HANNON I Form 4	MICHAEL J										
February 13	, 2009										
FORM	Λ4				~ •		~~~	NGE G		OMB AF	PROVAL
	• • UNITE	D STATES				ND EX D.C. 20		NGE CO	OMMISSION	OMB Number:	3235-0287
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subject to Section 16. Form 4 or Form 5				SEC	UR	ITIES				Estimated average burden hours per response	
obligation may cor <i>See</i> Instr 1(b).	tinue. Section	7(a) of the		tility H	Hold	ling Cor	npan	y Act of	Act of 1934, 1935 or Section )	L	
(Print or Type	Responses)										
	Address of Reporti MICHAEL J	ing Person <u>*</u>	Symbol PNC FI	NANG	CIA	Ticker or		0	5. Relationship of l Issuer	Reporting Pers	
			GROUI	P INC	[PN	NC]			(Check		)
(Last)	(First) PLAZA, 249 F	(Middle)	3. Date of (Month/E 02/12/2	Day/Yea		ansaction			Director X Officer (give below)	title Othe below)	Owner r (specify
AVENUE	1 1.1 1.2.1 1, 2.4.9 1		02/12/2	009					EVP and (	Chief Risk Off	icer
PITTSBUR	(Street) RGH, PA 15222	2-2707	4. If Ame Filed(Mon			te Origina)	1		6. Individual or Joi Applicable Line) _X_ Form filed by O Form filed by Mo Person	ne Reporting Per	rson
(City)	(State)	(Zip)	Tab	le I - No	on-D	erivative	Secui	rities Acqu	iired, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction D (Month/Day/Yea		n Date, if	Code (Instr.	8)	4. Securi n(A) or Di (Instr. 3,	spose 4 and (A) or	d of (D) 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
\$5 Par				Code	v	Amount	(D)	Price			
Common Stock	02/12/2009			A <u>(1)</u>		3,449	А	\$ 0	32,420	D	
\$5 Par Common Stock	02/12/2009			A <u>(2)</u>		5,500	A	\$ 0	37,920	D	
\$5 Par Common Stock	01/26/2009			J <u>(3)</u>	V	148	А	\$ 29.945	6,873	I	401(k) Plan
\$5 Par									136	Ι	UTMA by

Common Stock			Spouse for Son/BR
\$5 Par Common Stock	137	I	UTMA by Spouse for Son/CR
\$5 Par Common Stock	7	I	UTMA by Self for Son/BM
\$5 Par Common Stock	7	Ι	UTMA by Self for Son/SP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

# Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. 5. Number of Transactio-Derivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		ransactiorDerivative Expiration Date ode Securities (Month/Day/Year) nstr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4,		7. Title and Amo Underlying Secu (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	An or Nu of
Employee Stock Option (Right-to-Buy)	\$ 31.07	02/12/2009		A <u>(4)</u>	44,000	02/12/2010	02/12/2019	\$5 Par Common Stock	44

# **Reporting Owners**

Reporting Owner Name / Address				
	Director	10% Owner	Officer	Other
HANNON MICHAEL J ONE PNC PLAZA				
249 FIFTH AVENUE	EVP and Chief Risk Officer			
PITTSBURGH, PA 15222-2707				

# Signatures

Lori A. Hasselman, Attorney-in-Fact for Michael J. Hannon

02/13/2009

# \*\*Signature of Reporting Person

Date

# **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Restricted stock granted in lieu of cash, pursuant to an award made under the PNC 1996 Executive Incentive Award Plan.

On January 20, 2006, the Personnel and Compensation Committee of the PNC Board of Directors granted an incentive performance unit opportunity to the reporting person. The grant was expressed as a "target" number of share units, and was adjusted for dividend equivalents over the three-year performance period. Subject to the Committee's discretion, the reporting person is eligible to receive

- (2) equivalents over the three-year performance period. Subject to the Committee's discretion, the reporting person is engine to receive shares of PNC common stock (if PNC meets specified performance criteria up to the target level) and/or cash (if the performance criteria exceeds the target level). PNC exceeded the target level performance criteria, which resulted in the vesting of 5,500 shares of PNC common stock.
- (3) Dividend reinvestment shares acquired.
- (4) Grant of stock options subject to the precondition of an appropriate agreement, signed by the parties. Options generally become exercisable in three equal annual installments, beginning one year after the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. ER-BOTTOM: SOLID BLACK 1px'>

International equities

(11.12)

10.01

Far East Index)

Emerging market

)

(5.11

9.07

equities (MSCI Emerging

Markets Index)

3-month Treasury

0.15

0.08

bill (BofA Merrill Lynch

3-Month Treasury

Bill Index)

US Treasury securities

13.04

6.21

(BofA Merrill Lynch 10-

Year US Treasury Index)

US investment grade

5.49

4.62

bonds (Barclays

Capital US Aggregate

Bond Index)

Tax-exempt municipal

bonds (Barclays Capital

Municipal Bond Index)

6.39

2.66

US high yield bonds

)

(1.57

8.32

(Barclays Capital US

Corporate High Yield 2%

Issuer Capped Index)

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

THIS PAGE NOT PART OF YOUR FUND REPORT

## Fund Summary as of August 31, 2011

#### BlackRock Corporate High Yield Fund, Inc.

#### **Investment Objective**

**BlackRock Corporate High Yield Fund, Inc.** s (COY) (the Fund ) investment objective is to provide shareholders with current income by investing primarily in a diversified portfolio of fixed income securities, which are rated in the lower rating categories of the established rating services (BB or lower by Standard & Poor s Corporation (S&P s) or Ba or lower by Moody s Investors Service, Inc. (Moody s)) or are unrated securities considered by BlackRock to be of comparable quality. The Fund s secondary objective is to provide stockholders with capital appreciation. The Fund invests, under normal market conditions, at least 80% of its assets in high yield debt instruments, including high yield bonds (commonly referred to as junk bonds) and corporate loans which are below investment grade quality. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

#### **Portfolio Management Commentary**

#### How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 4.03% based on market price and (2.99)% based on net asset value (NAV). For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

#### What factors influenced performance?

Detracting from performance was the Fund s limited exposure to higher-quality securities, which exhibit greater sensitivity to interest rates than their lower-quality counterparts, and therefore benefited to a greater degree from the rally in US Treasury rates as market volatility increased during the period. Holdings of non-rated credits and securities classified as having equity-correlated risks had a negative impact on Fund returns. Security selection within the automotive, non-captive diversified (industrials) and consumer service sectors also hindered returns. In addition, the Fund s allocation to senior secured bank loans, which underperformed high yield bonds for the period, had a negative impact.

Security selection and trades based on relative valuation contributed positively to overall performance for the period, particularly within the independent energy, media non-cable, electric and metals & mining sectors. The Fund s holdings of lower-quality high yield bonds benefited performance earlier in the period due to favorable liquidity conditions and an improving corporate credit backdrop.

The Fund uses credit default swaps to express a particular view in an individual credit name and as a means of managing risk. It will also utilize credit default swaps on a basket of securities in order to put cash to work or quickly increase or decrease the portfolio s exposure to market movements. The Fund may also use stock futures and options to hedge the equity risk inherent within an individual position or group of positions. Stock futures are an efficient mechanism for reducing risk under certain market conditions. During the period, the use of derivatives had an overall positive impact on Fund returns.

#### Describe recent portfolio activity.

Over the period, the Fund reduced the overall risk profile by focusing its purchases in higher quality areas of the market and selling some of its riskier holdings. In order to hedge against risks relating to equity market volatility (i.e., reduce equity beta), the Fund established short positions in equity futures contracts. The Fund continued to participate in the new issue market, although cautiously, seeking opportunities in more stable industries from issuers that offer good cash flows, earnings and revenue visibility, as well as attractive downside protection. Additionally, the Fund increased exposure to names in the independent energy sector, while reducing exposure to the wireless sector.

#### Describe portfolio positioning at period end.

At period end, the Fund held 83% of its total portfolio in corporate bonds, 10% in floating rate loan interests (bank loans) and 3% in common stocks, with the remainder in other interests and preferred securities. The Fund had a negligible cash position. From a sector perspective, the Fund held large exposures to automotive and media non-cable names and continued to limit its exposure to consumer-related sectors including retailers, gaming and technology. The Fund ended the period with leverage at 22% of its total managed assets.

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.

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#### BlackRock Corporate High Yield Fund, Inc.

#### **Fund Information**

Symbol on New York Stock Exchange ( NYSE )	COY
Initial Offering Date	June 25, 1993
Yield on Closing Market Price as of August 31, 2011 (\$7.01) <sup>1</sup>	8.73%
Current Monthly Distribution per Common Share <sup>2</sup>	\$0.051
Current Annualized Distribution per Common Share <sup>2</sup>	\$0.612
Leverage as of August 31, 2011 <sup>3</sup>	22%

- <sup>1</sup> 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.
- <sup>2</sup> The distribution rate is not constant and is subject to change.
- <sup>3</sup> Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/3	31/11	2	/28/11	Change	High		Low
Market Price	\$	7.01	\$	7.03	(0.28)% \$	7.60	\$	6.02
Net Asset Value	\$	6.90	\$	7.42	(7.01)% \$	7.56	\$	6.79
The following charts show the portfolio composition of	s long-te	erm inv	vestments and	d credit quality allo	cations of the l	Fund	s corporate	
bond investments:								

#### **Portfolio Composition**

	8/31/11	2/28/11
Corporate Bonds	83%	85%
Floating Rate Loan Interests	10	7
Common Stocks	3	5
Other Interests	2	2
Preferred Securities	2	1

#### Credit Quality Allocations<sup>4</sup>

	8/31/11	2/28/11
A		1%
BBB/Baa	7%	4
BB/Ba	35	31
В	44	46
CCC/Caa	12	13
D	1	
Not Rated	1	5

<sup>4</sup> Using the higher of S&P s or Moody s ratings.

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## Fund Summary as of August 31, 2011

#### BlackRock Corporate High Yield Fund III, Inc.

#### **Investment Objective**

**BlackRock Corporate High Yield Fund III, Inc.** s (CYE) (the Fund ) primary investment objective is to provide current income by investing primarily in fixed-income securities, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P s or Baa or lower by Moody s) or are unrated securities of comparable quality. The Fund s secondary investment objective is to provide capital appreciation. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

#### **Portfolio Management Commentary**

#### How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 0.43% based on market price and (3.35)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

#### What factors influenced performance?

Detracting from performance was the Fund s limited exposure to higher-quality securities, which exhibit greater sensitivity to interest rates than their lower-quality counterparts, and therefore benefited to a greater degree from the rally in US Treasury rates as market volatility increased during the period. Holdings of non-rated credits and securities classified as having equity-correlated risks had a negative impact on Fund returns. Security selection within the automotive, non-captive diversified (industrials) and consumer service sectors also hindered returns. In addition, the Fund s allocation to senior secured bank loans, which underperformed high yield bonds for the period, had a negative impact.

Security selection and trades based on relative valuation contributed positively to overall performance for the period, particularly within the independent energy, media non-cable, electric and metals & mining sectors. The Fund s holdings of lower-quality high yield bonds benefited performance earlier in the period due to favorable liquidity conditions and an improving corporate credit backdrop.

The Fund uses credit default swaps to express a particular view in an individual credit name and as a means of managing risk. It will also utilize credit default swaps on a basket of securities in order to put cash to work or quickly increase or decrease the portfolio s exposure to market movements. The Fund may also use stock futures and options to hedge the equity risk inherent within an individual position or group of positions. Stock futures are an efficient mechanism for reducing risk under certain market conditions. During the period, the use of derivatives had an overall positive impact on Fund returns.

#### Describe recent portfolio activity.

Over the period, the Fund reduced the overall risk profile by focusing its purchases in higher quality areas of the market and selling some of its riskier holdings. In order to hedge against risks relating to equity market volatility (i.e., reduce equity beta), the Fund established short positions in equity futures contracts. The Fund continued to participate in the new issue market, although cautiously, seeking opportunities in more stable industries from issuers that offer good cash flows, earnings and revenue visibility, as well as attractive downside protection. Additionally, the Fund increased exposure to names in the independent energy sector, while reducing exposure to the wireless sector.

#### Describe portfolio positioning at period end.

At period end, the Fund held 80% of its total portfolio in corporate bonds, 13% in floating rate loan interests (bank loans) and 3% in common stocks, with the remainder in other interests and preferred securities. The Fund had a negligible cash position. From a sector perspective, the Fund held large exposures to automotive and media non-cable names and continued to limit its exposure to consumer-related sectors including retailers, gaming and technology. The Fund ended the period with leverage at 24% of its total managed assets.

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.

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AUGUST 31, 2011

#### BlackRock Corporate High Yield Fund III, Inc.

#### **Fund Information**

Symbol on NYSE	CYE
Initial Offering Date	January 30, 1998
Yield on Closing Market Price as of August 31, 2011 (\$6.88) <sup>1</sup>	8.72%
Current Monthly Distribution per Common Share <sup>2</sup>	\$0.05
Current Annualized Distribution per Common Share <sup>2</sup>	\$0.60
Leverage as of August 31, 2011 <sup>3</sup>	24%

<sup>1</sup> 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.

- <sup>2</sup> The distribution rate is not constant and is subject to change.
- <sup>3</sup> Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/.	31/11	2	/28/11	Change	High		Low
Market Price	\$	6.88	\$	7.14	(3.64)%	\$ 7.52	\$	6.08
Net Asset Value	\$	7.01	\$	7.56	(7.28)%	\$ 7.70	\$	6.89
The following charts show the portfolio composition of the Fund s long-term investments and credit quality allocations of the Fund s con-						s corporate		
bond investments:								

#### **Portfolio Composition**

	8/31/11	2/28/11
Corporate Bonds	80%	80%
Floating Rate Loan Interests	13	11
Common Stocks	3	5
Other Interests	2	2
Preferred Securities	2	2

#### Credit Quality Allocations<sup>4</sup>

	8/31/11	2/28/11
BBB/Baa	7%	4%
BB/Ba	34	31
В	44	46
CCC/Caa	12	14
Not Rated	3	5

<sup>4</sup> Using the higher of S&P s or Moody s ratings.

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## Fund Summary as of August 31, 2011

#### BlackRock Debt Strategies Fund, Inc.

#### **Investment Objective**

**BlackRock Debt Strategies Fund, Inc. s (DSU) (the Fund**) primary investment objective is to provide current income by investing primarily in a diversified portfolio of US companies debt instruments, including corporate loans, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P s or Baa or lower by Moody s) or unrated debt instruments, which are in the judgment of the investment adviser of equivalent quality. The Fund s secondary objective is to provide capital appreciation. Corporate loans include senior and subordinated corporate loans, both secured and unsecured. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

#### Portfolio Management Commentary

#### How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 2.16% based on market price and (3.81)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

#### What factors influenced performance?

The Fund invests in both high yield bonds and floating rate loan interests (i.e., bank loans). Both of these sectors generated negative returns for the period as investors fled riskier assets due to concerns about the debt crisis in Europe and slowing economic growth in the US. Bank loans underperformed high yield bonds as interest rates fell and the Fed signaled that it is likely to maintain low short-term interest rates for an extended period. The Fund s large allocation to bank loans detracted from performance relative to its Lipper category competitors, which invest primarily in high yield bonds. The Fund s positions in common stocks, convertible bonds and preferred securities (approximately 2% of the portfolio) had a negative impact, as did its underexposure to higher-quality, non-investment grade issues.

Conversely, the Fund s heavy exposure to names in energy and metals and mining contributed positively to performance as these sectors are more stable and therefore outperformed the more cyclical sectors when the market declined. Limited exposure to the lower-quality tiers of speculative-grade credits also proved beneficial.

#### Describe recent portfolio activity.

Over the period, the Fund shifted positioning to a more conservative stance by reducing its holdings in the more cyclical sectors and increasing exposure to sectors exhibiting stable cash flows, earnings visibility, and attractive downside protection.

#### Describe portfolio positioning at period end.

At period end, the Fund held 53% of its total portfolio in floating rate loan interests (bank loans), 43% in corporate bonds, 2% in common stocks and the remainder in asset-backed securities and other interests. The Fund held a negligible cash position. From a sector perspective, the Fund held large exposures to the paper, chemicals and independent energy sectors, while its exposures to technology, automotive and gaming names were limited. The Fund ended the period with leverage at 26% of its total managed assets.

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.

#### BlackRock Debt Strategies Fund, Inc.

#### **Fund Information**

Symbol on NYSE	DSU
Initial Offering Date	March 27, 1998
Yield on Closing Market Price as of August 31, 2011 (\$3.98) <sup>1</sup>	8.14%
Current Monthly Distribution per Common Share <sup>2</sup>	\$0.027
Current Annualized Distribution per Common Share <sup>2</sup>	\$0.324
Leverage as of August 31, 2011 <sup>3</sup>	26%

<sup>1</sup> 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.

- <sup>2</sup> The distribution rate is not constant and is subject to change.
- <sup>3</sup> Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/3	31/11	2	/28/11	Change	High		Low
Market Price	\$	3.98	\$	4.05	(1.73)% \$	4.43	\$	3.45
Net Asset Value	\$	3.96	\$	4.28	(7.48)% \$	4.31	\$	3.91
The following charts show the portfolio composition	of the Fund	s long-te	erm inv	estments and	l credit quality alloca	ations of the l	Fund	s corporate
bond investments:								

#### **Portfolio Composition**

	8/31/11	2/28/11
Floating Rate Loan Interests	53%	53%
Corporate Bonds	43	43
Common Stocks	2	1
Asset-Backed Securities	1	2
Other Interests	1	1

#### **Credit Quality Allocations**<sup>4</sup>

	8/31/11	2/28/11
BBB/Baa	6%	7%
BB/Ba	30	29
В	46	45
CCC/Caa	9	11
D	1	
Not Rated	8	8

<sup>4</sup> Using the higher of S&P s or Moody s ratings.

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## Fund Summary as of August 31, 2011

#### BlackRock Floating Rate Income Strategies Fund II, Inc.

#### **Investment Objective**

**BlackRock Floating Rate Income Strategies Fund II, Inc. s (FRB) (the Fund**) investment objective is to provide shareholders with high current income and such preservation of capital as is consistent with investment in a diversified, leveraged portfolio consisting primarily of floating rate debt securities and instruments. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in floating rate debt securities, including floating or variable rate debt securities that pay interest at rates that adjust whenever a specified interest rate changes and/or which reset on predetermined dates (such as the last day of a month or calendar quarter). The Fund invests a substantial portion of its investments in floating rate debt securities consisting of secured or unsecured senior floating rate loans that are rated below investment grade. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

#### **Portfolio Management Commentary**

#### How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned (11.01)% based on market price and (4.85)% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of (11.93)% based on market price and (5.66)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

#### What factors influenced performance?

Floating rate loan interests (i.e., bank loans) suffered along with other risk assets as macroeconomic headwinds intensified and investor confidence waned during the period. Although the bank loan market generally advanced over the first five months of the period, a surge of volatility in August more than reversed those gains. Within the Fund, security selection in consumer services had a negative impact on performance. The Fund s use of leverage hurt returns (on an absolute basis) as the bank loan sector underperformed relative to other fixed income sectors. In addition, the Fund s bias to higher-quality pockets of the loan market proved a disadvantage when the markets corrected in August. Selling in the bank loan market was concentrated in higher-quality loan instruments as they tend to be more liquid and have better pricing transparency.

The Fund maintains a relatively conservative portfolio, weighted toward higher-quality non-investment grade investments. This investment style along with the Fund s bottom-up process for security selection was the largest contributor to performance for the period. Security selection within chemicals along with low exposure and positive selection in media non-cable had a positive impact. From an asset allocation perspective, the Fund s exposure to high yield bonds was beneficial as the sector outperformed bank loans.

#### Describe recent portfolio activity.

During the period, the Fund maintained its higher-quality bias in terms of structure, overall credit quality and liquidity. Prior to the market correction in August, the Fund reduced exposure to some of the lower-quality holdings and increased the level of cash. While transitioning the overall portfolio to a more conservative stance, Fund management continued to seek investment opportunities across the new-issue market, albeit cautiously, targeting issuers with superior credit fundamentals (i.e., stable income streams and attractive downside protection).

#### Describe portfolio positioning at period end.

At period end, the Fund held 81% of its total portfolio in floating rate loan interests (bank loans) and 16% in corporate bonds, with the remainder in asset-backed securities, other interests and cash. From a sector perspective, the Fund held large exposures to the non-captive diversified (industrials), chemicals and wireless sectors, while its exposures to consumer products, media non-cable and technology were limited. The Fund ended the period with leverage at 27% of its total managed assets.

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AUGUST 31, 2011

#### BlackRock Floating Rate Income Strategies Fund II, Inc.

#### **Fund Information**

Symbol on NYSE	FRB
Initial Offering Date	July 30, 2004
Yield on Closing Market Price as of August 31, 2011 (\$12.25) <sup>1</sup>	7.15%
Current Monthly Distribution per Common Share <sup>2</sup>	\$0.073
Current Annualized Distribution per Common Share <sup>2</sup>	\$0.876
Leverage as of August 31, 2011 <sup>3</sup>	27%

<sup>1</sup> 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.

- <sup>2</sup> The distribution rate is not constant and is subject to change.
- <sup>3</sup> Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/31/11	2/28/11	Change	High	Low
Market Price	\$ 12.25	\$ 14.22	(13.85)%	\$ 14.79	\$11.79
Net Asset Value	\$ 12.96	\$ 14.07	(7.89)%	\$14.12	\$ 12.73
The following charts show the portfolio composition of the Fund	s long-term investments	and credit of	quality allocati	ons of the	Fund s corporate
bond investments:	-				-

#### **Portfolio Composition**

	8/31/11	2/28/11
Floating Rate Loan Interests	81%	81%
Corporate Bonds	16	15
Asset-Backed Securities	2	3
Other Interests	1	1

#### **Credit Quality Allocations**<sup>4</sup>

	8/31/11	2/28/11
BBB/Baa	8%	7%
BB/Ba	33	34
В	46	42
CCC/Caa	7	8
Not Rated	6	9

<sup>4</sup> Using the higher of S&P s or Moody s ratings.

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## Fund Summary as of August 31, 2011

#### BlackRock Senior High Income Fund, Inc.

#### **Investment Objective**

**BlackRock Senior High Income Fund, Inc.** s (ARK) (the Fund ) investment objective is to provide high current income by investing principally in senior debt obligations of companies, including corporate loans made by banks and other financial institutions and both privately placed and publicly offered corporate bonds and notes. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

#### Portfolio Management Commentary

#### How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned (6.20)% based on market price and (2.18)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

#### What factors influenced performance?

The Fund invests in both high yield bonds and floating rate loan interests (i.e., bank loans). Both of these sectors generated negative returns for the period as investors fled riskier assets due to concerns about the debt crisis in Europe and slowing economic growth in the US. Bank loans underperformed high yield bonds as interest rates fell and the Fed signaled that it is likely to maintain low short-term interest rates for an extended period. The Fund s large allocation to bank loans detracted from performance relative to its Lipper category competitors, which invest primarily in high yield bonds. The Fund s positions in common stocks, convertible bonds and preferred securities (approximately 3% of the portfolio) had a negative impact, as did its underexposure to higher-quality, non-investment grade issues.

Conversely, the Fund s heavy exposure to names in energy and metals & mining contributed positively to performance as these sectors are more stable and therefore outperformed the more cyclical sectors when the market declined. Limited exposure to the lower-quality tiers of speculative-grade credits also proved beneficial.

#### Describe recent portfolio activity.

Over the period, the Fund shifted positioning to a more conservative stance by reducing its holdings in the more cyclical sectors and increasing exposure to sectors exhibiting stable cash flows, earnings visibility, and attractive downside protection.

#### Describe portfolio positioning at period end.

At period end, the Fund held 54% of its total portfolio in floating rate loan interests (bank loans) and 43% in corporate bonds, with the remainder in asset-backed securities, common stocks and other interests. The Fund held a negligible cash position. From a sector perspective, the Fund held large exposures to the non-captive diversified (industrials), chemicals and independent energy sectors, while its exposures to technology, automotive and electric names were limited. The Fund ended the period with leverage at 23% of its total managed assets.

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.

