

BLACKROCK DEBT STRATEGIES FUND, INC.

Form N-Q

January 26, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-Q**

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

Investment Company Act file number 811-08603

Name of Fund: BlackRock Debt Strategies Fund, Inc. (DSU)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock Debt Strategies Fund, Inc., 55 East 52<sup>nd</sup> Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 02/28/2011

Date of reporting period: 11/30/2010

Item 1 Schedule of Investments

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Schedule of Investments November 30, 2010 (Unaudited)

**BlackRock Debt Strategies Fund, Inc. (DSU)**  
(Percentages shown are based on Net Assets)

Asset-Backed Securities (a)	Par (000)	Value
ARES CLO Funds, Series 2005-10A, Class B, 0.68%, 9/18/17 (b)	USD 1,250	\$ 1,025,000
Goldentree Loan Opportunities III Ltd., Series 2007-3X, Class B, 0.94%, 5/01/22	1,335	1,021,275
LCM LP, Series 8A, Class C, 3.29%, 1/14/21 (b)	2,850	2,694,675
<b>Total Asset-Backed Securities 1.1%</b>		<b>4,740,950</b>

Common Stocks (c)	Shares	Value
<b>Building Products 0.3%</b>		
Masonite Worldwide Holdings	32,730	1,211,010
Nortek, Inc.	2,970	121,770
		<b>1,332,780</b>
<b>Chemicals 0.1%</b>		
GEO Specialty Chemicals, Inc.	339,340	130,272
LyondellBasell Industries NV, Class B	8,315	242,798
Wellman Holdings, Inc.	5,373	269
		<b>373,339</b>
<b>Containers &amp; Packaging 0.1%</b>		
Smurfit Kappa Plc	36,342	320,308
<b>Electrical Equipment 0.0%</b>		
Medis Technologies Ltd.	286,757	5,735
<b>Hotels, Restaurants &amp; Leisure 0.0%</b>		
Buffets Restaurants Holdings, Inc.	2,753	10,048
HRP Corp., Class B (b)(d)	5,000	50
		<b>10,098</b>
<b>Metals &amp; Mining 0.1%</b>		
Euramax International	2,337	707,033
<b>Paper &amp; Forest Products 1.2%</b>		

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Ainsworth Lumber Co. Ltd.	770,419	1,891,243
Ainsworth Lumber Co. Ltd. (b)	1,335,501	3,278,420
Western Forest Products, Inc. (b)	211,149	104,901
		5,274,564

**Semiconductors & Semiconductor**

**Equipment 0.0%**

SunPower Corp., Class B	4,892	56,136
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**Common Stocks (c)**

**Shares**

**Value**

**Software 0.2%**

Bankruptcy Management Solutions, Inc.	USD	1,870	\$	935
HMH Holdings/EduMedia		163,184		815,919
				816,854

**Specialty Retail 0.0%**

Movie Gallery, Inc.		503,737		1,008
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**Total Common Stocks 2.0%**

8,897,855

**Corporate Bonds**

**Par  
(000)**

**Aerospace & Defense 0.7%**

Bombardier, Inc., 7.75%, 3/15/20 (b)		1,750		1,881,250
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17		1,160		1,294,850
				3,176,100

**Airlines 0.7%**

Air Canada, 9.25%, 8/01/15 (b)		1,250		1,306,250
Delta Air Lines, Inc., Series B, 9.75%, 12/17/16		950		1,033,385
United Air Lines, Inc., 12.75%, 7/15/12		792		889,420
				3,229,055

**Auto Components 1.3%**

Icahn Enterprises LP: 7.75%, 1/15/16		320		318,400
8.00%, 1/15/18		5,260		5,220,550
Venture Holdings Co. LLC (c)(c): 12.00%, 6/01/09		4,450		
Series B, 9.50%, 7/01/05		1,800		180
				5,539,130

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**Beverages 0.1%**

Crown European Holdings SA, 7.13%, 8/15/18 (b)	EUR	410	544,172
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**Biotechnology 0.1%**

QHP Pharma, 10.25%, 3/15/15 (b)	USD	442	446,692
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**Building Products 4.2%**

Associated Materials LLC, 9.13%, 11/01/17 (b)		810	826,200
Building Materials Corp. of America, 7.00%, 2/15/20 (b)		1,300	1,339,000

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**Portfolio Abbreviations**

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To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

CAD	Canadian Dollar
EUR	Euro
FKA	Formerly Known As
GBP	British Pound
USD	US Dollar

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
<b>Building Products (concluded)</b>		
CPG International I, Inc.:		
7.50%, 7/01/12 (a)	USD 7,500	\$ 7,453,125
10.50%, 7/01/13	1,300	1,321,125
Momentive Performance Materials, Inc., 9.00%, 1/15/21 (b)	1,700	1,691,500
Nortek, Inc.:		
11.00%, 12/01/13	2,983	3,139,817
10.00%, 12/01/18 (b)	1,730	1,730,000
Ply Gem Industries, Inc., 11.75%, 6/15/13	1,050	1,113,000
		18,613,767
<b>Capital Markets 0.3%</b>		
E*Trade Financial Corp., 4.01%, 8/31/19 (b)(f)(g)		
	593	845,766
KKR Group Finance Co., 6.38%, 9/29/20 (b)	540	548,999
		1,394,765
<b>Chemicals 3.0%</b>		
American Pacific Corp., 9.00%, 2/01/15		
	1,490	1,491,862
CF Industries, Inc., 6.88%, 5/01/18	1,475	1,618,812
GEO Specialty Chemicals, Inc. (b):		
7.50%, 3/31/15 (d)(g)	4,171	2,711,012
10.00%, 3/31/15	4,106	2,668,640
Hexion U.S. Finance Corp.:		
8.88%, 2/01/18	455	468,650
9.00%, 11/15/20 (b)	605	600,463
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (b)	465	500,456
Wellman Holdings, Inc., Subordinate Note (g):		
(Second Lien), 10.00%, 1/29/19 (b)	2,978	2,590,860
(Third Lien), 5.00%, 1/29/19 (d)	978	381,332
		13,032,087
<b>Commercial Banks 2.2%</b>		
CIT Group, Inc.:		

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7.00%, 5/01/16		2,235	2,195,887
7.00%, 5/01/17		7,200	7,020,000
<b>Glitnir Banki HF (c)(e):</b>			
4.76%, 4/20/10 (b)		184	55,660
6.38%, 9/25/12 (b)		1,115	337,288
Series EMTN, 5.07%, 1/27/10 EUR		50	19,471
Series EMTN, 3.00%, 6/30/10		75	29,206
Series GMTN, 4.38%, 2/05/10		85	33,100
			9,690,612

**Commercial Services & Supplies 1.5%**

ACCO Brands Corp., 10.63%, 3/15/15	USD	660	734,250
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (b)		505	511,313
The Geo Group, Inc., 7.75%, 10/15/17		850	901,000
Mobile Mini, Inc., 7.88%, 12/01/20 (b)		375	383,906

