)		1,250		1,239,834
Edison Mission Energy, 7.50%, 6/15/13		130		130,325
Elwood Energy LLC, 8.159%, 7/05/26		170		160,675
Florida Power & Light Co., 4.95%, 6/01/35		575		494,485
Florida Power Corp:				
6.35%, 9/15/37 (a)		1,450		1,465,767
6.40%, 6/15/38		800		814,070
Midwest Generation LLC Series B, 8.56%, 1/02/16		84		86,193
PacifiCorp., 6.25%, 10/15/37		650		631,469
Public Service Co. of Colorado, 6.25%, 9/01/37		1,350		1,355,760
Southern California Edison Co.:				
5.625%, 2/01/36		675		640,422
Series 05-E, 5.35%, 7/15/35		150		136,909
Series 08-A, 5.95%, 2/01/38		1,100		1,091,171
Toledo Edison Co./The, 6.15%, 5/15/37		350		303,055
Virginia Electric and Power Co. Series A, 6%, 5/15/37 (a)		2,200		2,079,849
				13,360,051
Electrical Equipment 0.3%				
Superior Essex Communications LLC, 9%, 4/15/12		950		992,750
Electronic Equipment & Instruments 0.3%				
Sanmina-SCI Corp., 8.125%, 3/01/16		1,280		1,155,200
Energy Equipment & Services 0.6%				
Compagnie Generale de Geophysique-Veritas:				
7.50%, 5/15/15		60		59,700
7.75%, 5/15/17		100		99,500
Grant Prideco, Inc. Series B, 6.125%, 8/15/15		90		87,474
North American Energy Partners, Inc., 8.75%, 12/01/11		85		84,575
Transocean, Inc., 6.80%, 3/15/38		1,175		1,172,288
Weatherford International, Inc., 6.80%, 6/15/37 (e)		625		619,455
				2,122,992
Food & Staples Retailing 1.2%				
CVS Caremark Corp., 6.25%, 6/01/27		850		807,667
Rite Aid Corp., 7.50%, 3/01/17		770		639,100
Wal-Mart Stores, Inc.:				
6.20%, 4/15/38		850		840,835
6.50%, 8/15/37 (a)		1,975		2,021,869
				4,309,471
Food Products 0.5%				
Kraft Foods, Inc., 7%, 8/11/37 (a)		1,670		1,661,680
Gas Utilities 0.1%				

El Paso Natural Gas Co., 8.375%, 6/15/32	150	165,900
Targa Resources, Inc., 8.50%, 11/01/13	360	342,000
		507,900
Health Care Equipment & Supplies 0.4%		
DJO Finance LLC, 10.875%, 11/15/14	1,530	1,533,825
Health Care Providers & Services 0.4%		
Tenet Healthcare Corp., 6.50%, 6/01/12	1,640	1,586,700
Hotels, Restaurants & Leisure 0.3%		
American Real Estate Partners LP, 7.125%, 2/15/13	350	305,813
Gaylord Entertainment Co., 6.75%, 11/15/14	250	218,125
Greektown Holdings, LLC, 10.75%, 12/01/13 (e)(g)(h)	305	230,275
Seneca Gaming Corp. Series B, 7.25%, 5/01/12	290	258,825
Wynn Las Vegas LLC, 6.625%, 12/01/14	25	22,781
		1,035,819

Corporate Bonds	Par (000)	Value
Household Durables 0.3%		
Irwin Land LLC:		
Series A-1, 5.03%, 12/15/25	$ 575	$ 500,572
Series A-2, 5.30%, 12/15/35	780	639,304
		1,139,876
Household Products 0.3%		
Kimberly-Clark, Corp., 6.625%, 8/01/37	975	1,027,605
IT Services 0.4%		
iPayment, Inc., 9.75%, 5/15/14	270	226,125
iPayment Investors LP, 12.75%, 7/15/14 (e)(i)	994	986,734
SunGard Data Systems, Inc., 9.125%, 8/15/13	195	197,925
		1,410,784
Independent Power Producers & Energy Traders 0.1%		
NRG Energy, Inc.:		
7.25%, 2/01/14	50	49,312
7.375%, 2/01/16	285	281,437
		330,749
Industrial Conglomerates 0.4%		
Sequa Corp. (e):		
11.75%, 12/01/15	760	668,800
13.50%, 12/01/15 (i)	786	639,994
		1,308,794
Insurance 1.7%		
Chubb Corp., 6%, 5/11/37	1,415	1,253,434
Hartford Life Global Funding Trusts, 2.946%, 9/15/09 (b)	1,020	1,016,271
MetLife, Inc., 5.70%, 6/15/35	1,200	1,035,002
Monument Global Funding Ltd., 2.646%, 6/16/10 (b)	1,990	1,973,587
Prudential Financial, Inc., 5.70%, 12/14/36	950	771,957

		6,050,251
Machinery 0.4%		
AGY Holding Corp., 11%, 11/15/14	400	372,000
Accuride Corp., 8.50%, 2/01/15	305	196,725
Sunstate Equipment Co. LLC, 10.50%, 4/01/13 (e)	1,050	766,500
		1,335,225
Marine 0.3%		
Nakilat, Inc. Series A, 6.067%, 12/31/33 (e)	1,100	960,487
Navios Maritime Holdings, Inc., 9.50%, 12/15/14 (e)	188	179,540
		1,140,027
Media 6.8%		
Affinion Group, Inc., 10.125%, 10/15/13	740	728,900
CMP Susquehanna Corp., 9.875%, 5/15/14 (e)	690	431,250
Cablevision Systems Corp. Series B, 7.133%, 4/01/09 (b)	161	161,805
Charter Communications Holdings I, LLC, 11%, 10/01/15	115	88,262
Charter Communications Holdings II, LLC, 10.25%, 9/15/10	1,375	1,319,100
Comcast Cable Communications Holdings, Inc., 8.375%, 3/15/13	1,415	1,562,925
Comcast Cable Communications LLC, 6.75%, 1/30/11	1,000	1,037,489
Comcast Corp., 6.95%, 8/15/37 (a)	1,805	1,761,445
DirecTV Holdings LLC, 8.375%, 3/15/13	140	144,900
EchoStar DBS Corp.:		
5.75%, 10/01/08	180	180,000
7%, 10/01/13	48	45,600
7.125%, 2/01/16	75	69,000
Network Communications, Inc., 10.75%, 12/01/13	195	140,156
News America Holdings, Inc.:		
8.45%, 8/01/34 (a)	2,475	2,813,035
8.15%, 10/17/36	145	160,176

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Opportunity Trust, Inc. (BNA)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Media (concluded)				
Nielsen Finance LLC, 10%, 8/01/14	$	1,100	$	1,113,750
R.H. Donnelley Corp., 11.75%, 5/15/15 (e)		669		491,715
Rainbow National Services LLC (e):				
8.75%, 9/01/12		225		229,500
10.375%, 9/01/14		1,070		1,138,212
TCI Communications, Inc., 8.75%, 8/01/15		1,495		1,630,676
TL Acquisitions, Inc., 10.50%, 1/15/15 (e)		1,100		940,500
Time Warner Cable, Inc.:				
9.125%, 1/15/13 (a)		3,000		3,274,242
7.57%, 2/01/24		1,635		1,655,928
6.55%, 5/01/37		800		737,370
7.30%, 7/01/38		1,925		1,934,292
Windstream Regatta Holdings, Inc., 11%, 12/01/17 (e)		977		566,660
				24,356,888
Metals & Mining 1.7%				
AK Steel Corp., 7.75%, 6/15/12		1,115		1,140,088
Falconbridge Ltd.:				
6%, 10/15/15		600		568,891
6.20%, 6/15/35		1,550		1,267,178
Freeport-McMoRan Copper & Gold, Inc.:				
5.883%, 4/01/15 (b)		660		661,742
8.375%, 4/01/17		1,225		1,298,500
Teck Cominco Ltd., 6.125%, 10/01/35		1,570		1,269,555
				6,205,954
Multi-Utilities 0.6%				
DTE Energy Co., 6.35%, 6/01/16		450		448,208
Energy East Corp., 6.75%, 7/15/36		1,675		1,600,541
				2,048,749
Oil, Gas & Consumable Fuels 5.2%				
Anadarko Petroleum Corp., 6.45%, 9/15/36		2,625		2,412,656
Berry Petroleum Co., 8.25%, 11/01/16		160		152,800
Burlington Resources Finance Co., 7.40%, 12/01/31 (c)		950		1,086,685
Canadian Natural Resources, Ltd.:				
6.25%, 3/15/38		500		460,529
6.75%, 2/01/39		950		934,501
Chaparral Energy, Inc., 8.50%, 12/01/15		380		330,600
Chesapeake Energy Corp., 6.375%, 6/15/15		175		162,750
Compton Petroleum Finance Corp., 7.625%, 12/01/13		90		84,488
Conoco Funding Co., 7.25%, 10/15/31		150		172,853
ConocoPhillips Canada Funding Co., 5.95%, 10/15/36		150		149,988
ConocoPhillips Holding Co., 6.95%, 4/15/29		700		765,734
Devon Energy Corp., 7.95%, 4/15/32		650		752,461
EXCO Resources, Inc., 7.25%, 1/15/11		435		430,650
EnCana Corp.:				
6.50%, 8/15/34		70		66,815
6.625%, 8/15/37		775		737,452
6.50%, 2/01/38		675		632,468
Encore Acquisition Co., 6%, 7/15/15		50		43,625

MidAmerican Energy Co., 5.80%, 10/15/36		800		726,329
MidAmerican Energy Holdings Co.:				
5.95%, 5/15/37		950		880,244
6.50%, 9/15/37		1,725		1,720,924
Nexen, Inc., 6.40%, 5/15/37		600		538,157
OPTI Canada, Inc., 8.25%, 12/15/14		490		489,387
Sabine Pass LNG LP, 7.50%, 11/30/16		350		306,250
Suncor Energy, Inc., 6.50%, 6/15/38		400		382,844
TransCanada PipeLines Ltd., 5.85%, 3/15/36		600		515,076
Valero Energy Corp., 6.625%, 6/15/37		550		485,291
Whiting Petroleum Corp.:				
7.25%, 5/01/12		40		38,600
7.25%, 5/01/13		375		360,000
XTO Energy, Inc.:				
6.75%, 8/01/37		2,125		2,004,281
6.375%, 6/15/38		925		833,854
				18,658,292

Corporate Bonds		Par (000)		Value
Paper & Forest Products 0.2%				
Bowater, Inc., 5.776%, 3/15/10 (b)	$	90	$	73,800
Domtar Corp., 7.125%, 8/15/15		80		77,200
NewPage Corp., 10%, 5/01/12		485		470,450
				621,450
Pharmaceuticals 2.2%				
Bristol-Myers Squibb Co., 5.875%, 11/15/36		1,135		1,073,053
Eli Lilly & Co., 5.55%, 3/15/37 (a)		2,495		2,376,617
Schering-Plough Corp., 6.55%, 9/15/37		1,250		1,192,699
Teva Pharmaceutical Finance LLC, 6.15%, 2/01/36		1,475		1,328,221
Wyeth, 5.95%, 4/01/37 (a)		1,775		1,704,375
				7,674,965
Professional Services 0.0%				
FTI Consulting, Inc., 7.75%, 10/01/16		125		129,688
Real Estate Investment Trusts (REITs) 0.3%				
AvalonBay Communities, Inc., 6.625%, 9/15/11		1,000		1,012,618
Road & Rail 0.3%				
Canadian National Railway Co., 6.375%, 10/15/11		1,000		1,054,686
Semiconductors & Semiconductor Equipment 0.1%				
Amkor Technology, Inc.:				
7.75%, 5/15/13		90		84,375
9.25%, 6/01/16		75		72,375
Freescale Semiconductor, Inc.:				
8.875%, 12/15/14		130		105,300
9.125%, 12/15/14 (i)		315		245,700
				507,750
Software 0.7%				
BMS Holdings, Inc., 10.595%, 2/15/12 (b)(e)(i)		120		72,030
Oracle Corp., 5.75%, 4/15/18		2,300		2,306,557
				2,378,587

Specialty Retail 0.5%		
AutoNation, Inc.:		
4.791%, 4/15/13 (b)	160	132,000
7%, 4/15/14	170	147,050
General Nutrition Centers, Inc.:		
7.584%, 3/15/14 (b)(i)	500	418,302
10.75%, 3/15/15	450	390,375
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12	362	181,000
Michaels Stores, Inc.:		
10%, 11/01/14	435	326,250
11.375%, 11/01/16	150	96,000
		1,690,977
Textiles, Apparel & Luxury Goods 0.1%		
Quiksilver, Inc., 6.875%, 4/15/15	250	200,625
Wireless Telecommunication Services 1.3%		
Cricket Communications, Inc., 9.375%, 11/01/14	105	104,081
Digicel Group Ltd., 8.875%, 1/15/15 (e)	270	253,476
MetroPCS Wireless, Inc., 9.25%, 11/01/14	80	79,300
Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (e)	935	899,937
Rogers Communications, Inc., 7.50%, 8/15/38	1,175	1,206,553
Sprint Capital Corp.:		
6.875%, 11/15/28	930	790,500
8.75%, 3/15/32	350	340,375
Vodafone Group Plc, 7.75%, 2/15/10	1,000	1,046,266
		4,720,488
Total Corporate Bonds 54.9%		195,573,362

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Opportunity Trust, Inc. (BNA)
(Percentages shown are based on Net Assets)

Asset-Backed Securities	Par (000)	Value
American Express Issuance Trust Series 2008-2 Class A, 4.02%, 1/18/11	$ 2,655	$ 2,660,005
Ameriquest Mortgage Securities, Inc. Series 2004-R11 Class A1, 2.774%, 11/25/34 (b)	1,103	809,610
Bank of America Credit Card Trust Series 2008-A9 Class A9, 4.07%, 7/16/12	2,555	2,563,026
Capital Auto Receivables Asset Trust Series 2006-1 Class A3, 5.03%, 10/15/09	582	582,790
Chase Issuance Trust Series 2006-A3 Class A3, 2.457%, 7/15/11 (b)	2,650	2,634,254
Chase Issuance Trust Series 2007-A17 Class A, 5.12%, 10/15/14	2,600	2,593,220
Chase Issuance Trust Series 2008-A9 Class A9, 4.26%, 5/15/13	2,605	2,579,098
Chase Manhattan Auto Owner Trust Series 2005-B Class A4, 4.88%, 6/15/12	2,733	2,748,917
Citibank Credit Card Issuance Trust Series 2006-A2 Class A2, 4.85%, 2/10/11	3,125	3,143,251
Citibank Omni Master Trust Series 2007-A9A Class A9, 3.571%, 12/23/13 (b)	2,795	2,795,655
Daimler Chrysler Auto Trust Series 2006-A Class A3, 5%, 5/08/10	979	984,635
Ford Credit Auto Owner Trust Series 2006-A Class A3, 5.05%, 3/15/10	871	872,862
Harley-Davidson Motorcycle Trust Series 2005-2 Class A2, 4.07%, 2/15/12	1,690	1,692,358
Home Equity Asset Trust Series 2007-2 Class 2A1, 2.582%, 7/25/37 (b)	912	835,814
JPMorgan Mortgage Acquisition Corp. Series 2007-CH5 Class A3, 2.582%, 6/25/37 (b)	3,730	3,200,228
MBNA Credit Card Master Note Trust (e):		
Series 2006-A1 Class A1, 4.90%, 7/15/11	3,075	3,094,573
Series 2006-A4 Class A4, 2.457%, 9/15/11 (b)	4,050	4,029,295
Morgan Stanley ABS Capital I Series 2006-HE5 Class A2A, 2.542%, 8/25/36 (b)	275	272,590
SLM Student Loan Trust Series 2008-5 (b):		
Class A2, 3.90%, 10/25/16	3,300	3,303,960
Class A3, 4.10%, 1/25/18	840	857,648
Class A4, 4.50%, 7/25/23	2,250	2,316,645
Small Business Administration Participation Certificates Series 1996-20K Class 1, 6.95%, 11/01/16	603	619,129
Sterling Bank Trust Series 2004-2 Class Note, 2.081%, 3/30/30 (j)	7,844	294,135
Sterling Coofs Trust Series 1, 2.362%, 4/15/29 (j)	9,834	795,891
USAA Auto Owner Trust Series 2006-1 Class A3, 5.01%, 9/15/10 (e)	923	928,069
Wachovia Auto Owner Trust Series 2006-A Class A4, 5.38%, 3/20/13	2,275	2,173,853
Total Asset-Backed Securities 13.8%		49,381,511

Foreign Government Obligations

Bundesrepublik Deutschland Series 07, 4.25%, 7/04/39	EUR	1,340		1,861,834
France Government Bond, 3.15%, 7/25/32		603		1,046,168
Total Foreign Government Obligations 0.8%				2,908,002

U.S. Government Agency Mortgage-Backed Securities		**Par (000)**		**Value**
Fannie Mae Guaranteed Pass-Through Certificates:				
5.00%, 7/1/35	$	12,188	$	11,756,856
5.50%, 12/01/13 - 9/15/38 (c)(k)		53,767		53,277,712
6.00%, 3/01/16 - 9/15/38 (k)		6,505		6,579,568
7.00%, 2/01/24 - 8/01/36		77		80,612
Freddie Mac Mortgage Participation Certificates (b):				
5.025%, 1/01/35		921		910,615
6.148%, 1/01/35		280		280,313
Ginnie Mae MBS Certificates				
8.00%, 4/15/24 - 6/15/25		95		103,727
Total U.S. Government Agency Mortgage-Backed Securities 20.5%				72,989,403

U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations			
Fannie Mae Trust Series:			
G-7 Class S, 116.20%, 3/25/21 (b)		(l)	2,497
G-10 Class S, 0.575%, 5/25/21 (j)	412		7,487
G-12 Class S, 0.608%, 5/25/21 (j)	343		6,829
G-17 Class S, 0.58%, 6/25/21 (j)	206		3,400
G-33 Class PV, 1.078%, 10/25/21 (j)	269		7,118
G-46 Class H, 1.043%, 12/25/09 (j)	734		3,384
G-49 Class S, 774.80%, 12/25/21 (b)		(l)	1,433
G92-5 Class H, 9%, 1/25/22 (j)	66		14,223
7 Class 2, 8.50%, 4/01/17 (j)	4		936
89 Class 2, 8%, 10/01/18 (j)	8		1,739
94 Class 2, 9.50%, 8/01/21 (j)	2		494
203 Class 1, 0%, 2/01/23 (m)	17		13,784
228 Class 1, 0%, 6/01/23 (m)	12		10,274
378 Class 19, 5%, 6/01/35 (j)	4,035		1,034,971
1990-123 Class M, 1.01%, 10/25/20 (j)	17		410
1990-136 Class S, 0.015%, 11/25/20 (j)	10,456		12,291
1991-38 Class N, 1.009%, 4/25/21 (j)	13		88
1991-46 Class S, 1.403%, 5/25/21 (j)	76		2,828
1991-87 Class S, 20.058%, 8/25/21 (b)	44		52,336
1991-99 Class L, 0.93%, 8/25/21 (j)	94		1,998
1991-139 Class PT, 0.648%, 10/25/21 (j)	175		3,297
1991-167 Class D, 0%, 10/25/17 (m)	13		12,759
1993-51 Class E, 0%, 2/25/23 (m)	56		45,229
1993-70 Class A, 0%, 5/25/23 (m)	10		7,933
1994-23 Class PS, 10.697%, 4/25/23 (b)	529		539,384
1997-50 Class SI, 1.20%, 4/25/23 (j)	292		11,147
2004-90 Class JH, 1.828%, 11/25/34 (j)	20,628		1,912,141
2005-5 Class PK, 5%, 12/25/34	2,390		2,409,244
Freddie Mac Multiclass Certificates Series:			
19 Class R, 9.757%, 3/15/20 (j)(n)	7		1,135
75 Class R, 9.50%, 1/15/21 (n)		(l)	2
75 Class RS, 18.554%, 1/15/21 (n)		(l)	2
173 Class R, 0%, 11/15/21 (j)(n)	10		9
173 Class RS, 9.126%, 11/15/21 (n)		(l)	10
176 Class M, 1.01%, 7/15/21 (j)	21		476
192 Class U, 1.009%, 2/15/22 (j)	2		54
200 Class R, 98.523%, 12/15/22 (j)(n)	1		11

1043 Class H, 0.022%, 2/15/21 (j)	5,720	8,197
1054 Class I, 0.435%, 3/15/21 (j)	59	697
1056 Class KD, 1.085%, 3/15/21 (j)	50	1,248
1057 Class J, 1.008%, 3/15/21 (j)	62	1,439
1148 Class E, 0.593%, 10/15/21 (j)	171	3,079
1179 Class O, 1.009%, 11/15/21 (j)	23	120
1254 Class Z, 8.50%, 4/15/22 (j)	127	143
1611 Class JC, 10%, 8/15/23 (b)	269	276,333
1739 Class B, 0%, 2/15/24 (m)	66	58,939
1831 Class PG, 6.50%, 3/15/11 (j)	127	7,079
2611 Class QI, 5.50%, 9/15/32 (j)	5,108	890,595
2684 Class SP, 4.986%, 1/15/33 (j)	410	66,626
3174 Class PZ, 5%, 1/15/36	7,487	6,476,061
3208 Class PS, 4.586%, 8/15/36 (j)	1,983	229,855
3316 Class SB, 4.729%, 8/15/35 (j)	362	48,497

Total U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations 4.0%	14,190,261

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Opportunity Trust, Inc. (BNA)
(Percentages shown are based on Net Assets)