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AUGUST 31, 2011

#### BlackRock Senior High Income Fund, Inc.

#### **Fund Information**

Symbol on NYSE	ARK
Initial Offering Date	April 30, 1993
Yield on Closing Market Price as of August 31, 2011 (\$3.78) <sup>1</sup>	7.94%
Current Monthly Distribution per Common Share <sup>2</sup>	\$0.025
Current Annualized Distribution per Common Share <sup>2</sup>	\$0.300
Leverage as of August 31, 2011 <sup>3</sup>	23%

<sup>1</sup> 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.

- <sup>2</sup> The distribution rate is not constant and is subject to change.
- <sup>3</sup> Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/.	31/11	2/	28/11	Change	]	High		Low
Market Price	\$	3.78	\$	4.18	(9.57)%	\$	4.31	\$	3.42
Net Asset Value	\$	3.98	\$	4.22	(5.69)%	\$	4.27	\$	3.90
The following charts show the portfolio composition of the Fund	s long-term ir	ivestme	nts ar	nd credit	quality allocat	ions	of the F	und	s corporate
bond investments:									

#### **Portfolio Composition**

	8/31/11	2/28/11
Floating Rate Loan Interests	54%	53%
Corporate Bonds	43	43
Asset-Backed Securities	1	2
Other Interests	1	1
Common Stocks	1	1

#### Credit Quality Allocations<sup>4</sup>

	8/31/11	2/28/11
BBB/Baa	8%	9%
BB/Ba	34	31
В	48	49
CCC/Caa	3	3
Not Rated	7	8

<sup>4</sup> Using the higher of S&P s or Moody s ratings.

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## The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV. However, these objectives cannot be achieved in all interest rate environments.

The Funds may utilize leverage by borrowing through a credit facility. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund s shareholders will benefit from the incremental net income.

The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV. However, in order to benefit shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. If the yield curve becomes negatively sloped, meaning short-term interest rates exceed long-term interest rates, income to shareholders will be lower than if the Funds had not used leverage.

To illustrate these concepts, assume a Fund s capitalization is \$100 million and it issues debt securities for an additional \$30 million, creating a total value of \$130 million available for investment in long-term securities. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays interest expense on the \$30 million of debt securities based on the lower short-term interest rates. At the same time, the securities purchased by the Fund with assets received from the borrowings earn income based on long-term interest rates. In this case, the interest expense of the borrowings is significantly lower than the income earned on the Fund s long-term investments, and therefore the Fund s shareholders are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates, the yield curve has a negative slope. In this case, the Fund pays higher short-term interest rates whereas the Fund s total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Funds portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Funds borrowings does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds NAV positively or negatively in addition to the impact on Fund performance from leverage from borrowings discussed above.

The use of leverage may enhance opportunities for increased income to the Funds, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, each Fund 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, each Fund s net income will be reduced. Each Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Fund to incur losses. The use of leverage may limit each Fund s ability to invest in certain types of securities or use certain types of hedging strategies. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by shareholders and may reduce income.

Under the Investment Company Act of 1940, the Funds are permitted to borrow through their credit facility up to 33 % of their total managed assets. As of August 31, 2011, the Funds had outstanding leverage from borrowings as a percentage of their total managed assets as follows:

	Percent of Leverage
СОУ	Leverage 22%
CYE	24%
DSU	26%
FRB ARK	27%
ARK	23%

# **Derivative Financial Instruments**

The Funds may invest in various derivative financial instruments, including financial futures contracts, foreign currency exchange contracts, options and swaps as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market, equity, credit, interest rate and/or foreign currency exchange rate risks. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Funds ability to use a derivative financial instrument successfully depends on the investment advisor s ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Fund can realize on an investment, may result in lower dividends paid to shareholders or may cause a Fund to hold an investment that it might otherwise sell. The Funds investments in these instruments are discussed in detail in the Notes to Financial Statements.

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# Schedule of Investments August 31, 2011 (Unaudited)

### BlackRock Corporate High Yield Fund, Inc. (COY) (Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Auto Components 0.2%		
Dana Holding Corp. (a)	38,340	\$ 488,835
Capital Markets 0.1%	,	
E*Trade Financial Corp. (a)	26,900	332,484
Chemicals 0.0%		
Wellman Holdings, Inc.	240	780
Wellman Inc. (acquired 1/30/09, cost \$277) (a)(b)	1,185	3,851
	,	4,631
Communications Equipment 0.4%		, i i i i i i i i i i i i i i i i i i i
Loral Space & Communications Ltd. (a)	18,513	1,047,651
Containers & Packaging 0.0%	,	
Smurfit Kappa Plc (a)	3,634	28,800
Diversified Financial Services 0.8%	,	
Kcad Holdings I Ltd.	175,652,403	1,982,589
Electrical Equipment 0.0%	, ,	
Medis Technologies Ltd. (a)	67,974	748
Media 1.4%		
Belo Corp., Class A	43,324	236,116
Charter Communications, Inc. (a)	59,916	2,988,610
Clear Channel Outdoor Holdings, Inc., Class A (a)	8,934	102,294
		3,327,020
Metals & Mining 0.2%		
African Minerals Ltd. (a)	40,400	336,104
Oil, Gas & Consumable Fuels 0.2%		
Marathon Petroleum Corp.	9,750	361,335
Paper & Forest Products 0.1%		
Ainsworth Lumber Co. Ltd. (c)	41,686	85,134
Ainsworth Lumber Co. Ltd.	36,744	75,042
Western Forest Products, Inc. (a)	147,968	99,723
Western Forest Products, Inc. (a)(c)	41,528	27,988
		287,887
Semiconductors & Semiconductor		
Equipment 0.4%		
Spansion, Inc., Class A (a)	60,342	905,733
SunPower Corp., Class B (a)	123	1,458
		907,191
Software 0.1%		
Bankruptcy Management Solutions, Inc. (a)	468	2
HMH Holdings/EduMedia (a)	82,415	164,830
		164,832
Total Common Stocks 3.9%		9,270,107

Corporate Bonds	Par (000		
Aerospace & Defense 0.6%	(000	,	
Huntington Ingalls Industries, Inc. (c):			
6.88%, 3/15/18	USD	320	300,800
7.13%, 3/15/21		355	333,700
Kratos Defense & Security Solutions, Inc.,			
10.00%, 6/01/17		716	735,690

Arr Freight & Logistics         USD         Column and Congregation (Column and Column and Colum and Column and Column and Column and Column and C	Corporate Bonds		Par 000)	Value
National Air Cargo Group, Inc: Series 1, 12, 389, 80/105 USD 6, 61 6 5 656, 482 Airlines 3, 15 Air Canada, 9, 25%, 80/115 (c) 820 787, 200 American Airlines, Inc: 10, 05%, 10/15/12 870 897, 188 7, 50%, 30/15/12 870 897, 188 7, 50%, 30/15/12 870 897, 188 7, 50%, 30/15/12 806, 400 100, 100, 100, 100, 100, 100, 100,		(		, unde
Series 1, 12.38%, 90/2/15         631         \$ 656.482           Series 2, 12.38%, 80/16/15         631         656.482           Ari Camada, 9.25%, 80/17/5 (c)         820         787.200           American Atlines, Inc.:         820         787.200           10.50%, 10/15/12         870         897.188           7.50%, 3/15/16 (c)         140         126.700           Series 2012, 7.20%, 4/0/1/3         300         300.000           Series 2012, 7.20%, 4/0/1/3         301         300.000           Series 2012, 7.20%, 4/0/1/3         302         366           Series 2012, 7.20%, 4/0/1/3         301         300.000           Series 2014, 7.40%, 4/0/1/3         302         376.195           Series 2014, 7.40%, 4/0/1/3         382         376.195           Series 2010-1-B. 6.00%, 1/0/1/2         382         376.195           Series 2010-1-B. 6.00%, 1/0/1/2         382         376.195           Series 2010-1-B. 6.00%, 1/0/1/2         673         605.312           Series 2010-1-B. 6.00%, 1/0/1/2         673         605.312           Series 2010-1-B. 6.00%, 1/0/1/5         673         605.312           Series 2010-1-B. 6.00%, 1/0/1/5         754.201         205.2547           Mutice Air Lines, Inc.: <td< td=""><td></td><td></td><td></td><td></td></td<>				
Series 2, 12.38%, 8/16/15         6.31         6.56.482           Alrines 3.1%		USD	631	\$ 656.486
Airlines 3.1%		000		
Airlines J.1%         SP	50105 2, 12.50 %, 0/10/15		051	
American Airlines, Inc.: 10.50%, 10/15/12. 870 897, 188 7.50%, 3/15/16 (c) 140 126,700 Series 2011-19, 7.00%, 13/18 (c) 300 300,000 Continental Airlines, Inc: 575%, 9/15/15 (c) 540 526,500 Series 1097-48, 6.90%, 7/02/18 Series 2010-18, 6.00%, 17/19 Series 2010-18, 6.38%, 7/02/17 Series 2010-18, 5.38%, 5/01/19 (c) Series 2010-18, 6.38%, 7/15/12 Series 2010-18, 5/15/21 (c) Series 20, 7/15/8 Series 20, 7/15/8, 7/15/11 Series 20, 7/15/8 Series 2	Airlines 3.1%			1- 1
10.5%, 10/15/12         870         897, 188           10.5%, 3/15/16 (c)         140         125, 700           Series 2011-1. B., 70, %, 1/3/18 (c)         368         316, 099           Continential Airlines, Inc.:         -         -           6.75%, 3/15/15 (c)         540         526, 500           Series 2011-1. B., 6, 0%, 70/21/8         382         376, 195           Series 2010-1. B., 6, 0%, 70/21/8         382         376, 195           Series 2010-1. B., 6, 3%, 70/21/7         447         402, 300, 000           Delta Air Lines, Inc.:         -         -           US Airways Pass-Through Trust, 10.88%, 10/22/14         630         614, 220           United Air Lines, Inc., 12.75%, 7/15/12         -         7, 554, 291           Auto Components 2.1%         -         7, 554, 291           Auto Components 2.1%         -         7, 554, 291           Auto Components 2.1%         -         20         231, 550           B-Corp Merger Sub, Inc., 8, 25%, 600/19 (c)         150         144, 750         76, 744, 750           Ford Mator Co., 7, 45%, 7/16/31         209         202, 424, 550         11, 500         11, 500           International Automotive Components Group, S1., 9, 137, 16 (c)         240         235, 800 <td< td=""><td>Air Canada, 9.25%, 8/01/15 (c)</td><td></td><td>820</td><td>787,200</td></td<>	Air Canada, 9.25%, 8/01/15 (c)		820	787,200
7.50%, 3/15/16 (c)       140       126,700         Series 2011-1-B, 7.00%, 1/31/18 (c)       368       316,099         Continental Airlines, Inc.:	American Airlines, Inc.:			
7.50%, 3/15/16 (c)       140       126,700         Series 2011-1-B, 7.00%, 1/31/18 (c)       368       316,099         Continental Airlines, Inc.:	10.50%, 10/15/12		870	897,188
Series 2001-2, 7.86%, 400/13         390         390,000           Continental Airlines, Inc.:			140	126,700
Series 2011-1-B, 7.00%, 1/31/18 (c)       568       316.099         Continental Airlines, Inc.:       540       526,500         Series 1997-4B, 6.00%, 7/02/18       382       376,195         Series 2019-1B, 6.00%, 7/02/19       400       370,000         Delta Air Lines, Inc.:       382       376,195         Series 2019-1B, 6.30%, 7/02/17       447       402,300         Series 2019-1B, 6.33%, 7/02/17       1964       2,052,547         Varied Air Lines, Inc., 12.75%, 7/15/12       1,964       2,052,542,91         Auto Components 2.1%       7,554,291       7,554,291         Auto Components 2.1%       190       176,700         Delphi Corp., 6,13%, 5/15/21 (c)       190       176,700         Delphi Corp., 6,13%, 5/15/21 (c)       190       174,700         Ford Motor Co., 7.45%, 7/16/31       700       767,461         Lahn Enterprises LP.8.00%, 1/5/18       240       235,800         Tatan International, Inc., 7.88%, 1001/17       430       451,500         Soleconlogy 0.1%       245       253,575 </td <td></td> <td></td> <td>390</td> <td></td>			390	
Continental Airlines, Inc.: 6.75%, 9/15/15 (c) 540 526,500 540 540 540 540 540 540 540 540 540 540 540 540 540 540 540 540 540				
6.75%, 9/15/15 (c)         540         526,500           Series 1997.4-B, 6.90%, 7/02/18         382         376,195           Series 2010-1-B, 6.00%, 1/12/19         400         370,000           Delta Air Lines, Inc.:			500	510,077
Series 1997.4-18, 6.90%, 7/02/18       382       376,195         Series 2010-1-18, 6.30%, 7/02/17       400       370,000         Otta Air Lines, Inc.:			540	526 500
Series 2010-1-B, 6.0%, 1/12/19         400         370,000           Delta Air Lines, Inc.:				
Delta Air Lines, Inc.:       447       402,300         Series B, 975%, 12/17/16       678       6955,312         US Airways Bass-Through Trust, 10.88%, 10/22/14       630       614,250         United Air Lines, Inc., 12.75%, 7/15/12       1,964       2,052,347         Auto Components 2.1%       7,554,291         Auto Components 2.1%       20       231,550         B-Corp Merger Sub, Inc., 8.25%, 6/0/19 (c)       190       176,700         Delphi Corp., 6.13%, 5/15/21 (c)       150       144,750         Ford Motor Co., 7.45%, 7/16/31       700       767,461         Iternational Automotive Components Group, SL,       240       225,800         9.13%, 6/01/18 (c)       240       235,800         Titan International, Inc., 7.88%, 10/01/17       430       451,500         Scrown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225         Beverages       0.3%       531,330       336,330         Building Products       1.3%       901/18 (c)       100       565,475         Corown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       235       311,900       565,475         Building Products       1.3%       901/18 (c)       300       368,350         Building Products       1.3%				
Series 2010-1-B, 6.38%, 7/02/17     447     402.300       Series B, 9.75%, 12/17/16     678     695,121       United Air Lines, Inc., 12.75%, 7/15/12     1,964     2,052,547       Auto Components 2.1%     7,554,291     7,554,291       Auto Components 2.1%     190     176,700       Delphi Corp., 6.13%, 5/15/21 (c)     150     144,750       Ford Motor Co., 7,45%, 7/16/31     700     767,461       Leahn Enterprises LP, 8.00%, 11/5/18     2.995     3,024,950       International Automotive Components Group, SL,     240     235,800       11tan International, Inc., 7.8%, 10/01/17     430     451,500       Cott Beverages, Inc., 8.13%, 9/01/18     245     253,575       Cott Beverages, Inc., 8.13%, 9/01/18 (c)     EUR     225       Biotechnology 0.1%     110     410     410,000       QHP Pharma, 10.25%, 5/15/15 (c)     USD     331     336,330       Building Materials Corp. of America (c):     7,012     1,155     1,101,125       7,00%, 2/15/20     410     410,000     6,75%, 5/10/11     1,50     1,101,125       Griff on Corp., 7,13%, 4/01/18 (c)     390     368,510     306,350       Building Products 1.3%     390     368,50       9,00%, 1/15/21 (c)     435     430,650       9,00%, 1/15/21 (c)			400	570,000
Series B, 975%, 121/716       678       695, 312         US Airways Pass-Through Trust, 10.88%, 10/22/14       630       614,250         United Air Lines, Inc., 12.75%, 71/51/2       7,554,291         Auto Components 2.1%       220       231,550         B-Corp Merger Sub, Inc., 8.25%, 60/1/19 (c)       190       176,700         Delphi Corp., 6.13%, 51/521 (c)       150       144,750         Ford Motor Co., 7.45%, 71/6/31       700       767.461         Icanne Interprises LP, 8.00%, 11/51/8       2,995       3,024.950         International Automotive Components Group, SL, 600/118 (c)       240       235,800         Titan International, Inc., 7.88%, 10/01/17       430       451,500         Beverage 0.2%       245       253,575         Cott Beverages, Inc., 8.13%, 9/01/18 (c)       EUR       225       311,900         Biotechnology 0.1%         Pullding Products 1.3%       245       253,575         Building Materials Corp. of America (c):       700       304,830         7.00%, 2/15/20       410       410,000       6,75%, 5/01/21       1,150       1,101,125         Building Materials Corp. of America (c):       390       368,550       308,510       308,510         Momentive Performance Materials, Inc.:	,		4.47	402 200
US Airways Pass-Through Trust, 10.88%, 10/22/14         630         614.250           United Air Lines, Inc., 12.75%, 7/15/12         1,964         2,052,547           Auto Components 2.1%         220         231,550           B-Corp Merger Sub, Inc., 8.25%, 60/11/9 (c)         190         176,700           Delphi Corp., 6.13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 7/16/31         700         767,461           Icann Enterprises LP, 8.00%, 1/15/18         2,995         3,024,950           International Automotive Components Group, SL,         9,13%, 60/1/18 (c)         240         235,800           Polask, 10/01/17         430         451,500         250         231,501           Beverages 0.2%         240         235,800         351,500         255,375           Cort Beverages, Inc., 8.13%, 9/01/18         245         253,575         250         251,110,000         256,3475           Building Products 1.3%         1,350         3,336,330         336,330         336,330           Building Products 1.3%         1,150         1,101,125         565,475           Building Products 1.3%         1,150         1,101,125         1,101,125           Griff Corp., 7,13%, 4/1/18 (c)         300         368,550         300				
United Air Lines, Inc., 12.75%, 7/15/12         1,964         2,052,547           Auto Components 2.1%         7,554,291           Allison Transmission, Inc., 11.00%, 11/01/15 (c)         220         231,550           B-C orp Merger Sub, Inc., 8,25%, 6/01/19 (c)         190         176,700           Delphi C Orp, 6,13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7,45%, 7/16/31         700         767,461           Ican Enterprises LP, 8,00%, 11/15/18         2,995         3,024,950           International Automotive Components Group, SL,         240         235,800           Titan International, Inc., 7.88%, 10/01/17         430         451,500           Storeages, 0.2%         245         253,575           Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Stotechnology 0.1%         245         253,575           Biotechnology 0.1%         241         410,000           Q1F2/20         311         336,330           Building Materials Corp. of America (c):         390         368,550           1.0%, 12/15/1         1,150         1,101,125           Griffon Corp., 7,13%, 4/01/18 (c)         390         368,550           9.0%, 115/21 (c)         3,084,100         3,084,100				
Auto Components         2.1%           Aulison Transmission, Inc., 11.00%, 11/01/15 (c)         220         231,550           B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)         190         176,700           Delphi Corp., 6.13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 7/16/31         700         707           Ford Motor Co., 7.45%, 7/16/31         2,995         3,024,950           International Automotive Components Group, SL,         2,40         235,800           113%, 6/01/18 (c)         240         235,800           Titan International, Inc., 7.88%, 10/01/17         430         451,500           5,032,711         5,032,711         5,032,711           Beverages, Inc., 8.13%, 9/01/18         245         253,575           Corown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           565,475         Botechnology         0.1%         150         1,101,125           Griff On Corp., 7.13%, 4/01/18 (c)         140         410,000         6,75%, 501/21         1,150         1,101,125           Griff On Corp., 7.13%, 4/01/18 (c)         390         368,530         300         368,100           Momentive Performance Materials, Inc.:         1         1,50%, 12/01/16         309         <	• • • • • •			
Auto Components         2.1%           Allison Transmission, Inc., 11.00%, 11/01/15 (c)         2.0         2.31,500           B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)         190         176,700           Delphi Corp., 6.13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 7/16/31         700         767,461           Leahn Enterprises LP, 8.00%, 11/51/8         2.995         3.024,950           International Automotive Components Group, SL,         240         235,800           9.13%, 6/01/18 (c)         240         235,800           Tittan International, Inc., 7.88%, 10/01/17         430         451,500           Town European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           Corb Beverages Inc., 8.13%, 9/01/18 (c)         EUR         225         351,900           Corb Beverages Inc., 8.13%, 9/01/18 (c)         EUR         225         311,900           Corb Beverages Inc., 8.13%, 9/01/18 (c)         EUR         225         311,900           Boitechnology 0.1%         245         253,575         55         56,371         56,373           Building Meterials Corp. of America (c):         7,00%, 21/520         410         410,000         6,75%, 5/01/21         1,101,125         6,717,75         50,737,75	United Air Lines, Inc., 12.75%, 7/15/12		1,964	
Allison Transmission, Inc., 11.00%, 11/01/15 (c)       220       231,550         B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)       150       147,500         Delphi Corp, 6.13%, 5/15/21 (c)       150       144,750         Ford Motor Co., 7.45%, 7/16/31       700       767,461         Icahn Enterprises LP, 8.00%, 11/15/18       2.995       3.024,950         International Automotive Components Group, SL,       240       235,800         Titan International, Inc., 7.88%, 10/01/17       430       451,500         Source Corp       240       235,800         Totan International, Inc., 7.88%, 10/01/17       430       451,500         Beverages 0.2%       245       253,575         Crown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Subiden Poduets 1.3%       245       253,575       56,475         Building Materials Corp, of America (c):       700%, 21/5/20       410       410,000         7.00%, 21/5/20       410       410,000       65,4575         Building Materials Corp, of America (c):       390       368,550         7.00%, 21/5/20       410       410,000       6,55%,575         Orter Earlise Materials, Inc.:       11,50       1,101,125       5,67475         Suilding				7,554,291
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)       190       176,700         Delphi Corp., 6.13%, 5/15/21 (c)       150       144,750         Ford Motor Co., 7.45%, 7/16(31       700       7674         Icahn Enterprises LP, 8.00%, 1/15/18       2,995       3,024,950         International Automotive Components Group, SL,       913%, 6/01/18 (c)       240       235,800         Titan International, Inc., 7.88%, 10/01/17       430       451,500       5,032,711         Beverages       0.2%       245       253,575         Cortor Baverages, Inc., 8.13%, 9/01/18       EUR       225       311,900         Building Materials Corp. of America (c):       70%       200       331       336,330         Building Materials Corp. of America (c):       70%       210       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550       300       368,550         Mometive Performance Materials, Inc.:	•			
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Allison Transmission, Inc., 11.00%, 11/01/15 (c)			
Ford Motor Co., 7.45%, 7/16/31         700         767.461           Icahn Enterprises LP, 8.00%, 1/15/18         2,995         3,024,950           International Automotive Components Group, SL,         240         235,800           0.13%, 6/01/18 (c)         240         235,800           Titan International, Inc., 7.88%, 10/01/17         430         451,500           5032,711           Beverages         0.2%         5032,711           Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           565,475         5         5         5         5         5         5           Biotechnology         0.1%         USD         331         336,330         5         5           Building Products         1.3%          410         410,000         6,75%, 5/01/21         1,150         1,101,125         5 <td< td=""><td></td><td></td><td>190</td><td>176,700</td></td<>			190	176,700
Icahn Enterprises LP, 8.00%, 1/15/18       2,995       3,024,950         International Automotive Components Group, SL,       240       235,800         9,13%, 6/01/18 (c)       240       235,800         Titan International, Inc., 7.88%, 10/01/17       430       451,500         Sold, 6/01/18 (c)       245       253,575         Coreages 0.2%       245       253,575         Corown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Soldechnology 0.1%       USD       331       336,330         Building Materials Corp. of America (c):       70%, 2/15/15 (c)       USD       331       336,330         Building Materials Corp. of America (c):       1,150       1,101,125       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550       3.084,100         Momentive Performance Materials, Inc.:       11.50       1,101,125       3.084,100         1.50%, 1/2/21 (c)       905       773,775       3.084,100         Capital Markets 1.0%       470       466,701         E*Trade Financial Corp.:       12.50%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       <			150	144,750
International Automotive Components Group, SL,       240       235,800         9,13%, 6/01/18 (c)       240       235,800         Titan International, Inc., 7,88%, 10/01/17       430       451,500         Bverages 0.2%       245       253,575         Cott Beverages, Inc., 8.13%, 9/01/18       245       253,575         Grown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Bvilding Products       3.31       336,330         Building Products       1.3%       313       336,330         Building Materials Corp. of America (c):       700%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125       311       306,350         Momentive Performance Materials, Inc.:       11.50%, 1/201/16       368,550       308,450         9.00%, 1/15/21 (c)       905       773,775       308,4100         Capital Markets       1.0%       435       430,650         9.00%, 1/15/21 (c)       905       773,775       308,4100         Capital Markets       1.0%       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (c)       305       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070	Ford Motor Co., 7.45%, 7/16/31		700	767,461
9.13%, 6/01/18 (c)       240       235,800         Titan International, Inc., 7.88%, 10/01/17       430       451,500         5,032,711       5       5,032,711         Beverages 0.2%       245       253,575         Cott Beverages, Inc., 8.13%, 9/01/18       245       253,575         Grown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Biotechnology 0.1%       USD       331       336,330         Building Products 1.3%       USD       331       336,330         Building Materials Corp. of America (c):       7.00%, 2/15/20       410       410,000         6,75%, 5/01/21       1,150       1,101,125       676,575         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         9.00%, 1/15/21 (c)       390       368,550         9.00%, 1/15/21 (c)       390       376,570         11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       305       377,3775         0.00%, 1/15/21 (c)       300       3,084,100         Capital Markets 1.0%       470       466,701         E*Trade Financial Corp:       308,100       305         12.50%, 11/30/17 (c)       805       925,750	Icahn Enterprises LP, 8.00%, 1/15/18		2,995	3,024,950
Titan International, Inc., 7.88%, 10/01/17       430       451,500         Beverages       0.2%         Cott Beverages, Inc., 8.13%, 9/01/18       245       253,575         Corown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Stotechnology       0.1%       565,475         Bittechnology       0.1%       USD       331       336,330         Building Products       1.3%       300       366,350         Building Materials Corp. of America (c):       7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       9.01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       11.50       1.101,125         9.00%, 1/15/21 (c)       905       773,775       300         9.00%, 1/15/21 (c)       905       773,775       304,100         9.00%, 1/15/21 (c)       905       773,775       304,100         9.00%, 1/15/21 (c)       905       773,775       304,100         245       225,750       305       225,750         3.334,38,31/19 (c)(f)(g)       226       270,070         3.343%, 8/31/19 (c)(f)(g)       226       270,070	International Automotive Components Group, SL,			
Image: Second	9.13%, 6/01/18 (c)		240	235,800
Beverages         0.2%           Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           565,475         565         565         565           Biotechnology         0.1%         USD         331         336,330           Building Products         1.3%         USD         331         336,330           Building Materials Corp. of America (c):         1,150         1,101,125           7.00%, 2/15/20         410         410,000           6.75%, 5/01/21         1,150         1,101,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,50           Momentive Performance Materials, Inc.:         11.50%, 12/01/16         435         430,650           9.00%, 1/15/21 (c)         905         773,775         3,084,100           Capital Markets         1.0%         300         368,100           Capital I.0%, 7.96%, 12/31/13 (d)         470         466,701           E*Trade Financial Corp.:         226         270,070           2.50%, 11/30/17 (c)         805         925,750           3.43%, 8/31/19 (c)(fl(g)         226         270,070	Titan International, Inc., 7.88%, 10/01/17		430	451,500
Cott Beverages, Inc., 8.13%, 9/01/18       245       253,575         Crown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Stotechnology 0.1%       565,475         Building Products 1.3%       USD       331       336,330         Building Materials Corp. of America (c):       7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       11.50%       11.50%         11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775         3.084,100       300       308,100         Capital Markets       1.0%       300       308,100         Capital Markets       1.0%       300       308,100         Capital Markets       1.0%       300       308,100         Karcica Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       2.50%, 11/30/17 (e)       305       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372				5,032,711
Cott Beverages, Inc., 8.13%, 9/01/18       245       253,575         Crown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Stotechnology 0.1%       565,475         Building Products 1.3%       USD       331       336,330         Building Materials Corp. of America (c):       7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       11.50%       11.50%         11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775         3.084,100       300       308,100         Capital Markets       1.0%       300       308,100         Capital Markets       1.0%       300       308,100         Capital Markets       1.0%       300       308,100         Karcica Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       2.50%, 11/30/17 (e)       305       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372	Beverages 0.2%			
Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900 565,475           Biotechnology         0.1%         USD         331         336,330           Building Products         1.3%         USD         331         336,330           Building Materials Corp. of America (c):         410         410,000         6.75%, 5/01/21         1,150         1,101,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550         300         306,850           Momentive Performance Materials, Inc.:         11.50%, 12/01/16         435         430,650         9.00%, 1/15/21 (c)         905         773,775         3.084,100           Capital Markets         1.0%         12/31/13 (d)         470         466,701           Extracte Financial Corp.:         12.50%, 11/30/17 (e)         805         925,750           3.43%, 8/31/19 (c)(f)(g)         226         270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372			245	253,575
565,475         Sidechnology 0.1%         QHP Pharma, 10.25%, 3/15/15 (c)       USD 331       336,330         Building Products 1.3%       13%         Building Materials Corp. of America (c):       10       410,000         7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775       3,084,100         Capital Markets 1.0%         Kamerican Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372		EUR		
QHP Pharma, 10.25%, 3/15/15 (c)         USD         331         336,330           Building Products         1.3%         30           Building Materials Corp. of America (c):         410         410,000           6.75%, 5/01/21         1,150         1,101,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550           Momentive Performance Materials, Inc.:         390         368,550           11.50%, 12/01/16         435         430,650           9.00%, 1/15/21 (c)         905         773,775           3.084,100         300         368,701           Errade Financial Corp.:           12.50%, 11/30/17 (e)         805         925,750           3.43%, 8/31/19 (c)(f)(g)         226         270,070           KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372				
Building Products 1.3%         Building Materials Corp. of America (c):         7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       390       368,550         11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775         3,084,100         Capital Markets 1.0%         Ker Financial Corp.:         12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372	Biotechnology 0.1%			
Building Materials Corp. of America (c):       410       410,000         7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       390       366,550         11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775         3.084,100       300       3084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372	QHP Pharma, 10.25%, 3/15/15 (c)	USD	331	336,330
7.00%, 2/15/20410410,0006.75%, 5/01/211,1501,101,125Griffon Corp., 7.13%, 4/01/18 (c)390368,550Momentive Performance Materials, Inc.:435430,6509.00%, 1/15/21 (c)905773,7753,084,100Capital Markets 1.0%American Capital Ltd., 7.96%, 12/31/13 (d)470466,701E*Trade Financial Corp.:12.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372	Building Products 1.3%			
7.00%, 2/15/20410410,0006.75%, 5/01/211,1501,101,125Griffon Corp., 7.13%, 4/01/18 (c)390368,550Momentive Performance Materials, Inc.:435430,6509.00%, 1/15/21 (c)905773,7753,084,100Capital Markets 1.0%American Capital Ltd., 7.96%, 12/31/13 (d)470466,701E*Trade Financial Corp.:12.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372	Building Materials Corp. of America (c):			
6.75%, 5/01/211,1501,101,125Griffon Corp., 7.13%, 4/01/18 (c)390368,550Momentive Performance Materials, Inc.:435430,6509.00%, 1/2/01/16435430,6509.00%, 1/15/21 (c)905773,7753,084,100Capital Markets 1.0%American Capital Ltd., 7.96%, 12/31/13 (d)470466,701E*Trade Financial Corp.:12.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372			410	410,000
Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775       3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372				
Momentive Performance Materials, Inc.:       435       430,650         11.50%, 12/01/16       905       773,775         9.00%, 1/15/21 (c)       905       773,775         3,084,100       3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372				
11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775         3,084,100       3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372	•		0,00	200,220
9.00%, 1/15/21 (c)905773,7753,084,100Capital Markets 1.0%American Capital Ltd., 7.96%, 12/31/13 (d)470466,701E*Trade Financial Corp.:12.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372			435	430 650
3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:         12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372				
Separate Narkets 1.0%         470         466,701           American Capital Ltd., 7.96%, 12/31/13 (d)         470         466,701           E*Trade Financial Corp.:         12.50%, 11/30/17 (e)         805         925,750           3.43%, 8/31/19 (c)(f)(g)         226         270,070           KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372	<i>9.00 %</i> , 1/15/21 (C)		905	
American Capital Ltd., 7.96%, 12/31/13 (d)470466,701E*Trade Financial Corp.:205925,75012.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372	Canital Markats 10%			5,004,100
E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372			470	166 701
12.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372			470	400,701
3.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372			007	005 750
KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372				
2,300,893	KKR Group Finance Co., 6.38%, 9/29/20 (c)		600	
				2,300,893