**Corporate Bonds**

		Par (000)	Value
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**Commercial Services & Supplies (concluded)**

RSC Equipment Rental, Inc., 10.00%, 7/15/17 (b)	USD	970	\$ 1,071,850
West Corp. (b): 8.63%, 10/01/18		2,270	2,360,800
7.88%, 1/15/19		635	627,062
			6,590,181

**Consumer Finance 1.0%**

Credit Acceptance Corp., 9.13%, 2/01/17 (b)		570	595,650
Ford Motor Credit Co. LLC: 3.04%, 1/13/12 (a)		2,680	2,680,000
6.63%, 8/15/17		900	927,649
			4,203,299

**Containers & Packaging 2.7%**

Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (b)	EUR	485	620,108
Ball Corp., 6.75%, 9/15/20	USD	625	665,625
Berry Plastics Corp.: 8.25%, 11/15/15		2,100	2,184,000
9.75%, 1/15/21 (b)		1,145	1,096,337
Beverage Packaging Holdings Luxembourg II SA, 8.00%, 12/15/16	EUR	260	330,742
Crown Americas LLC, 7.63%, 5/15/17	USD	710	766,800
Graphic Packaging International, Inc., 9.50%, 6/15/17		975	1,057,875
Smurfit Kappa Acquisitions:			

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7.25%, 11/15/17 (b)	EUR	830	1,088,150
7.75%, 11/15/19		2,300	3,067,602
7.75%, 11/15/19 (b)		785	1,046,986
			11,924,225

**Diversified Financial Services 3.3%**

Ally Financial Inc.:			
5.38%, 6/06/11		436	565,947
7.50%, 12/31/13	USD	90	94,725
8.30%, 2/12/15		1,700	1,789,250
8.00%, 3/15/20 (b)		200	206,000
7.50%, 9/15/20 (b)		5,450	5,341,000
8.00%, 11/01/31		1,350	1,397,250
Archimedes Funding III Ltd.,			
5.50%, 11/29/11 (b)		3,734	1,717,492
Axcan Intermediate Holdings, Inc.,			
12.75%, 3/01/16		665	693,263
Preferred Term Securities VI,			
Ltd. (b)(c)		35	1,750
Reynolds Group DL Escrow, Inc.,			
7.75%, 10/15/16 (b)		1,445	1,506,413
Reynolds Group Issuer, Inc. (b):			
7.75%, 10/15/16	EUR	650	869,040
7.13%, 4/15/19	USD	480	488,400
			14,670,530

**Diversified Telecommunication Services 2.0%**

Frontier Communications Corp.,			
8.25%, 4/15/17		1,076	1,183,600
ITC Deltacom, Inc., 10.50%,			
4/01/16		1,260	1,351,350

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
<b>Diversified Telecommunication Services (concluded)</b>		
Nordic Telephone Co. Holdings ApS, 8.88%, 5/01/16 (b)	USD 390	\$ 415,350
Qwest Corp., 8.38%, 5/01/16	4,000	4,800,000
tw telecom holdings, Inc., 8.00%, 3/01/18	920	970,600
		<u>8,720,900</u>
<b>Electronic Equipment, Instruments &amp; Components 0.0%</b>		
Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)	2,675	268
<b>Energy Equipment &amp; Services 0.5%</b>		
Compagnie Generale de Geophysique-Veritas, 7.50%, 5/15/15	1,385	1,419,625
Frac Tech Services LLC, 7.13%, 11/15/18 (b)	895	888,287
		<u>2,307,912</u>
<b>Food &amp; Staples Retailing 0.4%</b>		
Rite Aid Corp., 9.75%, 6/12/16	1,590	1,707,263
<b>Food Products 0.4%</b>		
B&G Foods, Inc., 7.63%, 1/15/18	900	932,625
Smithfield Foods, Inc., 10.00%, 7/15/14 (b)	840	949,200
		<u>1,881,825</u>
<b>Health Care Equipment &amp; Supplies 0.3%</b>		
DJO Finance LLC, 10.88%, 11/15/14	1,345	1,466,050
<b>Health Care Providers &amp; Services 1.2%</b>		
American Renal Holdings, 8.38%, 5/15/18 (b)	470	486,450
inVentiv Health Inc., 10.00%, 8/15/18 (b)	405	397,912



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<b>Tenet Healthcare Corp.:</b>			
9.00%, 5/01/15		680	729,300
8.88%, 7/01/19		3,280	3,493,200
			5,106,862
<b>Health Care Technology 0.9%</b>			
IMS Health, Inc., 12.50%,			
3/01/18 (b)		2,980	3,471,700
MedAssets, Inc., 8.00%,			
11/15/18 (b)		270	272,025
			3,743,725
<b>Hotels, Restaurants &amp; Leisure 1.3%</b>			
Diamond Resorts Corp., 12.00%,			
8/15/18 (b)		1,040	1,060,800
Dunkin Finance Corp., 9.63%,			
12/01/18 (b)		205	206,281
HRP Myrtle Beach Holdings LLC,			
14.68%, 4/01/14 (b)(c)(e)(f)		6,891	689
	<b>Par</b>		
<b>Corporate Bonds</b>	<b>(000)</b>		<b>Value</b>
<b>Hotels, Restaurants &amp; Leisure (concluded)</b>			
HRP Myrtle Beach Operations			
LLC (b)(c)(e):			
0.00%, 4/01/12	USD	5,000	\$ 500
0.00%, 4/01/13		5,000	500
Harrah s Operating Co., Inc.,			
10.00%, 12/15/18		475	401,375
Little Traverse Bay Bands of			
Odawa Indians., 9.00%,			
8/31/20 (b)		839	692,175
MGM Resorts International,			
11.13%, 11/15/17		1,340	1,514,200
Marina District Finance Co., Inc.,			
9.88%, 8/15/18 (b)		85	81,388
Travelport LLC, 4.92%,			
9/01/14 (a)		2,160	1,954,800
Tropicana Entertainment LLC,			
Series WI, 9.63%,			
12/15/14 (c)(e)		530	1,272
			5,913,980
<b>Household Durables 1.0%</b>			
Beazer Homes USA, Inc., 12.00%,			
10/15/17		1,700	1,946,500
K. Hovnanian Enterprises, Inc.,			
10.63%, 10/15/16		1,695	1,714,069
Standard Pacific Corp.:			
6.25%, 4/01/14		315	327,600
7.00%, 8/15/15		600	618,000
			4,606,169