Non-U.S. Government Agency Mortgage-Backed Securities	**Par (000)**	**Value**
Collateralized Mortgage Obligations 7.1%		
American Home Mortgage Assets Series 2006-6 Class A1A, 2.662%, 12/25/46 (b)	$ 371	$ 225,712
Citigroup Mortgage Loan Trust, Inc. Series 2005-4 Class A, 5.343%, 8/25/35 (b)(e)	4,785	4,206,328
Collateralized Mortgage Obligation Trust Series 40 Class R, 0.58%, 4/01/18 (j)(n)	129	129
Collateralized Mortgage Obligation Trust Series 42 Class R, 6%, 10/01/14 (j)(n)	19	1,226
Countrywide Alternative Loan Trust Series 2005-64CB Class 1A15, 5.50%, 12/25/35	1,700	1,180,954
Countrywide Alternative Loan Trust Series 2006-01A0 Class 1A1, 4.039%, 8/25/46 (b)	387	243,947
Countrywide Alternative Loan Trust Series 2006-0A21 Class A1, 2.661%, 3/20/47 (b)	1,055	655,990
Countrywide Home Loan Mortgage Pass-Through Trust Series 2006-0A5 Class 2A1, 2.672%, 4/25/46 (b)	443	268,866
Deutsche Alt-A Securities, Inc. Alternate Loan Trust Series 2003-3 Class 2A1, 5.50%, 10/25/33	1,300	1,076,968
Deutsche Alt-A Securities, Inc. Alternate Loan Trust Series 2006-0A1 Class A1, 2.672%, 2/25/47 (b)	535	339,415
GSMPS Mortgage Loan Trust Series 1998-5 Class IO, 0.97%, 6/19/27 (j)	3,398	63,878
GSR Mortgage Loan Trust Series 2005-AR4 Class 6A1, 5.25%, 7/25/35 (b)	4,878	4,454,542
GSR Mortgage Loan Trust Series 2006-0A1 Class 2A1, 2.662%, 8/25/46 (b)	1,128	778,491
Harborview Mortgage Loan Trust Series 2005-8 Class 1A2A, 2.796%, 9/19/35 (b)	121	78,263
Harborview Mortgage Loan Trust Series 2006-9 Class 2A1A, 2.676%, 11/19/36 (b)	751	458,098
Homebanc Mortgage Trust Series 2006-2 Class A1, 2.652%, 12/25/36 (b)	1,120	744,114
Maryland Insurance Backed Securities Trust Series 2006-1A, 5.55%, 12/10/65	2,500	1,750,000
Merrill Lynch Mortgage Investors, Inc. Series 2006-A3 Class 3A1, 5.823%, 5/25/36 (b)(o)	1,075	698,933
Residential Funding Securities LLC Series 2003-RM2 Class AI5, 8.50%, 5/25/33	6,470	6,790,740
Salomon Brothers Mortgage Securities VII, Inc. Series 2000-1 Class IO, 0.492%, 3/25/22 (j)	965	26
Summit Mortgage Trust Series 2000-1 Class B1, 6.647%, 12/28/12 (b)(n)	(l)	369
WaMu Mortgage Pass-Through Certificates Series 2007-0A4 Class 1A, 3.849%, 5/25/47 (b)	501	300,467
WaMu Mortgage Pass-Through Certificates Series 2007-0A5 Class 1A, 3.829%, 6/25/47 (b)	882	599,110
Wells Fargo Mortgage Backed Securities Trust Series 2006-AR4 Class 2A4, 5.772%, 4/25/36 (b)	300	249,189
		25,165,755
Commercial Mortgage-Backed Securities 11.8%		
Bear Stearns Commercial Mortgage Securities Series 2005-PWR7 Class A2, 4.945%, 2/11/41	2,320	2,269,084
	2,970	2,886,420

CS First Boston Mortgage Securities Corp. Series 2002-CP5 Class A2, 4.94%, 12/15/35		
Citigroup Commercial Mortgage Trust Series 2008-C7 Class A4, 6.299%, 12/10/49 (b)	2,020	1,891,922
Citigroup/Deutsche Bank Commercial Mortgage Trust Series 2007-CD5 Class A4, 5.886%, 11/15/44 (b)	3,075	2,810,025
Commercial Mortgage Loan Trust Series 2008-LS1 Class A4B, 6.221%, 12/10/49 (b)	1,515	1,410,757
Commercial Mortgage Pass-Through Certificates Series 2004-LB3A Class A3, 5.09%, 7/10/37 (b)	990	980,238

Non-U.S. Government Agency Mortgage-Backed Securities	**Par (000)**	**Value**
Commercial Mortgage-Backed Securities (concluded)		
DLJ Commercial Mortgage Corp. Series 2000-CKP1 Class A1B, 7.18%, 11/10/33	$ 2,289	$ 2,358,390
First Union National Bank Commercial Mortgage Series 2000-C2 Class A2, 7.202%, 10/15/32	2,014	2,075,075
First Union-Lehman Brothers-Bank of America Series 1998-C2 Class D, 6.778%, 11/18/35	2,630	2,709,689
GE Capital Commercial Mortgage Corp. Series 2002-1A Class A3, 6.269%, 12/10/35	2,310	2,346,744
GMAC Commercial Mortgage Securities, Inc.:		
Series 2002-C3 Class A2, 4.93%, 7/10/39	2,580	2,502,313
Series 2004-C3 Class A4, 4.547%, 12/10/41	2,475	2,380,863
JPMorgan Chase Commercial Mortgage Securities Corp.:		
Series 2001-C1 Class A3, 5.857%, 10/12/35	1,990	2,000,055
Series 2004-CBX Class A4, 4.529%, 1/12/37	2,380	2,313,069
Series 2006-LDP9 Class A3, 5.336%, 5/15/47	1,065	961,785
LB-UBS Commercial Mortgage Trust Series 2004-C4 Class A3, 5.44%, 6/15/29 (b)	2,530	2,505,377
Morgan Stanley Capital I:		
Series 1997-HF1 Class X, 3.438%, 7/15/29 (j)	20	2
Series 2005-HQ6 Class A4A, 4.989%, 8/13/42	1,520	1,418,282
Series 2007-IQ16 Class A4, 5.809%, 12/12/49	680	617,793
Series 2007-T27 Class A4, 5.803%, 6/13/42 (b)(e)	1,105	1,003,289
Series 2008-T29 Class A4, 6.458%, 1/11/43 (b)	1,520	1,435,435
Wachovia Bank Commercial Mortgage Trust (b):		
Series 2005-C21 Class A3, 5.384%, 10/15/44	940	936,303
Series 2006-C25 Class A4, 5.926%, 5/15/43	1,305	1,227,714
Series 2007-C33 Class A4, 6.10%, 2/15/51	1,105	1,021,829
		42,062,453
Total Non-U.S. Government Agency Mortgage-Backed Securities 18.9%		67,228,208

U.S. Government Obligations		
Federal Housing Administration, General Motors Acceptance Corp. Projects:		
Series 37, 7.43%, 5/01/22	110	111,289
Series 44, 7.43%, 8/01/22	73	74,642
Federal Housing Administration:		
Merrill Projects, Series 29, 7.43%, 10/01/20 (o)	48	49,010
Merrill Projects, Series 42, 7.43%, 9/25/22 (o)	47	48,453
Reilly Project, Series B-11, 7.40%, 4/01/21	1,647	1,680,464
Westmore Project, 7.25%, 4/01/21	1,625	1,657,563
Overseas Private Investment Corp.:		
4.09%, 5/29/12	371	388,303
4.30%, 5/29/12 (b)	933	1,014,465
4.64%, 5/29/12	786	870,186
4.68%, 5/29/12	444	469,371
4.87%, 5/29/12	3,379	3,775,286

Resolution Funding Corp., 0%, 4/15/30	6,055	2,153,800
U.S. Treasury Bonds, 6.125%, 11/15/27	1,385	1,682,667
U.S. Treasury Inflation Indexed Bonds, 1.75%, 1/15/28 (a)	5,965	5,832,361
U.S. Treasury Notes:		
4%, 8/15/18 (a)	19,695	19,995,034
5%, 5/15/37	545	595,540
4.375%, 2/15/38 (a)	8,110	8,052,346
4.50%, 5/15/38 (a)	3,000	3,034,686
Total U.S. Government Obligations 14.4%		51,485,466

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Opportunity Trust, Inc. (BNA)
(Percentages shown are based on Net Assets)

Preferred Securities

Capital Trusts	Par (000)	Value
Capital Markets 0.6%		
UBS Preferred Funding Trust I, 8.622% (a)(b)(d)	$ 2,000	$ 1,925,870
Commercial Banks 1.7%		
Barclays Bank Plc. 7.434% (a)(b)(d)(e)	2,175	1,921,765
Credit Agricole SA, 6.637% (b)(d)(e)	330	263,289
RBS Capital Trust IV, 3.496% (b)(d)	525	386,309
Royal Bank of Scotland Group Plc. Series MTN, 7.64% (a)(b)(d)	2,600	2,196,363
Wachovia Corp. Series K, 7.98% (a)(b)(d)	1,650	1,239,629
		6,007,355
Diversified Financial Services 2.2%		
Bank of America Corp. (b)(d):		
Series K, 8% (a)	1,400	1,247,658
Series M, 8.125%	1,125	1,015,628
Citigroup, Inc. 8.30%, 12/21/77	1,500	1,354,014
JPMorgan Chase & Co., 7.90% (b)(d)	1,600	1,453,600
JPMorgan Chase Capital XXV, 6.80%, 10/01/37	3,265	2,787,053
		7,857,953
Insurance 1.4%		
The Allstate Corp., 6.50%, 5/15/57 (a)(b)	2,150	1,754,744
American International Group, Inc., 8.175% 5/15/58 (b)(e)	1,390	1,073,611
Lincoln National Corp., 6.05%, 4/20/67 (b)	750	588,101
Progressive Corp., 6.70%, 6/15/37 (b)	665	544,842
The Travelers Cos., Inc., 6.25%, 3/15/67 (b)	750	638,734
ZFS Finance (USA) Trust V, 6.50%, 5/09/67 (b)(e)	575	495,347
		5,095,379
Total Capital Trusts 5.9%		20,886,557

Preferred Stocks	Shares	
Diversified Financial Services 0.1%		
Citigroup, Inc. Series AA, 8.125%	26,000	516,880
Total Preferred Stocks 0.1%		516,880
Total Preferred Securities 6.0%		21,403,437

Other Interests (p)

	Beneficial Interest		
Health Care Providers & Services 0.0%			
Critical Care Systems International, Inc. (n)	1,895		637
Total Other Interests 0.0%			637
Total Long-Term investments (Cost $495,200,996) 133.3%			475,160,287

Short-Term Securities	Par (000)	
U.S. Government & Agency Obligations 1.2%		
Federal Home Loan Bank, 2.60%, 9/02/08 (q)	$ 4,300	4,300,000
Total Short-Term Securities (Cost $4,300,000) 1.2%		4,300,000

Options Purchased	Contracts(r)		
Call Swaptions Purchased			
Receive a fixed rate of 5.12% and pay a floating rate based on 3-month LIBOR, expiring November 2010	14		507,150
Receive a fixed rate of 5.39% and pay a floating rate based on 3-month LIBOR, expiring March 2012	7		454,323
Receive a fixed rate of 5.47% and pay a floating rate based on 3-month LIBOR, expiring May 2012	12		801,492
Receive a fixed rate of 6.025% and pay a floating rate based on 3-month LIBOR, expiring June 2012	8		747,045
			2,510,010

Options Purchased (concluded)	Contracts(r)	Value	
Put Swaptions Purchased			
Pay a fixed rate of 5.12% and receive a floating rate based on 3-month LIBOR, expiring November 2010	14	$	293,426
Pay a fixed rate of 5.39% and receive a floating rate based on 3-month LIBOR, expiring March 2012	7		300,877
Pay a fixed rate of 5.47% and receive a floating rate based on3-month LIBOR, expiring May 2012	12		486,908
Pay a fixed rate of 6.025% and receive a floating rate based on 3-month LIBOR, expiring June 2012	8		220,828
			1,302,039
Total Options Purchased (Cost $2,945,378) 1.1%			3,812,049
Total Investments Before TBA Sale Commitments and Options Written (Cost $502,446,374*) 135.6%			483,272,336

TBA Sale Commitments	Par (000)	

Fannie Mae Guaranteed Pass-Through Certificates, 5.5%, 12/01/13 9/15/38	$ (2,400)	(2,423,023)
Fannie Mae Guaranteed Pass-Through Certificates, 5%,7/01/35	(10,800)	(10,392,732)
Total TBA Sale Commitments (Proceeds $12,573,559) (3.6)%		(12,815,755)
Options Written	**Contracts**	
Call Option Written		
30-Year U.S. Treasury Bonds expiring November 2008 at $118	100	(181,250)
Call Swaptions Written (r)		
Pay a fixed rate of 4.94% and receive floating rate based on 3-month LIBOR, expiring December 2008	14	(524,986)
Pay a fixed rate of 5.01% and receive a floating rate based on 3-month LIBOR, expiring November 2008	4	(178,772)
Pay a fixed rate of 5.05% and receive a floating rate based on 3-month LIBOR, expiring May 2011	15	(741,375)
Pay a fixed rate of 5.08% and receive a floating rate based on 3-month LIBOR, expiring May 2011	6	(317,627)
Pay a fixed rate of 5.0825% and receive a floating rate based on 3-month LIBOR, expiring July, 2010	2	(126,870)
Pay a fixed rate of 5.325% and receive a floating rate based on 3-month LIBOR, expiring July 2013	9	(333,859)
Pay a fixed rated of 4.58% and received a floating rate based on 3-month LIBOR, expiring May 2009	9	(227,199)
Pay a fixed rated of 5.485% and receive a floating rate based on expiring 3-month LIBOR, expiring October 2009	5	(363,591)
Pay a fixed rated of 5.67% and receive a floating rate based on 3-month LIBOR, expiring January 2010	12	(969,519)
		(3,783,798)
Put Swaptions Written (r)		
Receive a fixed rate of 3.10% and pay a floating rate based on 3-month LIBOR, expiring October 2008	20	(131,020)
Receive a fixed rate of 4.58% and pay a floating rate based on 3-month LIBOR, expiring May 2009	9	(296,902)
Receive a fixed rate of 4.94% and pay a floating rate based on 3-month LIBOR, expiring December 2008	14	(131,320)
Receive a fixed rate of 5.01% and pay a floating rate based on 3-month LIBOR, expiring November 2008	4	(21,243)
Receive a fixed rate of 5.05% and pay a floating rate based on 3-month LIBOR, expiring May 2011	15	(702,945)
Receive a fixed rate of 5.08% and pay a floating rate based on 3-month LIBOR, expiring May 2011	6	(287,015)
Receive a fixed rate of 5.0825% and pay a floating rate based on 3-month LIBOR, expiring July, 2010	2	(94,723)
Receive a fixed rate of 5.325% and pay a floating rate based on 3-month LIBOR, expiring July 2013	9	(256,846)

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Opportunity Trust, Inc. (BNA)

Options Written (concluded)	**Contracts(r)**	**Value**
Put Swaptions Written (concluded)		
Receive a fixed rate of 5.485% and pay a floating rate based on 3-month LIBOR, expiring October 2009	5	$ (80,809)
Receive a fixed rate of 5.67% and pay a floating rate based on 3-month LIBOR, expiring January 2010	12	(176,365)
		(2,179,188)
Total Options Written (Premiums Received $6,457,698) (1.7)%		(6,144,236)
Total Investments, Net of TBA Sale Commitments and Options Written 130.3%		464,312,345
Liabilities in Excess of Other Assets (30.3)%		107,796,490)
Net Assets 100.0%		$ 356,455,622

* The cost and unrealized appreciation (depreciation) of investments, as of August 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$ 502,566,975
Gross unrealized appreciation	$ 5,441,311
Gross unrealized depreciation	(24,735,950)
Net unrealized depreciation	$ (19,294,639)

(a) All or a portion of the security has been pledged as collateral for reverse repurchase agreements.
(b) Variable rate security. Rate shown is as of report date.
(c) All or a portion of the security has been pledged as collateral in connection with open financial futures contracts or swaps.
(d) Security is perpetual in nature and has no stated maturity date.
(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
(f) Represents a step bond.
(g) The issuer filed for bankruptcy or is in default of interest payments.
(h) Non-income producing security.
(i) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
(j) Represents the interest only portion of a mortgage-backed security and has either a nominal or a notional amount of principal.
(k) Represents or includes a to-be-announced transaction. The Trust has committed to purchasing securities for which all specific information is not available at this time.
(l) Amount is less than $1,000.
(m) Represents the principal-only portion of a mortgage-backed security.
(n) Security is fair valued.
(o) Investments in companies considered to be an affiliate of the Trust, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	**Purchase Cost**	**Sale Cost**	**Realized Loss**	**Income**

Federal Housing Administration, Merrill Projects:				
Series 29, 7.43%, 10/01/20		$ 2,204	$ (93)	$ 55,852
Series 42, 7.43%, 9/24/22		$ 1,422	$ (65)	$ 54,855
Merrill Lynch Mortgage Investors, Inc.				
Series 2006-A3 Class 3A1, 5.823%, 5/25/36	$ 742,027			$ 1,044

(p) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
(q) Rate shown is the yield to maturity as of the date of purchase.
(r) One contract represents a notional amount of $1,000,000.

For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report which may combine industry subclassifications for reporting ease. These industry classifications are unaudited.

Foreign currency exchange contracts as of August 31, 2008 were as follows:

Currency Purchased	**Currency Sold**		**Settlement Date**	**Unrealized Appreciation**
EUR 191,000	USD	279,305	10/23/08	$ 71
USD1,119,018	EUR	715,000	10/23/08	73,186
USD3,756,435	EUR	2,395,000	10/23/08	253,264
USD1,117,740	EUR	706,500	10/23/08	84,341
USD1,192,872	EUR	756,500	10/23/08	86,338
Total				$ 497,200

Financial future contracts sold as of August 31, 2008 were as follows:

Contracts	**Issue**	**Expiration Date**	**Face Value**	**Unrealized Depreciation**
644	5-Year U.S. Treasury Bond	December 2008	$ 71,809,943	$ (277,807)
248	2-Year U.S. Treasury Bond	December 2008	$ 52,604,061	(41,689)
1,659	5-Year U.S. Treasury Bond	September 2008	$ 184,111,667	(2,448,067)
161	2-Year U.S. Treasury Bond	September 2008	$ 33,814,537	(468,401)
Total				$ (3,235,964)

Financial futures contracts purchased as of August 31, 2008 were as follows:

Contracts	**Issue**	**Expiration Date**	**Face Value**	**Unrealized Appreciation (Depreciation)**
108	30-Year U.S. Treasury Bond	December 2008	$ 12,703,825	$ (34,075)
1,006	30-Year U.S. Treasury Bond	September 2008	$ 115,126,596	3,770,029
172	10-Year U.S. Treasury Bond	September 2008	$ 20,053,650	16,600
Total				$ 3,752,554

Reverse repurchase agreements outstanding as of August 31, 2008 were as follows:

Counterparty	**Interest Rate**	**Trade Date**	**Maturity Date**	**Net Closing Amount**	**Face Amount**
Lehman Brothers International	3.0%	4/17/08	Open	$ 3,252,716	$ 3,216,000
Lehman Brothers International	3.0%	4/17/08	Open	3,920,599	3,876,344
Lehman Brothers International	3.0%	4/17/08	Open	1,957,849	1,935,750
Lehman Brothers International	3.0%	4/17/08	Open	3,565,092	3,524,850
Lehman Brothers International	3.0%	4/17/08	Open	1,798,223	1,777,925
Lehman Brothers International	3.0%	4/17/08	Open	7,340,900	7,258,037
Lehman Brothers International	3.0%	4/17/08	Open	3,476,302	3,437,062
Lehman Brothers International	3.0%	4/17/08	Open	1,670,063	1,651,212
Lehman Brothers International	3.0%	4/17/08	Open	2,334,223	2,307,875
Lehman Brothers International	2.77355%	4/17/08	Open	2,903,777	2,871,000
Lehman Brothers International	3.0%	4/17/08	Open	2,294,398	2,268,500
Lehman Brothers International	3.0%	4/17/08	Open	2,102,735	2,079,000
Lehman Brothers International	3.0%	4/17/08	Open	1,971,946	1,949,688
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,789,510	1,787,187
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,265,643	1,264,000
Credit Suisse Securities LLC	2.6%	8/14/08	Open	2,391,855	2,388,750
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,279,161	1,277,500
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,422,847	1,421,000
Credit Suisse Securities LLC	2.6%	8/14/08	Open	2,985,125	2,981,250
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,695,326	1,693,125
Credit Suisse Securities LLC	2.6%	8/14/08	Open	3,898,811	3,893,750
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,945,025	1,942,500
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,641,594	1,639,463
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,209,383	1,207,813
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,881,943	1,879,500
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,276,282	1,274,625
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,162,509	1,161,000
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,990,083	1,987,500
Credit Suisse Securities LLC	2.6%	8/14/08	Open	1,650,674	1,648,531
Lehman Brothers Inc.	2.15%	8/15/08	Open	7,891,855	7,883,381
Lehman Brothers Inc.	2.22%	8/15/08	Open	3,029,609	3,026,250
Lehman Brothers Inc.	2.22%	8/15/08	Open	2,252,497	2,250,000
Lehman Brothers Inc.	2.0%	8/7/08	Open	7,888,216	7,876,838
Lehman Brothers Inc.	2.03%	8/26/08	Open	5,503,421	5,501,250
Lehman Brothers Inc.	2.0%	8/28/08	Open	6,602,967	6,601,500
Total				$ 101,243,159	$ 100,739,956

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Opportunity Trust, Inc. (BNA)

Swaps outstanding as of August 31, 2008 were as follows:

		Notional Amount (000)		Unrealized Appreciation (Depreciation)
Receive a fixed rate of 4.88% and pay a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires August 2009	USD	44,500	$	801,209
Receive a fixed rate of 4.7709% and pay a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires August 2009	USD	30,700		519,120
Receive a fixed rate of 4.62377% and pay a floating rate based on 3-month LIBOR Broker, Credit Suisse First Boston International Expires September 2009	USD	50,000		831,516
Receive a fixed rate of 5% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires November 2010	USD	5,000		167,822
Pay a fixed rate of 4.922% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires March 2011	USD	14,800		(500,711)
Receive a fixed rate of 5.496% and pay a floating rate based on 3-month LIBOR Broker, Bank of America Expires July 2011	USD	27,900		1,433,931
Receive a fixed rate of 4.95% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires November 2011	USD	3,100		116,474
Receive a fixed rate of 5.025% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires November 2011	USD	3,200		126,805
Receive a fixed rate of 4.897% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires December 2011	USD	10,000		359,538
Pay a fixed rate of 5.0016% and receive a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires January 2012	USD	12,000		(472,081)
Pay a fixed rate of 5.58875% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires July 2012	USD	46,800		(2,912,289)
Receive a fixed rate of 5.07625% and pay a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires August 2012	USD	91,000		4,016,186
Receive a fixed rate of 5.10531% and pay a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires August 2012	USD	21,600		976,119

Receive a fixed rate of 5.0565% and pay a floating rate based on 3-month LIBOR Broker, Bank of America Expires August 2012	USD	54,600	2,370,784