#### **Portfolio Abbreviations**

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

CAD	Canadian Dollar
ETF	Exchange-Traded Fund
EUR	Euro
FKA	Formerly Known As
GBP	British Pound
LIBOR	London Interbank Offered Rate
PIK	Payment-In-Kind
SPDR	Standard and Poor s Depository Receipts
USD	US Dollar

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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# Schedule of Investments (continued)

### BlackRock Corporate High Yield Fund, Inc. (COY) (Percentages shown are based on Net Assets)

	Pa	ır	
Corporate Bonds	(00	)0)	Value
Chemicals 3.7%			
American Pacific Corp., 9.00%, 2/01/15	USD	800	\$ 786,000
American Rock Salt Co. LLC, 8.25%, 5/01/18 (c)		126	116,865
Celanese US Holdings LLC, 5.88%, 6/15/21		900	902,250
Chemtura Corp., 7.88%, 9/01/18 (c)		345	354,487
Hexion U.S. Finance Corp.:			
8.88%, 2/01/18		430	402,050
9.00%, 11/15/20 (c)		285	248,663
Huntsman International LLC (c):			
6.88%, 11/15/13	EUR	260	369,755
8.63%, 3/15/21	USD	155	161,781
Ineos Finance Plc, 9.00%, 5/15/15 (c)		385	389,812
KRATON Polymers LLC, 6.75%, 3/01/19 (c)		115	110,400
Kinove German Bondco GmbH, 10.00%, 6/15/18	EUR	533	723,544
Lyondell Chemical Co., 11.00%, 5/01/18	USD	1,135	1,266,944
Nexeo Solutions LLC, 8.38%, 3/01/18 (c)		170	175,525
OXEA Finance/Cy SCA (c):		170	1,0,020
9.50%, 7/15/17		108	106,920
9.63%, 7/15/17	EUR	385	541,992
Omnova Solutions, Inc., 7.88%, 11/01/18 (c)	USD	500	438,750
PolyOne Corp., 7.38%, 9/15/20	USD	200	206,000
TPC Group LLC, 8.25%, 10/01/17 (c)		310	317,750
Wellman Holdings, Inc., Subordinate Note (f):		510	517,750
(Second Lien), 10.00% 1/29/19 (c)		790	1 008 100
		272	1,098,100
(Third Lien), 5.00%, 1/29/19 (e)		212	193,182
Commercial Banks 2.4%			8,910,770
CIT Group, Inc.:		510	507 450
7.00%, 5/01/15		510	507,450
7.00%, 5/01/16		1,825	1,815,875
7.00%, 5/01/17		3,030	2,992,125
7.00%, 5/02/17 (c)		470	464,125
			5,779,575
Commercial Services & Supplies 2.0%		<0 <b>7</b>	5(0.15(
ACCO Brands Corp., 10.63%, 3/15/15		695	760,156
Aviation Capital Group Corp., 6.75%, 4/06/21 (c)		500	493,390
Brickman Group Holdings, Inc., 9.13%,			
11/01/18 (c)		480	452,400
Casella Waste Systems, Inc., 7.75%, 2/15/19 (c)		610	587,125
Clean Harbors, Inc., 7.63%, 8/15/16 (c)		320	338,400
Mobile Mini, Inc., 7.88%, 12/01/20 (c)		335	325,788
RSC Equipment Rental, Inc.:			
10.00%, 7/15/17 (c)		555	596,625
8.25%, 2/01/21		800	746,000
WCA Waste Corp., 7.50%, 6/15/19 (c)		310	310,000
West Corp., 8.63%, 10/01/18 (c)		125	121,875
			4,731,759
Communications Equipment 0.8%			
Avaya, Inc.:			
9.75%, 11/01/15		410	348,500
10.13%, 11/01/15 (e)		600	518,250

7.00%, 4/01/19 (c)		470	423,000
EH Holding Corp. (c):			
6.50%, 6/15/19		340	340,000
7.63%, 6/15/21		240	238,800
			1,868,550
Construction & Engineering 0.1%	FUD	100	124 212
Abengoa SA, 8.50%, 3/31/16	EUR	100	134,313
Boart Longyear Management Ltd., 7.00%,	USD	175	172 607
4/01/21 (c)	USD	175	173,687 308,000
			508,000
	P	ar	
Corporate Bonds	(0	00)	Value
Construction Materials 0.2%			
Calcipar SA, 6.88%, 5/01/18 (c)	USD	315	\$ 298,463
Xefin Lux SCA, 8.00%, 6/01/18 (c)	EUR	233	307,928
			606,391
Consumer Finance 1.2%	LICD	(40)	(49,000
Credit Acceptance Corp., 9.13%, 2/01/17	USD	640	648,000
Ford Motor Credit Co. LLC:		195	105 004
3.00%, 1/13/12 (h) 7.80%, 6/01/12		200	195,004 206,005
7.00%, 4/15/15		1,710	1,825,425
6.63%, 8/15/17		1,710	137,143
0.05 /0, 0115/17		151	3,011,577
Containers & Packaging 1.3%			5,011,577
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (c)	EUR	435	585,823
Berry Plastics Corp., 8.25%, 11/15/15	USD	125	128,750
GCL Holdings SCA, 9.38%, 4/15/18 (c)	EUR	244	306,693
Graphic Packaging International, Inc., 7.88%,			
10/01/18	USD	340	357,000
OI European Group BV, 6.88%, 3/31/17	EUR	152	207,431
Pregis Corp., 12.38%, 10/15/13	USD	390	358,800
Rock-Tenn Co., 9.25%, 3/15/16		50	52,500
Smurfit Kappa Acquisitions (c):			
7.25%, 11/15/17	EUR	465	641,254
7.75%, 11/15/19		296	406,070
Dimentified Commun Semicore 1207			3,044,321
Diversified Consumer Services 1.2%	USD	2 800	2 026 000
Service Corp. International, 7.00%, 6/15/17 Diversified Financial Services 5.3%	USD	2,800	2,926,000
Ally Financial, Inc.:			
7.50%, 12/31/13		350	360,500
8.30%, 2/12/15		530	556,500
6.25%, 12/01/17 (c)		480	461,720
8.00%, 3/15/20		320	323,200
7.50%, 9/15/20		620	609,150
8.00%, 11/01/31		1,295	1,265,862
8.00%, 11/01/31		810	779,164
Axcan Intermediate Holdings, Inc.,			
12.75%, 3/01/16		410	427,425
Boparan Holdings Ltd. (c):			
9.75%, 4/30/18	EUR	100	110,624
9.88%, 4/30/18	GBP	130	170,934
FCE Bank Plc:			
7.13%, 1/15/13	EUR	550	792,051
4.75%, 1/19/15		310	405,237
General Motors Financial Co., Inc.,	LIGE	150	
6.75%, 6/01/18 (c)	USD	450	447,750
KION Finance SA, 7.88%, 4/15/18 (c)	EUR	146	174,075
Leucadia National Corp., 8.13%, 9/15/15	USD	1,120	1,202,600
		425	434,562

Reynolds Group DL Escrow, Inc.,			
8.50%, 10/15/16 (c)			
Reynolds Group Issuer, Inc.:			
8.75%, 10/15/16 (c)	EUR	350	487,692
8.75%, 10/15/16		502	699,490
7.13%, 4/15/19 (c)	USD	230	217,925
9.00%, 4/15/19 (c)		245	220,500
7.88%, 8/15/19 (c)		1,010	999,900
9.88%, 8/15/19 (c)		415	390,100
8.25%, 2/15/21 (c)		680	572,900
WMG Acquisition Corp. (c):			
9.50%, 6/15/16		110	112,200
11.50%, 10/01/18		535	486,850
			12,708,911

#### See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

AUGUST 31, 2011

#### BlackRock Corporate High Yield Fund, Inc. (COY)

(Percentages shown are based on Net Assets)

Cormonate Danda	Par			Value
Corporate Bonds Diversified Telecommunication Services 4.5%	(000)			value
Broadview Networks Holdings, Inc.,	UCD	1 000	¢	860.000
11.38%, 9/01/12	USD	1,000	\$	860,000
GCI, Inc., 6.75%, 6/01/21 (c)		264		260,040
ITC Deltacom, Inc., 10.50%, 4/01/16		260		266,500
Level 3 Escrow, Inc., 8.13%, 7/01/19 (c)		2,474		2,350,300
Level 3 Financing, Inc.:				
9.25%, 11/01/14		77		77,963
8.75%, 2/15/17		525		514,500
Qwest Communications International, Inc.:				
7.50%, 2/15/14		2,490		2,521,125
8.00%, 10/01/15		610		651,175
Series B, 7.50%, 2/15/14		1,575		1,594,687
Qwest Corp., 7.63%, 6/15/15		500		556,250
Windstream Corp.:				
8.13%, 8/01/13		400		425,000
7.88%, 11/01/17		690		725,362
				10,802,902
Electric Utilities 0.6%				- / /
Tokyo Electric Power Co., Inc., 4.50%, 3/24/14	EUR	1,100		1,351,029
Electronic Equipment, Instruments &		-,		-,,
Components 0.6%				
CDW LLC:				
11.00%, 10/12/15	USD	10		10,200
11.50%, 10/12/15 11.50%, 10/12/15 (e)	050	610		622,200
		380		
8.00%, 12/15/18 (c)	EUD			376,200
Elster Finance BV, 6.25%, 4/15/18 (c)	EUR	105		138,764
Jabil Circuit, Inc., 8.25%, 3/15/18	USD	215		242,412
				1,389,776
Energy Equipment & Services 1.6%				
Antero Resources Finance Corp., 7.25%,		4.50		
8/01/19 (c)		150		145,875
Calfrac Holdings LP, 7.50%, 12/01/20 (c)		225		218,250
Compagnie Générale de Géophysique-Veritas,				
7.75%, 5/15/17		235		236,175
Exterran Holdings, Inc., 7.25%, 12/01/18 (c)		405		392,850
Frac Tech Services LLC, 7.13%, 11/15/18 (c)		1,045		1,081,575
Key Energy Services, Inc., 6.75%, 3/01/21		415		406,700
MEG Energy Corp., 6.50%, 3/15/21 (c)		530		530,000
Oil States International, Inc., 6.50%, 6/01/19 (c)		290		290,000
SunCoke Energy, Inc., 7.63%, 8/01/19 (c)		205		201,413
Thermon Industries, Inc., 9.50%, 5/01/17		342		359,100
				3,861,938
Food Products 0.4%				
Darling International, Inc., 8.50%, 12/15/18 (c)		220		238,150
Del Monte Foods Co., 7.63%, 2/15/19 (c)		275		272,937
JBS USA LLC, 7.25%, 6/01/21 (c)		85		77,244
Reddy Ice Corp., 11.25%, 3/15/15		410		372,075
		110		960,406
Health Care Equipment & Supplies 1.4%				, 00, 100
DJO Finance LLC:				
10.88%, 11/15/14		2,130		2,201,888
10.00 /0, 11/13/14		2,130		2,201,000

7.75%, 4/15/18 (c)	95	88,350
ExamWorks Group, Inc., 9.00%, 7/15/19 (c)	260	245,050
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)	500	557,500
Teleflex, Inc., 6.88%, 6/01/19	270	267,975
		3,360,763
Health Care Providers & Services 5.9%		
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)	380	378,100
ConvaTec Healthcare E SA (c):		
7.38%, 12/15/17 EUR	400	517,140
10.50%, 12/15/18 USD	240	218,400