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<b>IT Services 0.3%</b>		
First Data Corp., 10.55%, 9/24/15 (d)	1,360	1,148,710
<b>Independent Power Producers &amp; Energy Traders 3.1%</b>		
Calpine Construction Finance Co. LP, 8.00%, 6/01/16 (b)	1,750	1,841,875
Calpine Corp., 7.50%, 2/15/21 (b)	945	928,463
Energy Future Holdings Corp., 10.00%, 1/15/20 (b)	3,190	3,263,861
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20	1,490	1,528,224
NRG Energy, Inc.: 7.25%, 2/01/14	2,385	2,432,700
7.38%, 2/01/16	2,675	2,688,375
8.50%, 6/15/19	800	812,000
		13,495,498
<b>Industrial Conglomerates 1.7%</b>		
Sequa Corp. (b): 11.75%, 12/01/15	2,850	3,042,375
13.50%, 12/01/15 (d)	4,023	4,364,787
		7,407,162
<b>Machinery 1.1%</b>		
ESCO Corp., 4.17%, 12/15/13 (a)(b)	3,070	3,073,837
Navistar International Corp., 8.25%, 11/01/21	1,780	1,909,050
		4,982,887

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
<b>Media 5.3%</b>			
CCO Holdings LLC, 7.88%, 4/30/18 (b)	USD	2,075	\$ 2,147,625
CSC Holdings, Inc., 8.50%, 4/15/14		680	745,450
Checkout Holding Corp., 10.99%, 11/15/15 (b)(f)		1,425	862,125
Clear Channel Worldwide Holdings, Inc.: 9.25%, 12/15/17		639	677,340
Series B, 9.25%, 12/15/17		5,422	5,787,985
DISH DBS Corp., 7.00%, 10/01/13		3,000	3,195,000
Interactive Data Corp., 10.25%, 8/01/18 (b)		1,715	1,852,200
The McClatchy Co., 11.50%, 2/15/17		205	214,738
Nielsen Finance LLC, 11.63%, 2/01/14		1,925	2,194,500
ProQuest LLC, 9.00%, 10/15/18 (b)		415	427,450
Regal Entertainment Group, 9.13%, 8/15/18		555	585,525
TL Acquisitions, Inc., 10.50%, 1/15/15 (b)		895	895,000
UPC Germany GmbH, 8.13%, 12/01/17 (b)		3,000	3,120,000
Ziggo Finance BV, 6.13%, 11/15/17 (b)	EUR	655	828,963
			23,533,901
<b>Metals &amp; Mining 1.5%</b>			
Drummond Co., Inc., 9.00%, 10/15/14 (b)	USD	1,056	1,114,080
FMG Resources August 2006 Pty Ltd., 7.00%, 11/01/15 (b)		2,070	2,095,890
RathGibson, Inc., 11.25%, 2/15/14 (c)(e)		4,440	22,200
Ryerson, Inc., 7.66%, 11/01/14 (a)		3,595	3,352,337
			6,584,507
<b>Multiline Retail 0.5%</b>			
Dollar General Corp., 11.88%, 7/15/17 (d)		1,775	2,059,000

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**Oil, Gas & Consumable**

**Fuels 4.6%**

Atlas Energy Operating Co. LLC:		
12.13%, 8/01/17	1,440	1,886,400
10.75%, 2/01/18	135	164,531
Chesapeake Energy Corp., 6.63%, 8/15/20	2,645	2,664,837
Coffeyville Resources LLC, 9.00%, 4/01/15 (b)	490	521,850
Consol Energy, Inc., 8.25%, 4/01/20 (b)	1,750	1,894,375
Crosstex Energy LP, 8.88%, 2/15/18	100	104,250
Denbury Resources, Inc.:		
9.75%, 3/01/16	925	1,024,438
8.25%, 2/15/20	670	730,300
El Paso Corp., 7.00%, 6/15/17	1,575	1,659,486
Energy Transfer Equity LP, 7.50%, 10/15/20	1,065	1,102,275

Corporate Bonds	Par (000)	Value
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**Oil, Gas & Consumable Fuels (concluded)**

Forest Oil Corp., 8.50%, 2/15/14	USD	470	\$	509,950
Hilcorp Energy I LP, 7.63%, 4/15/21 (b)		660		676,500
Linn Energy LLC (b):				
8.63%, 4/15/20		700		742,000
7.75%, 2/01/21		815		827,225
Massey Energy Co., 6.88%, 12/15/13		1,300		1,309,750
Niska Gas Storage US LLC, 8.88%, 3/15/18 (b)		700		735,000
OPTI Canada, Inc., 9.00%, 12/15/12 (b)		1,850		1,840,750
Petrohawk Energy Corp., 7.25%, 8/15/18		855		852,863
Titan Petrochemicals Group Ltd., 8.50%, 3/18/12 (b)		1,760		1,144,000
				20,390,780

**Paper & Forest Products 2.7%**

Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (b)(d)		4,312		3,858,979
Clearwater Paper Corp., 10.63%, 6/15/16		640		734,400
Georgia-Pacific LLC, 8.25%, 5/01/16 (b)		2,950		3,259,750
NewPage Corp., 11.38%, 12/31/14		2,740		2,479,700
Verso Paper Holdings LLC:				
11.50%, 7/01/14		550		596,750
Series B, 4.04%, 8/01/14 (a)		890		792,100
				11,721,679

**Pharmaceuticals 0.5%**

Angiotech Pharmaceuticals, Inc., 4.05%, 12/01/13 (a)		1,335		1,091,362
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Novasep Holding SAS, 9.63%, 12/15/16 (b)	EUR	564	483,184
<b>Valeant Pharmaceuticals</b>			
International (b):			
6.75%, 10/01/17	USD	315	311,063
7.00%, 10/01/20		400	390,000
			2,275,609
<b>Professional Services 0.1%</b>			
FTI Consulting, Inc., 6.75%, 10/01/20 (b)		560	565,600
<b>Real Estate Investment Trusts (REITs) 0.3%</b>			
Omega Healthcare Investors, Inc.:			
7.50%, 2/15/20		1,010	1,052,925
6.75%, 10/15/22 (b)		450	448,875
			1,501,800
<b>Road &amp; Rail 0.1%</b>			
The Hertz Corp., 7.50%, 10/15/18 (b)		510	515,100
<b>Specialty Retail 0.3%</b>			
United Auto Group, Inc., 7.75%, 12/15/16		1,275	1,252,688
<b>Textiles, Apparel &amp; Luxury Goods 0.3%</b>			
Phillips-Van Heusen Corp.:			
7.38%, 5/15/20		925	992,062

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
<b>Textiles, Apparel &amp; Luxury Goods (concluded)</b>		
Phillips-Van Heusen Corp. (concluded): 7.75%, 11/15/23	USD 410	\$ 447,234
		1,439,296
<b>Wireless Telecommunication Services 2.5%</b>		
Cricket Communications, Inc., 7.75%, 5/15/16	3,050	3,118,625
Digicel Group Ltd. (b): 9.13%, 1/15/15	3,948	3,987,480
8.25%, 9/01/17	300	315,000
Nextel Communications, Inc., Series E, 6.88%, 10/31/13	2,275	2,272,156
Sprint Capital Corp.: 8.38%, 3/15/12	625	657,813
6.88%, 11/15/28	850	722,500
		11,073,574
<b>Total Corporate Bonds 54.0%</b>		238,457,360
<b>Floating Rate Loan Interests (a)</b>		
<b>Aerospace &amp; Defense 0.4%</b>		
Hawker Beechcraft Acquisition Co., LLC: Letter of Credit Linked Deposit, 0.19%, 3/26/14	119	100,846
Term Loan, 2.26% - 2.29%, 3/26/14	2,071	1,756,678
		1,857,524
<b>Airlines 0.4%</b>		
Delta Air Lines, Inc., Credit-Linked Deposit Loan, 2.29%, 4/30/12	1,940	1,891,500
<b>Auto Components 1.3%</b>		
Allison Transmission, Inc., Term Loan, 3.01% - 3.04%, 8/07/14	3,930	3,792,065