		Notional Amount (000)	Unrealized Appreciation (Depreciation)
Receive a fixed rate of 4.9034% and pay a floating rate based on 3-month LIBOR Broker, Barclays London Expires September 2012	USD	35,000	$ 1,329,405
Receive a fixed rate of 4.32% and pay a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires November 2012	USD	11,700	182,393
Pay a fixed rate of 4.2424% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires December 2012	USD	50,000	(620,491)
Pay a fixed rate of 3.48375% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires March 2013	USD	5,900	115,724
Receive a fixed rate of 3.66375% and pay a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires April 2013	USD	7,500	(99,947)
Receive a fixed rate of 5.29375% and pay a floating rate based on 6-month LIBOR Broker, Deutsche Bank AG London Expires April 2013	GBP	2,100	(14,650)
Receive a fixed rate of 5.14% and pay a floating rate based on 6-month British Pound Sterling LIBOR Broker, Deutsche Bank AG London Expires April 2013	GBP	2,100	(26,506)
Receive a fixed rate of 3.78% and pay a floating rate based on 3-month LIBOR Broker, Bank of America Expires May 2013	USD	13,200	(118,309)
Receive a fixed rate of 4.2825% and pay a floating rate based on 3-month LIBOR Broker, Credit Suisse First Boston International Expires July 2013	USD	84,800	1,009,802
Receive a fixed rate of 4.2125% and pay a floating rate based on 3-month LIBOR Broker, Morgan Stanley Capital Services Expires August 2013	USD	13,500	111,759
Pay a fixed rate of 4.51% and receive a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires October 2014	USD	13,800	(245,406)
Pay a fixed rate of 4.39919% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires October 2014	USD	27,500	(320,606)
Receive a fixed rate of 5.005% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires October 2014	USD	10,500	467,761
Pay a fixed rate of 4.5% and receive a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires May 2015	USD	3,000	(45,634)
	USD	5,200	38,474

Receive a fixed rate of 4.3715% and pay a floating rate based on 3-month Lehman Brothers Muni Swap Index Broker, UBS Warburg Expires June 2015	

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Income Opportunity Trust, Inc. (BNA)

		Notional Amount (000)		Unrealized Appreciation (Depreciation)
Receive a fixed rate of 4.67% and pay a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires September 2015	USD	8,000	$	194,605
Receive a fixed rate of 5.723% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires July 2016	USD	5,200		476,940
Pay a fixed rate of 5.071% and receive a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires March 2017	USD	5,000		(239,530)
Pay a fixed rate of 5.85% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires June 2017	USD	1,000		(104,511)
Pay a fixed rate of 5.6425% and receive a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires July 2017	USD	7,200		(644,766)
Pay a fixed rate of 5.155% and receive a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires September 2017	USD	12,000		(640,493)
Pay a fixed rate of 5.307% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires October 2017	USD	6,000		(391,463)
Pay a fixed rate of 5.3075% and receive a floating rate based on 3-month LIBOR Broker, Barclays London Expires October 2017	USD	15,300		(998,528)
Pay a fixed rate of 5.115% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires March 2018	USD	7,300		(367,731)
Receive a fixed rate of 4.7058% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires July 2018	USD	8,900		152,515
Pay a fixed rate of 4.52165% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires July 2018	USD	12,700		(29,339)

		Notional Amount (000)		Unrealized Appreciation (Depreciation)
Receive a fixed rate of 5.411% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase	USD	9,405	$	721,452

Expires August 2022				
Pay a fixed rate of 5.365% and receive a floating rate based on 3-month LIBOR Broker, Bank of America Expires September 2027	USD	8,900		(661,377)
Pay a fixed rate of 5.0605% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires November 2037	USD	6,900		(251,782)
Pay a fixed rate of 5.06276% and receive a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires December 2037	USD	1,400		(51,253)
Pay a fixed rate of 5.0639% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires December 2037	USD	1,400		(51,496)
Pay a fixed rate of 4.785% and receive a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires January 2038	USD	2,100		15,157
Pay a fixed rate of 4.601% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires January 2038	USD	5,000		181,362
Pay a fixed rate of 4.8375% and receive a floating rate based on the 3-month LIBOR Broker, Morgan Stanley Capital Services Expires January 2038	USD	6,100		(6,561)
Receive a fixed rate of 5.29750% and pay a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires February 2038	USD	700		51,866
Receive a fixed rate of 5.1575% and pay a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires June 2038	USD	6,000		310,922
Total			$	7,264,181

Currency Abbreviations:

EUR	Euro
GBP	British Pound
USD	U.S. Dollar

See Notes to Financial Statements.

Schedule of Investments August 31, 2008

BlackRock Income Trust, Inc. (BKT)
(Percentages shown are based on Net Assets)

Asset-Backed Securities	Par (000)	Value
First Franklin Mortgage Loan Asset Backed Certificates Series 2005-FF2 Class M2, 2.912%, 3/25/35 (a)	$ 5,890	$ 3,534,000
GSAA Home Equity Trust Series 2005-1 Class AF2, 4.316%, 11/25/34 (a)	3,587	3,365,810
Securitized Asset Backed Receivables LLC Trust Series 2005-OP2 Class M1, 2.902%, 10/25/35 (a)	1,875	1,179,682
Small Business Administration Participation Certificates:		
Series 1996-20E Class 1, 7.60%, 5/01/16	464	479,292
Series 1996-20F Class 1, 7.55%, 6/01/16	554	571,827
Series 1996-20G Class 1, 7.70%, 7/01/16	401	415,517
Series 1996-20H Class 1, 7.25%, 8/01/16	651	670,715
Series 1996-20K Class 1, 6.95%, 11/01/16	1,142	1,172,275
Series 1997-20C Class 1, 7.15%, 3/01/17	528	543,584
Sterling Bank Trust Series 2004-2 Class Note, 2.081%, 3/30/30 (b)	8,025	300,921
Sterling Coofs Trust Series 1, 2.362%, 4/15/29 (b)	12,237	990,442
Total Asset-Backed Securities 3.0%		13,224,065

Corporate Bonds		
Diversified Financial Services 0.4%		
Structured Asset Repackaged Trust, 3.761%, 1/21/10	1,703	1,650,459

U.S. Government Agency Mortgage-Backed Securities		
Fannie Mae Guaranteed Pass-Through Certificates:		
5.00%, 4/01/19 - 9/15/38 (c)(d)	52,811	50,964,075
5.50%, 6/01/21 - 9/15/38 (c)(d)	151,631	150,214,027
5.97%, 8/01/16	3,125	3,250,888
6.00%, 10/01/36 - 7/01/37 (c)(d)	21,288	21,516,787
6.50%, 7/01/36 - 9/15/38	28,106	28,918,888
7.50%, 2/01/22	(e)	196
8.00%, 10/01/09 - 5/01/22	12	12,835
9.50%, 1/01/19 - 9/01/19	4	4,027
Freddie Mac Mortgage Participation Certificates:		
4.991%, 10/01/34 (a)	790	792,352
5.50%, 12/01/21 - 3/01/22 (d)	7,545	7,616,047
5.983%, 1/01/35 (a)(d)	219	217,920
6.01%, 11/01/17	25	24,988
6.50%, 9/15/38 (c)	100	102,719
8.00%, 11/01/15	3	3,537
9.00%, 9/01/20 (d)	106	116,024
Ginnie Mae MBS Certificates:		
5.50%, 9/15/38 (c)	6,000	5,988,750
6.50%, 9/15/38 (c)	10,800	11,124,000
7.00%, 10/15/17	33	34,983
7.50%, 8/15/21 - 12/15/23	364	391,950
8.00%, 10/15/22 - 2/15/29	167	182,373

9.00%, 6/15/18 - 9/15/21		13		14,026
Total U.S. Government Agency Mortgage-Backed Securities 63.4%				281,491,392

U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations		**Par (000)**		**Value**
Fannie Mae Trust:				
Series 7 Class 2, 8.50%, 4/01/17 (b)	$	9	$	2,010
Series 89 Class 2, 8%, 10/01/18 (b)		18		3,734
Series 94 Class 2, 9.50%, 8/01/21 (b)		5		1,062
Series 203 Class 1, 0%, 2/01/23 (f)		36		29,084
Series 228 Class 1, 0%, 6/01/23 (f)		27		21,932
Series 273 Class 1, 0%, 8/01/26 (f)		199		160,364
Series 328 Class 1, 0%, 12/01/32 (f)		3,918		2,889,880
Series 338 Class 1, 0%, 7/01/33 (f)		3,272		2,372,474
Series 1990-123 Class M, 1.01%, 10/25/20 (b)		36		880
Series 1990-136 Class S, 0.015%, 11/25/20 (a)(b)		22,449		26,390
Series 1991-7 Class J, 0%, 2/25/21 (f)		37		31,412
Series 1991-38 Class F, 8.325%, 4/25/21 (a)		36		36,446
Series 1991-38 Class N, 1.009%, 4/25/21 (b)		27		190
Series 1991-38 Class SA, 10.186%, 4/25/21 (a)		37		37,134
Series 1991-46 Class S, 1.403%, 5/25/21 (b)		163		6,071
Series 1991-87 Class S, 20.058%, 8/25/21 (a)		96		114,354
Series 1991-99 Class L, 0.93%, 8/25/21 (b)		202		4,290
Series 1991-139 Class PT, 0.648%, 10/25/21 (b)		377		7,080
Series 1991-167 Class D, 0%, 10/25/17 (f)		28		27,392
Series 1993-51 Class E, 0%, 2/25/23 (f)		120		97,107
Series 1993-70 Class A, 0%, 5/25/23 (f)		21		16,667
Series 1993-170 Class SC, 9%, 9/25/08 (a)		3		2,544
Series 1993-196 Class SC, 8.863%, 10/25/08 (a)		15		14,555
Series 1993-199 Class SB, 2.625%, 10/25/23 (b)		1,913		171,531
Series 1993-214 Class SH, 11.842%, 12/25/08 (a)		21		21,272
Series 1993-247 Class SN, 10%, 12/25/23 (a)		770		890,228
Series 1993-249 Class B, 0%, 11/25/23 (f)		1,717		1,316,229
Series 1994-33 Class SG, 3.225%, 3/25/09 (b)		195		2,691
Series 1996-68 Class SC, 2.257%, 1/25/24 (b)		1,504		95,930
Series 1997-50 Class SI, 1.20%, 4/25/23 (b)		584		22,295
Series 1997-90 Class M, 6%, 1/25/28 (b)		11,547		2,854,025
Series 1999-W4 Class IO, 6.50%, 12/25/28 (b)		550		130,338
Series 1999-W4 Class PO, 0%, 2/25/29 (f)		299		227,600
Series 2002-13 Class PR, 0%, 3/25/32 (f)		773		535,478
Series 2003-9 Class BI, 5.50%, 10/25/22 (b)		3,262		418,065
Series 2003-32 Class VT, 6%, 9/25/15		6,529		6,707,451
Series 2003-51 Class IE, 5.50%, 4/25/26 (b)		576		1,739
Series 2003-55 Class GI, 5%, 7/25/19 (b)		4,060		326,946
Series 2003-66 Class CI, 5%, 7/25/33 (b)		5,223		1,257,636
Series 2003-88 Class TI, 4.50%, 11/25/13 (b)		1,835		25,335
Series 2003-122 Class IC, 5%, 9/25/18 (b)		3,741		235,217
Series 2003-135 Class PB, 6%, 1/25/34		12,264		12,118,967
Series 2004-13 Class IG, 5%, 10/25/22 (b)		1,883		26,865
Series 2004-28 Class PB, 6%, 8/25/28		2,745		2,782,456
Series 2004-29 Class HC, 7.50%, 7/25/30		1,922		2,025,910
Series 2004-31 Class ZG, 7.50%, 5/25/34		2,534		2,996,870
Series 2004-90 Class JH, 1.828%, 11/25/34 (b)		25,646		2,377,257
Series 2005-43 Class IC, 6%, 3/25/34 (b)		705		138,187
Series 2005-55 Class SB, 1.278%, 7/25/35 (b)		11,017		787,420
Series 2005-68 Class PC, 5.50%, 7/25/35		2,240		2,286,086
Series 2005-73 Class DS, 11.123%, 8/25/35 (a)		5,092		5,015,317
Series 2005-73 Class ST, 1.258%, 8/25/35 (b)		11,711		751,761
Series 2006-2 Class KP, 0%, 2/25/35 (a)		1,221		987,221
Series 2006-8 Class WL, 3.874%, 3/25/36 (b)		5,860		539,529
Series 2006-36 Class SP, 1.828%, 5/25/36 (b)		43,486		3,764,494
Series 2006-38 Class Z, 5%, 5/25/36		905		873,827

Series 2006-101 Class SA, 3.204%, 10/25/36 (b)	32,276	2,437,215
Series 3006-8 Class HN, 4.858%, 3/25/36 (b)	3,856	359,399
Series G-7 Class S, 116.20%, 3/25/21 (a)	(e)	5,361
Series G-10 Class S, 0.575%, 5/25/21 (b)	884	16,075
Series G-12 Class S, 0.608%, 5/25/21 (b)	736	14,662
Series G-17 Class S, 0.58%, 6/25/21 (b)	443	7,299
Series G-33 Class PV, 1.078%, 10/25/21 (b)	577	15,281
Series G-49 Class S, 778.05%, 12/25/21 (a)	(e)	3,077

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)
(Percentages shown are based on Net Assets)

U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations	Par (000)	Value
Fannie Mae Trust (concluded)		
Series G-50 Class G, 1.159%, 12/25/21 (b)	$ 358	$ 5,550
Series G92-5 Class H, 9%, 1/25/22 (b)	169	36,573
Series G92-12 Class C, 1.017%, 2/25/22 (b)	440	11,577
Series G92-59 Class S, 5.023%, 10/25/22 (b)	3,208	545,153
Series G92-60 Class SB, 1.60%, 10/25/22 (b)	484	20,584
Series G93-2 Class KB, 0%, 1/25/23 (f)	265	212,973
Freddie Mac Multiclass Certificates:		
Series 19 Class F, 8.50%, 3/15/20	154	161,884
Series 19 Class R, 9.757%, 3/15/20 (b)(g)	15	2,438
Series 40 Class K, 6.50%, 8/17/24	640	666,874
Series 60 Class HS, 1.125%, 4/25/24 (b)	456	1,804
Series 75 Class R, 9.50%, 1/15/21 (g)	(e)	4
Series 75 Class RS, 18.477%, 1/15/21 (g)	(e)	4
Series 173 Class R, 0%, 11/15/21 (b)(g)	23	23
Series 173 Class RS, 9.142%, 11/15/21(g)	(e)	22
Series 176 Class M, 1.01%, 7/15/21 (b)	45	1,023
Series 192 Class U, 1.009%, 2/15/22 (b)	5	116
Series 200 Class R, 98.523%, 12/15/22 (b)(g)	2	24
Series 204 Class IO, 6%, 5/01/29 (b)	1,508	375,694
Series 1043 Class H, 0.022%, 2/15/21 (b)	12,282	17,600
Series 1054 Class I, 0.435%, 3/15/21 (b)	127	1,495
Series 1056 Class KD, 1.085%, 3/15/21 (b)	107	2,679
Series 1057 Class J, 1.008%, 3/15/21 (b)	132	3,090
Series 1148 Class E, 0.593%, 10/15/21 (b)	368	6,611
Series 1160 Class F, 29.678%, 10/15/21 (a)	29	39,881
Series 1179 Class O, 1.009%, 11/15/21 (b)	50	258
Series 1418 Class M, 0%, 11/15/22 (f)	132	105,737
Series 1571 Class G, 0%, 8/15/23 (f)	577	431,452
Series 1598 Class J, 6.50%, 10/15/08	107	107,131
Series 1616 Class SB, 8.50%, 11/15/08 (a)(d)	14	13,764
Series 1691 Class B, 0%, 3/15/24 (f)	1,786	1,463,313
Series 1706 Class IA, 7%, 10/15/23 (b)	71	1,142
Series 1720 Class PK, 7.50%, 1/15/24 (b)	37	2,050
Series 1739 Class B, 0%, 2/15/24 (f)	148	132,081
Series 1914 Class PC, 0.75%, 12/15/11 (b)	1,856	14,441
Series 1961 Class H, 6.50%, 5/15/12	212	213,726
Series 2218 Class Z, 8.50%, 3/15/30	8,843	9,654,562
Series 2296 Class SA, 2.139%, 3/15/16 (b)	563	40,551
Series 2431 Class Z, 6.50%, 6/15/32	11,256	11,719,937
Series 2444 Class ST, 2.359%, 9/15/29 (b)	225	8,408
Series 2542 Class MX, 5.50%, 5/15/22 (b)	1,183	168,765
Series 2542 Class UC, 6%, 12/15/22	10,200	10,612,204
Series 2545 Class NI, 5.50%, 3/15/22 (b)	2,016	238,742
Series 2559 Class IO, 5%, 8/15/30 (b)	419	6,449
Series 2561 Class EW, 5%, 9/15/16 (b)	3,144	237,590
Series 2564 Class NC, 5%, 2/15/33	928	821,497
Series 2611 Class QI, 5.50%, 9/15/32 (b)	9,322	1,625,457
Series 2630 Class PI, 5%, 8/15/28 (b)	4,164	381,763
Series 2647 Class IV, 1.959%, 7/15/33 (b)	16,307	3,356,217
Series 2653 Class MI, 5%, 4/15/26 (b)	2,634	284,358
Series 2658 Class PI, 4.50%, 6/15/13 (b)	1,000	5,563
Series 2672 Class TQ, 5%, 3/15/23 (b)	1,240	13,166
Series 2687 Class IL, 5%, 9/15/18 (b)	3,633	208,624
Series 2693 Class IB, 4.50%, 6/15/13 (b)	774	3,596
Series 2694 Class LI, 4.50%, 7/15/19 (b)	1,926	146,151

Series 2758 Class KV, 5.50%, 5/15/23	11,059	11,052,178
Series 2765 Class UA, 4%, 3/15/11	1,570	1,562,333
Series 2769 Class SQ, 7.237%, 2/15/34 (a)	4,359	2,598,098
Series 2773 Class OX, 5%, 2/15/18 (b)	3,681	351,872
Series 2780 Class SM, 1.348%, 4/15/34 (b)	15,725	1,151,643
Series 2825 Class NI, 5.50%, 3/15/30 (b)	6,727	1,246,104
Series 2827 Class SR, 1.348%, 1/15/22 (b)	10,191	866,786
Series 2840 Class SK, 11.121%, 8/15/34 (a)	1,851	1,414,791
Series 2861 Class AX, 7.10%, 9/15/34 (a)	562	520,301

U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations	**Par (000)**	**Value**
Freddie Mac Multiclass Certificates (concluded)		
Series 2865 Class SR, 1.908%, 10/15/33 (b)	$ 17,570	$ 2,751,349
Series 2865 Class SV, 2.753%, 10/15/33 (b)	11,899	2,968,863
Series 2927 Class BZ, 5.50%, 2/15/35	2,514	2,371,787
Series 2933 Class SL, 2.914%, 2/15/35 (b)	1,815	166,274
Series 2949 Class IO, 5.50%, 3/15/35 (b)	1,554	295,302
Series 2990 Class WR, 1.929%, 6/15/35 (b)	29,557	2,581,607
Series 3010 Class SC, 10.583%, 3/15/34 (a)	1,196	1,225,779
Series 3061 Class BD, 7.50%, 11/15/35	3,641	3,922,240
Series 3167 Class SX, 22.699%, 6/15/36 (a)	526	556,810
Series 3225 Class EY, 1.638%, 10/15/36 (b)	80,315	7,039,557
Series 3299 Class TI, 5%, 4/15/37 (b)	3,092	712,441
Series T-8 Class A10, 0%, 11/15/28 (f)	203	153,674
Series T-11 Class A9, 2.265%, 1/25/28 (a)	3,649	3,287,280
Ginnie Mae Trust:		
Series 1996-5 Class Z, 7%, 5/16/26	900	948,859
Series 2001-33 Class PB, 6.50%, 7/20/31	1,488	1,542,017
Series 2003-58 Class IT, 5.50%, 7/20/33 (b)	1,602	206,518
Series 2003-89 Class SA, 0.84%, 10/16/33 (b)	14,517	894,838
Series 2004-18 Class VC, 5%, 3/16/15	6,619	6,674,170
Series 2004-39 Class ID, 5%, 5/20/33 (b)	1,500	374,383
Series 2004-89 Class PE, 6%, 10/20/34	3,638	3,709,290
Series 2005-18 Class SL, 1.203%, 2/20/35 (b)	14,045	976,875
Series 2005-47 Class SP, 0.853%, 8/20/32 (b)	17,127	866,090
Total U.S. Government Agency Mortgage-Backed Securities Collateralized Mortgage Obligations 38.4%		170,596,074

Non-U.S. Government Agency Mortgage-Backed Securities

Collateralized Mortgage Obligations 22.6%		
ABN AMRO Mortgage Corp. Series 2003-4 Class A2, 5.50%, 3/25/33 (b)	316	1,925
Banc of America Funding Corp. (b):		
Series 2007-2 Class 1A19, 0%, 3/25/37	100,614	3,997,631
Series 2007-5 Class 4A3, 3.655%, 7/25/37	34,923	3,094,736
Banc of America Mortgage Securities Inc. Series 2003-3 Class 1AIO, 0.286%, 5/25/18 (b)	213,484	2,010,727
Bear Stearns Asset Backed Securities Series 2007-AC2 Class X, 0.25%, 3/25/37 (b)	24,127	236,100
Citi Mortgage Alternative Loan Trust Series 2007-A5 Class 1A7, 6%, 5/25/37 (b)	1,886	239,251
Citigroup Mortgage Loan Trust, Inc. Series 2005-12 Class 1A2, 1.615%, 8/25/35 (b)	22,950	1,012,910
Collateralized Mortgage Obligation Trust (b)(g):		
Series 40 Class R, 0.58%, 4/01/18	277	277
Series 42 Class R, 6%, 10/01/14	41	2,632
Countrywide Alternative Loan Trust:		
Series 2005-28CB Class 1A5, 5.50%, 8/25/35	3,503	3,060,854

Series 2005-56 Class 1A1, 3.202%, 11/25/35 (a)	4,889	3,198,491
Series 2005-72 Class A2, 2.832%, 1/25/36 (a)	4,136	1,737,087
Series 2005-79C Class A2, 0%, 1/25/36 (b)	130,075	5,697,131
Countrywide Home Loan Mortgage Pass-Through Trust (f):		
Series 2003-26 Class PO, 0%, 8/25/33	4,778	3,185,154
Series 2003-J4 Class PO, 0%, 6/25/33	989	702,776
Series 2003-J5 Class PO, 0%, 7/25/33	1,291	872,098
Series 2003-J8 Class PO, 0%, 9/25/23	1,082	693,310
Deutsche Alt-A Securities Inc. Mortgage		
Series 2006-AR5 Class 22A, 5.50%, 10/25/21	1,867	1,623,764
Drexel Burnham Lambert CMO Trust (f):		
Series K Class 1, 0%, 9/23/17	18	17,796
Series V Class 1, 0%, 9/01/18	200	159,958
First Boston Mortgage Securities Corp. Series C		
Class I-O, 10.965%, 4/25/17 (b)	65	15,749