Health Care Providers & Services (concluded)         Services (GBP)         3.1         5           Crown Newoo 3 Pic 7,00%, 2/15/18 (c)         GBP         3.1         S         483,584           HCA, Inc:		Par				
GDP         31         S         443.584           KCA. Inc:         300         280         305.200           8.50%, 4/15/19         USD         280         305.200           6.50%, 2/15/20         2.605         2.709.112         1.135           7.50%, 9/15/20         2.605         2.709.112         1.135           7.50%, 9/15/20         .605         6.068.125         1.165           INC Research LLC, 11.50%, 7/15/19 (c)         .375         .346.875           INST Healthcare LLC, 8.38%, 5/15/19 (c)         .395         .3356.488           Omnicare, Inc:	Corporate Bonds	(000	))		Value	
HCA. Inc.:       USD       280       305.200         6.50%, 215/20       1,125       1,137,656         7.25%, 915/20       1,180       1,168,200         IASIS Healthcare LLC, 8.38%, 515/19 (c)       375       346,875         INC Research LLC, 11.50%, 715/19 (c)       375       346,875         INC Research LLC, 11.50%, 715/19 (c)       375       345,875         Omnicare, Inc.:       14       14,141         6.8%, 121/515       268       273,360         7.5%, 601/13       14       14,141         6.8%, 121/515       268       273,360         7.5%, 601/13       15       222,520         Symbion, Inc., 8,00%, 61/516 (c)       315       222,520         9,00%, 500/15       1,587       1,682,220         10,00%, 500/15       1,587       1,682,220         10,00%, 500/18       75       2,827,200         8,8%, 701/19       2,010       2,130,600         10,00%, 500/18       75       2,646,225         MS Health, Inc., 12,50%, 300/18 (c)       4,85       4,66,225         MG Health, Inc., 12,50%, 60/17 (S)       150       16,62         Me Alsost, Inc., 800%, 11/15/18 (c)       2,85       2,85         More Alsost, Inc., 80%, 11		CDD	221	¢	402 504	
8,50%,4/15/19         USD         280         305,200           6,50%,2/15/20         1,125         1,137,656           7,25%,9/15/20         2,695         2,769,112           7,50%,2/15/20         1,180         1,180,200           1,81S1 Healthcare LLC, 8,38%, 5/15/19 (c)         395         366,872           1,81S1 Healthcare LLC, 11,50%, 7/15/19 (c)         395         356,488           Omnicare, Inc.:		GBP	331	\$	483,584	
6.50%, 2/15/20         1,125         1,137,656           7.55%, 9/15/20         1,180         1,168,200           1ASIS Healthcare LLC, 8.38%, 5/15/19 (c)         375         346,875           INC Research LLC, 11.50%, 7/15/19 (c)         375         326,885           Symbion, Inc., 800%, 6/15/16 (c)         315         222,950           Symbion, Inc., 800%, 6/15/16 (c)         315         222,950           Symbion, Inc., 800%, 6/15/16 (c)         315         222,950           Symbion, Inc., 800%, 11/15/16 (c)         315         222,950           Health Care Technology 1.3%         755         468,225           MS Health, Inc., 12.50%, 30/178 (c)         485         468,025           MedAsets, Inc., 800%, 11/15/16 (c)         300         303,8275           Hotels, Restaurants & Leisure 1.5%         150         161,625           Cirisa Funding Luxembourg SA, 8.75%, 515/18		LICD	290		205 200	
7.25%, 2/15/22       1,180       1,168, 200         7.50%, 2/15/22       1,180       1,168, 200         1ASIS Healthcare LLC, 8,38%, 5/15/19 (c)       375       346,875         inVenti V Health, Inc., 10,00%, 8/15/18 (c)       395       356,488         Ominicare, Inc.:       14       14,140         6.13%, 6/01/13       14       14,14,14,140         6.8%, 12/15/15       268       273,360         7,75%, 6/01/20       580       591,660         Symbion, Inc., 8,00%, 6/15/16 (c)       315       222,920         10,00%, 5/01/15       1,587       1,682,220         0,00%, 5/01/15       1,587       1,682,220         0,00%, 5/01/15       1,587       1,682,220         0,00%, 5/01/15       1,587       1,682,220         0,00%, 5/01/15       1,587       1,682,220         0,00%, 5/01/18       2,235       2,570,250         Medaksets, Inc., 8,00%, 11/15/18 (c)       485       468,025         2.688%, 7/01/19       150       161,625         Cirsas Funding Luxembourg SA, 8,75%, 5/15/18       EUR       50         Diamond Resorts Corp, 1,200/18       100       1,066,225         Cirsa Funding Luxembourg SA, 8,75%, 5/15/18       EUR       50       62,488		USD			,	
7.50%, 2/15/2       1.180       1.168, 200         IASIS Healthcare LLC, 8.3%, 5/15/19 (c)       375       608, 125         IXC Research LLC, 11.50%, 7/15/19 (c)       375       336, 488         Omnicare, Inc.:       395       336, 488         Gnisare, Inc.:       14       14, 140         6.8%, 12/15/15       268       273, 360         Symbion, Inc., 8,00%, 6/15/16 (c)       315       222, 950         Tenet Healthcare Corp.:       315       222, 920         9,00%, 5/01/15       1.587       1.682, 220         0,00%, 5/01/15       1.587       1.682, 220         0,00%, 5/01/15       752       827, 200         0,00%, 5/01/15       752       827, 200         0,00%, 5/01/15       752       827, 200         0,00%, 5/01/15       752       827, 200         0,00%, 5/01/15       752       827, 200         0,00%, 5/01/15       1.587       1.682, 220         0,00%, 5/01/15       1.68       48, 200         0,00%, 5/01/15       2.010       2.010         Casars Entertainment Operating Co., Inc.,       11       303, 8275         Hotels, Restaurants & Leisure 1.5%       150       161, 625         Cirsar Funding Eucembourg SA, 8.75%, 5/						
IASIS Healthcare LLC, 8.38%, 5/15/19 (c)       695       608,125         INC Research LLC, 11.50%, 7/15/19 (c)       375       346,875         inventiv Health, Inc., 10.00%, 8/15/18 (c)       395       356,488         Omnicare, Inc:       6.13%, 6/01/13       14       14,14,14         6.83%, 6/10/13       14       14,14,14         6.83%, 12/15/15       268       273,360         75%, 6/01/20       580       591,660         Symbion, Inc., 8.00%, 6/15/16 (c)       315       292,950         Tenet Healthcare Corp:						
INC Research LLC, IL 50%, 7/15/19 (c)       375       346,875         inVentiv Health, Inc., 10.00%, 8/15/18 (c)       395       356,488         Ch13%, 6001/13       14       14,140         6.38%, 12/15/15       268       273,360         7.75%, 6001/20       580       591,660         Symbion, Inc., 8.00%, 6/5/16 (c)       315       292,950         Tenet Healthcare Corp:						
inVentiv Health, Inc., 10.00%, 8/15/18 (c) 395 356,488 Omnicare, Inc:: 0.13%, 6/01/13 14 14,140 6.88%, 12/15/15 268 273,360 59mbion, Inc., 8.00%, 6/15/16 (c) 315 292,950 Tenet Healthcare Corp: 9.00%, 5/01/15 1587 1.682,220 10.00%, 5/01/15 1587 1.682,220 10.00%, 5/01/15 2827,200 8.88%, 7/01/19 2,010 2,130,600 8.88%, 7/01/19 2,010 2,130,600 8.88%, 7/01/19 2,010 2,130,600 14,100,950 Health Care Technology 1.3% INS Health, Inc., 12.50%, 3/01/18 (c) 2,235 2,570,250 MedAssets, Inc., 8.00%, 11/15/18 (c) 485 4468,025 3,038,275 Hotels, Restaurants & Leisure 1.5% Caesare Entertainment Operating Co., Inc., 11.25%, 6/01/17 150 161,625 Cirsa Funding Laxembourg 5A, 8.75%, 5/15/18 EUR 50 62,488 Diamond Resorts Corp., 12.00%, 8/15/18 USD 1,100 1.067,000 El Dorado Resorts LLC, 8.63%, 6/15/19 (c) 165 140,662 Enterprise Inns PL6, 6.50%, 12/06/18 GBP 296 335,178 Little Traverse Bay Bands of Odawa Indians, 9.00%, 3/12/0 (c) USD 270 224,100 MGM Minage, 13.00%, 11/15/13 09 103,162 MGM Resorts Internationat: 10.38%, 5/15/14 153 225, 527,912 11.13%, 11/15/17 780 869,700 235 295,838 9,00%, 3,01/16 153 228,878 235 295,818 237 200 230 235 295,912 11.13%, 11/15/17 153 23 29,83%, 901/14 (h) 35 23,8278 700 234,000 MGM Resorts Internationat: 10.38%, 5/15/14 110 88,275 700 724,000 335 329,388 9,00%, 3,01/16 35 29,838 9,00%, 3,01/16 35 32,838 9,00%, 3,01						
Omicare, Inc.:         14         14,140           6.13%, 6/01/13         14         14,140           6.8%, 12/15/15         268         273,360           7.75%, 6/01/20         380         591,000           Symbion, Inc., 8,00%, 6/15/16 (c)         315         222,920           Tenet Healthcare Corp.:						
6.13%, 6/01/13       14       14, 14, 10,         6.88%, 12/15/15       268       273,360         7,5%, 6/01/20       580       591,600         Symbion, Inc., 8,00%, 6/15/16 (c)       315       229,290         9.00%, 5/01/15       1,587       1,682,220         10.00%, 5/01/15       1,587       1,682,220         10.00%, 5/01/15       2,010       2,130,600         8.8%, 7/01/19       2,010       2,130,600         8.8%, 7/01/19       2,235       2,570,250         McHaith, Inc., 12.50%, 3/01/18 (c)       2,235       2,570,250         McHasth, Inc., 8.00%, 11/15/18 (c)       485       468,025         Hotels, Restaurants & Leisure 1.5%       150       161,625         Cirisa Funding Luxembourg SA, 8.75%, 5/15/18       EUR       50       62,488         Diamond Resorts Corp., 1,200%, 8/15/18       USD       1,100       1,067,000         E1 Dorado Resorts LLC, 8.63%, 6/15/19 (c)       165       140,662         Enterprise Inns PIc, 6.50%, 12/06/18       GBP       296       365,778         Hilf Tarverse Bay Bands of Odava Indians, 9.00%,       100       1,067,000       100       1,067,000         E1 Dorado Resorts LLC, 8.63%, 6/15/19 (c)       35       29,383       20,303,101,662			595		550,488	
6.88%, 12/15/15         268         273.600           7.75%, 6/01/20         580         591,600           Symbion, Inc., 8.00%, 6/15/16 (c)         315         222,920           Tenet Healthcare Corp.:			14		14 140	
7.75%, 601/20       580       591.600         Symbion, Inc., 8.00%, 6/15/16 (c)       315       292.950         Tenet Healthcare Corp.:						
Symbion, Inc., 8.00%, 6/15/16 (c)         315         292,950           Tenet Heathcare Corp.:						
Tenet Healthcare Corp.:       1,587       1,682,220         9.00%, 5/01/15       1,587       1,682,227,200         8.88%, 7/01/19       2,010       2,130,600         Colspan="2">Colspan="2"         Colspan="2"         Colspan="2" <td cols<="" td=""><td></td><td></td><td></td><td></td><td></td></td>	<td></td> <td></td> <td></td> <td></td> <td></td>					
9.00%, 5/01/15 1,587 1,682,220 10.00%, 5/01/18 752 827,200 8.8%, 7/01/19 2,130,600 14,100,950 Health Care Technology 1.3% IMS Health Lenc, 12.50%, 3/01/18 (c) 2,235 2,570,250 MedAssets, Inc., 8.00%, 11/15/18 (c) 485 466,025 3.038,275 MedAssets, Inc., 8.00%, 11/15/18 (c) 485 466,025 To casars Entertainment Operating Co., Inc., 11.25%, 6/01/17 150 161,625 Cirsa Funding Luxembourg SA, 8.75%, 5/15/18 EUR 50 62,488 Diamond Resorts Corp., 12.00%, 8/15/18 USD 1,100 1,067,000 El Dorado Resorts LLC, 8.63%, 6/15/19 (c) 165 140,662 Enterprise Inns Plc, 6.50%, 12/06/18 GBP 296 365,178 Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (c) USD 270 224,100 MGM Mirage, 13.00%, 11/15/13 09 100,13,162 MGM Resorts International: 10.38%, 5/15/14 235 257,912 11.13%, 11/15/17 780 869,700 Travelport LC: 4.95%, 9/01/14 (h) 2,578, 9/15/18 USD 315 328,388 9.00%, 3/01/16 15 125,812 9.88%, 9/01/14 (h) 8.325 Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i) 315 32 3.4995,784 Household Durables 2.6% American Standard Americas, 10.75%, 1/15/16 (c) 380 307,800 Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j) 855 577,587			515		292,930	
10.00%, \$/01/18         752         827,200           8.88%, 7/01/19         2,010         2,130,600           14,100,950         Health Care Technology         1.3%           IMS Health, Inc., 12,50%, 3/01/18 (c)         2,235         2,570,250           MedAssets, Inc., 8.00%, 11/15/18 (c)         485         468,025           Caesare Statertainment Operating Co., Inc.,         3038,275           Hotels, Restaurants & Leisure         1.5%         3038,275           Diamond Resorts Corp., 12,00%, 8/15/18         EUR         50         62,488           Diamond Resorts Corp., 12,00%, 8/15/18         USD         1,100         1,067,000           El Dorado Resorts LCC, 8,63%, 6/15/19 (c)         165         140,662           Enterprise Inns Plc, 6,50%, 12/06/18         GBP         296         365,178           8/31/20 (c)         USD         270         224,100           MGM Risorts International:         10         10,67,900         103,162           UASM \$,5/15/14         235         257,912         11,13%, 11/15/17         780         869,700           MGM Resorts International:         10         35         29,838         9,00%, 3/01/16         10         88,275           11,13%, 11/15/17         780         869,700	-		1 587		1 682 220	
8.88%, 7/01/19 2,130,600 Health Care Technology 1.3% Health, Inc., 12.50%, 3/01/18 (c) 2,235 2,570,250 Med.Assets, Inc., 8.00%, 11/15/18 (c) 485 468,025 Med.Assets, Inc., 8.00%, 11/15/18 (c) 485 468,025 Thetels, Restaurants & Leisure 1.5% Caesars Entertainment Operating Co., Inc., 11.25%, 6/01/17 150 161,625 Cirsa Funding Luxembourg SA, 8.75%, 5/15/18 EUR 50 62,488 Diamond Resorts Corp., 12.00%, 8/15/18 USD 1,100 1,067,000 El Dorado Resorts LLC, 8.63%, 6/15/19 (c) 165 140,662 Enterprise Inns Pte, 6.50%, 12/06/18 GBP 296 365,178 Little Traverse Bay Bands of Odawa Indians, 9.00%, Kittle Traverse Bay Bands of Odaw						
Health Care Technology 1.3%         14,100,950           IMS Health, Inc., 12,50%, 3/01/18 (c)         2,235         2,570,250           MedAssets, Inc., 8,00%, 11/15/18 (c)         485         468,025           Attells, Restaurants & Leisure 1.5%         3,038,275           Hotels, Restaurants & Leisure 1.5%         150         161,625           Caesars Entertainment Operating Co., Inc.,         150         161,625           Cirsa Funding Luxembourg SA, 8,75%, 5/15/18         EUR         50         62,488           Diamond Resorts Corp., 12,00%, 8/15/18         USD         1,100         1,067,000           El Dorado Resorts LLC, 8,63%, 6/15/19 (c)         165         144,062           Enterprise Inns Plc, 6,50%, 12/06/18         GBP         296         365,178           Little Traverse Bay Bands of Odawa Indians, 9,00%,         110         10,070,002         103,162           MGM Mirage, 13,00%, 11/15/13         90         103,162         100           MGM Resorts International:         235         257,912           11.3%, 11/15/17         780         869,700         165           138%, 5/15/14         235         29,838         90/01/14         10         882,75           Torpicana Entertainment LLC, Series WI, 9,63%,         315         32         3,						
Health Care Technology 1.3%         No.           IMS Health, Inc., 12.50%, 3/01/18 (c)         2,235         2,570,250           MedAssets, Inc., 8.00%, 11/15/18 (c)         485         468,025           Hotels, Restaurants & Leisure 1.5%	8.88 //, //01/19		2,010			
IMS Health, Inc., 12.50%, 3/01/18 (c)         2,235         2,570,250           MedAssets, Inc., 8.00%, 11/15/18 (c)         485         468,025           MedAssets, Inc., 8.00%, 11/15/18 (c)         485         468,025           Hotels, Restaurants & Leisure 1.5%         50         3,038,275           Hotels, Restaurants & Leisure 1.5%         150         161,625           Casars Entertainment Operating Co., Inc.,         150         161,625           Cirsa Funding Luxembourg SA, 8.75%, 5/15/18         EUR 50         62,488           Diamod Resorts Corp., 12.00%, 8/15/18         USD         1,100         1,067,000           El Dorado Resorts LLC, 8.63%, 6/15/19 (c)         165         140,662           Enterprise Inns Plc, 6.50%, 12/06/18         GBP         296         365,178           Lifte Traverse Bay Bands of Odawa Indians, 9.00%,         WISD         270         224,100           MGM Mirage, 13.00%, 11/15/13         90         103,162         MGM Resorts International:         0         103,86, 51/5/14         235         257,912           11.13%, 11/15/17         780         869,700         780         869,700           Travelport LLC:         495%, 9/01/14 (h)         315         29,838         9.00%, 3/01/16         3495,784           Household Durables	Health Care Technology 13%				14,100,950	
MedAssets, Inc., 8.00%, 11/15/18 (c)         485         468,025           3,038,275           Hotels, Restaurants & Leisure 1.5%           Caesars Entertainment Operating Co., Inc.,           11.25%, 6/01/17           150           Cirsa Funding Luxembourg SA, 8.75%, 5/15/18           Diamond Resorts Corp., 12.00%, 8/15/18           USD           Diamond Resorts LLC, 8.63%, 6/15/19 (c)           El Dorado Resorts LLC, 8.63%, 6/15/19 (c)           Enterprise Inns PIc, 6.50%, 12/06/18           GBP           296           301/20 (c)           WGM Mirage, 13.00%, 11/15/13           00%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           0.38%, 5/15/14           110           0.38%, 5/15/14           113%           113%           114           115%           116%           113%           114           115% </td <td></td> <td></td> <td>2 235</td> <td></td> <td>2 570 250</td>			2 235		2 570 250	
3,038,275           Hotels, Restaurants & Leisure 1.5%           Caesars Entertainment Operating Co., Inc.,           11.25%, 6/01/17         150         161,625           Cirsa Funding Luxembourg SA, 8.75%, 5/15/18         EUR         50         62,488           Diamond Resorts Corp., 12.00%, 8/15/18         USD         1,100         1,067,000           El Dorado Resorts LLC, 8.63%, 6/15/19 (c)         165         140,662         365           Enterprise Inns Plc, 6.50%, 12/06/18         GBP         296         365,178           Little Traverse Bay Bands of Odawa Indians, 9.00%,         WSD         270         224,100           MGM Mirage, 13.00%, 11/15/13         90         103,162         100         103,162           I.135%, 5/15/14         235         257,912         11.13%, 11/15/17         780         869,700           Travelport LLC:         ***********************************						
Hotels, Restaurants & Leisure 1.5%         Casars Entertainment Operating Co., Inc.,         11.25%, 6/01/17       150       1616.25         Cirsas Funding Luxembourg SA, 8.75%, 5/15/18       EUR       50       62.488         Diamod Resorts Corp., 12.00%, 8/15/19 (c)       165       140.662         Enterprise Inns PLe, 6.50%, 12/06/18       GBP       296       365.178         Little Traverse Bay Bands of Odawa Indians, 9.00%,       GBP       290       303.102         MGM Mirage, 13.00%, 11/15/13       USD       270       224.100         MGM Resorts International:       90       103.162         11.13%, 11/15/17       780       780       869.791         11.13%, 11/15/17       780       869.791       11.13%         11.13%, 11/15/17       780       869.791       165       125.812         9.88%, 9/01/14 (h)       165       125.812       9.888       9.00%, 3/01.16       185       29.838         9.00%, 3/01/16       165       125.812       3.495.784       3.5       29.838         9.00%, 3/01/16       165       125.812       3.495.784       3.6       3.495.784         10.00%, 3/01/16       165       125.812       3.495.784       3.495.784       3.495.784       3.49	Wear Assets, Inc., 0.0076, 11/15/16 (c)		405			
Caesars Entertainment Operating Co., Inc.,       15       161,625         11.25%, 6/01/17       150       62,488         Cirsa Funding Luxembourg SA, 8.75%, 5/15/18       EUR       50       62,488         Diamond Resorts Corp., 12.00%, 8/15/18       USD       1,100       1,067,000         El Dorado Resorts Corp., 12.00%, 8/15/19 (c)       165       140,662         Enterprise Inns Plc, 6.50%, 12/06/18       GBP       296       365,178         Little Traverse Bay Bands of Odawa Indians, 9.00%,       USD       270       224,100         MGM Mirage, 13.00%, 11/15/13       90       103,162         MGM Resorts International:       90       103,162         MGM Resorts International:       10       869,700         Travelpott LLC:       110       88,975         4.95%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14       35       29,838         9.00%, 3/01/6       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/16 (c)       315       32         12/15/14 (a)(i)       315       32       3495,784         Household Durables       2.6%       380       307,800         Ashtron Woods USA LLC, 21.44%, 6/3015 (c)(j)       805       577,587	Hotels, Restaurants & Leisure 1.5%				5,050,275	
11.25%, 6/01/17       150       161,625         Cirsa Funding Luxembourg SA, 8.75%, 5/15/18       EUR       50       62,488         Diamond Resorts Corp., 12.00%, 8/15/18       USD       1,100       1,067,000         El Dorado Resorts LLC, 8.63%, 6/15/19 (c)       165       140,662         Enterprise Inns PIc, 6.50%, 12/06/18       GBP       296       365,178         Little Traverse Bay Bands of Odawa Indians, 9.00%,       USD       270       224,100         MGM Mirage, 13.00%, 11/15/13       90       103,162         MGM Resorts International:       90       103,162         10.38%, 5/15/14       235       257,912         11.13%, 11/15/17       780       869,700         Travelport LLC:       165       125,812         9.00%, 3/01/14 (h)       165       125,812         9.88%, 9/01/14 (h)       165       228,788         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         2/15/14 (a)(i)       315       32       3,495,784         Household Durables 2.6%       380       307,800       307,800         Ashtron Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes US						
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18         EUR         50         62,488           Diamond Resorts Corp., 12.00%, 8/15/18         USD         1,100         1,067,000           El Dorado Resorts LLC, 8.63%, 6/15/19 (c)         165         140,662           Enterprise Inns Plc, 6.50%, 12/06/18         GBP         296         365,178           Little Traverse Bay Bands of Odawa Indians, 9.00%,         USD         270         224,100           MGM Mirage, 13.00%, 11/15/13         90         103,162           MGM Resorts International:         90         103,162           11.3%, 11/15/17         780         869,700           Travelport LLC:         165         125,812           9.88%, 9/01/14 (h)         165         125,812           9.88%, 9/01/14 (h)         35         29,838           9.00%, 3/01/16         110         88,275           Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)         315         32           12/15/14 (a)(i)         315         32         3,495,784           Household Durables         2.6%         380         307,800           American Standard Americas, 10.75%, 1/15/16 (c)         380         307,807           Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)         805         577,587<			150		161 625	
Diamond Resorts Corp., 12.00%, 8/15/18         USD         1,100         1,067,000           El Dorado Resorts LLC, 8.63%, 6/15/19 (c)         165         140,662           Enterprise Inns Plc, 6.50%, 12/06/18         GBP         296         365,178           Little Traverse Bay Bands of Odawa Indians, 9.00%,         USD         270         224,100           MGM Mirage, 13.00%, 11/15/13         90         103,162         90         103,162           MGM Resorts International:         235         257,912         11.13%, 11/15/17         780         869,700           Travelport LLC:         780         869,700         105         125,812           9.88%, 9/01/14 (h)         165         125,812         9,88%         9,907,301/16         110         88,275           Tropicana Entertainment LLC, Series WI, 9,63%,         110         88,275         3495,784           Household Durables         2.6%         315         32           American Standard Americas, 10,75%, 1/15/16 (c)         380         307,800           Ashton Woods USA LLC, 21,44%, 6/30/15 (c)(j)         805         577,587           Beazer Homes USA, Inc.:         105         577,587		EUR			,	
El Dorado Resorts LLC, 8.63%, 6/15/19 (c)       165       140,662         Enterprise Inns Plc, 6.50%, 12/06/18       GBP       296       365,178         Little Traverse Bay Bands of Odawa Indians, 9.00%,       USD       270       224,100         MGM Mirage, 13.00%, 11/15/13       90       103,162         MGM Resorts International:       90       103,162         10.38%, 5/15/14       235       257,912         11.13%, 11/15/17       780       869,700         Travelport LLC:       165       125,812         9.88%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14 (h)       35       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         12/15/14 (a)(i)       315       32         4       35       29,838       307,800         American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       577,587       577,587						
Enterprise Inns PIc, 6.50%, 12/06/18         GBP         296         365,178           Little Traverse Bay Bands of Odawa Indians, 9.00%,         USD         270         224,100           MGM Mirage, 13.00%, 11/15/13         90         103,162           MGM Resorts International:         235         257,912           11.13%, 11/15/17         780         869,700           Travelport LLC:         35         29,838           9.00%, 3/01/14 (h)         165         125,812           9.88%, 9/01/14 (h)         165         125,812           9.88%, 9/01/14 (h)         315         329,838           9.00%, 3/01/16         110         88,275           Tropicana Entertainment LLC, Series WI, 9.63%,         315         32           12/15/14 (a)(i)         315         32           American Standard Americas, 10.75%, 1/15/16 (c)         380         307,800           Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)         805         577,587           Beazer Homes USA, Inc.:         805         577,587		000				
Little Traverse Bay Bands of Odawa Indians, 9.00%,8/31/20 (c)USD270224,100MGM Mirage, 13.00%, 11/15/1390103,162MGM Resorts International:235257,91210.38%, 5/15/14235257,91211.13%, 11/15/17780869,700Travelport LLC:780869,7004.95%, 9/01/14 (h)165125,8129.88%, 9/01/143529,8389.00%, 3/01/1611088,275Tropicana Entertainment LLC, Series WI, 9.63%,3153212/15/14 (a)(i)31532American Standard Americas, 10.75%, 1/15/16 (c)380307,800Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)805577,587Beazer Homes USA, Inc.:500577,587		GBP				
8/31/20 (c)       USD       270       224,100         MGM Mirage, 13.00%, 11/15/13       90       103,162         MGM Resorts International:       235       257,912         10.38%, 5/15/14       235       257,912         11.13%, 11/15/17       780       869,700         Travelport LLC:       780       869,700         4.95%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14       35       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         12/15/14 (a)(i)       315       32         American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       805       577,587		021	_>0		000,170	
MGM Mirage, 13.00%, 11/15/13       90       103,162         MGM Resorts International:       235       257,912         10.38%, 5/15/14       235       257,912         11.13%, 11/15/17       780       869,700         Travelport LLC:       165       125,812         9.88%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14       35       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       110       88,275         12/15/14 (a)(i)       315       32         3.495,784       3495,784       380         Household Durables 2.6%       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       577,587       577,587	•	USD	270		224,100	
MGM Resorts International:       235       257,912         10.38%, 5/15/14       235       257,912         11.13%, 11/15/17       780       869,700         Travelport LLC:       165       125,812         9.88%, 9/01/14 (h)       165       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       110       88,275         12/15/14 (a)(i)       315       32         American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       10       10       10		002				
10.38%, 5/15/14235257,91211.13%, 11/15/17780869,700Travelport LLC:4.95%, 9/01/14 (h)165125,8129.88%, 9/01/143529,8389.00%, 3/01/1631088,275Tropicana Entertainment LLC, Series WI, 9.63%,3153212/15/14 (a)(i)31532	-		20		100,102	
11.13%, 11/15/17       780       869,700         Travelport LLC:       165       125,812         4.95%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14       35       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       110       88,275         12/15/14 (a)(i)       315       32         American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       110       110			235		257.912	
Travelport LLC:       165       125,812         4.95%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14       35       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         12/15/14 (a)(i)       315       32         American Standard Americas, 10.75%, 1/15/16 (c)         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       5       5					,	
4.95%, 9/01/14 (h)       165       125,812         9.88%, 9/01/14       35       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         12/15/14 (a)(i)       315       32					,	
9.88%, 9/01/14       35       29,838         9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         12/15/14 (a)(i)       315       32	•		165		125.812	
9.00%, 3/01/16       110       88,275         Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         12/15/14 (a)(i)       315       32         State of the series of the series with the series of the						
Tropicana Entertainment LLC, Series WI, 9.63%,       315       32         12/15/14 (a)(i)       315       32         Household Durables 2.6%         American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       315       32						
12/15/14 (a)(i)       315       32         12/15/14 (a)(i)       3495,784         Household Durables 2.6%         American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       500       500						
3,495,784         Household Durables 2.6%         American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       500       500			315		32	
Household Durables         2.6%           American Standard Americas, 10.75%, 1/15/16 (c)         380         307,800           Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)         805         577,587           Beazer Homes USA, Inc.:         500         577,587						
American Standard Americas, 10.75%, 1/15/16 (c)       380       307,800         Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)       805       577,587         Beazer Homes USA, Inc.:       577,587	Household Durables 2.6%				2,	
Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)         805         577,587           Beazer Homes USA, Inc.:         577,587			380		307.800	
Beazer Homes USA, Inc.:						
					.,	
	8.13%, 6/15/16		295		207,975	