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Dana Holding Corp., Term Advance, 4.51% - 4.54%, 1/30/15	328	328,076
Global Autocare, Term Loan B, 6.00%, 11/02/16	1,560	1,560,975
		5,681,116
<b>Automobiles 0.7%</b>		
Ford Motor Co.:		
Tranche B-1 Term Loan, 3.01% - 3.05%, 12/15/13	2,923	2,891,965
Tranche B-2 Term Loan, 3.01% - 3.05%, 12/15/13	315	311,140
		3,203,105
<b>Biotechnology 0.3%</b>		
Grifols SA, Term Loan B, 6.00%, 10/01/16	1,405	1,417,294
<b>Building Products 1.3%</b>		
Goodman Global, Inc.:		
Term Loan (Second Lien), 9.00%, 10/13/17	1,200	1,227,300
Term Loan B, 5.75%, 10/13/16	3,250	3,271,450
<b>Floating Rate Loan Interests (a)</b>	<b>Par (000)</b>	<b>Value</b>
<b>Building Products (concluded)</b>		
Momentive Performance Materials (Blitz 06-103 GmbH), Tranche B-2 Term Loan, 3.05%, 12/04/13	EUR 1,072	\$ 1,313,494
		5,812,244
<b>Capital Markets 0.4%</b>		
Nuveen Investments, Inc., Term Loan (First Lien), 3.29%, 11/13/14	USD 1,925	1,793,548
<b>Chemicals 4.3%</b>		
Arizona Chemical, Term Loan B, 6.75%, 11/18/16	1,200	1,206,750
CF Industries, Inc., Term Loan B-1, 4.50%, 4/05/15	786	788,223
Chemtura Corp., Exit Term Loan, 5.50%, 8/16/16	1,300	1,307,583
Gentek Holding, LLC, Term Loan B, 6.75%, 9/30/15	2,575	2,607,187
Lyondell Chemical Co., Exit Term Loan, 5.50%, 4/08/16	675	675,697
MacDermid, Inc., Tranche C Term Loan, 3.01%, 12/15/13	EUR 694	832,708
PQ Corp. (FKA Niagara Acquisition, Inc.), Term Loan (First Lien), 3.51% - 3.54%, 7/30/14	USD 2,932	2,787,337

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Rockwood Specialties Group, Inc., Term Loan H, 6.00%, 5/15/14	1,340	1,343,735
Solutia, Inc., Term Loan, 4.50%, 3/17/17	1,649	1,654,323
Styron Sarl, Term Loan, 7.50%, 6/17/16	1,580	1,599,750
Tronox Worldwide LLC, Exit Term Loan, 7.00%, 12/24/15	3,965	3,981,534
		18,784,827
<b>Commercial Banks 0.4%</b>		
CIT Group, Inc., Tranche 3 Term Loan, 6.25%, 1/20/12	1,950	1,979,819
<b>Commercial Services &amp; Supplies 3.2%</b>		
ARAMARK Corp.: Letter of Credit - 1 Facility, 0.10%, 1/26/14	55	54,251
Letter of Credit - 2 Facility, 0.10%, 7/26/16	29	28,679
US Term Loan, 2.16%, 1/26/14	684	673,456
US Term Loan B, 3.54%, 7/26/16	438	436,082
AWAS Finance Luxembourg Sarl, Term Loan B, 7.75%, 6/10/16	2,250	2,291,249
Altegrity, Inc., Incremental Term Loan, 7.75%, 2/21/15	2,992	2,999,981
Casella Waste Systems, Inc., Term Loan B, 7.00%, 4/09/14	385	387,532
Delos Aircraft, Inc., Term Loan 2, 7.00%, 3/17/16	975	989,799
International Lease Finance Corp., Term Loan 1, 6.75%, 3/17/15	2,800	2,836,000
Quad/Graphics, Inc., Term Loan, 5.50%, 4/20/16	948	926,699

BLACKROCK DEBT STRATEGIES FUND, INC.

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## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests (a)	Par (000)	Value
<b>Commercial Services &amp; Supplies (concluded)</b>		
Synagro Technologies, Inc., Term Loan (First Lien), 2.26%, 4/02/14	USD 984	\$ 866,962
Volume Services America, Inc. (Centerplate), Term Loan B, 10.75%, 8/24/16	1,800	1,795,500
		<u>14,286,190</u>
<b>Communications Equipment 0.3%</b>		
Avaya, Inc., Term Loan B, 3.04%, 10/24/14	1,545	1,401,605
<b>Construction &amp; Engineering 0.6%</b>		
Safeway Services, LLC, First Out Tranche Loan, 9.00%, 12/18/17	2,750	2,750,000
<b>Construction Materials 0.2%</b>		
Fairmount Minerals Ltd., Term Loan B, 6.25% - 6.75%, 8/05/16	675	683,719
<b>Consumer Finance 1.1%</b>		
AGFS Funding Co., Term Loan, 7.25%, 4/21/15	5,000	5,036,720
<b>Containers &amp; Packaging 0.5%</b>		
Berry Plastics Holding Corp., Term Loan C, 2.27% - 2.28%, 4/03/15	342	320,932
Graham Packaging Co., LP, Term Loan D, 6.00%, 9/16/16	1,700	1,713,812
		<u>2,034,744</u>
<b>Diversified Consumer Services 2.6%</b>		
Coinmach Service Corp., Term Loan, 3.28%, 11/14/14	4,571	3,985,545
Laureate Education: Delay Draw Term Loan, 3.54%, 8/15/14	71	66,635
Series A New Term Loan, 7.00%, 8/15/14	4,286	4,261,746

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Term Loan B, 3.54%, 8/17/14	474	445,120
ServiceMaster Co.:		
Closing Date Term Loan, 2.76% - 2.80%, 7/24/14	2,528	2,389,573
Delayed Draw Term Loan, 2.76%, 7/24/14	410	388,013
		11,536,632

**Diversified Financial**

**Services 1.4%**

Reynolds Group Holdings, Inc.:

Incremental US Term Loan, 6.25%, 5/05/16	1,391	1,399,365
Term Loan D, 6.50%, 5/01/16	1,600	1,610,667
US Term Loan, 6.75%, 5/05/16	1,185	1,193,935
Whitelabel IV SA:		
Term Loan B1, 6.75%, 8/11/17	EUR 565	733,659