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)
(Percentages shown are based on Net Assets)

Non-U.S. Government Agency Mortgage-Backed Securities	Par (000)	Value
Collateralized Mortgage Obligations (concluded)		
First Horizon Alternative Mortgage Securities (b):		
Series 2005-FA7 Class 1A7, 0%, 10/25/35	$ 68,014	$ 3,089,898
Series 2005-FA9 Class A2, 0%, 12/25/35	167,184	7,157,550
Series 2006-FA2 Class 1A4, 0.628%, 5/25/36	19,221	1,169,616
GSMPS Mortgage Loan Trust Series 1998-5 Class IO, 0.97%, 6/19/27 (b)	6,754	126,984
Homebanc Mortgage Trust Series 2005-4 Class A1, 2.742%, 10/25/35 (a)	4,657	3,832,763
Indymac Index Mortgage Loan Trust Series 2006-AR33 Class 4AX, 0.165%, 1/25/37 (b)	145,063	570,198
JPMorgan Mortgage Trust:		
Series 2005-S1 Class 2A1, 8%, 1/25/35	5,936	5,433,137
Series 2006-A7 Class 2A2, 5.801%, 1/25/37 (a)	1,382	1,266,305
Kidder Peabody Acceptance Corp Series 1993-1 Class A6, 12.031%, 8/25/23 (a)	105	105,148
Kidder Peabody Mortgage Assets Trust Series B Class A2, 9.50%, 4/22/18 (b)	50	9,616
Luminent Mortgage Trust Series 2006-A1 Class 2A1, 2.642%, 12/25/36 (a)	4,767	2,907,548
MASTR Adjustable Rate Mortgages Trust Series 2004-3 Class 3AX, 0.977%, 4/25/34 (b)	20,871	211,029
MASTR Alternative Loans Trust:		
Series 2003-7 Class 4A3, 8%, 11/25/18	1,350	1,439,092
Series 2003-9 Class 15X2, 6%, 1/25/19 (b)	1,192	252,659
MASTR Asset Securitization Trust Series 2004-3 Class 4A15, 0%, 3/25/34 (f)	314	110,755
Morgan Stanley Mortgage Loan Trust Series 2004-3 Class 1AX, 5%, 5/25/19 (b)	1,341	158,577
Painewebber CMO Trust Series 88M, 13.80%, 9/01/18	13	
Residential Accredit Loans, Inc. (a):		
Series 2005-QS16 Class A2, 0%, 11/25/35 (b)	131,328	4,897,652
Series 2006-Q03 Class A1, 2.682%, 4/25/46	2,991	1,893,139
Series 2006-Q04 Class 2A2, 2.712%, 4/25/46	3,240	1,296,122
Residential Asset Securitization Trust Series 2005-A15 Class 1A8, 0%, 2/25/36 (f)	983	452,294
Residential Funding Securities LLC Series 2003-RM2 Class AI5, 8.50%, 5/25/33	9,057	9,507,037
Sequoia Mortgage Trust Series 2005-2 Class XA, 0.998%, 3/20/35 (b)	49,570	604,757
Structured Adjustable Rate Mortgage Loan Trust:		
Series 2004-11 Class A, 5.418%, 8/25/34 (a)	1,859	1,857,428
Series 2005-18 Class 7AX, 5.50%, 9/25/35 (b)	4,725	568,079
Series 2005-20 Class 3AX, 5.50%, 10/25/35 (b)	3,802	537,006
Series 2006-2 Class 4AX, 5.50%, 3/25/36 (b)	12,482	2,432,828
Series 2006-7 Class 3AS, 2.374%, 8/25/36 (b)	40,199	4,546,465
Structured Mortgage Asset Residential Trust Series 1993-3C Class CX, 0%, 4/25/24 (f)	11	5,767
Summit Mortgage Trust Series 2000-1 Class B1, 6.647%, 12/28/12 (a)(g)	4	3,923
Vendee Mortgage Trust Series 1999-2 Class 1IO, 0.052%, 5/15/29 (b)	77,958	192,963
WaMu Mortgage Pass-Through Certificates (a):		
Series 2005-AR4 Class A3, 4.585%, 4/25/35	3,000	2,912,971
Series 2006-AR1 Class 2A1C, 4.598%, 1/25/46	7,004	3,151,890
Washington Mutual Alternative Mortgage Pass-Through Certificates:		
Series 2005-8 Class 1A4, 1.215%, 10/25/35 (b)	8,654	274,932

Series 2005-9 Class CP, 0%, 11/25/35 (f)		918		555,147
Series 2007-1 Class 1A3, 2.842%, 2/25/37 (a)		7,488		5,290,007
				100,381,639

Non-U.S. Government Agency Mortgage-Backed Securities		Par (000)		Value
Commercial Mortgage-Backed Securities 1.4%				
CS First Boston Mortgage Securities Corp. Series 1997-C1 Class AX, 1.672%, 6/20/29 (b)	$	5,369	$	230,609
Commercial Mortgage Acceptance Corp. Series 1997-ML1 Class IO, 0.705%, 12/15/30 (b)		12,238		404,491
Credit Suisse Mortgage Capital Certificates Series 2007-C2 Class A3, 5.542%, 1/15/49 (a)		2,420		2,171,110
First Union-Lehman Brothers Commercial Mortgage Series 1997-C2 Class D, 7.12%, 11/18/29		3,500		3,652,844
Morgan Stanley Capital I Series 1997-HF1 Class X, 3.438%, 7/15/29 (b)		68		8
				6,459,062
Total Non-U.S. Government Agency Mortgage-Backed Securities 24.0%				106,840,701

U.S. Government and Agency Obligations				
Federal Housing Administration:				
General Motors Acceptance Corp. Projects, Series 56, 7.43%, 11/01/22		340		347,040
Merrill Projects, Series 54, 7.43%, 2/01/23 (h)		2		2,365
Reilly Project, Series 41, 8.28%, 3/01/20		724		738,887
USGI Projects, Series 87, 7.43%, 12/01/22		76		77,980
USGI Projects, Series 99, 7.43%, 6/01/21		5,234		5,338,872
USGI Projects, Series 99, 7.43%, 10/01/23		80		81,978
USGI Projects, Series 99, 7.43%, 10/01/23		237		242,207
Overseas Private Investment Corp.:				
4.09%, 5/29/12		338		353,036
4.30%, 5/29/12 (a)		847		922,243
4.64%, 5/29/12		715		791,080
4.68%, 5/29/12		404		426,702
4.87%, 5/29/12		3,072		3,432,089
Resolution Funding Corp., 0%, 4/15/30 (f)		13,000		4,624,178
Small Business Administration Series 1, 1%, 4/01/15 (b)		4,368		43,681
U.S. Treasury Strips, 0%, 11/15/24 (d)(i)		40,000		19,235,920
Total U.S. Government and Agency Obligations 8.3%				36,658,258
Total Long-Term Securities (Cost $577,763,665) 137.5%				610,460,949

Short-Term Securities				
U.S. Government & Agency Obligations 0.2%				
Federal Home Loan Bank, 2.60%, 9/02/08 (j)		800		800,000
Borrowed Bond Agreement 4.7%				
Lehman Brothers Inc., 2.08% to 9/15/08		20,748		20,748,444

Total Short-Term Securities (Cost $21,548,444) 4.9%		21,548,444

Options Purchased	Contracts (k)	
Call Swaptions Purchased		
Receive a fixed rate of 5.39% and pay a floating rate based on 3-month LIBOR, expiring March 2012	7	454,323
Receive a fixed rate of 5.47% and pay a floating rate based on 3-month LIBOR, expiring May 2012	12	808,009
Receive a fixed rate of 5.78% and pay a floating rate based on 3-month LIBOR, expiring August 2010	2	228,043
Receive a fixed rate of 6.025% and pay a floating rate based on 3-month LIBOR, expiring June 2012	8	766,109
		2,256,484
Put Swaptions Purchased		
Pay a fixed rate of 5.39% and receive a floating rate based on 3-month LIBOR, expiring March 2012	7	300,877

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)
(Percentages shown are based on Net Assets)

Options Purchased (concluded)	Contracts (k)	Value
Put Swaptions Purchased (concluded)		
Pay a fixed rate of 5.47% and receive a floating rate based 3-month LIBOR, expiring May 2012	12	$ 490,866
Pay a fixed rate of 5.78% and receive a floating rate based 3-month LIBOR, expiring August 2010	2	52,226
Pay a fixed rate of 6.025% and receive a floating rate based on 3-month LIBOR, expiring June 2012	8	226,463
		1,070,432
Total Options Purchased (Cost $2,446,908) 0.7%		3,326,916
Total Investments before Borrowed Bond, TBA Sale Commitments and Options Written (Cost $601,759,017*) 143.1%		635,336,309

Borrowed Bond	Par (000)	
U.S. Treasury Note, 4.75% 5/31/12	$ (19,505)	(20,823,109)
Total Borrowed Bond (Proceeds $19,383,094) (4.7)%		(20,823,109)
TBA Sale Commitments		
Fannie Mae Guaranteed Pass-Through Certificates, 6.0%, 10/01/36 - 7/01/37	(14,300)	(14,454,955)
Ginnie Mae MBS Certificates, 5.50%, 9/15/38	(6,000)	(5,971,872)
Total TBA Sale Commitments (Proceeds $20,284,422) (4.6)%		(20,426,827)

Options Written	Contracts (k)	
Call Swaptions Written		
Pay a fixed rate of 4.7525% and receive a floating rate based on 3-month LIBOR, expiring May 2009	30	(943,020)

Pay a fixed rate of 5.325% and receive a floating rate based on 3-month LIBOR, expiring July 2013	11	(402,808)
Pay a fixed rated of 5.485% and receive a floating rate based on expiring 3-month LIBOR, expiring October 2009	5	(370,451)
Pay a fixed rated of 5.67% and receive a floating rate based on 3-month LIBOR, expiring January 2010	12	(969,519)
		(2,685,798)
Put Swaptions Written		
Receive a fixed rate of 4.7525% and pay a floating rate based on 3-month LIBOR, expiring May 2009	30	(761,670)
Receive a fixed rate of 5.325% and pay a floating rate based on 3-month LIBOR, expiring July 2013	11	(309,890)
Receive a fixed rate of 5.485% and pay a floating rate based on 3-month LIBOR, expiring October 2009	5	(82,334)
Receive a fixed rate of 5.67% and pay a floating rate based on 3-month LIBOR, expiring January 2010	12	(176,365)
		(1,330,259)
Total Options Written (Premiums Received $4,365,959) (0.9)%		(4,016,057)
Total Investments net of Borrowed Bond, TBA Sale Commitments and Options Written 132.9%		590,070,316
Liabilities in Excess of Other Assets (32.9%)		(146,016,406)
Net Assets 100.0%		$ 444,053,910

* The cost and unrealized appreciation (depreciation) of investments, as of August 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$ 601,894,653
Gross unrealized appreciation	$ 71,138,420
Gross unrealized depreciation	(37,696,764)
Net unrealized appreciation	$ 33,441,656

(a) Variable rate security. Rate shown is as of report date.
(b) Represents the interest-only portion of a mortgage-backed security and has either a nominal or a notional amount of principal.
(c) Represents or includes a to-be-announced transaction. The Trust has committed to purchasing securities for which all specific information is not available at this time.
(d) All or a portion of security held as collateral in connection with financial futures contracts and/or swaps.
(e) Amount is less than $1,000.
(f) Represents the principal-only portion of a mortgage-backed security.
(g) Security is fair valued.
(h) Investments in companies considered to be an affiliate of the Trust, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Purchase Cost	Sale Cost	Realized Loss	Income
		$ 300	$ (13)	$ 52,828

Federal Housing Administration,
Merrill Projects, Series 54, 7.43%,
2/01/23

(i) Separately Traded Registered Interest and Principal Securities.
(j) Rate shown is the yield to maturity as of the date of purchase.
(k) One contract represents a notional amount of $1,000,000.

For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease. These industry classifications are unaudited.

Financial future contracts purchased as of August 31, 2008 were as follows:

Contracts	**Issue**	**Expiration Date**	**Face Value**	**Unrealized Appreciation**
183	5-Year Futures	September 2008	$ 20,560,739	$ 18,183
8	EuroDollar Futures	March 2010	$ 1,918,324	6,176
11	EuroDollar Futures	December 2010	$ 2,621,821	9,791
37	EuroDollar Futures	March 2011	$ 8,818,329	26,058
22	EuroDollar Futures	June 2011	$ 5,234,155	20,270
Total				$ 80,478

Interest rate floors outstanding as of August 31, 2008 were as follows:

	Notional Amount (000)	**Value**	**Unrealized Depreciation**
Pay a fixed rate of 5.50% and receive a floating rate based on 3-month LIBOR Broker, UBS AG Expiring March 2010	$ 58,000	$ (2,116,883)	$ (1,246,884)
Pay a fixed rate of 4.80% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expiring March 2011	115,000	(3,567,070)	(2,294,403)
Pay a fixed rate of 4.95% and receive a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expiring March 2011	68,000	(1,775,616)	(1,048,016)
Pay a fixed rate of 5.50% and receive a floating rate based on 3-month LIBOR Broker, Citibank Expiring September 2011	33,000	(1,757,118)	(1,124,618)
Total		$ (9,216,687)	$ (5,713,921)

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

Financial future contracts sold as of August 31, 2008 were as follows:

Contracts	Issue	Expiration Date	Face Value	Unrealized Appreciation (Depreciatiion)
408	30-Year U.S. Treasury Bond	September 2008	$ 46,316,356	$ (1,904,144)
149	10-Year U.S. Treasury Bond	September 2008	$ 16,813,068	(573,369)
129	2-Year U.S. Treasury Bond	September 2008	$ 27,313,954	(154,983)
88	EuroDollar Futures	September 2008	$ 21,416,707	37,657
777	10-Year U.S. Treasury Bond	December 2008	$ 89,651,437	(92,063)
479	2-Year U.S. Treasury Bond	December 2008	$ 101,596,356	(86,363)
62	EuroDollar Futures	December 2008	$ 15,119,776	80,901
51	EuroDollar Futures	March 2009	$ 12,429,322	56,722
50	EuroDollar Futures	June 2009	$ 12,157,448	43,073
70	EuroDollar Futures	September 2009	$ 16,956,472	32,222
3	EuroDollar Futures	December 2009	$ 721,520	(1,705)
2	EuroDollar Futures	June 2010	$ 479,160	(940)
14	EuroDollar Futures	September 2010	$ 3,372,372	17,622
Total				$ (2,545,370)

Swaps outstanding as of August 31, 2008 were as follows:

	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Receive a fixed rate of 5.38341% and pay a floating rate based on 3-month LIBOR Broker, Credit Suisse First Boston International Expires July 2009	$ 200,000	$ 4,106,005
Receive a fixed rate of 4.7775% and pay a floating rate based on 3-month LIBOR Broker, Citibank N.A. Expires August 2009	$ 18,800	321,713
Receive a fixed rate of 4.034% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires December 2009	$ 16,200	192,814
Receive a fixed rate of 4.1% and pay a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires December 2009	$ 12,600	160,638
Receive a fixed rate of 4.05% and pay a floating rate based on 3-month LIBOR Broker, Barclays London Expires December 2009	$ 5,600	67,763
	$ 29,300	(162,008)

Pay a fixed rate of 3.535% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires January 2010				
Receive a fixed rate of 4.31996% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires September 2010	$	12,000		222,234
Receive a fixed rate of 4.95% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires November 2011	$	4,400		164,026
Receive a fixed rate of 5.025% and pay a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires November 2011	$	3,000		117,993
Receive a fixed rate of 5.39256% and pay a floating rate based on 3-month LIBOR Broker, Credit Suisse First Boston Expires June 2012	$	64,000		3,472,165

		Notional Amount (000)		Unrealized Appreciation (Depreciation)
Pay a fixed rate of 4.115% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires August 2013	$	19,700	$	(74,920)
Pay a fixed rate of 4.88911% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires August 2014	$	19,000		(727,226)
Pay a fixed rate of 4.39919% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires October 2014	$	12,500		(142,258)
Receive a fixed rate of 4.8834% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires March 2015	$	25,000		924,374
Pay a fixed rate of 4.925% and receive a floating rate based on 3-month Lehman Brothers Municipal Swap Index Broker, Deutsche Bank AG London Expires March 2015	$	16,000		(631,865)
Pay a fixed rate of 4.5% and receive a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires May 2015	$	3,000		(44,791)
Receive a fixed rate of 4.442% and pay a floating rate based on 3-month LIBOR Broker, Morgan Stanley Capital Services Inc. Expires July 2015	$	4,500		50,400
Receive a fixed rate of 5.94% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires December 2015	$	2,800		288,169
Receive a fixed rate of 4.87% and pay a floating rate based on 3-month Lehman Brothers Muni Swap Index Broker, Goldman Sachs & Co. Expires January 2016	$	5,500		195,971
Receive a fixed rate of 5.723% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase	$	5,400		494,448

Expires July 2016			
Receive a fixed rate of 5.295% and pay a floating rate based on 3-month LIBOR Broker, UBS Warburg Expires February 2017	$	11,900	755,576
Receive a fixed rate of 5.25% and pay a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires April 2017	$	800	48,085
Pay a fixed rate of 5.74% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires June 2017	$	1,400	(135,054)
Pay a fixed rate of 5.5451% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires June 2017	$	1,800	(147,942)

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Income Trust, Inc. (BKT)

	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Pay a fixed rate of 5.85% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires June 2017	$ 1,000	$ (104,527)
Receive a fixed rate of 5.505% and pay a floating rate based on 3-month LIBOR Broker, Bank of America Expires August 2017	$ 165,647	13,205,888
Pay a fixed rate of 4.54% and receive a floating rate based on 3-month LIBOR Broker, Morgan Stanley Capital Services Inc. Expires December 2017	$ 7,700	(50,944)
Pay a fixed rate of 4.4575% and receive a floating rate based on 3-month LIBOR Broker, Goldman Sachs & Co. Expires January 2018	$ 2,600	644
Pay a fixed rate of 5.115% and receive a floating rate based on 3-month LIBOR Broker, Lehman Brothers Special Finance Expires March 2018	$ 7,300	(364,520)

	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Pay a fixed rate of 5.135% and receive a floating rate based on 3-month LIBOR Broker, Barclays London Expires April 2018	$ 5,700	$ (44,320)
Pay a fixed rate of 5.88% and receive a floating rate based on 3-month LIBOR Broker, Deutsche Bank AG London Expires June 2018	$ 63,930	(5,727,192)
Pay a fixed rate of 5.46% and receive a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires August 2018	$ 3,800	(196,776)
Receive a fixed rate of 5.411% and pay a floating rate based on 3-month LIBOR Broker, JPMorgan Chase Expires August 2022	$ 9,565	733,550
Total		$ 16,968,113

See Notes to Financial Statements.