12.00%, 10/15/17		1,425	1,446,375
9.13%, 6/15/18		420	291,375
Ideal Standard International, 11.75%, 5/01/18 (c)	EUR	139	153,749
Jarden Corp., 7.50%, 1/15/20		285	386,886
Ryland Group, Inc., 6.63%, 5/01/20	USD	555	477,300
Standard Pacific Corp.:			
10.75%, 9/15/16		1,285	1,272,150
8.38%, 5/15/18		250	219,375
8.38%, 1/15/21		535	460,100
United Rentals North America, Inc., 8.38%, 9/15/20		395	360,437
			6,161,109
Household Products 0.1%			
Ontex IV SA, 7.50%, 4/15/18 (c)	EUR	130	167,137
See Notes to Financial Statements.			
SEMI-ANNUAL REPORT		AUGUST 31, 2011	17
SEMI ANTONE REFORT		100001 51, 2011	17

#### BlackRock Corporate High Yield Fund, Inc. (COY) (Percentages shown are based on Net Assets)

Compared Bards	Par			Value
Corporate Bonds IT Services 2.0%	(000)			value
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c)	USD	670	\$	616,400
First Data Corp. (c):	USD	070	φ	010,400
7.38%, 6/15/19		800		752,000
8.88%, 8/15/20		495		490,050
12.63%, 1/15/20	-	495		1,831,410
SunGard Data Systems, Inc.:		.,930		1,031,410
· · · · · · · · · · · · · · · · · · ·		540		514 250
7.38%, 11/15/18		540 550		514,350
7.63%, 11/15/20		330		525,250 4,729,460
Independent Power Producers &				4,729,400
Energy Traders 2.8%				
AES Corp., 7.38%, 7/01/21 (c)		785		792,850
Calpine Corp. (c):		105		172,050
7.50%, 2/15/21		180		181,800
7.88%, 1/15/23		585		596,700
Energy Future Holdings Corp., 10.00%, 1/15/20		3,115		3,127,058
Energy Future Intermediate Holding Co. LLC,		,115		5,127,050
10.00%, 12/01/20		161		162,428
NRG Energy, Inc., 7.63%, 1/15/18 (c)		1,995		1,975,050
1110 Energy, inc., 7.05 %, 1/15/10 (c)		.,)))		6,835,886
Industrial Conglomerates 2.7%				0,055,000
Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c)	EUR	107		149,863
Sequa Corp. (c):	LOK	107		149,005
11.75%, 12/01/15	USD	2,190		2,277,600
13.50%, 12/01/15		3,759		3,984,277
13.50%, 12/01/15		),139		6,411,740
Insurance 1.3%				0,411,740
Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)	1	1,600		1,640,000
CNO Financial Group, Inc., 9.00%, 1/15/18 (c)		339		352,560
Genworth Financial, Inc., 7.63%, 9/24/21		390		346,136
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)		235		225,600
USI Holdings Corp., 4.16%, 11/15/14 (c)(h)		630		563,850
0.51 Holdings Colp., 4.10%, 11/15/14 (C)(II)		050		3,128,146
Machinery 1.3%				5,120,140
AGY Holding Corp., 11.00%, 11/15/14		900		788,625
Navistar International Corp.:		200		700,025
3.00%, 10/15/14 (f)		1,810		1,997,788
8.25%, 11/01/21		140		144,900
Oshkosh Corp., 8.25%, 3/01/17		30		30,825
SPX Corp., 6.88%, 9/01/17		160		166,800
SI A Colp., 0.00 %, 9/01/17		100		3,128,938
Media 14.6%				5,120,950
AMC Entertainment, Inc., 9.75%, 12/01/20		160		154,400
AMC Networks, Inc., 7.75%, 7/15/21 (c)		205		212,175
Affinion Group, Inc., 7.88%, 12/15/18 (c)		745		659,325
CCH II LLC, 13.50%, 11/30/16		2,982		3,444,630
CCO Holdings LLC:	4	2,762		5,+++,050
7.25%, 10/30/17		40		41,250
7.88%, 4/30/18		100		104,000
6.50%, 4/30/21		721		704,777
CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(h)		150		142,500
CSC Holdings, Inc., 8.50%, 4/15/14		370		400,525
Coc molunigs, mc., 0.30%, 4/13/14		570		400,525

Catalina Marketing Corp., 10.50%, 10/01/15 (c)(e)	555	555,000
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (c)	590	454,300
Checkout Holding Corp., 10.69%, 11/15/15 (c)(g)	615	362,850
Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)	355	382,513
Clear Channel Communications, Inc., 9.00%, 3/01/21	500	402,500
Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	1,404	1,488,240
Series B, 9.25%, 12/15/17	5,160	5,521,200
Cox Enterprises, Inc.:		
Loan Close 2, 4.00%, 8/15/18	630	650,077
Loan Close 3, 12.00%, 8/15/18	720	743,225
Shares Loan, 4.00%, 8/15/18	743	766,526
Cox Enterprises, Inc.: Loan Close 2, 4.00%, 8/15/18 Loan Close 3, 12.00%, 8/15/18	630 720	650,077 743,225

	Pa		
Corporate Bonds	(00	0)	Value
Media (concluded)			
Cumulus Media, Inc., 7.75%, 5/01/19 (c)	USD	120	\$ 105,300
DISH DBS Corp., 7.00%, 10/01/13		90	94,388
Gray Television, Inc., 10.50%, 6/29/15		900	868,500
Harland Clarke Holdings Corp.:			
6.00%, 5/15/15 (h)		330	245,850
9.50%, 5/15/15		290	236,350
Intelsat Luxemburg SA:			
11.25%, 6/15/16		1,010	1,055,450
11.25%, 2/04/17		320	310,400
11.50%, 2/04/17 (e)		360	349,650
11.50%, 2/04/17 (c)(e)		820	796,425
Interactive Data Corp., 10.25%, 8/01/18 (c)		945	1,001,700
The Interpublic Group of Cos., Inc.,			
10.00%, 7/15/17		315	362,250
Kabel BW Erste Beteiligungs GmbH, 7.50%,			
3/15/19 (c)	EUR	613	862,964
Kabel Deutschland Vertrieb und Service GmbH			
& Co. KG, 6.50%, 6/29/18 (c)		315	443,041
Live Nation Entertainment, Inc., 8.13%,			
5/15/18 (c)	USD	675	649,688
Musketeer GmbH, 9.50%, 3/15/21	EUR	385	553,053
NAI Entertainment Holdings LLC, 8.25%,			
12/15/17 (c)	USD	570	575,700
Nielsen Finance LLC:			
11.63%, 2/01/14		45	50,963
7.75%, 10/15/18		2,085	2,152,762
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c)	GBP	189	280,725
ProQuest LLC, 9.00%, 10/15/18 (c)	USD	460	450,800
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(i)		812	406
Regal Entertainment Group, 9.13%, 8/15/18		305	308,050
UPC Holding BV, 9.88%, 4/15/18 (c)		500	522,500
UPCB Finance II Ltd., 6.38%, 7/01/20 (c)	EUR	753	962,700
Unitymedia GmbH:			
9.63%, 12/01/19		158	228,669
9.63%, 12/01/19 (c)		530	767,056
Unitymedia Hessen GmbH & Co. KG (FKA UPC			
Germany Gmbh) (c):			
8.13%, 12/01/17		407	587,579
8.13%, 12/01/17	USD	540	550,800
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP	537	902,222
Ziggo Bond Co. BV, 8.00%, 5/15/18 (c)	EUR	343	482,865
Ziggo Finance BV, 6.13%, 11/15/17 (c)		735	1,029,432
			34,978,251
Metals & Mining 4.2%			, , ,

Metals & Mining 4.2%

Drummond Co., Inc.:

9.00%, 10/15/14 (c)	USD	245	250,513
7.38%, 2/15/16		190	192,850
FMG Resources August 2006 Property Ltd., 7.00%,			
11/01/15 (c)		1,140	1,137,150
Goldcorp, Inc., 2.00%, 8/01/14 (f)		970	1,276,763
JMC Steel Group, 8.25%, 3/15/18 (c)		185	180,838
James River Escrow, Inc., 7.88%, 4/01/19 (c)		200	181,000
New World Resources NV, 7.88%, 5/01/18	EUR	627	860,155
Newmont Mining Corp., Series A, 1.25%,			
7/15/14 (f)	USD	1,345	1,953,612
Novelis, Inc., 8.75%, 12/15/20 (c)		3,235	3,404,837
Taseko Mines Ltd., 7.75%, 4/15/19		300	284,250
Vedanta Resources PLC, 8.25%, 6/07/21 (c)		245	233,975
Vulcan Materials Co., 7.50%, 6/15/21		151	148,722
			10,104,665
Multiline Retail 1.8%			
Dollar General Corp., 11.88%, 7/15/17 (e)		4,007	4,437,753
Oil, Gas & Consumable Fuels 9.7%			
Alpha Natural Resources, Inc.:			
6.00%, 6/01/19		285	278,588
6.25%, 6/01/21		920	900,450

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund, Inc. (COY) (Percentages shown are based on Net Assets)

	Pa		
Corporate Bonds	(00	0)	Value
Oil, Gas & Consumable Fuels (concluded)			
Arch Coal, Inc.:	LICD	210	¢ 205.250
7.25%, 10/01/20	USD	310	\$ 305,350
7.25%, 6/15/21 (c)		785	773,225
Berry Petroleum Co., 8.25%, 11/01/16		470	485,275
Bill Barrett Corp., 9.88%, 7/15/16		40	43,900
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 (c)		120	122,400
Chesapeake Energy Corp.:			
6.63%, 8/15/20		876	915,420
6.13%, 2/15/21		505	512,575
2.25%, 12/15/38 (f)		775	689,750
Coffeyville Resources LLC, 9.00%, 4/01/15 (c)		243	257,580
Concho Resources, Inc., 7.00%, 1/15/21		375	384,375
Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c)		310	251,100
Consol Energy, Inc., 8.25%, 4/01/20		1,800	1,935,000
Continental Resources, Inc., 7.13%, 4/01/21		340	350,200
Copano Energy LLC, 7.13%, 4/01/21		305	303,475
Crosstex Energy LP, 8.88%, 2/15/18		165	170,775
Denbury Resources, Inc.:			í i l
8.25%, 2/15/20		652	687,045
6.38%, 8/15/21		320	313,600
EV Energy Partners LP, 8.00%, 4/15/19 (c)		140	137,200
Energy XXI Gulf Coast, Inc. (c):		110	107,200
9.25%, 12/15/17		390	399,750
7.75%, 6/15/19		815	766,100
Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)		335	319,088
Hilcorp Energy I LP, 7.63%, 4/15/21 (c)		710	717,100
Linn Energy LLC (c):		/10	/1/,100
6.50%, 5/15/19		230	219,650
8.63%, 4/15/20		1,005	1,075,350
7.75%, 2/01/21		395	402,900
		120	123,000
MarkWest Energy Partners LP, 6.75%, 11/01/20			· · · · ·
Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)		1,705	1,722,050
OGX Petroleo e Gas Participações SA,		2.625	2 (24.0(2
8.50%, 6/01/18 (c)		3,625	3,634,062
Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)		300	294,000
Petrohawk Energy Corp.:			
10.50%, 8/01/14		350	395,500
7.88%, 6/01/15		450	486,000
7.25%, 8/15/18		290	338,212
Pioneer Natural Resources Co., 6.88%, 5/01/18		95	102,901
Precision Drilling Corp., 6.50%, 12/15/21 (c)		275	275,000
Range Resources Corp.:			
8.00%, 5/15/19		400	435,000
5.75%, 6/01/21		310	311,550
SM Energy Co., 6.63%, 2/15/19 (c)		260	260,000
SandRidge Energy, Inc., 7.50%, 3/15/21 (c)		835	814,125
Teekay Corp., 8.50%, 1/15/20		510	495,975
			23,404,596
Paper & Forest Products 2.5%			
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(e)		354	247,611
Boise Paper Holdings LLC:			
9.00%, 11/01/17		115	122,188

8.00%, 4/01/20	140	143,150
Clearwater Paper Corp.:		
10.63%, 6/15/16	370	405,150
7.13%, 11/01/18 (c)	535	537,675
Georgia-Pacific LLC, 8.25%, 5/01/16 (c)	1,525	1,741,562
Longview Fibre Paper & Packaging, Inc., 8.00%,		
6/01/16 (c)	315	311,850
NewPage Corp., 11.38%, 12/31/14 (i)	1,935	1,702,800
Sappi Papier Holding GmbH, 6.63%, 4/15/21 (c)	120	106,800
Verso Paper Holdings LLC, 11.50%, 7/01/14	707	749,420
		6,068,206

	Pa		
Corporate Bonds	(00	0)	Value
Pharmaceuticals 0.5%			
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (c)	EUR	200	\$ 275,808
Endo Pharmaceuticals Holdings, Inc.,			
7.00%, 7/15/19 (c)	USD	170	172,125
Valeant Pharmaceuticals International, 6.50%,			
7/15/16 (c)		780	741,000
			1,188,933
Professional Services 0.3%			, ,
FTI Consulting, Inc., 6.75%, 10/01/20 (c)		850	838,313
Real Estate Investment Trusts (REITs) 1.3%			
FelCor Lodging LP, 6.75%, 6/01/19 (c)		1,285	1,207,900
iStar Financial, Inc., 5.65%, 9/15/11		1,500	1,488,750
The Rouse Co. LP, 6.75%, 11/09/15		480	486,000
The Rouse Co. Er, 0.75%, 11/0/15		400	3,182,650
Real Estate Management & Development 2.2%			5,102,050
CB Richard Ellis Services, Inc., 6.63%, 10/15/20		310	303,025
Forest City Enterprises, Inc., 7.63%, 6/01/15		1,325	1,275,313
Realogy Corp. (c):		1,525	1,275,515
11.50%, 4/15/17 (h)		910	722 450
		910	723,450
12.00%, 4/15/17			72,000
7.88%, 2/15/19		2,400	1,992,000
Shea Homes LP, 8.63%, 5/15/19 (c)		1,025	866,125
			5,231,913
Road & Rail 2.0%			
Avis Budget Car Rental LLC:		175	105 (00
9.63%, 3/15/18		475	485,688
8.25%, 1/15/19		710	686,925
Florida East Coast Railway Corp., 8.13%,			
2/01/17 (c)		410	407,950
The Hertz Corp. (c):			
7.50%, 10/15/18		595	583,100
6.75%, 4/15/19		410	382,325
7.38%, 1/15/21		455	434,525
Hertz Holdings Netherlands BV:			
8.50%, 7/31/15	EUR	100	140,777
8.50%, 7/31/15 (c)		1,225	1,724,519
			4,845,809
Semiconductors & Semiconductor			
Equipment 0.2%			
Spansion LLC, 7.88%, 11/15/17 (c)	USD	540	540,000
Specialty Retail 2.2%			,
Asbury Automotive Group, Inc., 8.38%, 11/15/20		335	329,138
Hillman Group, Inc., 10.88%, 6/01/18		490	494,900
House of Fraser Plc., 8.88%, 8/15/18 (c)	GBP	259	357,378
Limited Brands, Inc., 8.50%, 6/15/19	USD	745	839,056
Phones4u Finance Plc, 9.50%, 4/01/18 (c)	GBP	370	462,478
QVC, Inc. (c):	ODI	510	102,170
7.13%, 4/15/17	USD	210	219,450
1.15/10, 7/15/11/	03D	210	219,450

7.50%, 10/01/19	565	608,787
7.38%, 10/15/20	195	209,625
Sonic Automotive, Inc., 9.00%, 3/15/18	345	350,175
Toys R US-Delaware, Inc., 7.38%, 9/01/16 (c)	390	378,300
United Auto Group, Inc., 7.75%, 12/15/16	950	961,875
		5,211,162
Transportation Infrastructure 0.2%		
Aguila 3 SA, 7.88%, 1/31/18 (c)	398	374,120
Wireless Telecommunication Services 3.6%		
Cricket Communications, Inc.:		
10.00%, 7/15/15	715	739,131
7.75%, 5/15/16	306	309,825
Digicel Group Ltd. (c):		
8.88%, 1/15/15	635	635,000
9.13%, 1/15/15	1,711	1,710,632
8.25%, 9/01/17	1,135	1,135,000
10.50%, 4/15/18	500	530,000

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund, Inc. (COY) (Percentages shown are based on Net Assets)

	Par	
Corporate Bonds	(000)	Value
Wireless Telecommunication Services (concluded)		
FiberTower Corp., 9.00%, 1/01/16 (e)	USD 311	\$ 193,552
Intelsat Jackson Holdings SA, 7.50%, 4/01/21 (c)	140	135,450
iPCS, Inc., 2.38%, 5/01/13 (h)	760	704,900
MetroPCS Wireless, Inc.:		
7.88%, 9/01/18	340	344,675
6.63%, 11/15/20	850	794,750
NII Capital Corp., 7.63%, 4/01/21	344	350,880
Sprint Capital Corp., 6.88%, 11/15/28	1,210	1,082,950
		8,666,745
Total Corporate Bonds 103.0%		247,450,167
Floating Rate Loan Interests (h)		
Airlines 0.3%		
Delta Air Lines, Inc., Credit New Term Loan B,		
5.50%, 4/20/17	675	622,127
Building Products 0.2%	075	022,127
Goodman Global, Inc., Term Loan (Second Lien),		
9.00%, 10/30/17	500	502,500
Capital Markets 0.1%	500	502,500
Marsico Parent Co., LLC, Term Loan, 5.25%,		
12/15/14	369	206 424
Chemicals 0.1%	509	206,424
PQ Corp. (FKA Niagara Acquisition, Inc.), Original		
Term Loan Facility (First Lien),	212	295 007
3.48% 3.51%, 7/30/14	313	285,907
Construction & Engineering 0.7%		
Safway Services, LLC, Last Out Term Loan,	1 750	1 750 000
7.25%, 12/18/17	1,750	1,750,000
Consumer Finance 1.5%		
Springleaf Financial Funding Co. (FKA AGFS	4.000	2 705 000
Funding Co.), Term Loan, 5.50%, 5/10/17	4,000	3,705,000
Diversified Consumer Services 0.0%		
ServiceMaster Co.:		
Closing Date Term Loan, 2.69% 2.76%,		51.400
7/24/14	77	71,408
Delayed Draw Term Loan, 2.72%, 7/24/14	8	7,111
		78,519
Diversified Telecommunication Services 0.2%		
Level 3 Financing, Inc., Incremental Tranche A Term		
Loan, 2.50%, 3/13/14	475	438,900
Electronic Equipment, Instruments &		
Components 0.0%		
CDW LLC (FKA CDW Corp.), Non-Extended Term		
Loan, 3.71%, 10/10/14	110	103,400
Energy Equipment & Services 0.6%		
Dynegy Holdings, Inc.:		
Coal Company Term Loan, 9.25%, 8/04/16	530	519,661
Gas Company Term Loan, 9.25%, 8/04/16	970	951,079
		1,470,740

Health Care Providers & Services 0.7%		
Harden Healthcare, Inc.:		
Tranche A Additional Term Loan, 7.75%, 3/02/15	435	425,844
Tranche A Term Loan, 8.50%, 3/02/15	381	373,039
inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term		
Loan B, 6.50%, 8/04/16	801	755,846
		1,554,729

	Р	ar	
Floating Rate Loan Interests (h)	(0	00)	Value
Hotels, Restaurants & Leisure 0.4%			
Caesars Entertainment Operating Co., Inc., Term Loan			
B-3, 3.25%, 1/28/15	USD	341	\$ 293,899
Travelport LLC, (FKA Travelport, Inc.), Term Loan,			
8.29%, 3/27/12		1,251	689,203
			983,102
Independent Power Producers &			
Energy Traders 0.9%			
Texas Competitive Electric Holdings Co., LLC (TXU),			
Extended Term Loan, 4.71% 4.77%, 10/10/17		2,926	2,148,176
Media 3.8%			
Cengage Learning Acquisitions, Inc. (FKA Thomson			
Learning), Tranche 1 Incremental Term Loan,			
7.50%, 7/03/14		1,455	1,389,525
HMH Publishing Co., Ltd., Tranche A Term Loan,			
6.21%, 6/12/14		862	692,815
Intelsat Jackson Holdings SA (FKA Intelsat Jackson			
Holdings, Ltd.), Tranche B Term Loan, 5.25%,		<b>- -</b>	
4/02/18		5,985	5,730,637
Newsday LLC, Fixed Rate Term Loan, 10.50%,			
8/01/13		1,375	1,419,688
			9,232,665
Multiline Retail 0.6%	EUD	1.007	1.407.024
Hema Holding BV, Mezzanine, 9.93%, 7/05/17	EUR	1,097	1,407,026
Oil, Gas & Consumable Fuels 0.8%			
Obsidian Natural Gas Trust, Term Loan, 7.00%,	LICE	1.000	1 010 007
11/02/15 Prove & Francisco & 597	USD	1,829	1,810,296
Paper & Forest Products 0.5%			
Verso Paper Finance Holdings LLC, Term Loan,		1.226	1 1 40 2 42
6.51% 7.26%, 2/01/13 (e)		1,326	1,140,343
Real Estate Investment Trusts (REITs) 0.6%			
iStar Financial, Inc., Term Loan, (Second Lien),		1 292	1 244 124
5.00%, 6/28/13		1,383	1,344,124
Real Estate Management & Development 0.3%			
Realogy Corp.: Extanded Symthetic Letter of Credit Leon			
Extended Synthetic Letter of Credit Loan,		124	101 011
4.44%, 10/10/16 Extanded Term Loop B. 4.52%, 10/10/16		124 689	101,911
Extended Term Loan B, 4.52%, 10/10/16		089	566,955 668,866
Specialty Detail 0.0%			008,800
Specialty Retail 0.0% Claire & Stores Inc. Term Loan B. 3.00% 5/20/14		109	94.562
Claire s Stores, Inc., Term Loan B, 3.00%, 5/29/14 Total Floating Rate Loan Interests 12.3%		109	94,362 29,547,406
Total Floating Nate Loan Interests 12.5 /0			29,347,400

Other Interests (k)	Beneficial Interest (000)	
Auto Components 2.6%		
Delphi Debtor-in-Possession Holding Co.		
LLP, Class B Membership Interests (a)	(1)	6,247,969
Energy Equipment & Services 0.6%		

BLK COY (Luxembourg) Investments, S.a.r.l.		
(Laricina Energy Ltd.) (a)(m)	35	1,549,759
Media 0.0%		
Adelphia Escrow (a)	700	7
Adelphia Recovery Trust (a)	878	88
		95
Total Other Interests 3.2%		7,797,823

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund, Inc. (COY) (Percentages shown are based on Net Assets)

Preferred Securities	<b>D</b>	
Capital Trusts	Par (000)	Value
Insurance 0.2%	(000)	vulue
Genworth Financial, Inc., 6.15%, 11/15/66 (h)	USD 790	\$ 474,000
Total Capital Trusts 0.2%		474,000
Preferred Stocks	Shares	
Auto Components 0.3%	< <b>2</b> 00	
Dana Holding Corp., 4.00% (c)(f)	6,380	718,547
Diversified Financial Services 0.9%	0.000	2 102 (02
Ally Financial, Inc., 7.00% (c)	2,883	2,193,693
Media 0.2%		
CMP Susquehanna Radio Holdings Corp.,	24.092	207 247
0.00% (a)(c)(h) Total Preferred Stocks 1.4%	34,982	297,347
Total Prefetted Stocks 1.4%		3,209,587
Trust Preferreds		
Diversified Financial Services 0.7%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (h)	80,890	1,727,002
Total Trust Preferreds 0.7%	,.,.	1,727,002
Total Preferred Securities 2.3%		5,410,589
Warrants (n)		
Health Care Providers & Services 0.0%		
HealthSouth Corp. (Expires 1/16/14)	29,930	
Media 0.1%		
Cumulus Media, Inc. (Expires 3/26/19)	88,351	225,781
New Vision Holdings LLC (Expires 9/30/14)	14,965	150
		225,931
Software 0.0%		
Bankruptcy Management Solutions, Inc.		_
(Expires 9/29/17)	312	3
HMH Holdings/EduMedia (Expires 3/09/17)	9,997	2
		3
Total Warrants 0.1%		225,934
Total Long-Term Investments		200 702 026
(Cost \$309,796,735) 124.8%		299,702,026
Short-Term Securities		
BlackRock Liquidity Funds, TempCash,		
Institutional Class, 0.11% (o)(p)	1,965,816	1,965,816
Total Short-Term Securities	, ,	, ,
(Cost \$1,965,816) 0.8%		1,965,816
Options Purchased	Contracts	Value
Exchange-Traded Call Options 0.0%	412	\$ 5,356
E*Trade Financial Corp., Strike Price USD 20.00,		
Expires 10/22/11	412	\$ 5,356
Exchange-Traded Put Options 0.0%		

SPDR S&P 500 ETF Trust, Strike Price USD 120.00, Expires 9/17/11		131	29,478
Over-the-Counter Call Options0.0%Marsico Parent Superholdco LLC, Strike			
Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA		17	
bloker Goldman Sachs Bank USA	Noti		
	Amo	ount	
Over-the-Counter Call Swaptions 0.1%	(00	0)	
Receive a return based on return of Dow Jones CDX North America High Yield Index Series 16 and pay a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Deutsche Bank			
Securities Inc.	\$	10,000	100,351
Total Options Purchased(Cost \$244,707)0.1%			135,185
Total Investments Before Options Written			
(Cost \$312,007,258*) 125.7%			301,803,027
Options Written	C	ontracts	
Exchange-Traded Put Options (0.0)%	-		
E*Trade Financial Corp., Strike Price USD 13.00, Expires 10/22/11		412	(84,460)
	Noti	onal	
	Amo (00		
Over-the-Counter Call Swaptions (0.1)%	(	- /	
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and			
receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit			
Suisse International	USD	10,650	(2,084)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and			
receive a floating rate based on 3-month LIBOR,			
Expires 12/21/11, Broker Goldman Sachs International		4,000	(181,742)
Over-the-Counter Put Swaptions (0.3)%			(183,826)
Pay a return based on return of Dow Jones CDX			
North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR,			
Expires 9/21/11, Broker Credit Suisse International		2 775	(00.852)
Pay a return based on return of Dow Jones CDX		2,775	(90,853)
North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR,			
Expires 12/21/11, Broker Goldman			
Sachs International		4,000	(130,653)
See Notes to Financial Statements.			
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#### BlackRock Corporate High Yield Fund, Inc. (COY) (Percentages shown are based on Net Assets)

Options Written	Notional Amount (000) Value		Value	
Over-the-Counter Put Swaptions (concluded)				
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Morgan Stanley Capital Services	USD	10.000	\$	(388,255)
Capital Services	USD	10,000	ψ	(609,761)
Total Options Written (Premiums Received \$601,636) (0.4)%				(878,047)
Total Investments, Net of Options Written 125.3%				300,924,980
Liabilities in Excess of Other Assets (25.3)%				(60,682,896)
Net Assets 100.0%			\$	240,242,084

\* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 313,099,853
Gross unrealized appreciation	\$ 11,308,144
Gross unrealized depreciation	(22,600,970)
Net unrealized depreciation	\$ (11,292,826)

<sup>(</sup>a) Non-income producing security.