Floating Rate Loan Interests (a)	Par (000)	Value
<b>Diversified Financial</b>		
<b>Services (concluded)</b>		
Whitelabel IV SA (concluded):		
Term Loan B2, 6.75%, 8/11/17	EUR 935	\$ 1,214,108
		6,151,734

**Diversified Telecommunication**

**Services 1.7%**

Hawaiian Telcom Communications,

Inc., Term Loan, 9.00%, 10/28/15	USD 3,418	3,437,330
Level 3 Communications, Incremental Term Loan, 2.54%, 3/13/14	3,250	3,017,856
Wind Telecomunicazioni SpA: Term Loan Facility B2, 3.47%, 5/26/14	569	565,699
Term Loan Facility C2, 3.47%, 5/24/13	569	565,700
		7,586,585

**Electric Utilities 0.7%**

New Development Holdings LLC,

Term Loan, 7.00%, 7/03/17	2,992	3,040,021
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**Electrical Equipment 0.1%**

Generac Acquisition Corp., Term

Loan (First Lien), 2.75% - 2.79%, 11/10/13	343	330,383
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**Electronic Equipment, Instruments  
& Components 0.7%**

	2,559	2,463,709
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CDW LLC (FKA CDW Corp.), Term Loan, 4.25%, 10/10/14			
Flextronics International Ltd., Closing Date Loan B, 2.50%, 10/01/12		534	528,122
			2,991,831

**Energy Equipment &  
Services 0.4%**

MEG Energy Corp., Tranche D Term Loan, 6.00%, 4/03/16		1,907	1,908,477
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**Food & Staples Retailing 1.5%**

AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots), Facility B1, 3.56%, 7/09/15	GBP	1,700	2,364,967
Pilot Travel Centers LLC, Initial Tranche B Term Loan, 5.25%, 6/30/16	USD	2,151	2,175,579
U.S. Foodservice, Inc., Term Loan B, 2.75% - 2.76%, 7/03/14		2,365	2,141,311
			6,681,857

**Food Products 2.9%**

Advance Pierre Foods, Term Loan (Second Lien): 7.50%, 9/29/16		2,900	2,873,416
11.25%, 9/29/17		1,800	1,813,500
Dole Food Co., Inc., Tranche B-1 Term Loan, 5.00% - 5.50%, 3/02/17		795	797,895
Green Mountain Coffee, Inc., Term Loan B, 6.00%, 11/09/16		1,200	1,206,750

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests (a)	Par (000)	Value
<b>Food Products (concluded)</b>		
Michael Foods Group, Inc. (FKA M-Foods Holdings, Inc.), Term Loan B, 6.25%, 6/29/16	USD 998	\$ 1,006,540
Pilgrim's Pride Corp., Term Loan A, 5.29%, 12/01/12	1,430	1,387,100
Pinnacle Foods Finance LLC, Tranche D Term Loan, 6.00%, 4/02/14	1,803	1,823,125
Solvest Ltd. (Dole), Tranche C-1 Term Loan, 5.00% - 5.50%, 3/02/17	1,974	1,980,636
		12,888,962
<b>Health Care Equipment &amp; Supplies 0.4%</b>		
DJO Finance LLC (FKA ReAble Therapeutics Finance LLC), Term Loan, 3.26%, 5/20/14	1,727	1,688,171
<b>Health Care Providers &amp; Services 4.6%</b>		
CHS/Community Health Systems, Inc.: Delayed Draw Term Loan, 2.54%, 7/25/14	195	190,360
Term Loan Facility, 2.51% - 2.54%, 7/25/14	3,822	3,782,663
DaVita, Inc., Term Loan B, 4.50%, 10/20/16	2,000	2,005,000
Gentiva Health Services, Inc., Term Loan B, 6.75%, 8/12/16	150	151,000
HCA, Inc.: Tranche A-1 Term Loan, 1.54%, 11/16/12	4,494	4,393,463
Tranche B-1 Term Loan, 2.54%, 11/18/13	245	239,794
Harden Healthcare, Inc.: Add-on Term Loan, 7.75%, 3/02/15	2,584	2,532,075
Tranche A Term Loan, 8.50%, 2/22/15	769	753,887
inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 7/31/16	3,482	3,499,284
Renal Advantage Holdings, Inc., Tranche B Term Loan, 6.00%,	1,097	1,098,622

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6/03/16				
Vanguard Health Holding Co. II, LLC (Vanguard Health Systems, Inc.), Initial Term Loan, 5.00%, 1/29/16		1,840		1,846,271
				20,492,419
<b>Health Care Technology 1.0%</b>				
IMS Health, Inc., Tranche B Dollar Term Loan, 5.25%, 2/26/16		2,721		2,744,526
MedAssets, Inc., Term Loan B, 5.25%, 11/15/16		1,600		1,607,000
				4,351,526
<b>Hotels, Restaurants &amp; Leisure 4.4%</b>				
Blackstone UTP Capital LLC, Loan, 7.75%, 11/06/14		2,481		2,506,062
			<b>Par (000)</b>	<b>Value</b>
<b>Floating Rate Loan Interests (a)</b>				
<b>Hotels, Restaurants &amp; Leisure (concluded)</b>				
Dunkin' Finance Corp., Term Loan B, 5.75%, 11/09/17	USD	2,900	\$	2,926,668
Harrah's Operating Co., Inc.: Term Loan B-1, 3.29%, 1/28/15		449		391,392
Term Loan B-3, 3.29%, 1/28/15		3,024		2,639,167
Term Loan B-4, 9.50%, 10/31/16		2,233		2,305,981
SW Acquisitions Co., Inc., Term Loan, 5.75%, 6/01/16		2,631		2,645,920
Six Flags Theme Parks, Inc., Tranche B Term Loan (First Lien), 6.00%, 6/30/16		3,386		3,400,722
Travelport LLC (FKA Travelport, Inc.), Delayed Draw Term Loan, 2.79%, 8/23/13		500		483,310
VML US Finance LLC (FKA Venetian Macau): New Project Term Loan, 4.80%, 5/27/13		824		824,327
Term B Delayed Draw Project Loan, 4.80%, 5/25/12		1,054		1,053,552
Term B Funded Project Loan, 4.80%, 5/27/13		183		182,434
				19,359,535
<b>Household Durables 0.4%</b>				
Visant Corp. (FKA Jostens), Term Loan B, 7.00%, 12/20/16		1,900		1,915,437
<b>IT Services 3.2%</b>				
		3,085		2,903,911

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Ceridian Corp., US Term Loan, 3.25% - 3.27%, 11/09/14		
EVERTEC, Inc., Term Loan B, 7.00%, 8/20/16	1,150	1,144,250
First Data Corp.:		
Initial Tranche B-1 Term Loan, 3.00%, 9/24/14	1,625	1,462,500
Initial Tranche B-2 Term Loan, 3.00%, 9/24/14	3,043	2,738,426
Initial Tranche B-3 Term Loan, 3.00%, 9/24/14	1,371	1,236,451
SunGard Data Systems, Inc. (Solar Capital Corp.), Incremental Term Loan, 6.75%, 2/28/14	348	348,659
TransUnion Corp., Term Loan B, 6.75%, 6/15/17	4,239	4,282,829
		14,117,026

**Independent Power Producers &  
Energy Traders 0.5%**

Dynegy Holdings, Inc.:		
Term Letter of Credit Facility, 4.01%, 4/02/13	327	318,909
Tranche B Term Loan, 4.01%, 4/02/13	26	25,475
Texas Competitive Electric Holdings Co., LLC (TXU):		
Initial Tranche B-2 Term Loan, 3.75% - 3.79%, 10/10/14	2,166	1,672,516

BLACKROCK DEBT STRATEGIES FUND, INC.