Schedule of Investments August 31, 2008

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Asset-Backed Securities		Par (000)		Value
Sterling Bank Trust Series 2004-2 Class Note, 2.081%, 3/30/30 (a)	USD	21,758	$	815,916
Sterling Coofs Trust Series 1, 2.362%, 4/15/29 (a)		17,045		1,379,544
Total Asset-Backed Securities 0.4%				2,195,460

Corporate Bonds	Par (000)	Value
Aerospace & Defense 0.6%		
CHC Helicopter Corp., 7.375%, 5/01/14	1,715	1,783,600
DRS Technologies, Inc.:		
6.875%, 11/01/13	330	334,125
7.625%, 2/01/18	310	326,275
Hexcel Corp., 6.75%, 2/01/15	650	630,500
TransDigm, Inc., 7.75%, 7/15/14	570	554,325
		3,628,825
Air Freight & Logistics 0.1%		
Park-Ohio Industries, Inc., 8.375%, 11/15/14	905	746,625
Airlines 0.1%		
American Airlines, Inc. Series 99-1, 7.324%, 4/15/11	520	473,200
Auto Components 0.3%		
Allison Transmission, Inc. (b):		
11%, 11/01/15	70	64,400
11.25%, 11/01/15 (c)	670	589,600
Lear Corp., 8.75%, 12/01/16	1,065	801,412
Metaldyne Corp., 10%, 11/01/13	1,000	270,000
		1,725,412
Automobiles 0.1%		
Ford Capital BV, 9.50%, 6/01/10	500	416,250
Building Products 0.4%		
CPG International I, Inc., 10.50%, 7/01/13	750	577,500
Momentive Performance Materials, Inc., 11.50%, 12/01/16	2,590	2,020,200
		2,597,700
Capital Markets 1.0%		
E*Trade Financial Corp., 12.50%, 11/30/17 (b)	2,500	2,675,000
Marsico Parent Co., LLC, 10.625%, 1/15/16 (b)	2,651	2,226,840
Marsico Parent Holdco, LLC, 12.50%, 7/15/16 (b)(c)	977	810,735
Marsico Parent Superholdco, LLC, 14.50%, 1/15/18 (b)(c)	659	546,616
		6,259,191

Chemicals 1.2%				
American Pacific Corp., 9%, 2/01/15		1,100		1,067,000
Ames True Temper, Inc., 6.791%, 1/15/12 (d)		2,085		1,668,000
Huntsman LLC, 11.50%, 7/15/12		310		323,950
Ineos Group Holdings Plc, 7.875%, 2/15/16 (b)	EUR	1,490		1,344,331
Innophos, Inc., 8.875%, 8/15/14	USD	2,225		2,280,625
Key Plastics LLC, 11.75%, 3/15/13 (b)		980		343,000
Terra Capital, Inc. Series B, 7%, 2/01/17		115		111,837
				7,138,743
Commercial Services & Supplies 1.7%				
Casella Waste Systems, Inc., 9.75%, 2/01/13		2,000		1,980,000
DI Finance Series B, 9.50%, 2/15/13		2,538		2,518,965
Sally Holdings LLC, 10.50%, 11/15/16 (e)		990		994,950
Waste Services, Inc., 9.50%, 4/15/14		2,065		2,085,650
West Corp., 11%, 10/15/16 (e)		3,595		2,813,088
				10,392,653
Communications Equipment 0.3%				
Nortel Networks Ltd., 7.041%, 7/15/11 (d)		1,970		1,827,175
Containers & Packaging 0.9%				
Berry Plastics Holding Corp.:				
6.651%, 9/15/14 (d)		510		382,500
8.875%, 9/15/14		910		755,300
Crown Americas LLC, 7.75%, 11/15/15		885		907,125

Corporate Bonds		Par (000)		Value
Containers & Packaging (concluded)				
Impress Holdings BV, 5.916%, 9/15/13 (b)(d)	USD	1,370	$	1,233,000
Pregis Corp., 12.375%, 10/15/13		2,020		1,929,100
				5,207,025
Diversified Financial Services 1.4%				
Ford Motor Credit Co., 7.375%, 2/01/11		2,800		2,253,675
Ford Motor Credit Co. LLC:				
5.538%, 1/13/12 (d)		565		417,142
7.241%, 4/15/12 (d)		60		57,377
7.80%, 6/01/12		1,665		1,236,537
GMAC LLC, 6.875%, 8/28/12		2,735		1,604,474
Structured Asset Repackaged Trust, 3.761%, 1/21/10		3,068		2,972,703
				8,541,908
Diversified Telecommunication Services 3.1%				
Cincinnati Bell, Inc., 7.25%, 7/15/13		1,420		1,364,975
Deutsche Telekom International Finance BV, 8%, 6/15/10 (e)		5,000		5,291,760
Qwest Communications International, Inc.:				
6.304%, 2/15/09 (d)		1,364		1,360,590
7.50%, 2/15/14		3,595		3,271,450
Qwest Corp., 6.026%, 6/15/13 (d)(e)		3,000		2,775,000
Wind Acquisition Finance SA, 10.75%, 12/01/15 (b)		1,500		1,537,500
Windstream Corp.:				
8.125%, 8/01/13		2,340		2,316,600
8.625%, 8/01/16		1,060		1,049,400
				18,967,275

Electric Utilities 0.6%		
Edison Mission Energy, 7.50%, 6/15/13	590	591,475
Elwood Energy LLC, 8.159%, 7/05/26	149	140,163
Midwest Generation LLC Series B, 8.56%, 1/02/16	2,676	2,762,490
		3,494,128
Electrical Equipment 0.6%		
Superior Essex Communications LLC, 9%, 4/15/12	3,765	3,934,425
Electronic Equipment & Instruments 0.4%		
Sanmina-SCI Corp.:		
6.75%, 3/01/13	315	284,287
8.125%, 3/01/16 (e)	2,560	2,310,400
		2,594,687
Energy Equipment & Services 0.2%		
Compagnie Generale de Geophysique-Veritas:		
7.50%, 5/15/15	255	253,725
7.75%, 5/15/17	420	417,900
Grant Prideco, Inc. Series B, 6.125%, 8/15/15	380	369,335
North American Energy Partners, Inc., 8.75%, 12/01/11	270	268,650
		1,309,610
Food & Staples Retailing 0.4%		
Rite Aid Corp., 7.50%, 3/01/17	2,940	2,440,200
Gas Utilities 0.2%		
El Paso Natural Gas Co., 8.375%, 6/15/32	400	442,400
Targa Resources, Inc., 8.50%, 11/01/13	725	688,750
		1,131,150
Health Care Equipment & Supplies 1.3%		
Biomet, Inc.:		
10%, 10/15/17	500	540,000
10.375%, 10/15/17 (c)	500	527,500
11.625%, 10/15/17	670	704,337
DJO Finance LLC, 10.875%, 11/15/14	6,420	6,436,050
		8,207,887
Health Care Providers & Services 0.7%		
Tenet Healthcare Corp., 6.50%, 6/01/12	1,985	1,920,487
Viant Holdings, Inc., 10.125%, 7/15/17 (b)	2,948	2,491,060
		4,411,547

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Hotels, Restaurants & Leisure 2.1%				
American Real Estate Partners LP:				
8.125%, 6/01/12	USD	5,860	$	5,457,125
7.125%, 2/15/13		1,480		1,293,150
Greektown Holdings, LLC, 10.75%, 12/01/13 (b)(f)(g)		1,344		1,014,720
Harrah s Operating Co., Inc. (b):				
10.75%, 2/01/16		5,695		3,829,887
10.75%, 2/01/18 (c)		1,790		1,057,268
Tropicana Entertainment LLC Series WI, 9.625%, 12/15/14 (f)(g)		375		120,000
Wynn Las Vegas LLC, 6.625%, 12/01/14		100		91,125
				12,863,275
Household Durables 0.0%				
Berkline/BenchCraft, LLC, 4.50%, 11/03/12 (c)(f)(g)(h)		200		
IT Services 1.0%				
First Data Corp., 9.875%, 9/24/15 (b)		270		232,875
iPayment, Inc., 9.75%, 5/15/14		950		795,625
iPayment Investors LP, 12.75%, 7/15/14 (b)(c)		4,205		4,176,115
SunGard Data Systems, Inc., 9.125%, 8/15/13		790		801,850
				6,006,465
Independent Power Producers & Energy Traders 0.7%				
The AES Corp., 8.75%, 5/15/13 (b)		2,803		2,901,105
NRG Energy, Inc.:				
7.25%, 2/01/14		210		207,112
7.375%, 2/01/16		1,185		1,170,187
				4,278,404
Industrial Conglomerates 1.1%				
Sequa Corp. (b):				
11.75%, 12/01/15		3,210		2,824,800
13.50%, 12/01/15 (c)		4,972		4,050,671
				6,875,471
Machinery 0.9%				
AGY Holding Corp., 11%, 11/15/14		1,700		1,581,000
Accuride Corp., 8.50%, 2/01/15		850		548,250
Sunstate Equipment Co. LLC, 10.50%, 4/01/13 (b)		3,125		2,281,250
Synventive Molding Solutions Sub-Series A, 14%, 1/14/11		650		292,491
Terex Corp., 8%, 11/15/17		1,085		1,071,438
				5,774,429
Marine 0.1%				
Navios Maritime Holdings, Inc., 9.50%, 12/15/14		676		645,580
Media 6.7%				

Affinion Group, Inc., 10.125%, 10/15/13		2,825		2,782,625
CMP Susquehanna Corp., 9.875%, 5/15/14		2,425		1,515,625
Cablevision Systems Corp. Series B, 7.133%, 4/01/09 (d)		800		804,000
Charter Communications Holdings I, LLC, 11%, 10/01/15		340		260,950
Charter Communications Holdings II, LLC,				
10.25%, 9/15/10		3,420		3,278,875
Comcast Cable Communications LLC, 6.875%, 6/15/09 (e)		6,685		6,846,730
Dex Media West LLC, 9.875%, 8/15/13		1,510		1,162,700
DirecTV Holdings LLC, 8.375%, 3/15/13		500		517,500
EchoStar DBS Corp.:				
5.75%, 10/01/08		2,800		2,800,000
7%, 10/01/13		200		190,000
7.125%, 2/01/16		200		184,000
Network Communications, Inc., 10.75%, 12/01/13		1,520		1,092,500
Nielsen Finance LLC, 10%, 8/01/14		3,825		3,872,812
ProtoStar I Ltd., 12.50%, 10/15/12 (b)(d)(i)		3,345		3,244,435
R.H. Donnelley Corp., 11.75%, 5/15/15 (b)		2,442		1,794,870
Rainbow National Services LLC (b):				
8.75%, 9/01/12		925		943,500
10.375%, 9/01/14		3,134		3,333,792
Salem Communications Corp., 7.75%, 12/15/10		2,000		1,680,000
Sinclair Broadcast Group, Inc. Class A, 4.875%, 7/15/18 (i)(j)		460		421,475
TL Acquisitions, Inc., 10.50%, 1/15/15 (b)		4,500		3,847,500
Windstream Regatta Holdings, Inc., 11%, 12/01/17 (b)		1,575		913,500
				41,487,389

Corporate Bonds		Par (000)		Value
Metals & Mining 1.2%				
AK Steel Corp., 7.75%, 6/15/12	USD	2,200	$	2,249,500
Freeport-McMoRan Copper & Gold, Inc.:				
5.883%, 4/01/15 (d)		1,495		1,498,947
8.375%, 4/01/17 (e)		3,495		3,704,700
				7,453,147
Multiline Retail 0.8%				
JC Penney Corp. Inc., 8%, 3/01/10 (e)		4,400		4,536,985
Neiman Marcus Group, Inc., 9%, 10/15/15 (c)		73		70,992
				4,607,977
Oil, Gas & Consumable Fuels 2.1%				
Berry Petroleum Co., 8.25%, 11/01/16		550		525,250
Chaparral Energy, Inc., 8.50%, 12/01/15		1,210		1,052,700
Chesapeake Energy Corp., 6.375%, 6/15/15		650		604,500
Compton Petroleum Finance Corp., 7.625%, 12/01/13		700		657,125
EXCO Resources, Inc., 7.25%, 1/15/11		495		490,050
Encore Acquisition Co., 6%, 7/15/15		250		218,125
OPTI Canada, Inc., 8.25%, 12/15/14		1,990		1,987,512
Overseas Shipholding Group, Inc., 8.75%, 12/01/13		1,650		1,716,000
Sabine Pass LNG LP, 7.50%, 11/30/16		1,515		1,325,625
SandRidge Energy, Inc. (b):				
6.416%, 4/01/14 (d)		1,500		1,406,731
8.625%, 4/01/15 (c)		1,500		1,451,250
Whiting Petroleum Corp.:				
7.25%, 5/01/12		160		154,400
7.25%, 5/01/13		1,390		1,334,400
				12,923,668

Paper & Forest Products 0.5%		
Bowater, Inc., 5.776%, 3/15/10 (d)	670	549,400
Domtar Corp.:		
7.875%, 10/15/11	140	143,850
7.125%, 8/15/15	300	289,500
NewPage Corp.:		
9.051%, 5/01/12 (d)	1,500	1,406,250
10%, 5/01/12	665	645,050
12%, 5/01/13	200	187,000
		3,221,050
Professional Services 0.1%		
FTI Consulting, Inc., 7.75%, 10/01/16	350	363,125
Real Estate Investment Trusts (REITs) 0.2%		
Rouse Co. LP, 5.375%, 11/26/13	2,000	1,523,422
Semiconductors & Semiconductor Equipment 0.6%		
Amkor Technology, Inc.:		
7.75%, 5/15/13	2,063	1,934,062
9.25%, 6/01/16	310	299,150
Freescale Semiconductor, Inc.:		
8.875%, 12/15/14	560	453,600
9.125%, 12/15/14 (c)	1,305	1,017,900
		3,704,712
Software 0.1%		
BMS Holdings, Inc., 10.595%, 2/15/12 (b)(c)(d)	516	309,442
Specialty Retail 2.5%		
AutoNation, Inc.:		
4.791%, 4/15/13 (d)	690	569,250
7%, 4/15/14	690	596,850
General Nutrition Centers, Inc.:		
7.199%, 3/15/14 (c)(d)	2,250	1,882,229
10.75%, 3/15/15	1,880	1,630,900
Group 1 Automotive, Inc., 8.25%, 8/15/13	5,000	4,550,000
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12	1,475	737,500
Michaels Stores, Inc. (e):		
10%, 11/01/14	1,895	1,421,250
11.375%, 11/01/16	1,565	1,001,600
Sonic Automotive, Inc. Series B, 8.625%, 8/15/13	3,500	2,695,000
		15,084,579

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Textiles, Apparel & Luxury Goods 0.1%				
Quiksilver, Inc., 6.875%, 4/15/15	USD	575	$	461,437
Tobacco 0.2%				
Reynolds American, Inc., 7.625%, 6/01/16		1,000		1,036,980
Wireless Telecommunication Services 1.2%				
Cricket Communications, Inc., 9.375%, 11/01/14		270		267,637
Digicel Group Ltd. (b):				
8.875%, 1/15/15		1,120		1,051,456
9.125%, 1/15/15 (c)		2,466		2,229,551
MetroPCS Wireless, Inc., 9.25%, 11/01/14		360		356,850
Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (b)		3,850		3,705,625
				7,611,119
Total Corporate Bonds 37.6%				231,677,287

Foreign Government Obligations		
Colombia Government International Bond, 9.75%, 4/23/09 (e)	5,000	5,200,000
Peru Government International Bond, 8.375%, 5/03/16	4,871	5,714,657
Turkey Government International Bond, 7%, 9/26/16	5,093	5,213,959
Total Foreign Government Obligations 2.6%		16,128,616

U.S. Government Agency Mortgage-Backed Securities		
Fannie Mae Guaranteed Pass-Through Certificates:		
5.00%, 9/15/23 (k)	121,000	119,865,625
5.50%, 12/01/28 11/01/33 (e)(l)	7,721	7,669,437
Total U.S. Government Agency Mortgage-Backed Securities 20.7%		127,535,062

Floating Rate Loan Interests		
Aerospace & Defense 1.2%		
Avio Holding SpA:		
Term Loan B, 4.594%, 9/25/14	1,000	902,143
Term Loan C, 5.219%, 9/25/15	1,000	902,143

Hawker Beechcraft Acquisition Co. LLC:		
Letter of Credit, 2.70%, 3/26/14	267	248,549
Term Loan, 4.801%, 3/26/14	4,569	4,254,328
IAP Worldwide Services, Inc. First Lien Term Loan, 8.25%, 12/30/12	586	455,807
Wesco Aircraft Hardware Corp. First Lien Term Loan, 5.06%, 9/29/13	486	466,192
		7,229,162
Airlines 0.3%		
US Airways Group, Inc. Term Loan, 4.963%, 3/24/14	2,970	2,034,450
Auto Components 0.9%		
Allison Transmission, Inc. Term Loan, 5.22% 5.56%, 8/07/14	4,064	3,644,625
Dayco Products LLC (Mark IV, Inc.) Replacement B Term Loan, 7.14% 7.68%, 6/21/11	864	598,359
Delphi Corp. Second Lien:		
Subsequent Tranche C Term Loan, 8.5%, 12/31/08	79	64,979
Term Loan, 8.50%, 1/11/16	771	638,041
Metaldyne Co. LLC:		
Initial Tranche B Term Loan, 6.50%, 4/09/12	667	373,060
Letter of Credit Deposit Funded Tranche, 2.35% 6.56%, 1/11/14	98	54,862
Rallyparts LLC (Motorsport Aftermarket) Group Tranche B Term Loan, 5.301%, 11/30/13	493	310,275
		5,684,201

Floating Rate Loan Interests		Par (000)		Value
Beverages 0.3%				
Culligan International Co. Second Lien Term Loan, 9.229% 9.615%, 4/24/13	EUR	1,500	$	1,100,288
Le-Nature s, Inc. Term Loan B, 10.25%, 9/01/11 (f)(g)	USD	1,000		570,000
				1,670,288
Biotechnology 0.2%				
Talecris Biotherapeutics, Holdings Corp. First Lien Term Loan, 5.97% 6.31%, 12/06/13		995		962,614
Building Products 1.5%				
Armstrong World Industries Tranche B Term Loan, 4.221%, 10/02/13		195		189,657
Building Materials Corp. of America Term Loan Advance, 5.438% 5.563%, 2/22/14		2,888		2,477,436
Custom Building Products Second Lien Term Loan, 7.801%, 4/20/12		1,500		1,170,000
Financiere (Lafarge Roofing) SA:				
Term Loan B1, 6.856%, 6/14/15	EUR	725		610,930
Term Loan B2, 6.856%, 6/14/15		296		249,534
Term Loan B4, 4.594%, 6/14/15	USD	278		158,218
Term Loan C1, 7.106%, 3/14/16	EUR	673		567,038
Term Loan C2, 7.106%, 3/14/16	USD	346		291,693
Term Loan C4, 4.838%, 3/14/16		285		162,023
Momentive Performance Materials, Inc.:				
Tranche B-1, 4.75%, 12/04/13	USD	967		890,911
Tranche B-2, 6.73%, 12/14/13	EUR	1,000		1,285,503
United Subcontractors Inc. Tranche B Term Loan, 7.79% 8.14%, 12/27/12	USD	1,811		1,014,458

			9,067,401
Capital Markets 0.1%			
Marsico Parent Co., LLC Term Loan, 5.50% 6.813%, 12/16/14		498	425,363
Chemicals 4.0%			
Brenntag Holdings:			
Term Loan Facility B6 A, 6.793%, 3/01/12	EUR	282	382,763
Term Loan Facility B6 B, 6.793%, 3/01/12		218	296,331
Cognis Deutschland:			
Facility A (German), 6.961%, 9/16/13		803	1,070,180
Facility B (French), 6.961%, 9/16/13		197	262,085
Edwards (Cayman Islands II) Ltd. First Lien Term Loan, 4.81%, 5/31/14		495	429,413
Electricinvest Holding Co. Ltd., Junior 8.735% 9.625%, 12/19/12	GBP	1,793	2,616,541
Flint Group Term Loan B, 4.88%, 12/31/14	USD	2,000	1,613,334
Huish Detergents, Inc. Term Loan Tranche B, 4.81%, 4/26/14		1,250	1,132,291
ISP Chemco LLC Term Loan, 4% 4.313%, 6/04/14		1,485	1,369,913
Ineos U.S. Finance Group Plc Term Loan Facility:			
A4, 4.721% 4.885%, 12/16/12		1,016	883,526
B2, 4.885%, 12/16/13		1,715	1,449,175
C2, 5.385%, 12/23/14		1,715	1,449,175
Invista Canada Co. Term Loan:			
B1, 4.301%, 4/29/11		1,274	1,213,114
B2, 4.301%, 4/29/11		675	643,041
Lucite International Finance Plc, 13.96%, 7/14/13 (c)	EUR	1,105	923,795
PQ Corp.:			
First Lien Term Loan, 5.92% 6.05%, 7/30/14	USD	4,000	3,742,500
Second Lien Term Loan, 9.30%, 7/30/14		3,250	2,811,250
Rockwood Specialties Group, Inc. Tranche E Term Loan, 4.299%, 7/30/12		965	924,677
Solutia, Inc. Term Loan, 8.50%, 2/28/14		1,750	1,686,017
			24,899,121
Commercial Services & Supplies 1.7%			
ARAMARK Corp.:			
Letter of Credit, 2.44%, 1/26/14		185	174,918
Term Loan B, 4.676%, 1/26/14		2,907	2,753,329

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests		Par (000)	Value
Commercial Services & Supplies (concluded)			
Brickman Group Holdings, Inc. Term Loan Tranche B, 4.801%, 1/23/14	USD	1,234	$ 1,104,766
EnviroSolutions Term Loan, 11.50% 12.25%, 7/07/12		501	457,982
Kion Group GmbH:			
Term Loan B, 4.469%, 12/28/14		250	216,298
Term Loan C, 4.969%, 12/28/15		250	216,298
Language Line Services Term Loan B1, 6.06%, 6/11/11		729	685,510
Sirva Second Lien Facility Loan, 12%, 5/15/15		229	186,326
Synagro Technologies, Inc. Term Loan, 4.81%, 4/02/14		2,743	2,317,897
West Corp. Term Loan B2, 4.844% 5.171%, 10/24/13		2,955	2,592,634
			10,705,958
Communications Equipment 1.4%			
Alltel Corp. Initial Tranche:			
Term Loan B2, 5.064%, 5/16/15		1,744	1,723,239
Term Loan B3, 4.966%, 5/18/15		5,219	5,199,435
SafeNet, Inc. Term Loan B, 5.788%, 4/11/14		1,980	1,702,800
			8,625,474
Computers & Peripherals 0.6%			
Intergraph Corp.:			
Initial Term Loan, First Lien, 4.809%, 5/29/14		1,431	1,359,292
Second Lien Term Loan, 8.809%, 11/29/14		750	720,000
Dealer Computer Services (Reynolds and Reynolds) Term Loan, 4.801%, 10/26/12		1,889	1,747,366
			3,826,658
Construction & Engineering 0.2%			
Brand Energy & Infrastructure Services, Inc.:			
First Lien Term Loan B, 5.063%, 2/07/14		993	908,422
Second Lien Term Loan, 8.813%, 2/07/15		500	460,000
			1,368,422
Containers & Packaging 1.2%			
Atlantis Plastics Second Lien Term Loan, 12%, 3/22/12 (f)(g)		250	43,750
Consolidated Container Co. LLC Second Lien Term Loan, 7.969% 8.31%, 9/28/14		350	171,500
Graham Packaging Co. LP New Term Loan E, 4.938% 5.063%, 10/07/11		2,095	1,990,289
Graphic Packaging International Corp. Incremental Term Loan, 5.535% 5.884%, 5/16/14		2,363	2,278,939
Mivisa Envases SAU:			
Term Loan B1	EUR	826	1,054,549
Term Loan B2		174	221,785
Smurfit-Stone Container Enterprises, Inc. Deposit Account, 4.913%, 11/01/10	USD	568	548,645
Solo Cup Co. Term B1 Loan, 5.97% 6.31%, 2/27/11		1,198	1,163,086

Floating Rate Loan Interests		Par (000)	Value
			7,472,543
Distributors 0.2%			
Keystone Automotive Operations, Inc. Term Loan, 5.966% 5.972%, 1/12/12		1,434	1,003,542
Diversified Consumer Services 0.7%			
Coinmach Corp. Term Loan, 5.48% 5.81%, 11/20/14		4,738	4,353,125
Diversified Financial Services 0.7%			
J.G. Wentworth LLC:			
First Lien Term Loan, 5.051%, 4/04/14		4,400	3,388,000
Professional Services First Lien Term Loan, 5.22%, 10/31/12		752	676,849
			4,064,849
Diversified Telecommunication Services 1.5%			
BCM Ireland Holdings (Eircom):			
Term Loan B, 6.606%, 9/30/14	EUR	2,000	2,695,948
Term Loan C, 6.856%, 9/30/15		2,000	2,696,752
Country Road Communications Second Lien Term Loan, 10.42%, 7/15/13	USD	500	485,000
Diversified Telecommunication Services (concluded)			
Hawaiian Telcom Communications, Inc. Term Loan C, 5.301%, 6/01/14	USD	648	$ 514,238
Time Warner Telecom Holdings, Inc. Term Loan B, 4.47%, 1/07/13		2,023	1,935,167
Wind Telecomunicazion SpA Term Loan A1, 6.235% 6.89%, 5/25/10	EUR	653	895,390
			9,222,495
Electric Utilities 0.1%			
TPF Generation Holdings LLC:			
First Lien Letter of Credit, 2.10%, 12/15/13	USD	151	144,634
First Lien Term Loan, 4.801%, 12/15/13		743	713,827
Revolving Credit, 4.801%, 12/15/13		47	45,340
			903,801
Electrical Equipment 0.4%			
Electrical Components International Holdings Second Lien Term Loan, 10.50%, 4/28/14		500	225,000
Generac Acquisition Corp., Inc. First Lien Term Loan, 5.288%, 11/09/13		1,479	1,142,571
Sensus Metering Systems, Inc.:			
New Term Loan B-1, 4.47% 4.812%, 12/17/10		1,057	1,024,826
New Term Loan B-2, 4.47%, 12/17/10		27	26,411
			2,418,808
Electronic Equipment & Instruments 0.9%			
Flextronics International Ltd. Delay Draw Term Loan A Closing Date, 5.041%, 10/01/14		1,109	1,005,903
Flextronics International Ltd. Closing Date Loan 5.038% 5.041%, 10/01/14		3,859	3,525,719