- (b) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$3,851 and an original cost of \$277, in this security.
- (c) 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.
- (d) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (e) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (f) Convertible security.
- (g) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (h) Variable rate security. Rate shown is as of report date.
- (i) Issuer filed for bankruptcy and/or is in default of interest payments.
- (j) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (k) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.

- (l) Amount is less than \$500.
- (m) The investment is held by a wholly owned subsidiary of the Fund.
- (n) 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.
- (o) 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 BlackRock Liquidity	Shares Held at February 28, 2010	Net Activity	Shares Held at August 31, 2011	Income
Funds, TempCash, Institutional Class	1,721,866	243,950	1,965,816	\$ 1,031

#### (p) 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. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Financial futures contracts sold as of August 31, 2011 were as follows:

				Notional	Unrealized
Contracts	Issue	Exchange	Expiration	Value	Depreciation
347	S&P 500	Chicago	September	\$ 19,749,027	\$ (1,378,068)
	Index Emini	Mercantile	2011		

Foreign currency exchange contracts as of August 31, 2011 were as follows:

Currei Purcha	•	C	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
EUR	293,000	USD	421,255	Royal Bank of Scotland	9/02/11	\$ (360)
USD	192,154	CAD	190,000	Citibank NA	10/07/11	(1,700)
USD	3,596,799	GBP	2,251,000	Royal Bank of Scotland	10/07/11	(55,827)
USD	20,237,444	EUR	14,117,000	Citibank NA	10/26/11	(28,322)
USD	760,967	EUR	530,000	Deutsche Bank AG	10/26/11	121
USD	45,787	EUR	32,000	Morgan Stanley Capital Services, Inc.	10/26/11	(151)
USD	420,982	EUR	293,000	Royal Bank of Scotland	10/26/11	363
USD <b>Total</b>	199,829	EUR	140,000	UBS AG	10/26/11	(1,149) \$ (87,025)

#### Credit default swaps on single-name issues buy protection outstanding as of August 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Α	otional mount (000)	Ap	nrealized preciation preciation)
iStar Financial, Inc.	5.00%	Morgan Stanley Capital Services, Inc.	9/20/11	\$	750	\$	(2,347)
iStar Financial, Inc.	5.00%	Morgan Stanley Capital Services, Inc.	9/20/11	\$	750		(2,436)
Republic of Hungary	1.00%	Deutsche Bank AG	12/20/15	\$	280		5,918
Israel (State of)	1.00%	Deutsche Bank AG	3/20/16	\$	625		(6,428)
Beazer Homes USA Inc.	5.00%	Credit Suisse Securities (USA) LLC	9/20/16	\$	125		(5,472)
Beazer Homes USA Inc.	5.00%	Goldman Sachs & Co.	9/20/16	\$	175		11,459
Realogy Corp	5.00%	Goldman Sachs & Co.	9/20/16	\$	125		(9,218)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	12/20/16	\$	250		(20,392)
Total						\$	(28,916)

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund, Inc. (COY)

Credit default swaps on traded indexes buy protection outstanding as of August 31, 2011 were as follows:

Index	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Dow Jones	5.00%	Credit Suisse	6/20/16	\$ 2,100	
CDX North America		Securities			
High Yield Index		(USA) LLC			
Series 16					

Credit default swaps on single-name issues sold protection outstanding as of August 31, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating <sup>1</sup>	A	otional mount (000) <sup>2</sup>	Арр	realized reciation reciation)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	9/20/11	B+	\$	250	\$	1,583
ARAMARK Corp.	5.00%	Goldman Sachs International	3/20/16	В	\$	500		(14,585)
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	В	\$	300		(9,383)
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	В	\$	300		(11,486)
ARAMARK Corp.	5.00%	Goldman Sachs International	9/20/16	В	\$	350		(15,369)
Total							\$	(49,240)

- <sup>1</sup> Using S&P s rating.
- <sup>2</sup> The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of the agreement.

Interest rate swaps outstanding as of August 31, 2011 were as follows:

<b>Fixed</b> <b>Rate</b> 3.12% <sup>(a)</sup>	Floating Rate 3-month LIBOR	Counterparty Deutsche Bank AG	Expiration Date 8/02/21	A	otional mount (000) 1,320	-	realized preciation 11,812
3.09% <sup>(a)</sup>	3-month LIBOR	Deutsche Bank AG	8/03/21	\$	1,330		10,135

3.15% <sup>(a)</sup>	3-month LIBOR	Credit Suisse Securities (USA) LLC	8/11/21	\$ 1,340	13,759
3.11% <sup>(a)</sup>	3-month LIBOR	Deutsche Bank AG	8/11/21	\$ 1,340	11,386
Total					\$ 47,092

(a) Pays a fixed interest rate and receives floating rate.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized in three broad levels for financial statement purposes 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund s perceived risk of investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of August 31, 2011 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term				
Investments:				
Common Stocks	\$ 7,032,920	\$ 85,137	\$ 2,152,050	\$ 9,270,107
Corporate Bonds		242,319,052	5,131,115	247,450,167
Floating Rate				
Loan Interests		23,768,539	5,778,867	29,547,406
Other Interests	88	6,247,969	1,549,766	7,797,823
Preferred				
Securities	1,727,002	3,386,240	297,347	5,410,589
Warrants			225,934	225,934
Short-Term				
Securities	1,965,816			1,965,816
Total	\$ 10,725,826	\$ 275,806,937	\$ 15,135,079	\$ 301,667,842
Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial				
Instruments <sup>1</sup>				
Assets:				
Credit contracts		\$ 18,960		\$ 18,960
Equity contracts	\$ 34,834	100,351		135,185
Foreign currency				
exchange				
contracts		484		484
Interest rate				
contracts		47,092		47,092

Liabilities:			
Credit contracts		(97,116)	(97,116)
Equity contracts	(1,462,528)	(793,587)	(2,256,115)
Foreign currency			
exchange			
contracts		(87,509)	(87,509)
Total	\$ (1,427,694) \$	(811,325)	\$ (2,239,019)

Derivative financial instruments are swaps, financial futures contracts, foreign currency exchange contracts and options. Swaps, financial futures contracts, and foreign currency exchange contracts are valued at the unrealized appreciation/ depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund, Inc. (COY)

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

	Commo Stocks		Corporate Bonds	F	oating Rate Loan Interests	Otl Inter		_	referred Stocks	W	Varrants	-	nfunded Loan nmitments	Tota	ıl
Assets/Liabilities:															
Balance, as of February 28,															
2011	\$ 412,	146	\$ 5,083,048	\$	6,878,236	\$	7			\$	154	\$	(11,592)	\$ 12,361	,999
Accrued discounts/premiums			12,301		1,296									13	3,597
Net realized gain (loss)			6,528		3,965									10	),493
Net change in unrealized															
appreciation/depreciation <sup>2</sup>	(2,000,	339)	624,595		1,156,020	(2	7,393)	\$	297,347		225,780		11,592	287	7,602
Purchases	3,740,1	243	47,658		5,690	1,57	7,152							5,370	),743
Sales			(748,753)	)	(2,574,160)	1								(3,322	2,913)
Transfers in <sup>3</sup>			105,738		1,461,797									1,567	7,535
Transfers out <sup>3</sup>					(1,153,977)	1								(1,153	3,977)
Balance, as of August 31,															
2011	\$ 2,152,	050	\$ 5,131,115	\$	5,778,867	\$ 1,54	9,766	\$	297,347	\$	225,934			\$ 15,135	5,079

<sup>2</sup> Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(992,367).

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

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets.

See Notes to Financial Statements.

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## Schedule of Investments August 31, 2011 (Unaudited)

#### BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Capital Markets 0.1%		
E*Trade Financial Corp. (a)	29,600	\$ 365,856
Chemicals 0.0%		
Wellman Holdings, Inc.	256	832
Wellman, Inc. (acquired 1/30/09, cost \$235) (a)(b)	1,266	4,114
		4,946
Communications Equipment 0.4%		
Loral Space & Communications Ltd. (a)	20,518	1,161,114
Diversified Financial Services 0.8%		
Kcad Holdings I Ltd.	184,016,803	2,076,998
Electrical Equipment 0.0%		
Medis Technologies Ltd. (a)	70,784	779
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc. (a)	1,099	2,747
Media 1.4%		
Belo Corp., Class A	47,382	258,232
Charter Communications, Inc. (a)	63,805	3,182,593
Clear Channel Outdoor Holdings, Inc., Class A (a)	9,964	114,088
		3,554,913
Metals & Mining 0.1%		
African Minerals Ltd. (a)	47,050	391,428
Oil, Gas & Consumable Fuels 0.2%		
Marathon Petroleum Corp.	10,600	392,836
Paper & Forest Products 0.3%		
Ainsworth Lumber Co. Ltd. (c)	140,415	286,766
Ainsworth Lumber Co. Ltd.	122,117	249,397
Western Forest Products, Inc. (a)	158,023	106,500
Western Forest Products, Inc. (a)(c)	45,762	30,841
		673,504
Semiconductors & Semiconductor		
Equipment 0.4%		
Spansion, Inc., Class A (a)	64,237	964,198
SunPower Corp., Class B (a)	271	3,211
		967,409
Software 0.1%		
Bankruptcy Management Solutions, Inc. (a)	501	2
HMH Holdings/EduMedia (a)	89,669	179,338
		179,340
Total Common Stocks 3.8%		9,771,870

Corporate Bonds	Par (000)		
Aerospace & Defense 0.6%			
Huntington Ingalls Industries, Inc. (c):			
6.88%, 3/15/18	USD	360	338,400
7.13%, 3/15/21		400	376,000
Kratos Defense & Security Solutions, Inc., 10.00%,			
6/01/17		756	776,790
			1,491,190
At Fast 14 9 Locate the 0 501			

Air Freight & Logistics 0.5%

National Air Cargo Group, Inc.:		
Series 1, 12.38%, 9/02/15	679 705	5,964
Series 2, 12.38%, 8/16/15	686 713	3,156
	1,419	9,120

	P	ar	
Corporate Bonds		00)	Value
Airlines $3.1\%$	LICD	000 ¢	964.000
Air Canada, 9.25%, 8/01/15 (c)	USD	900 \$	864,000
American Airlines, Inc.: 10.50%, 10/15/12		940	060 275
· ·		140	969,375 126,700
7.50%, 3/15/16 (c) Series 2001-2, 7.86%, 4/01/13		400	400,000
Series 2011-1-B, 7.00%, 1/31/18 (c)		400	350,272
Continental Airlines, Inc.:		407	550,272
6.75%, 9/15/15 (c)		630	614,250
Series 1997-4-B, 6.90%, 7/02/18 (d)		396	390,128
Series 2010-1-B, 6.00%, 1/12/19		500	462,500
Delta Air Lines, Inc.:		500	402,500
Series 2010-1-B, 6.38%, 7/02/17		500	450,000
Series B, 9.75%, 12/17/16		765	784,455
US Airways Pass-Through Trust, 10.88%, 10/22/14		690	672,750
United Air Lines, Inc., 12.75%, 7/15/12		2,062	2,155,175
Onice 1 M Enics, ne., 12.75 %, 7715/12		2,002	8,239,605
Auto Components 2.1%			0,200,000
Allison Transmission, Inc., 11.00%, 11/01/15 (c)		230	242,075
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)		210	195,300
Delphi Corp., 6.13%, 5/15/21 (c)		170	164,050
Ford Motor Co., 7.45%, 7/16/31		730	800,352
Icahn Enterprises LP:		150	000,552
4.00%, 8/15/13 (c)(e)(f)		255	243,219
8.00%, 1/15/18		3,035	3,065,350
		5,055	5,005,550
International Automotive Components Group,			
SL, 9.13%, 6/01/18 (c)		260	255,450
Titan International, Inc., 7.88%, 10/01/17		465	488,250
D 0.00			5,454,046
Beverages 0.2%		264	252.240
Cott Beverages, Inc., 8.13%, 9/01/18	ELID	264	273,240
Crown European Holdings SA, 7.13%, 8/15/18 (c)	EUR	245	339,625
			612,865
Biotechnology 0.1%	LICD	225	241 125
QHP Pharma, 10.25%, 3/15/15 (c)	USD	335	341,135
Building Products 1.3%			
Building Materials Corp. of America (c):		440	440.000
7.00%, 2/15/20		440	440,000
6.75%, 5/01/21		1,260	1,206,450
Griffon Corp., 7.13%, 4/01/18 (c)		430	406,350
Momentive Performance Materials, Inc.:		175	470.250
11.50%, 12/01/16		475	470,250
9.00%, 1/15/21 (c)		985	842,175
Carrital Markata 1.00%			3,365,225
Capital Markets 1.0%		510	506 420
American Capital Ltd., 7.96%, 12/31/13 (g)		510	506,420
E*Trade Financial Corp.:		000	1 012 000
12.50%, 11/30/17 (h)		880	1,012,000
3.39%, 8/31/19 (c)(e)(i) Series A $3.65\%, 8/31/10$ (c)(i)		244	291,580
Series A, 3.65%, 8/31/19 (e)(i)		7	8,365
KKR Group Finance Co., 6.38%, 9/29/20 (c)		650	691,570
Chemicala 260			2,509,935
Chemicals 3.6%		000	064.600
American Pacific Corp., 9.00%, 2/01/15		880	864,600
American Rock Salt Co. LLC, 8.25%, 5/01/18 (c)		138	127,995

Celanese US Holdings LLC, 5.88%, 6/15/21		980	982,450
Chemtura Corp., 7.88%, 9/01/18 (c)		375	385,312
Hexion US Finance Corp.:			
8.88%, 2/01/18		480	448,800
9.00%, 11/15/20 (c)		310	270,475
Huntsman International LLC (c):			
6.88%, 11/15/13	EUR	280	398,198
8.63%, 3/15/21	USD	170	177,438
Ineos Finance Plc, 9.00%, 5/15/15 (c)		420	425,250
KRATON Polymers LLC, 6.75%, 3/01/19 (c)		125	120,000

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		
Corporate Bonds	(000)		Value
Chemicals (concluded)			
Kinove German Bondco GmbH, 10.00%, 6/15/18	EUR	583	\$ 791,419
Lyondell Chemical Co., 11.00%, 5/01/18	USD	1,235	1,378,569
Nexeo Solutions LLC, 8.38%, 3/01/18 (c)		185	191,012
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (c)		546	540,540
Omnova Solutions, Inc., 7.88%, 11/01/18 (c)		550	482,625
PolyOne Corp., 7.38%, 9/15/20		215	221,450
TPC Group LLC, 8.25%, 10/01/17 (c)		335	343,375
Wellman Holdings, Inc., Subordinate Note (e):			
(Second Lien), 10.00%, 1/29/19 (c)		844	1,173,160
(Third Lien), 5.00%, 1/29/19 (h)		290	206,060
			9,528,728
Commercial Banks 2.5%			
CIT Group, Inc.:			
7.00%, 5/01/15		450	447,750
7.00%, 5/01/16		2,876	2,862,104
7.00%, 5/01/17		2,765	2,730,516
7.00%, 5/02/17 (c)		440	434,500
			6,474,870
Commercial Services & Supplies 2.0%			- / - /
ACCO Brands Corp., 10.63%, 3/15/15		755	825,781
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (c)		120	115,754
Aviation Capital Group Corp., 6.75%, 4/06/21 (c)		540	532,861
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (c)		525	494,813
Casella Waste Systems, Inc., 7.75%, 2/15/19 (c)		650	625,625
Clean Harbors, Inc., 7.63%, 8/15/16 (c)		380	401,850
Mobile Mini, Inc., 7.88%, 12/01/20 (c)		365	354,963
RSC Equipment Rental, Inc.:		505	551,505
10.00%, 7/15/17 (c)		585	628,875
8.25%, 2/01/21		875	815,937
WCA Waste Corp., 7.50%, 6/15/19 (c)		330	330,000
West Corp., 8.63%, 10/01/18 (c)		135	131,625
		155	5,258,084
Communications Equipment 0.8%			5,250,004
Avaya, Inc.:			
9.75%, 11/01/15		520	442,000
10.13%, 11/01/15 (h)		650	561,438
7.00%, 4/01/19 (c)		520	468,000
EH Holding Corp. (c):		520	400,000
6.50%, 6/15/19		380	380,000
7.63%, 6/15/21		260	258,700
1.0576, 0/15/21		200	
Construction & Engineering 0.1%			2,110,138
Abengoa SA, 8.50%, 3/31/16	EUR	100	13/ 212
Boart Longyear Management Ltd., 7.00%,	EUK	100	134,313
	USD	200	108 500
4/01/21 (c)	USD	200	198,500
Construction Materials 0.3%			332,813
		245	276 007
Calcipar SA, 6.88%, 5/01/18 (c)		345	326,887

Xefin Lux SCA, 8.00%, 6/01/18 (c)	EUR	254	335,682
			662,569
Consumer Finance 1.2%			
Credit Acceptance Corp., 9.13%, 2/01/17	USD	680	688,500
Ford Motor Credit Co. LLC:			
3.00%, 1/13/12 (f)		215	215,004
7.80%, 6/01/12		200	206,004
7.00%, 4/15/15		1,830	1,953,525
6.63%, 8/15/17		139	145,519
			3,208,552
Containers & Packaging 1.2%			
Ardagh Packaging Finance Plc, 7.38%,10/15/17 (c)	EUR	475	639,692
Berry Plastics Corp., 8.25%, 11/15/15	USD	135	139,050
GCL Holdings SCA, 9.38%, 4/15/18 (c)	EUR	267	335,603