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## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests (a)	Par (000)	Value
<b>Independent Power Producers &amp; Energy Traders (concluded)</b>		
Texas Competitive Electric Holdings Co., LLC (TXU) (concluded):		
Initial Tranche B-3 Term Loan, 3.75% - 3.79%, 10/10/14	USD 196	\$ 150,815
		2,167,715
<b>Industrial Conglomerates 0.9%</b>		
Sequa Corp., Term Loan, 3.54% - 3.55%, 12/03/14	1,393	1,321,195
Tomkins Plc, Term Loan B, 6.25%, 9/16/16	2,500	2,527,345
		3,848,540
<b>Insurance 0.1%</b>		
Alliant Holdings I, Inc., Term Loan, 3.29%, 8/21/14	581	563,671
<b>Internet &amp; Catalog Retail 0.2%</b>		
FTD Group, Inc., Tranche B Term Loan, 6.75%, 8/26/14	1,096	1,097,569
<b>Media 9.1%</b>		
Affinion Group, Inc., Tranche B Term Loan, 5.00%, 10/09/16	995	987,953
Cengage Learning Acquisitions, Inc. (Thomson Learning):		
Term Loan, 2.54%, 7/03/14	1,250	1,152,031
Tranche 1 Incremental Term Loan, 7.50%, 7/03/14	1,270	1,272,731
Charter Communications Operating, LLC:		
Term Loan B1, 7.25%, 3/06/14	1,486	1,540,682
Term Loan C, 3.54%, 9/06/16	3,693	3,611,475
EB Sports Corp., Loan, 11.50%, 5/01/12	1,551	1,519,750
Ellis Communications KDOC, LLC, Loan, 10.00%, 12/30/11	6,303	2,363,533
Getty Images, Inc., Term Loan B, 5.25%, 10/29/16	2,800	2,821,700
HMH Publishing Co., Ltd., Tranche A Term Loan, 5.75%, 6/12/14	2,421	2,236,730

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Hanley-Wood, LLC (FSC Acquisition), Term Loan, 2.56%, 3/10/14		740	327,293
Interactive Data Corp., Term Loan, 6.75%, 1/29/17		1,297	1,314,029
Lavena Holding 3 GmbH (Prosiebensat.1 Media AG):			
Facility B1, 3.52%, 6/30/15	EUR	337	351,616
Facility C1, 3.77%, 6/30/16		674	703,233
Mediacom Illinois, LLC (FKA Mediacom Communications, LLC), Tranche D Term Loan, 5.50%, 3/31/17	USD	990	980,100
Newsday, LLC, Fixed Rate Term Loan, 10.50%, 8/01/13		4,250	4,505,000
Sinclair Television Group, Inc., New Tranche B Term Loan, 5.50%, 10/29/15		1,587	1,607,121
Springer Science+Business Media SA, Facility A1, 6.75%, 7/01/16	EUR	1,900	2,450,869

Floating Rate Loan Interests (a)		Par (000)	Value
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**Media (concluded)**

Sunshine Acquisition Ltd. (FKA HIT Entertainment), Term Facility, 5.54%, 6/01/12	USD	1,432	\$ 1,385,759
TWCC Holdings Corp., Replacement Term Loans, 5.00%, 9/14/15		1,917	1,925,938
UPC Financing Partnership, Facility U, 4.85%, 12/31/17	EUR	1,600	1,943,822
Univision Communications, Inc., Exit Term Loan, 4.51%, 3/31/17		1,950	1,816,191
Virgin Media Investment Holdings Ltd., Facility B, 4.78%, 12/31/15	GBP	1,250	1,922,791
Yell Group Plc/Yell Finance (UK) Ltd., Facility A3, 2.76%, 8/09/11	USD	1,266	1,227,656
			39,968,003

**Metals & Mining 0.5%**

Euramax International, Inc., Domestic Term Loan:			
10.00%, 6/29/13		1,286	1,222,113
14.00%, 6/29/13		1,219	1,157,962
			2,380,075

**Multi-Utilities 0.1%**

FirstLight Power Resources, Inc. (FKA NE Energy, Inc.):			
Synthetic Letter of Credit, 0.16%, 11/01/13		9	8,218
Term B Advance (First Lien), 2.81%, 11/01/13		466	447,142
			455,360



**Multiline Retail 1.6%**

Dollar General Corp., Tranche B-2			
Term Loan, 3.00% - 3.01%, 7/07/14		1,439	1,430,952
Hema Holding BV:			
Facility B, 2.85%, 7/06/15	EUR	369	458,666
Facility C, 3.60%, 7/05/16		369	458,667
Facility D, 5.85%, 1/01/17		2,900	3,613,754
The Neiman Marcus Group, Inc.,			
Term Loan B, 4.30%, 4/06/16	USD	961	940,993
			<u>6,903,032</u>

**Oil, Gas & Consumable****Fuels 2.2%**

Big West Oil, LLC, Term Loan, 12.00%, 7/23/15			
		1,187	1,209,766
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/30/15			
		4,043	4,123,860
Turbo Beta Ltd., Dollar Facility, 14.25%, 3/15/18			
		6,226	4,358,350
			<u>9,691,976</u>

**Paper & Forest Products 0.8%**

Georgia-Pacific LLC, Term Loan B, 2.29%, 12/23/12			
		156	155,893
Verso Paper Finance Holdings LLC, 7.29%, 2/01/13 (d)			
		4,278	3,422,670
			<u>3,578,563</u>