Matinvest (Deutsch Connectors):			
Term Loan B2, 5.384%, 6/22/14		491	430,103
Term Loan C2, 5.634%, 6/22/15		851	746,220
			5,707,945
Energy Equipment & Services 0.8%			
Dresser, Inc. Term Loan B, 4.713% 5.057%, 5/04/14		3,432	3,273,621
MEG Energy Corp. Initial Term Loan, 4.80%, 4/03/13		489	466,604
Trinidad U.S.A. Partnership LP Term Loan, 4.964%, 5/01/11		1,465	1,391,750
			5,131,975
Food & Staples Retailing 1.4%			
AB Acquisition Term Loan B, 8.091%, 7/15/15	GBP	4,000	6,466,578
Advantage Sales & Marketing, Inc. Term Loan, 4.47% 4.81%, 3/29/13	USD	973	899,429
DS Waters of America Term Loan B, 6.469%, 3/07/12		500	462,500
WM Bolthouse Farms, Inc. First Lien Term Loan, 5.063%, 12/16/12		975	933,563
			8,762,070
Food Products 2.0%			
Dole Food Co., Inc.:			
Linked Deposit, 2.65%, 4/12/13		280	256,702
Term Loan B, 4.5% 6%, 4/12/13		511	468,875
Term Loan C, 4.50% 6%, 4/12/13		2,050	1,881,950
Eight O Clock Coffee Co. Term Loan, 5.25%, 11/14/11		1,813	1,740,696
Michael Foods Term Loan B-1, 4.845% 5.194%, 11/21/10		2,167	2,123,436
Osi Funds GMBH-German Term Loan, 4.801%, 9/2/11		531	522,597
Osi Group LLC.-U.S. Term Loan B, 4.801%, 9/2/11		1,194	1,175,844
Osi Holland Finance-Dutch Term Loan, 4.801%, 9/2/11		663	653,247
Sturm Foods, Inc.:			
First Lien Term Loan 5.25% 5.375%, 1/31/14		1,355	1,104,564
Initial First Lien Term Loan 5.375%, 1/31/14 (c)(h)		500	407,500
Second Lien Term Loan, 8.875%, 7/31/14		500	305,000
Wrigley Co. Term Loan B, 0%, 8/11/14		1,500	1,505,894
			12,146,305

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests		Par (000)		Value
Health Care Equipment & Supplies 1.2%				
Biomet, Inc. Dollar Term Loan, 5.801%, 3/25/15	USD	4,466	$	4,374,134
DJO Finance LLC Term Loan, 5.469% 5.801%, 5/20/14		2,488		2,425,313
Select Medical Term Loan B, 4.472% 6.0%, 2/24/12		966		895,140
				7,694,587
Health Care Providers & Services 2.3%				
CCS Medical First Lien Term Loan (Chronic Care), 6.06%, 9/30/12		840		673,758
Cardinal Health Euro Term Loan, 7.205%, 4/15/14	EUR	1,980		2,556,188
Community Health Systems, Inc. Term Loan, 4.719% 5.06%, 7/25/14	USD	8,188		7,738,726
Health Management Associates, Inc. Term Loan B, 4.551%, 2/28/14		886		811,432
HealthSouth Corp. Term Loan, 5.29%, 3/10/13		801		757,575
Surgical Care Affiliates LLC Term Loan B, 5.051%, 12/29/14		1,987		1,748,961
				14,286,640
Health Care Technology 0.2%				
Sunquest Holdings Inc. (Misys Hospital Systems), Term Loan, 5.72% 6.05%, 10/13/14		1,489		1,403,147
Hotels, Restaurants & Leisure 2.2%				
CCM Merger Inc. (MotorCity Casino) Term Loan B, 4.808% 4.815%, 7/13/12		1,665		1,494,422
Green Valley Ranch Gaming LLC:				
First Lien Term Loan, 4.469% 4.801%, 2/16/14		476		364,285
Second Lien, 5.719%, 8/16/14		1,500		753,750
Harrah s Operating Co., Inc.:				
Term Loan B1, 5.80% 5.801%, 1/28/15		554		486,221
Term Loan B2, 5.80%, 1/28/15		698		611,580
Term Loan B3, 5.801%, 1/28/15		810		709,546
OSI Restaurant Partners, Inc.:				
Incremental Term Loan, 5.125%, 5/15/13		403		307,635
Revolving Credit, 5.026%, 5/15/13		39		29,795
Prefunded Penn National Gaming, Inc. Term Loan B, 4.21% 4.55%, 10/03/12		4,046		3,871,761
QCE LLC First Lien Term Loan, 4.813%, 5/05/13		1,960		1,652,933
Travelport LLC (Travelport, Inc.):				
Standby Letter of Credit, 5.051%, 8/23/13 (c)		29		24,225
Term Loan, 9.793%, 3/27/12 (c)		4,216		2,592,978
Term Loan B, 4.719%, 3/27/12		145		120,731
Wembley, Inc. First Lien Term Loan, 6.72% 7.19%, 8/23/11		491		364,865
				13,384,727
Household Durables 0.3%				
Berkline Corp. Term Loan B, 6.578%, 11/03/11 (f)(g)(h)		95		4,735

Jarden Corp. Term Loan B3, 5.301%, 1/24/12		995		915,377
The Yankee Candle Co., Inc. Term Loan B, 4.48% 4.81%, 2/06/14		1,000		872,500
				1,792,612
Household Products 0.2%				
Central Garden & Pet Term Loan New Tranche B, 3.97% 3.98%, 9/30/12		1,082		951,793
IT Services 2.5%				
Affiliated Computer Services Term Loan, 4.472%, 3/20/13		731		705,395
Amadeus Global Travel Distribution SA:				
Term Loan B-3, 6.981%, 7/15/13	EUR	307		379,178
Term Loan B-4, 6.481%, 7/15/13		186		229,621
Term Loan C-3, 6.981%, 7/15/14		307		379,178
Term Loan C-4, 6.981%, 7/15/14		186		229,621
Audio Visual Services Group, Inc. Second Lien Term Loan, 8.31%, 2/28/14	USD	1,000		880,000
Ceridian Corp. U.S. Term Loan, 5.464%, 11/09/14		3,500		3,290,000

Floating Rate Loan Interests		**Par (000)**		**Value**
IT Services (concluded)				
First Data Corp.:				
Term Loan B1, 5.222% 5.551%, 9/24/14	USD	3,701	$	3,390,309
Term Loan B2, 5.222% 5.551%, 9/24/14		1,250		1,145,899
Term Loan B3, 5.551%, 9/24/14		850		778,931
RedPrairie Corp. Term Loan, 5.50%, 7/20/12		689		647,384
SunGard Data Systems, Inc. (Solar Capital Corp.) New U.S. Term Loan, 4.553%, 2/28/14		2,426		2,276,390
Verifone, Inc. Term Loan, 5.42% 5.55%, 10/31/13		930		888,150
				15,220,056
Independent Power Producers & Energy Traders 1.6%				
The AES Corp. Term Loan, 5.063% 5.10%, 8/10/11		429		418,393
Texas Competitive Electric Holdings Co. LLC (TXU):				
Term Loan B-2, 5.963% 6.303%, 10/13/14		2,978		2,774,863
Term Loan B-3, 5.963% 6.303%, 10/13/14		7,306		6,794,795
				9,988,051
Insurance 0.3%				
Conseco New Term Loan, 4.469%, 10/10/13		737		615,301
Sedgwick Claims Management Service, Inc. Term Loan B, 5.051%, 1/31/13		1,070		1,016,482
				1,631,783
Internet & Catalog Retail 0.1%				
Oriental Trading First Lien Term Loan, 4.72%, 7/31/13 (h)		956		692,817
Leisure Equipment & Products 0.1%				
24 Hour Fitness Worldwide, Inc. Tranche B Term Loan, 4.97% 5.17%, 6/08/12		977		909,075
Life Sciences Tools & Services 0.2%				

Quintiles Transnational First Lien Term Loan B4, 4.81%, 3/31/13	978	928,625
Machinery 1.6%		
Big Dumpster (Wastequip):		
Delay Draw Term Loan, 5.051%, 2/05/13	287	224,527
Term Loan B, 5.051%, 2/05/13	683	533,251
Blount, Inc. Term Loan B, 4.214%, 8/09/10	726	693,045
LN Acquisition Corp. (Lincoln Industrials) Second Lien Initial Term Loan, 8.22%, 1/09/15	1,500	1,365,000
NACCO Materials Handling Group Term Loan, 4.469% 4.82%, 3/21/13	490	426,300
Navistar International Corp.:		
Advance Term Loan, 6.046% 6.292%, 1/19/12	2,750	2,533,438
Revolving Credit, 5.903% 6.046, 1/19/12	1,000	921,250
OshKosh Truck Corp. Term Loan B, 4.22% 4.43%, 12/06/13	2,331	2,120,465
Standard Steel:		
Delay Draw Term Loan, 4.97% 6.50%, 6/30/12	83	75,075
Initial Term Loan, 5.31%, 6/30/12	408	371,583
Trimas Co. LLC:		
Term Loan B, 4.72% 6.75%, 8/02/13	399	361,222
Tranche B-1, 2.46%, 8/02/13	94	84,844
		9,710,000
Marine 0.4%		
Delphi Acquisition Holding:		
Facility B1 Assignment, 5.176%, 1/11/15	488	447,214
Facility B2 Assignment, 5.176%, 1/11/15	1,000	915,000
Facility C1 Assignment, 5.675%, 1/11/16	489	447,214
Facility C2 Assignment, 5.675%, 1/11/16	1,000	915,000
		2,724,428
Media 14.1%		
Acosta, Inc. Term Loan, 4.72%, 7/29/13	980	910,175
Affinion Group, Inc. Term Loan, 9.368%, 3/01/12	1,000	838,750
Alix Partners Tranche C Term Loan, 4.79%, 10/12/13	1,446	1,391,813
Alpha Topco (Formula One Group):		
Facility D (Second Lien), 6.634%, 12/31/13	1,000	909,250
Term Loan B1, 4.719%, 12/31/13	857	779,357
Term Loan B2, 4.719%, 12/31/13	589	498,437

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests		Par (000)		Value
Media (continued)				
Atlantic Broadband Finance Term Loan B2, 5.06%, 8/10/12	USD	980	$	945,792
Cablevision Systems Corp. Incremental Term Loan, 4.214%, 3/29/13		2,910		2,767,410
Catalina Marketing Group Initial Term Loan, 5.801%, 10/01/14		2,977		2,795,105
Cengage Learning Inc. Tranche 1 Term Loan, 7.50%, 7/05/14		3,750		3,712,500
Cequel Communications LLC Term Loan, 4.791% 6.0%, 11/05/13		7,416		6,922,586
Charter Communications, Inc. Replacement Term Loan, 4.67% 4.8%, 3/06/14		3,970		3,467,684
Cinemark Term Loan B, 4.53% 4.93%, 10/05/13		1,105		1,043,731
Clarke American Corp. Term Loan B, 5.291% 5.301%, 6/30/14		3,401		2,795,746
Dex Media West Term Loan B, 7%, 10/24/14		2,250		2,057,344
Discovery Communications Term Loan B, 4.801%, 5/14/14		1,487		1,449,928
Education Media and Publishing Mezzanine Loan, 6.46%, 12/12/13		8,793		7,034,551
GateHouse Media Operating, Inc.:				
Delay Draw Term Loan, 4.81%, 8/28/14		497		266,900
Term Loan B, 4.81%, 8/28/14		745		400,496
Getty Images, Inc. Initial Term Loan, 7.25%, 7/02/15		750		748,829
Gray Communications Systems, Inc. Delay Draw Term Loan B, 3.77% 5.25%, 12/31/14		1,800		1,494,068
HIT Entertainment Ltd.				
Second Lien Term Loan, 8.30%, 2/26/13		1,000		795,000
Term Loan, 4.80%, 3/20/12		366		312,944
Hanley-Wood LLC Term Loan, 4.711% 4.717%, 3/08/14 (h)		1,492		1,158,553
Insight Midwest Holdings LLC Term Loan B, 4.47%, 4/06/14		3,550		3,409,111
Intelsat (PanAmSat Corp.):				
Term Loan B2A, 5.288%, 1/03/12		986		937,479
Term Loan B2B, 5.288%, 1/03/12		986		937,762
Term Loan B2C, 5.288%, 1/03/12		986		937,479
Knology, Inc. Term Loan, 5.038%, 6/30/12		495		455,400
Lavena Holdings (ProSiebenSat 1 Media AG):				
Facility B1, 6.86% 7.526%, 6/30/16		500		504,115
Term Loan C1, 7.11% 7.776%, 6/30/15		500		504,115
Term Loan D, 8.235% 8.901%, 6/30/15	EUR	1,000		524,470
MCC Iowa LLC (Mediacom Broadband Group)				
Term Loan D-1, 4.21% 4.23%, 1/31/15	USD	1,970		1,817,325
MCNA Cable (One Link) Term Loan, 9.47%, 10/31/13 (c)		1,687		1,478,577
Mediacom LLC Term Loan C, 4.22% 4.23%, 1/31/15		1,945		1,796,067
Metro-Goldwyn-Mayer, Inc. Term Loan B, 6.051%, 4/08/12 (h)		3,890		2,929,695
Mission Broadcastinng, Inc. Term Loan B, 4.551%, 10/01/12		1,892		1,722,087
Multicultural Radio Broadcasting Inc. Term Loan, 5.422%, 12/18/12	EUR	349		314,100
NTL Cable Plc. (Virgin):				

B1 Facility, 8.145%, 9/03/12		818		1,356,091
B2 Facility, 8.145%, 9/03/12		437		724,880
C Facility, 8.743%, 3/03/13	GBP	2,000		3,183,485
NV Broadcasting First Lien Term Loan, 5.69%, 10/21/13	USD	826		726,552
Newsday LLC Fixed Rate, 9.75%, 8/01/13		1,500		1,497,188
Nexstar Broadcasting Group Term Loan B, 4.416%, 10/01/12		1,791		1,629,956
Nielsen Finance LLC Dollar Term Loan, 4.803%, 8/09/13		3,439		3,176,028
Parkin Broadcasting (NV Broadcasting) Term Loan, 5.69%, 10/21/13		169		149,036

Floating Rate Loan Interests		Par (000)		Value
Media (concluded)				
Penton Media (h):				
First Lien Term Loan 4.719% 5.049%, 2/01/13	USD	1,111	$	841,535
Second Lien Term Loan 7.799%, 2/01/14		1,000		690,000
Puerto Rico (Choice Cable) Second Lien Term Loan, 10.313%, 1/26/12		692		553,846
Stile (ClientLogic Holding Corp.) U.S. Term Loan, 4.962% 5.359%, 1/30/14 (h)		968		751,762
Telecommunications Management LLC:				
Multi Draw Term Loan, 5.969% 7.75%, 6/20/13		237		206,467
Term Loan, 5.969%, 6/30/13		931		875,140
United Pan Europe Communications:				
Term Loan M, 6.482%, 12/31/14	EUR	1,413		1,842,970
Term Loan N, 4.214%, 12/31/14	USD	2,000		1,873,000
Yell Group Plc Term Loan B2:				
4.469%, 2/10/13		1,000		868,750
6.485%, 2/27/13	EUR	1,500		1,944,008
				86,655,426
Metals & Mining 0.1%				
Compass Minerals Group, Inc. Term Loan, 3.98% 6.59%, 12/22/12	USD	780		751,224
Euramax International:				
Domestic Loan (Second Lien), 10.791%, 6/29/13		167		111,125
European Loan (Second Lien), 10.791%, 6/29/13		83		55,125
				917,474
Multi-Utilities 0.6%				
Coleto Creek:				
Letter of Credit, 5.551%, 6/28/13		127		114,650
Synthetic LC First Lien Term Loan, 5.551%, 6/28/13		1,807		1,626,734
MACH Gen LLC:				
First Lien Term Loan B, 4.81%, 2/22/14		668		635,728
Letter of Credit First Lien, 4.551%, 2/22/13		70		66,867
NE Energy:				
First Lien Term Loan B, 5.31%, 11/01/13		1,230		1,131,998
Letter of Credit, 5.313%, 11/01/13		159		145,854
				3,721,831
Multiline Retail 0.3%				
Neiman Marcus Group, Inc. Term Loan, 4.422%, 4/06/13		1,940		1,799,673
Oil, Gas & Consumable Fuels 1.2%				
Big West Oil & Gas:				
Delayed Advance Term Loan, 4.463% 4.471%, 5/15/14		550		484,000
Initial Term Advance, 4.68%, 5/15/14		440		387,200

CR Gas Storage:		
Bridge Loan, 4.843%, 5/12/13	29	26,829
Canadian Term Loan B, 4.534%, 5/12/13	455	422,451
Delay Draw U.S. Term B, 4.844%, 5/08/13	51	47,230
U.S. Term Loan, 4.411%, 5/12/13	75	69,723
Coffeyville Resources LLC:		
Funded Letter of Credit, 2.69%, 12/28/10	243	221,351
Term Loan D, 5.541% 6.75%, 12/28/13	787	716,503
Drummond Oil Term Advance, 3.75%, 2/14/11	1,425	1,382,250
Turbo Beta Term Loan, 14.50%, 3/15/18 (h)	3,010	2,950,013
Western Refining Co. LP Term Loan, 7.75%, 5/30/14	919	792,501
		7,500,051
Paper & Forest Products 1.8%		
Boise Cascade Holdings LLC First Lien Tranche B Term Loan, 7.50%, 2/22/14	1,247	1,241,309
Georgia-Pacific Corp.:		
Term Loan B, 4.219% 4.551%, 12/20/12	5,684	5,367,099
Add on Term Loan B2, 4.446% 4.551%, 12/20/12	2,386	2,252,892
NewPage Corp. Tem Loan, 6.563%, 12/21/14	1,990	1,938,758
Verso Paper Holdings LLC Term Loan, 9.033%, 8/01/13	560	525,000
		11,325,058

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests		Par (000)		Value
Personal Products 0.6%				
American Safety Razor Co. Second Lien Term Loan, 8.72% 8.90%, 1/30/14	USD	2,500	$	2,250,000
Prestige Brands Term Loan B, 4.713% 5.043%, 4/06/11		1,142		1,116,105
				3,366,105
Real Estate Management & Development 1.1%				
Enclave Term Loan B, 6.14%, 3/01/12		3,000		2,493,000
Georgian Towers Term Loan B5, 6.14%, 12/20/12		3,000		2,431,500
Pivotal Promontory Second Lien Term Loan, 10.5%, 8/31/11 (f)(g)		750		112,500
Realogy Corp. Term Loan B, 5.462%, 10/10/13 (h)		1,485		1,225,744
Yellowstone Club First Lien Loan B, 4.844%, 9/30/10		409		340,429
				6,603,173
Road & Rail 0.2%				
Rail America, Inc.:				
Canadian Term Loan 6.79%, 8/14/09		91		90,744
U.S. Term Loan, 6.79%, 8/14/09		1,409		1,401,756
				1,492,500
Semiconductors & Semiconductor Equipment 0.1%				
Marvell Technology Group Term Loan, 4.969%, 11/08/09		482		477,056
Software 0.2%				
Bankruptcy Management Solutions, Inc.				
First Lien Term Loan, 6.47%, 7/28/12		983		903,900
CCC Information Services, Inc. Term Loan, 5.06%, 2/10/13		414		396,978
				1,300,878
Specialty Retail 1.2%				
ADESA, Inc. Initial Term Loan, 5.06%, 10/18/13		1,724		1,533,790
Burlington Coat Factory Warehouse Corp. Term Loan, 5.06%, 5/28/13		586		453,815
Claire s Stores Term Loan B, 5.219% 5.56%, 5/29/14		1,236		825,671
Eye Care Centers of America, Inc. Term Loan, 4.97% 5.31%, 2/16/12		656		623,052
Orchard Supply Hardware Note Participation B, 4.917%, 12/09/08		1,500		1,275,000
Petco Animal Supplies, Inc. Term Loan, 4.719% 5.051%, 10/26/13		394		358,540
Rent-A-Center Term Loan B, 4.54% 4.57%, 6/30/12		805		760,277
Sensata Technologies U.S. Term Loan, 4.412% 4.543%, 4/27/13		1,930		1,695,113
				7,525,258

Textiles, Apparel & Luxury Goods 0.3%				
Hanesbrands, Inc. Term Loan B, 4.545% 4.551%, 9/05/13		1,000		969,722
Renfro Corp. Delayed Draw Tranche B, 5.92% 6.05%, 10/05/13		463		380,713
St. John Knits, Inc. Term Loan B, 5.801%, 3/21/12		660		613,973
				1,964,408
Trading Companies & Distributors 0.2%				
Beacon Sales Co. Term Loan B, 4.469% 4.783%, 9/30/13		1,228		1,093,031
Wireless Telecommunication Services 0.9%				
Cellular South Term Loan B, 4.21%, 5/29/14		1,485		1,425,600
Centennial Cellular Operating Co. Term Loan B, 4.469%, 2/09/11		800		782,666
Cricket Communications, Inc. Term Loan B, 6.50%, 6/16/13		950		937,334
NG Wireless:				
Delay Draw Term Loan, 5.219%, 8/15/14		140		133,356
First Lien Term Loan, 5.219% 5.551%, 8/15/14		610		579,144
NTELOS Inc. B-1 Facility, 4.72%, 8/24/11		1,687		1,649,362
				5,507,462
Total Floating Rate Loan Interests 58.4%				360,254,295

U.S. Government Obligations		**Par (000)**		**Value**
Fannie Mae, 7.25%, 1/15/10	USD	17,000	$	17,947,886
U.S. Treasury Notes (e):				
3.375%, 12/15/08		17,000		17,075,701
3.875%, 5/15/09 (l)		6,000		6,073,596
3.375%, 9/15/09		3,425		3,467,545
4.25%, 8/15/15		1,815		1,916,952
Total U.S. Government Obligations 7.5%				46,481,680

Common Stocks	**Shares**	
Capital Markets 0.1%		
E*Trade Financial Corp. (f)	121,011	387,235
Commercial Services & Supplies 0.0%		
Sirva Common Stock (f)(h)	1,109	77,630
Independent Power Producers & Energy Traders 0.0%		
Reliant Energy, Inc. (f)	4,573	77,878
Total Common Stocks 0.1%		542,743

Preferred Stocks		
Capital Markets 0.0%		

Marsico Parent Superholdco, LLC, 16.75% (b)		177	151,335
Total Preferred Stocks 0.0%			151,335
Warrants (m)			
Machinery 0.0%			
Synventive Molding Solutions (expires 1/15/13)		1	0
Total Warrants 0.0%			0
Other Interests (n)		**Beneficial Interest (000)**	
Health Care Providers & Services 0.0%			
Critical Care Systems International, Inc. (h)	$	7,579	2,547
Household Durables 0.0%			
Berkline Benchcraft Equity LLC (h)		3,155	
Total Other Interests 0.0%			2,547
Total Long-Term Investments (Cost $847,774,339) 127.3%			784,969,025
Short-Term Securities			
U.S. Government & Agency Obligations 0.4%			
Federal Home Loan Bank, 2.60%, 9/02/08 (o)		2,200	2,200,000
Total Short-Term Securities (Cost $2,200,000) 0.4%			2,200,000
Options Purchased		**Contracts**	
Call Options Purchased			
Marsico Parent Superholdco LLC, expiring December 2019 at $942.86		46	77,740
Total Options Purchased (Cost $44,978) 0.0%			77,740
Total Investments (Cost $850,019,317*) 127.7%			787,246,765
Liabilities in Excess of Other Assets (27.7)%			(170,854,018)
Net Assets 100.0%			$ 616,392,747

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Limited Duration Income Trust (BLW)

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$	850,116,712
Gross unrealized appreciation	$	6,121,952
Gross unrealized depreciation		(68,991,899)
Net unrealized depreciation	$	(62,869,947)

(a) Represents the interest only portion of a mortgage-backed security and has either a nominal or a notional amount of principal.
(b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
(c) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
(d) Variable rate security. Rate shown is as of report date.
(e) All or a portion of security has been pledged as collateral for reverse repurchase agreements.
(f) Non-income producing security.
(g) Issuer filed for bankruptcy or is in default of interest payments.
(h) Security is fair valued.
(i) Convertible security.
(j) Represents a step bond.
(k) Represents or includes a to-be-announced transaction. The Trust has committed to purchasing securities for which all specific information is not available at this time.
(l) All or a portion of security held as collateral in connection with financial futures contracts and/or swaps.
(m) Warrants entitle the Trust to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date.
(n) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
(o) Rate shown is the yield to maturity as of the date of purchase.