Corporate Boads         (000)         Value           Containers & Packaging (concluded)             10/01/18         USD         375         \$         393,750           00/178         USD         375         \$         393,750           01/01/18         USD         375         \$         393,750           01/01/18         USD         410         377,230           Pregis Corp., 12,38%, 10/15/13         USD         410         377,230           Smuffit Kappa Acquisitions (c):         255         57,750         315         432,135           27,5%, 11/15/17         EUR         495         682,625         7,758, 11/15/17         USD         3,000         3,135,000           Diversited Consumer Services         1.2%         3,269,330         3,269,330         3,269,330           Diversited Financial Services         6.0%         3,150,000         3,135,000         3,135,000         3,135,000         3,135,000         3,135,000         3,269,330           Ally Financial, Inc.:         7,134,173         280         444,400         567,000         62,8,1201/17 (c)         660         63,4865         3,007,210,133         647,430         810,8,173,735         800%,11/01/31         1,450		Pa			
	•	(00	0)		Value
$\begin{array}{c c c c c c c c c c c c c c c c c c c $					
Ol European Group BV, 6.88%, J3/1/7         EUR         155         211,525           Pregis Corp., 12,38%, 10/15/13         USD         410         377,200           Smuffit Kappa Acquisitions (c):		LICD	275	¢	202 750
Pregis Carp. 12.3&%, 1015/13         USD         410         377.200           Rock-Tem Co., 9.25%, 3/15/16         55         57,750           Smuffit Kappa Acquisitions (c):         7.35%, 11/15/17         EUR         495         682,625           7.75%, 11/15/19         315         432,135         32,269,330           Diversified Consumer Services         1.2%         3         33,000           Diversified Financial Actives         6.0%         33,000         3,135,000           Diversified Financial, Inc.:         7.5%, 12/31/13         280         288,400           8.30%, 21/2/15         540         567,000           6.25%, 12/01/1 (c)         660         634,865           8.00%, 31/5/20         670         658,272           8.00%, 31/5/20         670         658,272           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         1,450         1,512,097           9.75%, 4/301/8         EUR         102         112,837           9.83%, 4/301/8         EUR         1,050         1,512,097           7.13%, 1/15/13         EUR				\$	,
Rok. Frem Co., 9.2%, 3/15/16         55         57,550           Smurfit Kappa Acquisitions (c):         7.25%, 1/15/17         EUR         495         682,625           7.25%, 1/15/17         EUR         495         682,625           7.25%, 1/15/19         315         432,135           3.269,330         3.000         3.135.000           Diversified Consumer Services 1.2%         USD         3.000         3.135.000           Diversified Financial Services 6.0%         100         100         540         567,000           Ally Financial, Inc.:         7.50%, 12/31/13         280         288,400         667,000           6.39%, 12/21/5         540         567,000         626         634,865           8.00%, 11/01/31         1,450         1,417,375         8.00%, 11/01/31         1,4430           8.00%, 11/01/31         1,450         1417,375         8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         1,450         1417,375         8.00%, 11/01/31         1,450         1,417,375           9.01/16         Boparan Holdings Ltd. (c):         100,150         112,837         9.0176         112,837           9.01/16         USD         450         4510         151,2097					
Smurfit Kappa Acquisitions (c):         EUR         495         682,625           7.25%, 11/15/19         315         432,135           5.75%, 11/15/19         3,269,330           Diversified Consumer Services 1.2%         3,000         3,135,000           Diversified Financial Services 6.0%         USD         3,000         3,135,000           Diversified Financial, Inc::         280         288,400           7,50%, 12/31/13         280         288,400           8,30%, 2/12/15         540         567,000           6,25%, 12/31/13         280         288,400           8,30%, 2/12/15         540         567,000           6,25%, 12/31/17         660         634,865           8,00%, 3/15/20         670         658,275           8,00%, 11/01/31         1,450         1,417,375           8,00%, 11/01/31         1,450         1,417,375           8,00%, 11/01/31         1,450         1,417,375           8,00%, 4/30/18         EUR         102         112,837           9,75%, 4/30/18         EUR         102         112,837           9,88%, 4/30/18         EUR         100         190,657           7,13%, 1/15/13         EUR         100         190,657		USD			,
7.25%, 1/1/5/17         EUR         495         682,623           7.75%, 1/115/19         315         432,135           Service Corp. International, 7.00%, 6/15/17         USD         3,000         3,135,000           Diversified Financial Services         6.0%			55		57,750
7.75%, 11/15/19         315         432,135           Diversified Consumer Services 1.2%         3,000         3,135,000           Diversified Financial, Inc.:         USD         3,000         3,135,000           Diversified Financial Services 6.0%         280         288,400           8.30%, 2/12/15         540         567,000           6.25%, 12/3/1/13         280         288,400           8.30%, 2/12/15         540         567,000           6.25%, 12/3/1/13         280         288,400           8.30%, 2/12/15         660         634,865           8.00%, 3/15/20         660         634,865           8.00%, 9/15/20         670         658,275           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         450         469,125           Boparan Hotdings, Inc., 12.75%, 30/16         450         469,125           Boparan Hotdings Ld. (c):         9         128,37           9.75%, 4/30/18         EIR         1005         1,512.097           7.13%, 11/51/3         EIR         1050         1,512.097           4.75%, 10/15/16 (c)         USD         490         487.550 </td <td></td> <td>ELID</td> <td>10.5</td> <td></td> <td>(02 (25</td>		ELID	10.5		(02 (25
3,269,330           Diversified Consumer Strikes         3,000           Service Corp. International, 7.00%, 6/15/17         USD         3,000         3,135,000           Diversified Financial Services         6.0%         280         288,400           Ally Financial, Inc.:         280         288,400           S.00%, 2/12/15         540         567,000           6.25%, 12/01/7 (c)         660         634,865           8.00%, 3/15/20         670         658,275           8.00%, 3/15/20         670         658,275           8.00%, 11/01/31         1.450         1.147,375           8.00%, 11/01/31         450         469,125           Boparan Holdings, Inc., 12.75%,         450         469,125           9.75%, 4/30/18         EUR         102         112,837           9.88%, 4/30/18         EUR         102         112,837           9.88%, 4/30/18         EUR         100,50         1,512.097           7.13%, 1/15/13         EUR         100,50         1,512.097           7.13%, 1/15/13         EUR         100         190,767           Constant Edditions, Inc. (j):         300         620         154,225           S175%, 5/17/13         USD         620 <td>,</td> <td>EUR</td> <td></td> <td></td> <td>,</td>	,	EUR			,
Diversified Consumer Services 1.2%         USD         3,000         3,135,000           Service Corp. International, 7.00%, 6/15/17         USD         3,000         3,135,000           Diversified Financial Services 6.0%         280         288,400           Ally Financial, Inc.:         280         288,400           7.50%, 12/31/13         280         288,400           8.30%, 21/21/5         540         567,000           6.25%, 12/01/17 (c)         660         634,865           8.00%, 3/15/20         670         658,275           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         880         846,919           Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16         450         469,125           Boparan Holdings Lut. (c):         9,75%, 4/30/18         EUR         102         112,837           9,88%, 4/30/18         EUR         1,050         1,512,097           7,13%, 1/15/13         USD         449         547,723           General Motors Financ	7.75%, 11/15/19		315		<i>,</i>
Service Corp. International, 7.00%, 6/15/17         USD         3,000         3,135.000           Diversified Financial Services         6.0%         3         <					3,269,330
Diversified Financial Jervices 6.0%           Ally Financial, Inc.:           7.50%, 12/11/13         280         288, 400           8.30%, 2/12/15         540         567,000           6.25%, 12/01/17 (c)         660         634,865           8.00%, 3/15/20         640         444,400           7.50%, 12/15         670         658,275           8.00%, 3/15/20         670         658,275           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         450         46,499           Axcan Intermediate Holdings, Inc., 12.75%,         450         469,125           7/16         450         12,837           9.88%, 4/30/18         EUR         102         112,837           9.88%, 4/30/18         GBP         145         190,657           7/13%, 1/15/13         EUR         1,050         1,512,097           7.13%, 1/15/13         EUR         1,050         1,512,097           4.75%, 1/19/15         General Motors Financial Co., Inc., 6.75%,         1419         547,723           60/118 (c)         USD         490         487,550           KION Finance SA, 7.88%, 4/15/18 (c)			• • • • •		
Ally Financial, Inc.:       280       288,400         7.50%, 12/31/13       540       567,000         6.25%, 12/01/17 (c)       660       634,865         8.00%, 3/15/20       440       444,400         7.50%, 9/15/20       670       658,275         8.00%, 11/01/31       1,450       1,17,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       450       46,499         Axcan Intermediate Holdings, Inc., 12.75%, 3/0/18       EUR       102       112,837         9.75%, 4/30/18       EUR       102       112,837         9.85%, 4/30/18       EUR       102       112,837         9.85%, 4/30/18       EUR       1,050       1,512,097         7.13%, 1/15/13       EUR       160       190,767         5.35%, 10/17/12       EUR       160       190,767         5.45%, 5/17/13       USD       620       151,214         5.75%, 5/17/13       USD       151,714         5.86%, 30/01/5       USD       150       51,714 </td <td>•</td> <td>USD</td> <td>3,000</td> <td></td> <td>3,135,000</td>	•	USD	3,000		3,135,000
7.50%, 12/31/13       280       288,400         8.30%, 2/12/15       540       567,000         6.25%, 12/01/17 (c)       660       634,865         8.00%, 3/15/20       440       444,400         7.50%, 9/15/20       670       658,275         8.00%, 11/01/31       1,450       1,17,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       440       444,440         7.50%, 4/30/18       80       846,499         Axcan Intermediate Holdings, Inc., 12.75%, 300%, 11/01/31       880       846,499         Axcan Intermediate Holdings, Inc., 12.75%, 300%, 11/01/31       880       846,499         9.75%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       GBP       145       190,657         FCE Bank Ple:					
8.30%, 2/12/15       540       567,000         6.25%, 12/01/17 (c)       660       634,865         8.00%, 3/15/20       670       658,275         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       450       469,125         Boparan Holdings Ltd. (c):       450       469,125         9.75%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       GBP       145       190,657         FCE Bank Plc:       102       112,837         7.13%, 1/15/13       EUR       1,050       1,512,097         4.75%, 1/19/15       419       547,723         General Motors Financial Co., Inc., 6.75%,       USD       490       487,550         KION Finance SA, 7.88%, 4/15/18 (c)       EUR       160       150,751         Lehman Brothers Holdings, Inc. (j):       51,714       51,714       51,714         5.75%, 5/17/13       USD       620       154,225         1.00%, 2/05/14       EU	•				
6.25%, 12/01/17 (c)       660       634,865         8.00%, 3/15/20       440       444,400         7.50%, 9/15/20       670       658,275         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       880       846,499         Accan Intermediate Holdings, Inc., 12.75%,       301/16       880       846,499         Accan Intermediate Holdings, Inc., 12.75%,       301/16       880       846,499         Soow, 11/01/31       880       846,499       301/16       880       846,499         Accan Intermediate Holdings, Inc., 12.75%,       301/16       14,50       112,837         Boparan Holdings Ltd. (c):       9.75%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       EUR       1,050       1,512,097         4.75%, 1/19/15       419       547,723         General Motors Financial Co., Inc., 6.75%,       6/01/18 (c)       EUR       160       190,767         Lehman Brothers Holdings, Inc. (j):       513       517,14       575%, 511/12       114       575%, 511/14       518       529,288       1,000       <					
8.00%, 3/15/20         440         444,400           7.50%, 9/15/20         670         658,275           8.00%, 11/01/31         1,450         1,417,375           8.00%, 11/01/31         880         846,499           Axcan Intermediate Holdings, Inc., 12.75%,         301/16         450         469,125           Boparan Holdings Ltd. (c):         9,75%, 4/30/18         EUR         102         112,837           9.88%, 4/30/18         GBP         145         190,657           FCE Bank Plc:					
7.50%, 9/15/20       670       658,275         8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       880       846,499         Axcan Intermediate Holdings, Inc., 12.75%,       3/01/16       450       469,125         Boparan Holdings Ltd. (c):       9.75%, 4/30/18       EUR       102       112,837         9.75%, 4/30/18       EUR       102       112,837         9.85%, 4/30/18       GBP       145       190,657         FCE Bank Plc:       7.13%, 1/15/13       EUR       1,050       1,512,097         4.75%, 1/19/15       419       547,723       649,125         General Motors Financial Co., Inc., 6.75%,       419       547,723         6/01/18 (c)       USD       490       487,550         KION Finance SA, 7.88%, 4/15/18 (c)       EUR       160       190,767         Lehman Brothers Holdings, Inc. (j):       5.33%, 1/01/7/12       EUR       160       190,767         5.38%, 1/01/7/12       EUR       150       51,714         5.375%, 5/17/13       USD       620       154,225         4.75%, 1/16/14       EUR       760       259,288         1.00%, 2/05/14       USD       1,175       1,261,656 <td< td=""><td></td><td></td><td></td><td></td><td><i>,</i></td></td<>					<i>,</i>
8.00%, 11/01/31       1,450       1,417,375         8.00%, 11/01/31       880       846,499         Axcan Intermediate Holdings, Inc., 12.75%,       301/16       450       469,125         Boparan Holdings Ltd. (c):       9.85%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       GBP       145       190,657         FCE Bank Ple:       7.13%, 1/15/13       EUR       1,050       1,512,097         7.13%, 1/15/13       EUR       1,050       1,512,097         4.75%, 1/19/15       419       547,723         General Motors Financial Co., Inc., 6.75%,       419       547,723         General Motors Financial Co., Inc., 6.75%,       USD       490       487,550         KION Finance SA, 7.88%, 4/15/18 (c)       USD       160       190,767         Lehman Brothers Holdings, Inc. (j):       538%, 10/17/12       EUR       150       51,714         5.75%, 5/17/13       USD       620       154,225       47.5%         1.00%, 205/14       EUR       760       259,288       1.00%       44,188         Leucadia National Corp., 8.13%, 9/15/15       I,175       1,261,656       Reynolds Group DL Escrow, Inc., 8.	8.00%, 3/15/20				444,400
8.00%, 11/01/31       880       846,499         Axcan Intermediate Holdings, Inc., 12.75%,       3/01/16       450       469,125         Boparan Holdings Ltd. (c):       9.75%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       GBP       145       190,657         FCE Bank Plc:       7.13%, 1/15/13       EUR       1,050       1,512,097         7.13%, 1/15/13       EUR       1,050       1,512,097         4.75%, 1/19/15       419       547,723         General Motors Financial Co., Inc., 6.75%,       6/01/18 (c)       USD       490       487,550         KION Finance SA, 7.88%, 4/15/18 (c)       EUR       160       190,767         Lehman Brothers Holdings, Inc. (j):       538       51,714       51,714         5.75%, 5/17/13       USD       620       154,225         1.00%, 2/05/14       EUR       760       259,288         1.00%, 2/05/14       1,600       540,124         8.80%, 3/01/15       L1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       518       529,655	7.50%, 9/15/20				658,275
Axcan Intermediate Holdings, Inc., 12.75%, $3/01/16$ 450469,125Boparan Holdings Ltd. (c):9.75%, 4/30/18EUR102112,8379.88%, 4/30/18GBP145190,657FCE Bank Plc:112,0974.75%, 1/15/13EUR1,0501,512,0974.75%, 1/19/15EUR1,0501,512,0974.75%, 1/19/15USD449547,723General Motors Financial Co., Inc., 6.75%, $6/01/18$ (c)USD490487,550KION Finance SA, 7.88%, 4/15/18 (c)EUR160190,767Lehman Brothers Holdings, Inc. (j):53%, 10/17/125.38%, 10/17/12EUR15051,7145.75%, 5/17/13USD620154,2254.75%, 1/16/14USD1,600540,1248.0%, 3/01/15USD17544,188Leucadia National Corp., 8.13%, 9/15/151,1751,261,656Reynolds Group L Escrow, Inc., 8.50%, 10/15/16 (c)518529,655Reynolds Group Issuer, Inc.: 8.75%, 10/15/16 (c)EUR400557,362	,				1,417,375
3/01/16       450       469,125         Boparan Holdings Ltd. (c):       9.75%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       GBP       142       190,657         FCE Bank Plc:       1050       1,512,097         7.13%, 1/15/13       EUR       1,050       1,512,097         4.75%, 1/19/15       419       547,723         General Motors Financial Co., Inc., 6.75%,       419       547,723         General Motors Financial Co., Inc., 6.75%,       USD       490       487,550         KION Finance SA, 7.88%, 4/15/18 (c)       EUR       160       190,767         Lehman Brothers Holdings, Inc. (j):       517,14       517,14         5.75%, 5/17/13       USD       620       154,225         4.75%, 1/16/14       EUR       760       259,288         1.00%, 2/05/14       USD       1,600       540,124         8.80%, 3/01/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         Reynolds Group Issuer, Inc.:       518       529,655         8.75%, 10/15/16 (c)       EUR       400       557,362	8.00%, 11/01/31		880		846,499
Bopara Holdings Ltd. (c):         EUR         102         112,837           9.75%, 4/30/18         GBP         145         190,657           FCE Bank Plc:	Axcan Intermediate Holdings, Inc., 12.75%,				
9.75%, 4/30/18       EUR       102       112,837         9.88%, 4/30/18       GBP       145       190,657         FCE Bank Ple:			450		469,125
9.88%, 4/30/18       GBP       145       190,657         FCE Bank Plc:	Boparan Holdings Ltd. (c):				
FCE Bank Ple: $7.13\%, 1/15/13$ EUR $1,050$ $1,512,097$ $4.75\%, 1/19/15$ $419$ $547,723$ General Motors Financial Co., Inc., $6.75\%$ , $419$ $547,723$ $6/01/18$ (c)USD $490$ $487,550$ KION Finance SA, $7.88\%, 4/15/18$ (c)EUR $160$ $190,767$ Lehman Brothers Holdings, Inc. (j): $5.38\%, 10/17/12$ $EUR$ $150$ $51,714$ $5.75\%, 5/17/13$ USD $620$ $154,225$ $4.75\%, 1/16/14$ EUR $760$ $259,288$ $1.00\%, 2/05/14$ $1,600$ $540,124$ $8.80\%, 3/01/15$ USD $175$ $44,188$ Leucadia National Corp., $8.13\%, 9/15/15$ $1,175$ $1,175$ Reynolds Group DL Escrow, Inc., $8.50\%,$ $518$ $529,655$ Reynolds Group Issuer, Inc.: $8.75\%, 10/15/16$ (c) $EUR$ $400$ $8.75\%, 10/15/16$ (c)EUR $400$ $557,362$	9.75%, 4/30/18	EUR	102		112,837
7.13%, 1/15/13EUR1,0501,512,0974.75%, 1/19/15419547,723General Motors Financial Co., Inc., 6.75%,USD4906/01/18 (c)USD490487,550KION Finance SA, 7.88%, 4/15/18 (c)EUR160190,767Lehman Brothers Holdings, Inc. (j):5.38%, 10/17/12EUR15051,7145.75%, 5/17/13USD620154,2254.75%, 1/16/14EUR760259,2881.00%, 2/05/141,600540,1248.80%, 3/01/15USD17544,188Leucadia National Corp., 8.13%, 9/15/151,1751,261,656Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (c)518529,655Reynolds Group Issuer, Inc.:8.75%, 10/15/16 (c)EUR4005.75%, 10/15/16 (c)EUR400557,362	9.88%, 4/30/18	GBP	145		190,657
4.75%, 1/19/15419547,723General Motors Financial Co., Inc., 6.75%, 6/01/18 (c)USD490487,550KION Finance SA, 7.88%, 4/15/18 (c)EUR160190,767Lehman Brothers Holdings, Inc. (j):5.38%, 10/17/12EUR15051,7145.75%, 5/17/13USD620154,2254.75%, 1/16/14EUR760259,2881.00%, 2/05/141,600540,1248.80%, 3/01/15USD17544,188Leucadia National Corp., 8.13%, 9/15/151,1751,261,656Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (c)518529,655Reynolds Group Issuer, Inc.:8.75%, 10/15/16 (c)EUR4005.75%, 10/15/16 (c)EUR400557,362	FCE Bank Plc:				
General Motors Financial Co., Inc., 6.75%, 6/01/18 (c)USD490487,550KION Finance SA, 7.88%, 4/15/18 (c)EUR160190,767Lehman Brothers Holdings, Inc. (j):5.38%, 10/17/12EUR15051,7145.38%, 10/17/12EUR15051,7145.75%, 5/17/13USD620154,2254.75%, 1/16/14EUR760259,2881.00%, 2/05/141,600540,1248.80%, 3/01/15USD17544,188Leucadia National Corp., 8.13%, 9/15/151,1751,261,656Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (c)518529,655Reynolds Group Issuer, Inc.:8.75%, 10/15/16 (c)EUR4005.75%, 10/15/16 (c)EUR400557,362	7.13%, 1/15/13	EUR	1,050		1,512,097
6/01/18 (c)USD490487,550KION Finance SA, 7.88%, 4/15/18 (c)EUR160190,767Lehman Brothers Holdings, Inc. (j):5.38%, 10/17/12EUR15051,7145.38%, 10/17/12EUR15051,7145.75%, 5/17/13USD620154,2254.75%, 1/16/14EUR760259,2881.00%, 2/05/141,600540,1248.80%, 3/01/15USD17544,188Leucadia National Corp., 8.13%, 9/15/151,1751,261,656Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (c)518529,655Reynolds Group Issuer, Inc.:8.75%, 10/15/16 (c)EUR4005.75%, 10/15/16 (c)EUR400557,362	4.75%, 1/19/15		419		547,723
KION Finance SA, 7.88%, 4/15/18 (c)EUR160190,767Lehman Brothers Holdings, Inc. (j):5.38%, 10/17/12EUR15051,7145.38%, 10/17/12EUR15051,7145.75%, 5/17/13USD620154,2254.75%, 1/16/14EUR760259,2881.00%, 2/05/141,600540,1248.80%, 3/01/15USD17544,188Leucadia National Corp., 8.13%, 9/15/151,1751,261,656Reynolds Group DL Escrow, Inc., 8.50%,518529,655Reynolds Group Issuer, Inc.:8.75%, 10/15/16 (c)EUR4008.75%, 10/15/16 (c)EUR400557,362	General Motors Financial Co., Inc., 6.75%,				
Lehman Brothers Holdings, Inc. (j):5.38%, 10/17/12EUR15051,7145.75%, 5/17/13USD620154,2254.75%, 1/16/14EUR760259,2881.00%, 2/05/141,600540,1248.80%, 3/01/15USD17544,188Leucadia National Corp., 8.13%, 9/15/151,1751,261,656Reynolds Group DL Escrow, Inc., 8.50%,518529,655Reynolds Group Issuer, Inc.:518529,6558.75%, 10/15/16 (c)EUR400557,362	6/01/18 (c)	USD	490		487,550
5.38%, 10/17/12       EUR       150       51,714         5.75%, 5/17/13       USD       620       154,225         4.75%, 1/16/14       EUR       760       259,288         1.00%, 2/05/14       1,600       540,124         8.80%, 3/01/15       USD       175       44,188         Leucadia National Corp., 8.13%, 9/15/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400	KION Finance SA, 7.88%, 4/15/18 (c)	EUR	160		190,767
5.75%, 5/17/13       USD       620       154,225         4.75%, 1/16/14       EUR       760       259,288         1.00%, 2/05/14       1,600       540,124         8.80%, 3/01/15       USD       175       44,188         Leucadia National Corp., 8.13%, 9/15/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400	Lehman Brothers Holdings, Inc. (j):				
5.75%, 5/17/13       USD       620       154,225         4.75%, 1/16/14       EUR       760       259,288         1.00%, 2/05/14       1,600       540,124         8.80%, 3/01/15       USD       175       44,188         Leucadia National Corp., 8.13%, 9/15/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400	5.38%, 10/17/12	EUR	150		51,714
1.00%, 2/05/14       1,600       540,124         8.80%, 3/01/15       USD       175       44,188         Leucadia National Corp., 8.13%, 9/15/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400       557,362		USD	620		154,225
8.80%, 3/01/15       USD       175       44,188         Leucadia National Corp., 8.13%, 9/15/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400       557,362	4.75%, 1/16/14	EUR	760		259,288
Leucadia National Corp., 8.13%, 9/15/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400       557,362	1.00%, 2/05/14		1,600		540,124
Leucadia National Corp., 8.13%, 9/15/15       1,175       1,261,656         Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400       557,362		USD	,		44,188
Reynolds Group DL Escrow, Inc., 8.50%,       518       529,655         10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400       557,362			1,175		1,261,656
10/15/16 (c)       518       529,655         Reynolds Group Issuer, Inc.:       8.75%, 10/15/16 (c)       EUR       400       557,362			, -		
Reynolds Group Issuer, Inc.:         EUR         400         557,362			518		529.655
8.75%, 10/15/16 (c) EUR 400 557,362					
		EUR	400		557.362
	8.75%, 10/15/16		510		710,637

7.13%, 4/15/19 (c)	USD	245	232,138
9.00%, 4/15/19 (c)		265	238,500
7.88%, 8/15/19 (c)		1,095	1,084,050
9.88%, 8/15/19 (c)		455	427,700
8.25%, 2/15/21 (c)		735	619,238
WMG Acquisition Corp. (c):			
9.50%, 6/15/16		120	122,400
11.50%, 10/01/18		585	532,350
			15,732,795
Diversified Telecommunication Services 4.5%			
Broadview Networks Holdings, Inc., 11.38%,			
9/01/12		1,035	890,100
GCI, Inc., 6.75%, 6/01/21 (c)		288	283,680
ITC Deltacom, Inc., 10.50%, 4/01/16		280	287,000
Level 3 Escrow, Inc., 8.13%, 7/01/19 (c)		2,715	2,579,250
Level 3 Financing, Inc.:			
9.25%, 11/01/14		84	85,050
8.75%, 2/15/17		565	553,700
Qwest Communications International, Inc.:			
7.50%, 2/15/14		2,675	2,708,437
8.00%, 10/01/15		720	768,600
Series B, 7.50%, 2/15/14		1,660	1,680,750
Qwest Corp., 7.63%, 6/15/15		525	584,063