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests (a)	Par (000)	Value
<b>Personal Products 0.4%</b>		
NBTY, Inc., Term Loan B, 6.25%, 9/20/17	USD 1,700	\$ 1,719,113
<b>Pharmaceuticals 0.7%</b>		
Warner Chilcott Co., LLC, Term Loan A, 6.00%, 10/30/14	689	688,497
Warner Chilcott Corp.: Additional Term Loan, 6.25%, 4/30/15	674	677,901
Term Loan B-1, 6.25%, 4/30/15	269	270,392
Term Loan B-2, 6.25%, 4/30/15	444	446,813
Term Loan B-3, 6.50%, 2/20/16	672	677,581
Term Loan B-4, 6.50%, 2/20/16	223	225,120
		2,986,304
<b>Professional Services 0.9%</b>		
Booz Allen Hamilton, Inc., Tranche C Term Loan, 6.00%, 7/31/15	1,737	1,740,783
Fifth Third Processing Solutions, LLC, Term Loan B, 5.50%, 10/21/16	2,100	2,106,825
		3,847,608
<b>Real Estate Investment Trusts (REITs) 0.1%</b>		
iStar Financial, Inc., Term Loan (Second Lien), 1.75%, 6/28/11	400	382,778
<b>Real Estate Management &amp; Development 1.7%</b>		
Enclave, Term Loan (First Lien), 6.14%, 3/01/12 (c)(e) Realogy Corp.:	4,000	1
Delayed Draw Term Loan B, 3.25% - 3.29%, 10/10/13	1,464	1,344,041
Initial Term Loan B, 3.29%, 10/10/13	4,407	4,046,359
Synthetic Letter of Credit, 0.11%, 10/10/13	601	551,556

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Term Loan (Second Lien), 13.50%, 10/15/17	1,500	1,625,625
		<u>7,567,582</u>

**Semiconductors & Semiconductor  
Equipment 0.5%**

Freescale Semiconductor, Inc., Extended Maturity Term Loan, 4.50%, 12/01/16	738	693,362
Microsemi Corp., Term Loan B, 5.00%, 10/25/17	1,300	1,310,833
		<u>2,004,195</u>

**Software 0.3%**

Telcordia Technologies, Inc., Term Loan, 6.75%, 4/30/16	1,095	1,100,315
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**Specialty Retail 1.9%**

Burlington Coat Factory Warehouse Corp., Term Loan, 2.51% - 2.52%, 5/28/13	680	660,280
Gymboree Corp., Term Loan B, 5.50%, 11/09/17	1,500	1,505,894

Floating Rate Loan Interests (a)	Par (000)	Value
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**Specialty Retail (concluded)**

Michaels Stores, Inc.: Term Loan B-1, 2.56%, 10/31/13	USD	1,384	\$	1,333,870
Term Loan B-2, 4.81%, 7/31/16		543		537,385
Petco Animal Supplies, Inc., Term Loan B, 6.00%, 8/18/17		2,800		2,804,900
Toys R US, Inc., Term Loan B, 6.00%, 8/17/16		1,736		1,745,878
				<u>8,588,207</u>

**Textiles, Apparel & Luxury**

**Goods 0.3%**

Philips Van Huesen Corp., US Tranche B Term Loan, 4.75%, 5/06/16		1,325		1,339,523
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**Wireless Telecommunication  
Services 1.9%**

Cavtel Holdings, LLC, Term Loan, 11.50%, 12/31/12		825		827,543
Digicel International Finance Ltd., US Term Loan (Non-Rollover), 2.81%, 3/30/12		875		849,107
MetroPCS Wireless, Inc., Tranche B-2 Term Loan, 3.81%, 11/03/16		906		904,382
Vodafone Americas Finance 2 Inc., Initial Loan, 6.88%, 7/30/15		5,500		5,582,500

	8,163,532
<b>Total Floating Rate Loan</b>	
<b>Interests 66.1%</b>	292,008,212

<b>Other Interests (h)</b>	<b>Beneficial Interest (000)</b>	
<b>Airlines 0.1%</b>		
Delta Air Lines, Inc. Default Escrow:		
8.33%	5,505	130,468
10%	4,200	99,540
		230,008
<b>Auto Components 0.0%</b>		
Intermet Liquidating Trust, Class A	833	250
<b>Diversified Financial Services 0.3%</b>		
J.G. Wentworth LLC Preferred Equity Interests (i)	1	1,190,710
<b>Hotels, Restaurants &amp; Leisure 0.0%</b>		
Buffets, Inc.	1,440	144
<b>Household Durables 0.3%</b>		
Stanley Martin, Class B Membership Units (i)	2	1,219,500
<b>Media 0.0%</b>		
Adelphia Escrow	7,500	750
Adelphia Preferred Escrow	5	1
Adelphia Recovery Trust	9,406	37,624

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)  
(Percentages shown are based on Net Assets)

Other Interests (h)	Beneficial Interest (000)	Value
<b>Media (concluded)</b>		
Adelphia Recovery Trust, Series ACC-6B INT	USD 500	\$ 50
		38,425
<b>Metals &amp; Mining 0.3%</b>		
RathGibson Acquisition Corp., LLC (i)	280	1,488,924
<b>Specialty Retail 0.0%</b>		
Movie Gallery, Inc. Default Escrow	21,700	217
<b>Total Other Interests 1.0%</b>		4,168,178

Warrants (j)	Shares	
<b>Health Care Providers &amp; Services 0.0%</b>		
HealthSouth Corp. (Expires 1/16/14)	126,761	1
<b>Hotels, Restaurants &amp; Leisure 0.0%</b>		
Buffets Restaurants Holdings, Inc. (Expires 4/29/14)	1,216	12
<b>Media 0.0%</b>		
Charter Communications, Inc. (Expires 11/30/14)	12,661	56,975
<b>Oil, Gas &amp; Consumable Fuels 0.0%</b>		
Turbo Cayman Ltd. (No Expiration)	4	
<b>Software 0.0%</b>		
Bankruptcy Management Solutions, Inc. (Expires 9/29/17)	1,247	13

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HMH Holdings/EduMedia (Expires 3/09/17)	24,924	
		13
<b>Total Warrants 0.0%</b>		57,001
<b>Total Long-Term Investments</b> (Cost \$617,892,127) 124.2%		548,329,556
<b>Short-Term Securities</b>		
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.18% (k)(l)	2,405,698	2,405,698
<b>Total Short-Term Securities</b> (Cost \$2,405,698) 0.5%		2,405,698
<b>Total Investments</b> (Cost \$620,297,825*) 124.7%		550,735,254
<b>Liabilities in Excess of Other Assets (24.7)%</b>		(109,176,854)
<b>Net Assets 100.0%</b>		\$ 441,558,400

\* The cost and unrealized appreciation (depreciation) of investments as of November 30, 2010, as computed for federal income tax purposes were as follows:

Aggregate cost	\$ 619,748,188
Gross unrealized appreciation	\$ 21,930,205
Gross unrealized depreciation	(90,943,139)
Net unrealized depreciation	\$ (69,012,934)

- (a) Variable rate security. Rate shown is as of report date.
- (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) Non-income producing security.
- (d) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.

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- (e) Issuer filed for bankruptcy and/or is in default of interest payments.
- (f) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (g) Convertible security.
- (h) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
- (i) The investment is held by a wholly-owned taxable subsidiary of the Fund.
- (j) Warrants entitle the Fund 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, if any.
- (k) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at February 28, 2010	Net Activity	Shares Held at November 30, 2010	Income
BlackRock Liquidity Funds, TempFund, Institutional Class	1,319,723	1,085,975	2,405,698	\$ 4,921

- (l) Represents the current yield as of report date.