For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease. These industry classifications are unaudited.

Financial futures contracts purchased as of August 31, 2008 were as follows:

Contracts	Issue	Expiration Date	Face Value	Unrealized Appreciation
67	5-Year U.S. Treasury Bond	September 2008	$ 7,402,077	$ 132,282

Foreign currency exchange contracts as of August 31, 2008 were as follows:

Currency Purchased	Currency Sold	Settlement Date	Unrealized Appreciation

USD	30,303,553	EUR	19,362,550	10/23/08	$	1,981,918
USD	15,951,178	GBP	8,042,900	10/23/08		1,350,233
Total					$	3,332,151

Swaps outstanding as of August 31, 2008 were as follows:

		Notional Amount (000)		**Unrealized Appreciation (Depreciation)**
Sold credit default protection LCDX Index receive 5.25% Broker, UBS Securities Expires June 2013	EUR	3,000	$	(120,421)
Bought credit default protection on LCDX Index and pay 3.25% Broker, UBS Securities Expires June 2013		3,500		58,415
Total			$	(62,006)

Reverse repurchase agreements outstanding as of August 31, 2008 were as follows:

Counterparty	**Interest Rate**	**Trade Date**	**Maturity Date**	**Net Closing Amount**	**Face Amount**
Credit Suisse Securities LLC	2.50%	6/05/08	Open	$ 3,969,545	$ 3,945,125
Credit Suisse Securities LLC	2.60%	8/07/08	Open	2,155,645	2,152,225
Credit Suisse Securities LLC	2.60%	8/07/08	Open	4,462,079	4,455,000
Credit Suisse Securities LLC	2.60%	8/07/08	Open	5,108,103	5,100,000
Credit Suisse Securities LLC	2.60%	8/07/08	Open	2,275,610	2,272,000
Credit Suisse Securities LLC	2.60%	8/07/08	Open	3,535,559	3,529,950
Lehman Brothers Inc.	2.11%	7/08/08	Open	17,202,283	17,148,750
Lehman Brothers Inc.	2.11%	7/08/08	Open	6,082,887	6,063,900
Lehman Brothers Inc.	2.11%	7/08/08	Open	3,521,617	3,510,625
Lehman Brothers Inc.	2.06%	7/08/08	Open	1,934,399	1,928,438
Lehman Brothers Inc.	2.40%	8/27/08	9/11/08	2,267,964	2,266,000
Lehman Brothers International	(1.00)%	7/02/08	Open	1,017,060	1,018,815
Lehman Brothers International	(0.75)%	7/02/08	Open	758,349	759,330
Lehman Brothers International	1.50%	7/02/08	Open	2,504,980	2,498,525
Lehman Brothers International	2.75%	7/02/08	Open	4,402,963	4,381,875
Lehman Brothers International	2.75%	7/02/08	Open	2,266,936	2,256,250
Lehman Brothers International	0.75%	7/24/08	Open	1,251,638	1,250,700
Total				$ 64,717,617	$ 64,537,508

Currency Abbreviations:

EUR	Euro
GBP	British Pound
USD	U.S. Dollar

See Notes to Financial Statements.

Schedule of Investments August 31, 2008

BlackRock Strategic Bond Trust (BHD)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Aerospace & Defense 6.6%		
CHC Helicopter Corp., 7.375%, 5/01/14	$ 475	$ 494,000
DRS Technologies, Inc.:		
6.875%, 11/01/13	50	50,625
7.625%, 2/01/18	80	84,200
Hexcel Corp., 6.75%, 2/01/15	100	97,000
Honeywell International, 7.50%, 3/01/10	325	344,949
Lockheed Martin Corp. Series B, 6.15%, 9/01/36	2,000	1,973,700
Northrop Grumman Corp., 7.125%, 2/15/11	1,000	1,059,353
Raytheon Co., 4.85%, 1/15/11	650	655,914
TransDigm, Inc., 7.75%, 7/15/14	90	87,525
United Technologies Corp., 6.35%, 3/01/11	1,000	1,055,694
		5,902,960
Air Freight & Logistics 0.3%		
Park-Ohio Industries, Inc., 8.375%, 11/15/14	300	247,500
Airlines 0.1%		
American Airlines, Inc. Series 99-1, 7.324%, 4/15/11	125	113,750
Auto Components 1.2%		
Allison Transmission, Inc. (a):		
11%, 11/01/15	120	110,400
11.25%, 11/01/15 (b)	190	167,200
The Goodyear Tire & Rubber Co.:		
7.857%, 8/15/11	195	195,975
8.625%, 12/01/11	390	401,700
Lear Corp., 8.75%, 12/01/16	185	139,213
Metaldyne Corp., 10%, 11/01/13	200	54,000
		1,068,488
Automobiles 1.5%		
DaimlerChrysler NA Holding Corp., 7.30%, 1/15/12	1,000	1,045,714
Ford Capital BV, 9.50%, 6/01/10	350	291,375
		1,337,089
Building Products 0.9%		
CPG International I, Inc., 10.50%, 7/01/13	150	115,500
Momentive Performance Materials, Inc., 11.50%, 12/01/16	445	347,100
Ply Gem Industries, Inc., 11.75%, 6/15/13 (a)	370	336,700
		799,300
Capital Markets 0.5%		
Marsico Parent Co., LLC, 10.625%, 1/15/16	341	286,440
Marsico Parent Holdco, LLC, 12.50%, 7/15/16 (a)(b)	126	104,351
Marsico Parent Superholdco, LLC, 14.50%, 1/15/18 (a)(b)	85	70,356
		461,147

Chemicals 1.9%		
American Pacific Corp., 9%, 2/01/15	180	174,600
Ames True Temper, Inc., 6.791%, 1/15/12 (c)	350	280,000
Huntsman LLC, 11.50%, 7/15/12	99	103,455
Innophos, Inc., 8.875%, 8/15/14	980	1,004,500
Key Plastics LLC, 11.75%, 3/15/13 (a)	135	47,250
Terra Capital, Inc. Series B, 7%, 2/01/17	80	77,800
		1,687,605
Commercial Banks 1.7%		
HSBC Bank USA NA, 3.875%, 9/15/09	1,500	1,493,075
Commercial Services & Supplies 3.7%		
Casella Waste Systems, Inc., 9.75%, 2/01/13	1,500	1,485,000
DI Finance Series B, 9.50%, 2/15/13	524	520,070
Sally Holdings LLC, 10.50%, 11/15/16	294	295,470
Waste Services, Inc., 9.50%, 4/15/14	550	555,500
West Corp., 11%, 10/15/16	590	461,675
		3,317,715
Communications Equipment 0.3%		
Nortel Networks Ltd., 7.041%, 7/15/11 (c)	250	231,875

Corporate Bonds	Par (000)	Value
Construction Materials 0.7%		
Nortek Holdings, Inc., 10%, 12/01/13 (a)	$ 700	$ 654,500
Containers & Packaging 1.5%		
Berry Plastics Holding Corp.:		
6.651%, 9/15/14 (c)	80	60,000
8.875%, 9/15/14	140	116,200
Crown Americas LLC, 7.75%, 11/15/15	250	256,250
Impress Holdings BV, 5.916%, 9/15/13 (a)(c)	260	234,000
Pregis Corp., 12.375%, 10/15/13	565	539,575
Smurfit-Stone Container Enterprises, Inc., 8%, 3/15/17	200	160,000
		1,366,025
Diversified Financial Services 3.2%		
Ford Motor Credit Co. LLC:		
4.361%, 1/15/10 (c)	1,600	1,368,438
5.538%, 1/13/12 (c)	100	73,830
7.80%, 6/01/12	250	185,666
GMAC LLC:		
5.011%, 12/01/14 (c)	385	202,182
6.75%, 12/01/14	285	154,745
8%, 11/01/31	990	533,956
Structured Asset Repackaged Trust, 3.761%, 1/21/10	397	384,482
		2,903,299
Diversified Telecommunication Services 8.6%		
AT&T, Inc., 6.45%, 6/15/34	1,500	1,433,214
Broadview Networks Holdings, Inc., 11.375%, 9/01/12	125	107,500
Cincinnati Bell, Inc., 7.25%, 7/15/13	590	567,137
Citizens Communications Co., 6.25%, 1/15/13	200	191,000
Qwest Communications International, Inc., 7.50%, 2/15/14	1,180	1,073,800

Qwest Corp.:		
6.026%, 6/15/13 (c)	340	314,500
7.50%, 6/15/23	500	417,500
Telecom Italia Capital SA, 4.95%, 9/30/14	1,000	906,195
Verizon New England, Inc., 6.50%, 9/15/11	2,000	2,062,278
Wind Acquisition Finance SA, 10.75%, 12/01/15 (a)	250	256,250
Windstream Corp.:		
8.125%, 8/01/13	360	356,400
8.625%, 8/01/16	170	168,300
		7,854,074
Electric Utilities 3.0%		
Edison Mission Energy, 7.50%, 6/15/13	125	125,312
Elwood Energy LLC, 8.159%, 7/05/26	29	27,349
FirstEnergy Corp., 7.375%, 11/15/31	1,075	1,153,304
Midwest Generation LLC Series B, 8.56%, 1/02/16	238	245,651
Progress Energy, Inc., 7.75%, 3/01/31	1,000	1,125,144
		2,676,760
Electrical Equipment 1.2%		
Superior Essex Communications LLC, 9%, 4/15/12	1,010	1,055,450
Electronic Equipment & Instruments 0.5%		
Sanmina-SCI Corp., 8.125%, 3/01/16	465	419,663
Energy Equipment & Services 0.4%		
Compagnie Generale de Geophysique-Veritas:		
7.50%, 5/15/15	65	64,675
7.75%, 5/15/17	70	69,650
Grant Prideco, Inc. Series B, 6.125%, 8/15/15	60	58,316
North American Energy Partners, Inc., 8.75%, 12/01/11	125	124,375
		317,016
Food & Staples Retailing 0.8%		
The Pantry, Inc., 7.75%, 2/15/14	500	417,500
Rite Aid Corp., 7.50%, 3/01/17	375	311,250
		728,750
Food Products 0.3%		
Kraft Foods, Inc., 6.125%, 8/23/18	250	245,231

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Strategic Bond Trust (BHD)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Gas Utilities 0.6%		
El Paso Natural Gas Co., 8.375%, 6/15/32	$ 175	$ 193,550
Targa Resources, Inc., 8.50%, 11/01/13	400	380,000
		573,550
Health Care Equipment & Supplies 1.4%		
Biomet, Inc.:		
10.375%, 10/15/17 (b)	100	105,500
11.625%, 10/15/17	100	105,125
DJO Finance LLC, 10.875%, 11/15/14	1,090	1,092,725
		1,303,350
Health Care Providers & Services 2.6%		
Community Health Systems, Inc. Series WI,		
8.875%, 7/15/15	200	202,000
Tenet Healthcare Corp.:		
6.375%, 12/01/11	95	91,675
6.50%, 6/01/12	1,225	1,185,188
WellPoint, Inc., 5.95%, 12/15/34	1,000	861,679
		2,340,542
Hotels, Restaurants & Leisure 2.5%		
American Real Estate Partners LP:		
8.125%, 6/01/12	860	800,875
7.125%, 2/15/13	230	200,962
Gaylord Entertainment Co., 8%, 11/15/13	135	123,862
Greektown Holdings, LLC, 10.75%, 12/01/13 (a)(e)(f)	211	159,305
Harrah s Operating Co., Inc. (a):		
10.75%, 2/01/16	400	269,000
10.75%, 2/01/18 (b)	640	378,017
Seneca Gaming Corp. Series B, 7.25%, 5/01/12	190	169,575
Tropicana Entertainment LLC Series WI,		
9.625%, 12/15/14 (e)(f)	50	16,000
Wynn Las Vegas LLC, 6.625%, 12/01/14	115	104,794
		2,222,390
IT Services 1.5%		
First Data Corp., 9.875%, 9/24/15 (a)	360	310,500
iPayment, Inc., 9.75%, 5/15/14	175	146,563
iPayment Investors LP, 12.75%, 7/15/14 (a)(b)	647	642,967
SunGard Data Systems, Inc., 9.125%, 8/15/13	240	243,600
		1,343,630
Independent Power Producers & Energy Traders 2.9%		
The AES Corp., 8%, 6/01/20 (a)	750	718,125
AES Ironwood LLC, 8.875%, 11/30/25	99	101,424
NRG Energy, Inc.:		
7.25%, 2/01/14	50	49,313

7.375%, 2/01/16	485	478,938
Texas Competitive Electric Holdings Co. LLC:		
10.50%, 11/01/16 (a)(b)	500	477,500
Series B, 10.25%, 11/01/15 (a)	750	748,125
		2,573,425
Industrial Conglomerates 1.1%		
Sequa Corp. (a):		
11.75%, 12/01/15	500	440,000
13.50%, 12/01/15 (b)	724	589,494
		1,029,494
Insurance 0.4%		
MetLife, Inc., 6.125%, 12/01/11	325	332,307
Machinery 0.7%		
AGY Holding Corp., 11%, 11/15/14	260	241,800
Accuride Corp., 8.50%, 2/01/15	110	70,950
Sunstate Equipment Co. LLC, 10.50%, 4/01/13 (a)	470	343,100
		655,850
Marine 0.2%		
Navios Maritime Holdings, Inc., 9.50%, 12/15/14	156	148,980

Corporate Bonds	Par (000)	Value
Media 13.4%		
Affinion Group, Inc., 10.125%, 10/15/13	$ 655	$ 645,175
CBS Corp., 6.625%, 5/15/11	85	85,359
CMP Susquehanna Corp., 9.875%, 5/15/14	500	312,500
Cablevision Systems Corp. Series B,		
7.133%, 4/01/09 (c)	120	120,600
Charter Communications Holdings I, LLC,		
11%, 10/01/15	90	69,075
Charter Communications Holdings II, LLC,		
10.25%, 9/15/10	800	767,475
Comcast Cable Communications LLC,		
6.875%, 6/15/09	1,000	1,024,193
Dex Media West LLC, 9.875%, 8/15/13	30	23,100
DirecTV Holdings LLC:		
8.375%, 3/15/13	100	103,500
7.625%, 5/15/16 (a)	335	334,162
EchoStar DBS Corp.:		
5.75%, 10/01/08	550	550,000
7%, 10/01/13	51	48,450
7.125%, 2/01/16	45	41,400
Network Communications, Inc., 10.75%, 12/01/13	325	233,594
News America, Inc., 6.20%, 12/15/34	1,500	1,363,140
Nielsen Finance LLC, 10%, 8/01/14	1,075	1,088,438
R.H. Donnelley Corp., 11.75%, 5/15/15 (a)	1,001	735,735
Rainbow National Services LLC (a):		
8.75%, 9/01/12	210	214,200
10.375%, 9/01/14	1,455	1,547,756
Sinclair Broadcast Group, Inc. Class A, 4.875%,		
7/15/18 (g)(h)	70	64,138
TCI Communications, Inc., 7.875%, 2/15/26	1,000	1,052,099
TL Acquisitions, Inc., 10.50%, 1/15/15 (a)	750	641,250
Time Warner, Inc., 7.70%, 5/01/32	1,000	1,008,772
Windstream Regatta Holdings, Inc., 11%, 12/01/17 (a)	229	132,820

		12,206,931
Metals & Mining 2.5%		
AK Steel Corp., 7.75%, 6/15/12	320	327,200
Aleris International, Inc., 10%, 12/15/16	315	219,712
FMG Finance Property Ltd., 10.625%, 9/01/16 (a)	130	145,600
Freeport-McMoRan Copper & Gold, Inc.:		
5.883%, 4/01/15 (c)	740	741,954
8.375%, 4/01/17	725	768,500
		2,202,966
Multi-Utilities 1.4%		
DTE Energy Co., 7.05%, 6/01/11	250	259,889
Dominion Resources, Inc., 5.70%, 9/17/12	1,000	1,013,543
		1,273,432
Oil, Gas & Consumable Fuels 5.9%		
Berry Petroleum Co., 8.25%, 11/01/16	100	95,500
Chaparral Energy, Inc., 8.50%, 12/01/15	250	217,500
Chesapeake Energy Corp., 2.25%, 12/15/38 (g)	275	257,813
Chesapeake Energy Corp.:		
6.375%, 6/15/15	130	120,900
7.25%, 12/15/18	650	633,750
Compton Petroleum Finance Corp., 7.625%, 12/01/13	225	211,219
ConocoPhillips Holding Co., 6.95%, 4/15/29	1,000	1,093,906
Corral Finans AB, 7.713%, 4/15/10 (a)(b)	602	556,622
EXCO Resources, Inc., 7.25%, 1/15/11	275	272,250
Encore Acquisition Co., 6%, 7/15/15	30	26,175
Forest Oil Corp.:		
7.25%, 6/15/19	360	331,200
7.25%, 6/15/19 (a)	350	322,000
OPTI Canada, Inc., 8.25%, 12/15/14	320	319,600
Occidental Petroleum Corp., 6.75%, 1/15/12	250	268,212
Sabine Pass LNG LP, 7.50%, 11/30/16	305	266,875

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Strategic Bond Trust (BHD)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Oil, Gas & Consumable Fuels (concluded)		
Whiting Petroleum Corp.:		
7.25%, 5/01/12	$ 30	$ 28,950
7.25%, 5/01/13	300	288,000
Williams Cos., Inc., 7.125%, 9/01/11	25	25,875
		5,336,347
Paper & Forest Products 1.7%		
Bowater, Inc.:		
9%, 8/01/09	200	186,000
5.776%, 3/15/10 (c)	60	49,200
Domtar Corp., 7.125%, 8/15/15	40	38,600
NewPage Corp., 10%, 5/01/12	750	727,500
Verso Paper Holdings LLC Series B, 6.551%, 8/01/14 (c)	626	557,140
		1,558,440
Pharmaceuticals 2.3%		
Merck & Co., Inc., 4.375%, 2/15/13	1,000	1,009,003
Wyeth, 6.50%, 2/01/34	1,000	1,049,924
		2,058,927
Real Estate Investment Trusts (REITs) 0.6%		
ERP Operating LP, 6.95%, 3/02/11	500	511,420
Real Estate Management & Development 0.1%		
Realogy Corp., 12.375%, 4/15/15	140	64,400
Road & Rail 0.6%		
Canadian National Railway Co., 6.90%, 7/15/28	500	535,566
Semiconductors & Semiconductor Equipment 0.4%		
Amkor Technology, Inc.:		
7.75%, 5/15/13	50	46,875
9.25%, 6/01/16	50	48,250
Freescale Semiconductor, Inc.:		
8.875%, 12/15/14	100	81,000
9.125%, 12/15/14 (b)	225	175,500
		351,625
Software 0.0%		
BMS Holdings, Inc., 10.595%, 2/15/12 (a)(b)(c)	66	39,568
Specialty Retail 2.7%		
AutoNation, Inc.:		
4.791%, 4/15/13 (c)	110	90,750
7%, 4/15/14	110	95,150
General Nutrition Centers, Inc.:		
7.199%, 3/15/14 (b)(c)	360	296,456

10.75%, 3/15/15		290		251,575
Group 1 Automotive, Inc., 2.25%, 6/15/36 (g)(h)		50		29,813
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12		362		181,000
Michaels Stores, Inc.:				
10%, 11/01/14		310		232,500
11.375%, 11/01/16		240		153,600
Sonic Automotive, Inc. Series B, 8.625%, 8/15/13		1,400		1,078,000
				2,408,844
Textiles, Apparel & Luxury Goods 0.1%				
Quiksilver, Inc., 6.875%, 4/15/15		100		80,250
Thrifts & Mortgage Finance 0.0%				
Residential Capital LLC, 8.50%, 5/15/10 (a)		52		35,880