For Fund compliance purposes, the Fund'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 Fund management. This definition may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

## Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)

Foreign currency exchange contracts as of November 30, 2010 were as follows:

Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
CAD	741,100	USD	726,787	Citibank NA	1/19/11	\$ (5,600)
USD	2,718,254	CAD	2,740,000	Citibank NA	1/19/11	51,873
USD	3,942,496	GBP	2,482,000	Citibank NA	1/19/11	83,185
EUR	1,115,000	USD	1,500,576	Citibank NA	1/28/11	(53,570)
USD	1,784,379	EUR	1,317,000	Citibank NA	1/28/11	75,225
USD	25,516,537	EUR	18,636,500	Deutsche Bank AG	1/28/11	1,330,775
<b>Total</b>						<b>\$ 1,481,888</b>

Credit default swaps on single-name issues - buy protection outstanding as of November 30, 2010 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration	Notional Amount (000)	Unrealized Appreciation
K. Hovnanian Enterprises, Inc.	5.00%	Goldman Sachs International	December 2011	USD 855	\$ 11,653
K. Hovnanian Enterprises, Inc.	5.00%	Goldman Sachs International	September 2013	USD 250	9,498
<b>Total</b>					<b>\$ 21,151</b>

Credit default swaps on single-name issues - sold protection outstanding as of November 30, 2010 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration	Credit Rating <sup>1</sup>	Notional Amount (000) <sup>2</sup>	Unrealized Depreciation
BAA Ferrovia, Junior Term Loan	2.00%	Deutsche Bank AG	March 2012	A-	GBP 900	\$ (1,660)



- <sup>1</sup> Using Standard and Poor's rating.
- <sup>2</sup> The maximum potential amount the Fund may pay should a negative event take place as defined under the terms of agreement.

Fair Value Measurements - Various inputs are used in determining the fair value of investments and derivatives, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or 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 circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivatives)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its semi-annual report.

## Schedule of Investments (continued)

## BlackRock Debt Strategies Fund, Inc. (DSU)

The following tables summarize the inputs used as of November 30, 2010 in determining the fair valuation of the Fund's investments and derivatives:

Valuation Inputs	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments in Securities:				
Long-Term Investments:				
Asset-Backed Securities			\$ 4,740,950	\$ 4,740,950
Common Stocks	\$ 3,644,649	\$ 4,306,696	946,510	8,897,855
Corporate Bonds		228,385,887	10,071,473	238,457,360
Floating Rate Loan				
Interests		221,325,907	70,682,305	292,008,212
Other Interests		230,008	3,938,170	4,168,178
Warrants	56,975		26	57,001
Short-Term Securities	2,405,698			2,405,698
<b>Liabilities:</b>				
Unfunded Loan				
Commitments			(18,706)	(18,706)
<b>Total</b>	\$ 6,107,322	\$ 454,248,498	\$ 90,360,728	\$ 550,716,548

Derivative Financial Instruments<sup>1</sup>

Valuation Inputs	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Credit contracts		\$ 21,151		\$ 21,151
Foreign currency exchange contracts		1,541,058		1,541,058
<b>Liabilities:</b>				
Credit contracts			\$ (1,660)	(1,660)
Foreign currency exchange contracts		(59,170)		(59,170)
<b>Total</b>		\$ 1,503,039	\$ (1,660)	\$ 1,501,379

<sup>1</sup> Derivative financial instruments are swaps and foreign currency exchange contracts. Swaps and foreign currency exchange contracts are valued at the unrealized appreciation/depreciation on the instrument. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

Asset-Backed Securities	Common Stocks	Corporate Bonds	Floating Rate Loan Interests

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<b>Assets/Liabilities:</b>								
Balance, as of February 28, 2010	\$	311,675	\$	11,805,208	\$	58,483,045		
Accrued discounts/premiums				369,389		364,374		
Realized gain (loss)				214,567		(6,026,025)		
Change in unrealized appreciation/ depreciation <sup>2</sup>		713,481		835,351		9,466,377		
Purchases				23,853		1,601,073		
Sales				(3,126,054)		(35,055,108)		
Transfers in <sup>3</sup>	\$	4,740,950		815,918		49,298,880		
Transfers out <sup>3</sup>		(894,564)		(50,841)		(7,450,311)		
<b>Balance, as of November 30, 2010</b>	\$	4,740,950	\$	946,510	\$	10,071,473	\$	70,682,305

Schedule of Investments (concluded)

BlackRock Debt Strategies Fund, Inc. (DSU)

	Other Interests	Warrants	Unfunded Loan Commitments	Total
<b>Assets/Liabilities:</b>				
Balance, as of February 28, 2010	\$ 2,253,500	\$ 31,175		\$ 72,884,603
Accrued discounts/premiums				733,763
Realized gain (loss)	364,537	(79,953)		(5,526,874)
Change in unrealized appreciation/ depreciation <sup>2</sup>	(838,734)	48,792	\$ (18,706)	10,206,561
Purchases				1,624,926
Sales	(520,767)			(38,701,929)
Transfers in <sup>3</sup>	2,679,634	12		57,535,394
Transfers out <sup>3</sup>				(8,395,716)
<b>Balance, as of November 30, 2010</b>	<b>\$ 3,938,170</b>	<b>\$ 26</b>	<b>\$ (18,706)</b>	<b>\$ 90,360,728</b>

<sup>2</sup> The change in the unrealized appreciation/depreciation on the securities still held on November 30, 2010 was \$2,499,920.

<sup>3</sup> The Fund's policy is to recognize transfers in and transfers out as of the end of the period of the event or the change in circumstances that caused the transfer.

The following table is a reconciliation of Level 3 derivative financial instruments for which significant unobservable inputs were used in determining fair value:

	Credit Contracts
Balance, as of February 28, 2010	\$ (94,696)
Accrued discounts/premiums	
Net realized gain (loss)	
Net change in unrealized appreciation/depreciation <sup>4</sup>	93,036
Purchases	
Sales	
Transfers in <sup>5</sup>	
Transfers out <sup>5</sup>	
<b>Balance, as of November 30, 2010</b>	<b>\$ (1,660)</b>

<sup>4</sup> The change in the unrealized appreciation/depreciation on the securities still held on November 30, 2010 was \$93,036.

<sup>5</sup> The Fund's policy is to recognize transfers in and transfers out as of the end of the period of the event or the change in circumstances that caused the transfer.



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Item 2 Controls and Procedures

2(a) The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act )) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

2(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

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

BlackRock Debt Strategies Fund, Inc.

By: /s/ Anne F. Ackerley  
Anne F. Ackerley  
Chief Executive Officer (principal executive officer) of  
BlackRock Debt Strategies Fund, Inc.

Date: January 26, 2011

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

By: /s/ Anne F. Ackerley  
Anne F. Ackerley  
Chief Executive Officer (principal executive officer) of  
BlackRock Debt Strategies Fund, Inc.

Date: January 26, 2011

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Debt Strategies Fund, Inc.

Date: January 26, 2011