Corporate Bonds		**Par (000)**		**Value**
Wireless Telecommunication Services 4.9%				
Cricket Communications, Inc.:				
9.375%, 11/01/14	$	185	$	183,381
10%, 7/15/15 (a)		20		20,100
Digicel Group Ltd. (a):				
8.875%, 1/15/15		470		441,236
9.125%, 1/15/15 (b)		438		396,746
MetroPCS Wireless, Inc., 9.25%, 11/01/14		1,070		1,060,638
Nordic Telephone Co. Holdings ApS, 8.875%, 5/01/16 (a)		500		481,250
Sprint Capital Corp.:				
7.625%, 1/30/11		545		545,000
6.875%, 11/15/28		240		204,000
Vodafone Group Plc, 7.75%, 2/15/10		1,000		1,046,266
				4,378,617
Total Corporate Bonds 89.4%				80,448,003

Floating Rate Loan Interests				
Auto Components 0.6%				
Dana Corp. Term Loan B, 6.75%, 1/31/15		599		550,694
Automobiles 0.4%				
Ford Motor Term Loan B, 5.47%, 12/15/13 (h)		250		193,465
General Motors Corp. Term Loan B, 5.163%, 11/29/13 (h)		225		165,693
				359,158
Building Products 0.9%				
Building Material Corp. of America First Lien Term Loan, 5.4375% 5.5253%, 2/22/14		249		213,943
Stile Acquisition (Masonite International) Term Loan:				
Canadian 4.63% 5.046%, 4/06/13		370		315,135
U.S. B, 4.63% 5.046%, 4/06/13		375		319,452
				848,530
Chemicals 0.7%				
PQ Corp. Second Lien Term Loan, 9.30%, 7/30/15		750		648,750

Health Care Providers & Services 0.6%		
Community Health Systems, Inc.:		
Delay Draw Term Loan, 7.57%, 6/18/14	27	25,291
Term Loan B, 5.06%, 7/25/14	523	494,521
		519,812
Independent Power Producers & Energy Traders 0.2%		
Calpine Corp. Term Loan, 5.685%, 3/29/14	200	185,750
Machinery 0.7%		
Navistar International Transportation Corp.:		
Revolving Credit, 5.686%, 6/30/12	180	165,825
Term Loan, 6.292%, 6/30/12	500	460,625
		626,450
Media 0.6%		
Cengage (Thomson Learning, Inc.) Tranche 1 Incremental, 7.50%, 7/05/14	500	495,000
Total Floating Rate Loan Interests 4.7%		4,234,144

U.S. Government Obligations		
U.S. Treasury Bonds, 5.375%, 2/15/31	410	462,467
U.S. Treasury Notes:		
4.125%, 8/15/10 (i)	810	838,413
4.25%, 8/15/13 (j)	1,000	1,053,750
4.25%, 8/15/15	75	79,213
4.75%, 5/15/14 (j)	710	770,128
4.75%, 2/15/37	130	136,622
4.875%, 8/15/16	550	598,512
Total U.S. Government Obligations 4.4%		3,939,105

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Strategic Bond Trust (BHD)
(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Media 0.0%		
Adelphia Recovery Trust	396,568	$ 14,871
Total Common Stocks 0.0%		14,871

Preferred Securities

Capital Trusts	Par (000)	Value
Commercial Banks 0.7%		
Barclay s Bank, Plc, 8.55% (a)(c)(d)	$ 650	636,952
Diversified Financial Services 1.9%		
Bank of America Corp. Series M, 8.125% (c)(d)	1,550	1,399,309
Citigroup, Inc., 8.40% (c)(d)	100	84,902
JPMorgan Chase & Co., 7.90% (c)(d)	260	236,210
		1,720,421
Total Capital Trusts 2.6%		2,357,373
Preferred Stocks	**Shares**	
Capital Markets 0.0%		
Marsico Parent Superholdco, LLC, 16.75% (a)	23	19,665
Total Preferred Stocks 0.0%		19,665
Total Preferred Securities 2.6%		2,377,038

Other Interests (k)	Beneficial Interest (000)	Value
Health Care Providers & Services 0.0%		
Critical Care Systems International, Inc. (l)	$ 1	318
Media 0.0%		
Adelphia Recovery Trust Escrow	400	33,500
Total Other Interests 0.0%		33,818
Total Long-Term Investments (Cost $97,007,216) 101.1%		91,046,979

Options Purchased	**Contracts**	
Call Options Purchased		
Marsico Parent Superholdco LLC, expiring December 2019 at $942.86	6	10,140
Total Options Purchased (Cost $5,867) 0.0%		10,140
Total Investments (Cost $97,013,083*) 101.1%		91,057,119
Liabilities in Excess of Other Assets (1.1%)		(964,654)
Net Assets 100.0%		$ 90,092,465

* The cost and unrealized appreciation (depreciation) as of August 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$ 97,064,711
Gross unrealized appreciation	$ 903,937
Gross unrealized depreciation	(6,911,529)
Net unrealized depreciation	$ (6,007,592)

(a) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
(b) Represents a payment-in-kind security, which may pay interest/dividends in additional par/shares.
(c) Variable rate security. Rate shown is as of report date.
(d) Security is perpetual in nature and has no stated maturity date.
(e) Non-income producing security.
(f) Issuer filed for bankruptcy or is in default of interest payments.
(g) Convertible security.
(h) Represents a step bond.
(i) All or a portion of security held as collateral in connection with financial futures contracts.
(j) All or portion of security has been pledged as collateral for reverse repurchase agreements.
(k) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
(l) Security is fair valued.

For Trust compliance purposes, the Trust s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report which may combine industry subclassifications for reporting ease. These industry classifications are unaudited.

Financial futures contracts sold as of August 31, 2008 were as follows:

Contracts	Issue	Expiration Date	Face Value	Unrealized Depreciation
17	10-Year U.S. Treasury Bond	September 2008	$1,901,829	$(81,859)

Reverse repurchase agreements outstanding as of August 31, 2008 were as follows:

Counterparty	Interest Rate	Trade Date	Maturity Date	Net Closing Amount	Face Amount
Lehman Brothers Inc.	2.06%	8/22/08	9/02/08	$ 791,748	$ 791,250
Lehman Brothers Inc.	1.90%	8/28/08	9/08/08	780,318	780,113
Total				$ 1,572,066	$ 1,571,363

See Notes to Financial Statements.

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Statements of Assets and Liabilities

August 31, 2008	BlackRock Core Bond Trust (BHK)	BlackRock High Income Shares (HIS)	BlackRock High Yield Trust (BHY)	BlackRock Income Opportunity Trust, Inc. (BNA)	BlackRock Income Trust, Inc. (BKT)
Assets					
Investments at value - unaffiliated[1]	$ 463,124,705	$ 147,330,862	$ 49,816,673	$ 482,475,940	$ 635,333,944
Investments at value - affiliated[2]	1,471,015			796,396	2,365
Cash	49,626	118,356	78,103	23,691	118,899
Foreign currency at value[3]	3,576,354	194		3,813,979	
Investments sold receivable	20,921,658	41,573	83,954	12,647,913	20,284,422
Unrealized appreciation on swaps	15,366,808		61	17,079,641	25,522,456
Unrealized appreciation on foreign currency exchange contracts	510,603	11,282		497,200	
Interest receivable	5,488,973	3,577,271	1,194,679	5,348,711	2,589,552
Swap premium paid					
Swaps receivable	2,439,119		257	2,619,487	2,291,603
Margin variation receivable					362,823
Dividends receivable	248	5,068	70		
Commitment fees receivable					
Principal paydown receivable	2,940	8,462	209	19,369	137,850
Other assets	47,451	10,722	9,988	125,661	88,990
Prepaid expenses	39,010	15,357	5,267	42,471	40,294
Total assets	513,038,510	151,119,147	51,189,261	525,490,459	686,773,198
Liabilities					
Unrealized depreciation on swaps	8,270,654			9,815,460	8,554,343
Loan payable		27,000,000	6,250,000		
Unrealized depreciation on unfunded corporate loans					
TBA sale commitments at value[4]	21,003,886			12,815,755	20,426,827
Options written at value[5]	5,427,203			6,144,236	4,016,057
Borrowed bonds at value[6]					20,823,109
Interest rate floors at value					9,216,687
Reverse repurchase agreements	107,690,295			100,739,956	
Swap premium received					1,670,735
Cash held as collateral in connection with swaps	373,000				
Investments purchased payable	20,345,977	1,941,731	894,145	35,328,221	175,679,762
Margin variation payable	823,936			810,969	
Interest expense payable	251,048	20,067	4,731	503,211	
Dividends payable	52,925	40,745	2,419	60,211	57,367
Investment advisory fees payable	217,666	96,542	46,645	157,280	244,892
Swaps payable	2,160,948			2,355,328	1,421,567
Officer s and Directors /Trustees fees payable	48,941	9,970	10,130	73,544	90,986
Deferred Income					
Administration fees payable			4,442	31,031	56,514
Other affiliates payable	2,299	831			
Other liabilities		77,576	4,530		236,064
Other accrued expenses	193,106	123,342	75,438	199,635	224,378
Total liabilities	166,861,884	29,310,804	7,292,480	169,034,837	242,719,288
Net Assets	$ 346,176,626	$ 121,808,343	$ 43,896,781	$ 356,455,622	$ 444,053,910
Net Assets Consist of					

Par value per share[7, 8]	$ 27,019	$	$ 6,419	$ 344,497	$ 639,425
Paid-in capital in excess of par	378,599,795	343,233,097	87,170,276	402,521,909	478,686,574
Cost of shares held in Treasury[9]				(17,377,850)	
Undistributed (distributions in excess of) net investment income	1,846,284	1,415,821	65,690	1,846,620	6,981,497
Accumulated net realized loss	(23,052,437)	(207,191,137)	(35,305,659)	(20,084,647)	(83,387,661)
Net unrealized appreciation/depreciation	(11,244,035)	(15,649,438)	(8,039,945)	(10,794,907)	41,134,075
Net Assets	$ 346,176,626	$ 121,808,343	$ 43,896,781	$ 356,455,622	$ 444,053,910
Net asset value	$ 12.81	$ 2.23	$ 6.84	$ 10.35	$ 6.94
[1] Investments at cost - unaffiliated	$ 482,422,040	$ 162,990,640	$ 57,856,679	$ 501,604,485	$ 601,756,594
[2] Investments at cost - affiliated	$ 1,647,588			$ 841,889	$ 2,423
[3] Foreign currency at cost	$ 3,609,859	$ 195		$ 3,850,232	
[4] Proceeds from TBA sale commitments	$ 20,649,320			$ 12,573,559	$ 20,284,422
[5] Proceeds from options written	$ 5,724,085			$ 6,457,698	$ 4,365,959
[6] Proceeds from borrowed bonds					$ 19,383,094
[7] Par value per share	$ 0.001		0.001	$ 0.010	$ 0.010
[8] Shares outstanding	27,018,774	54,620,873	6,418,859	34,449,693	63,942,536
[9] Shares held in treasury				1,757,400	

See Notes to Financial Statements.

August 31, 2008	BlackRock Limited Duration Income Trust (BLW)	BlackRock Strategic Bond Trust (BHD)
Assets		
Investments at value - unaffiliated[1]	$ 787,246,765	$ 91,057,119
Investments at value - affiliated[2]		
Cash	864,219	171,651
Foreign currency at value[3]	1,439,525	
Investments sold receivable	2,817,965	33,258
Unrealized appreciation on swaps	58,415	
Unrealized appreciation on foreign currency exchange contracts	3,332,151	
Interest receivable	10,670,493	1,944,271
Swap premium paid	67,004	
Swaps receivable	49,870	
Margin variation receivable	10,399	2,391
Dividends receivable		
Commitment fees receivable	1,766	
Principal paydown receivable	139,375	
Other assets	105,936	8,740
Prepaid expenses	69,729	8,724
Total assets	806,873,612	93,226,154
Liabilities		
Unrealized depreciation on swaps	120,421	
Loan payable		
Unrealized depreciation on unfunded corporate loans	26,733	
TBA sale commitments at value[4]		
Options written at value[5]		
Borrowed bonds at value[6]		
Interest rate floors at value		
Reverse repurchase agreements	64,537,508	1,571,363
Swap premium received		
Cash held as collateral in connection with swaps		
Investments purchased payable	124,669,333	1,402,183
Margin variation payable		
Interest expense payable	178,414	704
Dividends payable	223,998	14,372
Investment advisory fees payable	329,892	52,026
Swaps payable	23,382	
Officer s and Directors /Trustees fees payable	87,878	8,706
Deferred Income	16,287	
Administration fees payable		
Other affiliates payable	4,062	590
Other liabilities		
Other accrued expenses	262,957	83,745
Total liabilities	190,480,865	3,133,689
Net Assets	$ 616,392,747	$ 90,092,465
Net Assets Consist of		
Par value per share[7, 8]	$ 36,890	$ 7,058
Paid-in capital in excess of par	701,305,214	98,443,594
Cost of shares held in Treasury[9]		
Undistributed (distributions in excess of) net investment income	(3,360,775)	124,460
Accumulated net realized loss	(22,109,174)	(2,444,824)
Net unrealized appreciation/depreciation	(59,479,408)	(6,037,823)

Net Assets	$	616,392,747	$	90,092,465
Net asset value	$	16.71	$	12.76
[1] Investments at cost - unaffiliated	$	850,019,317	$	97,013,083
[2] Investments at cost - affiliated				
[3] Foreign currency at cost	$	1,494,389		
[4] Proceeds from TBA sale commitments				
[5] Proceeds from options written				
[6] Proceeds from borrowed bonds				
[7] Par value per share	$	0.001	$	0.001
[8] Shares outstanding		36,889,650		7,058,402
[9] Shares held in treasury				

Statements of Operations

	BlackRock Core Bond Trust (BHK)		BlackRock High Income Shares (HIS)	
	Period November 1, 2007 to August 31, 2008	Year Ended October 31, 2007	Period January 1, 2008 to August 31, 2008	Year Ended December 31, 2007
Investment Income				
Interest	$ 20,160,443	$ 25,484,417	$ 9,702,882	$ 17,866,586
Dividends[1]	255,974	32,154	101,150	161,798
Facility and other fees	29,109			
Income from affiliates	56,221	56,961	374	558
Total income	20,501,747	25,573,532	9,804,406	18,028,942
Expenses[2]				
Investment advisory	2,264,834	2,263,497	773,843	1,488,955
Accounting services	74,754		15,897	
Professional	75,819	138,679	64,556	96,034
Transfer agent	6,787	14,489	933	29,569
Registration	9,982	11,073	17,904	19,503
Printing	76,190	102,521	13,888	74,406
Officer and Directors/Trustees	28,180	48,448		20,128
Custodian	51,976	249,091	12,513	100,935
Administration				
Miscellaneous	95,704	62,848		27,980
Total expenses excluding interest expense	2,684,226	2,890,646	899,534	1,857,510
Interest expense	4,180,291	2,986,285	788,934	3,303,478
Total expenses	6,864,517	5,876,931	1,688,468	5,160,988
Less fees waived by advisor				
Less fees paid indirectly	(4,483)	(9,486)	(1,348)	(16,764)
Total expenses after waiver and fees paid indirectly	6,860,034	5,867,445	1,687,120	5,144,224
Net investment income	13,641,713	19,706,087	8,117,286	12,884,718
Realized and Unrealized Gain (Loss):				
Net realized gain (loss) from:				
Investments	666,665	2,932,807	(7,086,236)	(1,962,158)
Futures and swaps	(6,639,676)	(2,641,007)		
Foreign currency	115,130	(243,679)	7,066	
Options written	689,863	472,353		
Short sales		(181,836)		

Borrowed bonds		(3,376,859)						
Interest rate floors				3,316				
		(8,544,877)		341,954		(7,079,170)		(1,962,158)
Net change in unrealized appreciation/ depreciation on:								
Investments		(17,774,472)		1,396,645		(7,379,404)		(9,438,821)
Futures and swaps		7,669,555		(4,729,198)				
Foreign currency		465,856		84,610		10,194		85
Options written		(410,322)		(224,655)				
TBA sale commitments		(352,021)		(2,545)				
Short sales								
Borrowed bonds		32,701		(32,701)				
Interest rate floors								
Unfunded corporate loans								
		(10,368,703)		(3,507,844)		(7,369,210)		(9,438,736)
Total realized and unrealized gain (loss)		(18,913,580)		(3,165,890)		(14,448,380)		(11,400,894)
Net Increase (Decrease) in Net Assets Resulting from Operations	$	(5,271,867)	$	16,540,197	$	(6,331,094)	$	1,483,824

1 Foreign withholding tax

2 Prior year presentation has been changed to match current year groupings for certain line items.

3 Includes $(158) from affiliates.

4 Includes $(13) from affiliates.

	BlackRock High Yield Trust (BHY)			
	Period November 1, 2007 to August 31, 2008		**Year Ended October 31, 2007**	
Investment Income				
Interest	$	4,223,110	$	6,149,702
Dividends[1]		2,850		12,606
Facility and other fees		5,398		
Income from affiliates		425		853
Total income		4,231,783		6,163,161
Expenses[2]				
Investment advisory		469,993		727,265
Accounting services		21,116		
Professional		63,568		91,930
Transfer agent		7,678		14,192
Registration		9,921		10,987
Printing		12,748		33,297
Officer and Directors/Trustees		2,864		7,768
Custodian		10,757		113,949
Administration		44,750		69,263

Miscellaneous	41,993	19,745
Total expenses excluding interest expense	685,388	1,088,396
Interest expense	324,688	1,050,907
Total expenses	1,010,076	2,139,303
Less fees waived by advisor		
Less fees paid indirectly	(951)	(8,027)
Total expenses after waiver and fees paid indirectly	1,009,125	2,131,276
Net investment income	3,222,658	4,031,885
Realized and Unrealized Gain (Loss):		
Net realized gain (loss) from:		
Investments	(2,047,360)	(2,479,994)
Futures and swaps	448	5,700
Foreign currency		
Options written		23,138
Short sales		1,000
Borrowed bonds		
Interest rate floors		
	(2,046,912)	(2,450,156)
Net change in unrealized appreciation/depreciation on:		
Investments	(4,787,664)	2,730,808
Futures and swaps	61	
Foreign currency		
Options written		
TBA sale commitments		
Short sales		
Borrowed bonds		
Interest rate floors		
Unfunded corporate loans		
	(4,787,603)	2,730,808
Total realized and unrealized gain (loss)	(6,834,515)	280,652
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (3,611,857)	$ 4,312,537

1 Foreign withholding tax

2 Prior year presentation has been changed to match current year groupings for certain line items.

3 Includes $(158) from affiliates.

4 Includes $(13) from affiliates.

See Notes to Financial Statements.

	BlackRock Income Opportunity Trust (BNA)		BlackRock Income Trust Inc. (BKT)	
	Period November 1, 2007 to August 31, 2008	Year Ended October 31, 2007	Period November 1, 2007 to August 31, 2008	Year Ended October 31, 2007
Investment Income				
Interest	$ 24,803,941	$ 28,944,530	$ 22,407,113	$ 30,455,219
Dividends[1]	259,454	27,829		
Facility and other fees				
Income from affiliates	114,995	69,703	57,038	12,288
Total income	25,178,390	29,042,062	22,464,151	30,467,507
Expenses[2]				
Investment advisory	1,850,067	2,268,956	2,299,487	2,680,534
Accounting services	72,780		90,018	
Professional	100,156	131,746	93,668	129,354
Transfer agent	8,769	21,836	38,397	66,456
Registration	12,976	15,345	23,920	25,782
Printing	75,566	118,718	76,901	155,712
Officer and Directors/Trustees	27,618	51,073	16,184	55,080
Custodian	56,391	231,868	54,566	268,396
Administration	308,345	378,159	531,627	618,585
Miscellaneous	48,269	66,507	26,487	74,034
Total expenses excluding interest expense	2,560,937	3,284,208	3,251,255	4,073,933
Interest expense	4,401,186	4,308,893	2,569,337	7,442,611
Total expenses	6,962,123	7,593,101	5,820,592	11,516,544
Less fees waived by advisor				
Less fees paid indirectly	(3,652)	(12,757)	(5,699)	(22,750)
Total expenses after waiver and fees paid indirectly	6,958,471	7,580,344	5,814,893	11,493,794
Net investment income	18,219,919	21,461,718	16,649,258	18,973,713
Realized and Unrealized Gain (Loss):				
Net realized gain (loss) from:				
Investments	(2,183,328)[3]	2,379,781	4,045,924[4]	5,100,250
Futures and swaps	(9,058,770)	(561,310)	(12,167,254)	(14,906,137)
Foreign currency	(271,155)	1,864		
Options written	748,642	505,900	497,659	66,100
Short sales		(216,750)		(631,861)
Borrowed bonds	(3,674,680)		(1,275,586)	
Interest rate floors		3,654	(1,039,453)	3,623

	(14,439,291)	2,113,139	(9,938,710)	(10,368,025)
Net change in unrealized appreciation/depreciation on:				
Investments	(16,858,428)	34,707	39,607,500	9,813,510
Futures and swaps	7,628,633	(5,924,500)	288,232	14,400,816
Foreign currency	527,488			
Options written	(452,891)	(232,716)	1,662,264	(2,301,793)
TBA sale commitments	(103,686)		764,751	
Short sales		39,033		(2,547,439)
Borrowed bonds	36,144		(326,677)	
Interest rate floors			(6,509,852)	(993,376)
Unfunded corporate loans				
	(9,222,740)	(6,083,476)	35,486,218	18,371,718
Total realized and unrealized gain (loss)	(23,662,031)	(3,970,337)	25,547,508	8,003,693
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (5,442,112)	$ 17,491,381	$ 42,196,766	$ 26,977,406

1 Foreign withholding tax $ 2,097

2 Prior year presentation has been changed to match current year groupings for certain line items.

3 Includes $(158) from affiliates.

4 Includes $(13) from affiliates.

	BlackRock Limited Duration Income Trust (BLW)		BlackRock Strategic Bond Trust (BHD)	
	Period November 1, 2007 to August 31, 2008	**Year Ended October 31, 2007**	**Period November 1, 2007 to August 31, 2008**	**Year Ended October 31, 2007**
Investment Income				
Interest	$ 49,123,991	$ 70,129,223	$ 5,991,779	$ 7,972,023
Dividends[1]	8,906	25,138		6,407
Facility and other fees	182,605			
Income from affiliates	3,539	4,008	8,912	629
Total income	49,319,041	70,158,369	6,000,691	7,979,059
Expenses[2]				
Investment advisory	3,487,647	4,890,429	584,766	791,363
Accounting services	112,317		19,712	
Professional	189,858	134,550	48,388	56,797
Transfer agent	3,759	13,687	6,927	13,605
Registration	14,220	16,509	8,811	10,969
Printing	110,509	192,757	18,471	31,092
Officer and Directors/Trustees	28,447	62,521	3,272	13,373
Custodian				