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

AUGUST 31, 2011

#### BlackRock Corporate High Yield Fund III, Inc. (CYE) (Percentages shown are based on Net Assets)

Diversified Telecommunication Services (conclude)         Services         Servi	Corporate Bonds		Par (000)	Value
Windstream Corp.:       USD       460       \$       488,750         7.88%, 11/01/17       743       781,079       11,600,459         Electric Utilities 0.6%       EUR       1,200       1,473,850         Electronic Equipment, Instruments &       Components 0.6%       11       11,202         CDW LLC:       USD       10       11,208       11       11,208         11.05%, 10/12/15       USD       11       11,208       430       425,700         Eletronic Equipment, Instruments &       USD       235       264,962       152,57,400         Eletronic Equipment & Services 1.6%       15       160,462       152,57,400       165       160,462         Compagnic Charle de Géophysique-Veritas,       250       251,220       251,220       251,220         S01/19 (c)       145       141,600       443,643       443,650         Frace Tech Services LLC, 7,13%, 11/15/18 (c)       1,135       1,174,725       Key Engy Services, Inc., 6,75%, 30/1/1       450       451,650         Frace Tech Services 1.2C, 7,13%, 11/15/18 (c)       1,135       1,174,725       Key Engy Services, Inc., 6,75%, 30/1/1       420       230,2000         Ont Sock, Soc, 500/17       230       240,100       320       320,000       320				
Windstream Corp.:       USD       460       \$       488,750         7.88%, 11/01/17       743       781,079       11,600,459         Electric Utilities 0.6%       EUR       1,200       1,473,850         Electronic Equipment, Instruments &       Components 0.6%       11       11,202         CDW LLC:       USD       10       11,208       11       11,208         11.05%, 10/12/15       USD       11       11,208       430       425,700         Eletronic Equipment, Instruments &       USD       235       264,962       152,57,400         Eletronic Equipment & Services 1.6%       15       160,462       152,57,400       165       160,462         Compagnic Charle de Géophysique-Veritas,       250       251,220       251,220       251,220         S01/19 (c)       145       141,600       443,643       443,650         Frace Tech Services LLC, 7,13%, 11/15/18 (c)       1,135       1,174,725       Key Engy Services, Inc., 6,75%, 30/1/1       450       451,650         Frace Tech Services 1.2C, 7,13%, 11/15/18 (c)       1,135       1,174,725       Key Engy Services, Inc., 6,75%, 30/1/1       420       230,2000         Ont Sock, Soc, 500/17       230       240,100       320       320,000       320	(concluded)			
8.13%, 800/13       USD       460       \$       488,750         7.88%, 11/01/17       743       781.079       11.690.459         Electric Utilities 0.6%       11.200       1.473.850         Components 0.6%       660       673.200         CDW LLC:       430       425.700         11.00%, 10/12/15       USD       11       11.200         8.00%, 10/12/15       USD       114       15.055         11.00%, 10/12/15       USD       114       15.055         11.00%, 10/12/15       USD       114       15.055         12.017.18 (c)       430       425.700       1.557.740         Energy Equipment & Services 1.6%       1.557.740       1.557.740         Antero Resources Finance Corp. 7.25%, 1201/18 (c)       165       160.462         Compagnie Générale de Géophysique-Veritas, 7.5%, 1201/18 (c)       415       431.650         Frac Teos Services I.6.6%, 301/07.120       450       441.000         MEEd Beregy, Corp., 6.30%, 301/07       230       230.0000         Sub Stati, Law, 8.50%, 1201/18 (c)       415       431.650         Frac Teo Services I.6.6%, 500.107       230       230.0000         Sub Stati, Law, 50%, 301/17       379       397.950       397.950 <td></td> <td></td> <td></td> <td></td>				
7.88%, 11/01/17         743         781.079           Electric Utilities         0.6%         11,690,459           Electric Power Co., Inc., 4.50%, 3/2/14         EUR         1,200         1,473,850           Electric Regiment, Instruments &         200         1,473,850           Electric Regiment, Instruments &         11         1,220           11.05%, 10/12/15         USD         11         1,1220           11.05%, 10/12/15         660         673,200         8,00%, 12/15/18 (c)         430         425,700           Elster Finance BV, 6.25%, 3/15/18         USD         235         264,962         1,525,740           Energy Equipment & Services         1.6%         1,525,740         250         251,250           S0/19 (c)         165         160,462         237,650         251,250           Compagine Edicatic de Géophysique-Veritas,         7,5%, 515/17         250         251,250           Compagine Edicatic de Géophysique-Veritas,         1,135         1,174,725         441,000           NG Ca Energy Corp., 5,50%, 3/15/18 (c)         240         230,0000         320,0200           USI International, Inc., 6,50%, 6/0/19 (c)         320         320,000         320,0200         320,0200           NG Ca Energy Corp., 5,50%, 3/15/18 (c)	•	USD	460	\$ 488,750
Interest Constraints &         Interest Constraints &           Tokyo Electric Power Co., Inc., 4.50%, 3/24/14         EUR         1,200         1,473,850           Electric Duille Constraints &         Interest Constraints &         Interest Constraints &           COMPONENT SOLVE         Interest Constraints &         Interest Constraints &           CDW LLC:         Interest Constraints &         Interest Constraints &           11,00%, 10/12/15 (n)         G60         G73,200           Store Start Solve Constraints &         Interest Constraints &         Interest Constraints &           Store Start Solve Constraints &         Interest Constraints &         Interest Constraints &           Interest Solve Constraints &         Interest Constraints &         Interest Constraints &           Store Start Constraints &         Interest Constraints &         Interest Constraints &           Store Start Constraints &         Interest Constraints &         Interest Constraints &           Store Start Solve Constraints &         Interest Constraints &         Interest Constraints &           Store Start Solve Constraints &         Interest Constraints &         Interest Constraints &           Store Start Solve Constraints &         Interest Constraints &         Interest Constraints &         Interest Constraints &           Store Start Solve Constraints &         Intere				
Electric Utilities 0.6%         EUR         1,200         1,473,850           Electronic Equipment, Instruments &         Components         0.6%           CDW LLC:         USD         11         11,220           11.09%, 10/12/15         USD         11         11,220           11.09%, 10/12/15         USD         11         11,220           11.09%, 10/12/15         USD         430         425,700           Elster Finance BV, 6.25%, 4/15/18 (c)         EUR         114         150,658           Jabi Circuit, Ince, 8.25%, 3/15/18         USD         235         264,962           Chergy Equipment & Services 1.6%         1,525,740         1,525,740           Energy Equipment & Genérale de Goophysique-Veritas,         1,525,740         1,525,740           Companie Générale de Goophysique-Veritas,         245         237,650           Companie Générale de Goophysique-Veritas,         1,135         1,174,725           Fac Tech Services LLC, 7,135%, 11/151 (c)         1,135         1,147,125           External Holdings, Inc., 7,55%, 30/121         440         431,650           Frac Tech Services LLC, 7,135%, 11/151 (c)         210         216,150           Chergy Services, Inc., 6,55%, 600/19 (c)         320         320,000           San Cocke E				
Tokyo Electrio Power Co., Inc., 450%, 3/24/14         EUR         1,200         1,473,850           Electronic Equipment, Instruments & Components         0.6%         1         1,220           CDW LLC:         USD         11         1,1220           11,00%, 10/2/15 (b)         660         673,200           0.00%, 12/15/18 (c)         EUR         114         150,658           Jabil Circuit, Inc., 8.25%, 3/15/18 (c)         EUR         114         150,658           Jabil Circuit, Inc., 8.25%, 3/15/18 (c)         EUR         114         150,658           Jabil Circuit, Inc., 8.25%, 3/15/18 (c)         EUR         114         150,658           Caffrace Holdings LP, 7.50%, 3/15/18 (c)         165         160,462         165         160,462           Caffrace Holdings LP, 7.50%, 12/01/20 (c)         250         251,250         251         255           Caffrace Holdings LP, 7.50%, 12/01/18 (c)         11,35         1,174,725         520         521         525           Externan Holdings, Inc., 7.25%, 12/01/18 (c)         320         320         320         320         320           Other External Holdings, Inc., 7.35%, 80/19 (c)         320         320         320         320         320         320           US Stat LLC, 7.13%, 11/15/18 (c)	Electric Utilities 0.6%			11,050,105
Ile control Equipment, Instruments &         Components 0.6%         CDW LLC:         11.00%, 10/12/15 (h)       0600       673.200         8.00%, 12/15/18 (c)       EUR       114       115.00%         8.00%, 12/15/18 (c)       EUR       114       150.658         Jabil Circuit, Inc., 8.25%, 3/15/18       USD       235       264.962         Energy Equipment & Services 1.6%       114       150.658         Energy Equipment & Services 1.6%         Energy Equipment & Services 1.6%         Compagine Gréanle de Géophysique-Veritas,         7.5%, 5/15/17       250       251.250         Carde de Géophysique-Veritas,         7.75%, 5/15/17       250       251.250         External Holdings, Inc., 7.5%, 12/01/20 (c)       245       237.650         Compagine Gréanle de Géophysique-Veritas,         7.75%, 5/15/17       250       251.250         External Holdings, Inc., 7.5%, 3/01/21       450       441.000         MEG Energy Corp., 6.5%, 6/01/19 (c)       320       320.0000       320       320.0000       320       320.000       320       320.0000       320       320.000		EUR	1.200	1.473.850
Components         0.6%           CDW LLC:         USD         11         11,220           11.00%, 10/12/15 (h)         660         673,200           B.00%, 12/15/18 (c)         EUR         114         150,68, 0425,700           Elster Finance BV, 6.25%, 4/15/18 (c)         EUR         114         150,658           Jabil Circuit, Inc., 8.25%, 3/15/18         USD         225         264,962           Energy Equipment & Services         1.65         160,462         237,650           Calfrac Holdings, LP, 7.50%, 12/01/20 (c)         245         237,650           Compagnic Générale de Géophysique-Veritas,         7.75%, 5/15/17         250         251,250           Frace Nervices, LLC, 7.13%, 11/15/18 (c)         1,135         1,147,255         4416         431,650           Frace Services, LLC, 7.13%, 11/15/18 (c)         450         441,000         421,0337         79         397,950	•	2011	1,200	1,170,000
CDW LLC:         USD         11         11,220           11.00%, 10/12/15 (h)         660         673,200           8.00%, 12/15/18 (c)         EUR         114         15,058           8.00%, 12/15/18 (c)         EUR         114         15,058           Jabil Circuit, Inc., 8.25%, 3/15/18         USD         235         264,962           Energy Equipment & Services         1.65%         160,462         1.525,740           Calfrac Holdings, LP, 7.50%, 12/01/20 (c)         245         237,650           Compagnic Générale de Géophysique-Verins,         250         251,250           Calfrac Holdings, LP, 7.50%, 12/01/18 (c)         1,135         1,147,875           Frac Tech Services, LLC, 7.13%, 11/15/18 (c)         1,135         1,147,875           Frac Tech Services, LLC, 7.13%, 10/11/18 (c)         320         320,000           Sun Coke Energy, Services, Inc., 6,59%, 3/01/21         450         441,000           MEG Energy Corp., 6,50%, 3/01/21         370         379         397,950           Jahring International, Inc., 8,50%, 12/15/18 (c)         320         320,000         320         320,000           Sun Coke Energy, Inc., 7,63%, 8/01/19 (c)         240         259,800         421,0037         4210,037           Daring International, Inc., 6,50%,				
11.00%, 10/12/15 (h)       USD       11       11,202,         11.50%, 10/12/15 (h)       660       673,200         8.00%, 12/15/18 (c)       430       425,700         Elster Finance BV, 6.25%, 4/15/18 (c)       USD       235       264,962         abil Circuit, Inc., 8.25%, 3/15/18       USD       235       264,962         Energy Equipment & Services 1.6%       165       160,462         Antero Resources Finance Corp., 7.25%,       165       160,462         201/19 (c)       245       237,650         Compagnie Générale de Géophysique-Veritas,       250       251,250         Exterran Holdings, Inc., 7.25%, 12/01/18 (c)       445       431,650         Frac Tech Services LLC, 7.13%, 11/15/18 (c)       445       431,050         Frac Tech Services, NLC, 6.55%, 3/01/21       450       441,000         MEG Energy Corp., 6.50%, 3/15/21 (c)       580       580,0000         Outcoke Energy, Inc., 7.63%, 8/01/19 (c)       320       320,0000         Outcoke Coregy, Inc., 7.63%, 8/01/19 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/18 (c)       240       399,300         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         Del Monte Foods Co., 7.63%, 2/15/19 (c)       560       5				
11.50%, 10/12/15 (h)       660       673.200         8.00%, 12/15/18 (c)       EUR       114       450.058         Jabil Circuit, Inc., 8.25%, 3/15/18       USD       235       264.962         Energy Equipment & Services       1.6%       1.557.700         Energy Equipment & Services       1.6%       1.557.700         Energy Equipment & Services       1.6%       1.557.700         Energy Equipment & Services       1.6%       1.60.462         Calfrac Holdings, I.P., 7.50%, 1201/120 (c)       245       2237.650         Compagnic Générale de Géophysique-Veritas,       7.75%, 51/51/7       250       251.250         Exterran Holdings, I.R., 7.25%, 1201/18 (c)       1.135       1.174.725         Frac Tech Services LLC, 7.13%, 11/1518 (c)       1.135       1.174.725         Key Energy Services, Inc., 6.57%, 301/21       450       441.000         MIS Energy Conv., 6.50%, 31/521 (c)       320       320.0000         Sun Coke Energy, Inc., 7.63%, 801/19 (c)       320       320.0000         Sun Coke Energy, Inc., 7.63%, 801/19 (c)       320       320.0000         Sun Coke Energy, Inc., 7.63%, 801/19 (c)       320       320.0000         Sun Coke Energy, Inc., 7.63%, 815/116 (c)       40       393.000         Del Monte Foods Co., 7.63%		USD	11	11 220
8.00%, 12/15/18 (c)         430         425,700           Elster Finance RV, 6.25%, 4/15/18 (c)         EUR         114         150,658           Jabil Circuit, Inc., 8.25%, 3/15/18         USD         235         264,962           Energy Equipment & Services         1.6%         1.525,740         1.525,740           Energy Equipment & Services         1.6%         1.65         160,462           Calfrac Holdings, LP, 7.50%, 12/01/18 (c)         245         237,650           Frace Tech Services LLC, 7.13%, 11/15/18 (c)         1,135         1,174,725           Key Energy Services, Inc., 6,75%, 301/21         450         441,000           MEG Energy Corp., 5.0%, 5/01/19 (c)         580         580,0000           States International, Inc., 6,50%, 6/01/19 (c)         320         320,0000           SunCoke Energy, Inc., 7.63%, 12/15/18 (c)         240         259,800           Darling International, Inc., 8.50%, 12/15/18 (c)         240         259,800           Del Monte Foods Co, 7.63%, 21/15/18 (c)         90         81,788           Redy Ice Corp., 11.25%, 3/15/15         440         399,300           Darling International, Inc., 8.50%, 12/15/18 (c)         20         259,800           Del Monte Foods Co, 7.63%, 21/15/19 (c)         240         259,800 <td< td=""><td></td><td>035</td><td></td><td>,</td></td<>		035		,
Elster Finance RV, 6.25%, 4/15/18 (c)         EUR         114         150,658           Jabil Circuit, Inc., 8.25%, 3/15/18         USD         235         264,962           Antero Resources Finance Corp., 7.25%,         1,525,740         1,525,740           8/01/19 (c)         165         160,462           Compagnic Générale de Gophysique-Veritas,         250         251,250           7.75%, 5/15/17         250         251,250           Externar Holdings, Inc., 7.25%, 12/01/18 (c)         1,135         1,174,725           Frac Tech Services LLC, 7.13%, 11/15/18 (c)         1,135         1,174,725           Key Energy Services, Inc., 6,75%, 301/21         450         441,000           MEG Energy Corp., 6.50%, 6/01/19 (c)         320         320,000           Suncke Energy, Inc., 7.63%, 801/19 (c)         220         216,150           Thermoin Industries, Inc., 9.50%, 5/01/17         379         397,950           Pool Products 0.5%         240         259,800           Del Monte Foods Co., 7.63%, 201/21 (c)         90         81,788           Reddy Ice Corp., 11.25%, 3/15/15         2,300         32,300           Del Monte Foods Co., 7.63%, 201/21 (c)         2,320         2,398,300           Di Strass International, Inc., 8.50%, 12/15/18 (c)         2,320 <td< td=""><td></td><td></td><td></td><td>,</td></td<>				,
Jabil Circuit, Inc., 8.25%, 3/15/18         USD         235         264.962 (.525,740           Energy Equipment & Services 1.6%		EUD		,
Inter Resources Finance Corp., 7.25%,       1         8/01/19 (c)       165       160,462         Calfrac Holdings LP, 7.50%, 12/01/20 (c)       245       237,650         Compagnic Geórale de Géophysique-Veritas,       7.75%, 5/15/17       250       251,250         Externar Holdings, Inc., 7.25%, 12/01/18 (c)       445       431,650         Frac Tech Services LLC, 7.13%, 11/15/18 (c)       1,135       1,174,725         Key Energy Services, Inc., 6.75%, 3/01/21       450       441,000         MEG Energy Corp., 5.00%, 3/15/21 (c)       580       580,000         Sun Coke Energy, Inc., 7.63%, 8/01/19 (c)       320       320,000         Sun Coke Energy, Inc., 7.63%, 8/01/19 (c)       220       216,150         Thermon Industries, Inc., 9.50%, 5/01/17       379       379,750         Darling International, Inc., 8.50%, 12/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       240       329,300         Darling International, Inc., 8.50%, 12/15/18 (c)       1,301,650       1,301,650         Health Care Equipment & Supplies 1.4%       1,301,650       1,301,650         Health Care Equipment & Supplies 1.4%       2,320       2,398,300         D/3.5%, 41/15/14       2,320       2,398,300         7.75%, 4/15/19 (c) <td< td=""><td></td><td></td><td></td><td></td></td<>				
Energy Equipment & Services 1.6%           Antero Resources Finance Corp., 7.25%,           801/19 (c)         165           Calfrac Holdings LP, 7.50%, 12/01/20 (c)         245         237,650           Compagnie Générale de Géophysique-Veritas,         7.35%, 51/51/7         250         251,250           Externa Holdings, Inc., 7.25%, 12/01/18 (c)         1,135         1,174,725           Frac Tech Services LLC, 7.13%, 11/15/18 (c)         1,135         1,174,725           Key Energy Services, Inc., 6.57%, 3/01/21         580         580,000           Oil States International, Inc., 6.50%, 6/01/19 (c)         320         320,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (c)         220         216,150           Thermon Industries, Inc., 9.50%, 5/01/17         379         397,950           Out Poducts         0.5%         240         259,800           Darling International, Inc., 8.50%, 12/15/18 (c)         240         259,800           Del Monte Foods Co, 7.63%, 21/15/19 (c)         240         259,800           Del Monte Foods Co, 7.63%, 21/15/19 (c)         440         399,300           Del Monte Foods Co, 7.63%, 21/15/19 (c)         1,301,650         1,301,650           Health Care Equipment & Supplies         1,472         1,301,650           Di Finance LLC:	Jaon Cheun, me., 6.23%, 5/13/16	03D	233	
Antero Resources Finance Corp., 7.25%,       161       160,462         8/01/19 (c)       165       160,462         Calfrac Holdings LP, 7.50%, 12/01/20 (c)       245       237,650         Compagnie Générale de Géophysique-Veritas,       7.75%, 5/15/17       250       251,250         Exterran Holdings, Inc., 7.25%, 12/01/18 (c)       1,135       1,174,725         Key Energy Services, Inc., 6.75%, 3/01/21       450       441,000         Die Genergy Corp., 6.50%, 3/15/21 (c)       580       580,000         Oil States International, Inc., 6.50%, 6/01/19 (c)       320       320,000         Suncke Energy, Inc., 7.63%, 8/01/19 (c)       220       216,150         Thermon Industries, Inc., 9.50%, 12/15/18 (c)       240       259,800         Pod Poducts       0.5%       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JB US A LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       2,320       2,398,300         10.08%, 11/15/14       2,320       2,398,300         7.5%, 4/15/18 (c)       100       93,000         10.08%, 11/15/14       2,320       2,398,300 <td>Energy Equipment &amp; Services 160</td> <td></td> <td></td> <td>1,323,740</td>	Energy Equipment & Services 160			1,323,740
8/01/19 (c)         165         160,462           Calfrac Holdings LP, 7.50%, 1201/20 (c)         245         237,650           Compagnic Générale de Géophysique-Veritas,         250         251,250           Externa Holdings, Inc., 7.25%, 12/01/18 (c)         445         431,650           Frac Tech Services, ILC, 7.13%, 11/15/18 (c)         1,135         1,174,725           Key Energy Services, Inc., 6.75%, 3/01/21         450         441,000           MEG Energy Cop., 6.50%, 3/15/21 (c)         320         320,0000           Oil States International, Inc., 6.50%, 6/01/19 (c)         320         320,0000           SunCoke Energy, Inc., 7.63%, 8/01/17         379         397,950           Thermon Industries, Inc., 9.50%, 5/01/17         379         397,950           Darling International, Inc., 8.50%, 12/15/18 (c)         240         259,800           Del Monte Foods Co., 7.63%, 21/15/19 (c)         565         560,762           IBS USA LLC, 7.25%, 6/01/21 (c)         90         81,788           Reddy Ice Corp., 11.25%, 315/15         440         399,300           Total Carl Equipment & Supplies         1.4%         1,301,650           ID/O Finance LLC:         1,00         93,000           USASM, 11/15/14         2,320         2,398,300           Tostina				
Calfrac Holdings LP, 7.50%, 12/01/20 (c)         245         237,650           Compagnic Générale de Géophysique-Veritas,         250         251,250           T.75%, 51/51/7         250         251,250           Externan Holdings, Inc., 7.25%, 12/01/18 (c)         413         511,772           Frac Tech Services LLC, 7.13%, 11/15/18 (c)         1,135         1,174,725           Key Energy Services, Inc., 6.75%, 3/01/21         450         441,000           MEG Energy Corp., 6.50%, 5/01/17         580         580,000           Oil States International, Inc., 6.50%, 6/01/19 (c)         320         320,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (c)         220         216,150           Thermon Industries, Inc., 9.50%, 5/01/17         379         397,950           Pool Products         0.5%         4210,837           Food Products         0.5%         420           Del Monte Foods Co., 7.63%, 2/15/18 (c)         240         259,800           Del Monte Foods Co., 7.63%, 2/15/19 (c)         565         560,762           JBS USA LLC, 7.25%, 3/15/15         440         399,300           EvamWorks Group, Inc., 9.00%, 7/15/19 (c)         2,320         2,398,300           7.75%, 4/15/14 (c)         240         259,8300           1.75%, 4/15/14 (c)			165	1(0.4(2
Compagnie Générale de Géophysique-Veritas,         250         251,250           7.75%, 5/15/17         250         251,250           Exterrant Holdings, Inc., 7.25%, 12/01/18 (c)         4145         431,650           Frac Tech Services, LLC, 7.13%, 11/15/18 (c)         1,135         1,174,725           Key Energy Services, Inc., 6.75%, 3/01/21         450         441,000           MEG Energy Corp., 6.50%, 3/15/21 (c)         580         580,000           Oil States International, Inc., 6.50%, 6/01/19 (c)         320         320,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (c)         220         216,150           Thermon Industries, Inc., 9.50%, 5/01/17         379         397,950           Value         240         259,800           Del Monte Foods Co., 7.63%, 2/15/18 (c)         240         259,800           Del Monte Foods Co., 7.63%, 2/15/19 (c)         565         560,762           JBS USA LLC, 7.25%, 6/01/21 (c)         90         81,788           Reddy Ice Corp., 11.25%, 3/15/15         440         399,300           To Providers & Supplies         1.4%         320           DJO Finance LLC:         100         93,000           Corp., 11.25%, 3/15/19         100         93,000           7.75%, 4/15/18 (c)         22 <td< td=""><td></td><td></td><td></td><td></td></td<>				
7.75%, 5/15/17       250       251,250         Externa Holdings, Inc., 7.25%, 12/01/18 (c)       445       4431,650         Frac Tech Services, LLC, 7.13%, 11/15/18 (c)       1,135       1,174,725         Key Energy Services, Inc., 6.75%, 3/01/21       450       441,000         MEG Energy Corp., 6.50%, 3/15/21 (c)       580       580,000         Oil States International, Inc., 6.50%, 6/01/19 (c)       320       320,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (c)       220       216,150         Thermon Industries, Inc., 9.50%, 5/01/17       379       379,950         Pood Products       0.5%       4210,837         Food Products       0.5%       420       259,800         Del Monte Foods Co., 7.63%, 2/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Redy Ice Corp., 11.25%, 3/15/15       440       399,300         T.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/16 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/19 (c)       295       292,787			245	237,650
Exterran Holdings, Inc., 7.25%, 12/01/18 (c)       445       431,650         Frac Tech Services LLC, 7.13%, 11/15/18 (c)       1,135       1,174,725         Key Energy Services, Inc., 6.55%, 3/01/21       450       441,000         MEG Energy Corp., 6.50%, 3/15/21 (c)       580       580,000         Oil States International, Inc., 6.50%, 6/01/19 (c)       320       320,000         Sunck Energy, Inc., 7.63%, 8/01/19 (c)       220       216,150         Thermon Industries, Inc., 9.50%, 5/01/17       379       397,950         Mark Pole       4210,837         Fod Products       0.5%       4210,837         Fod Products       0.5%       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         Di Finance LLC:       1,301,650       100       93,000         10.88%, 11/15/14       2,320       2,398,300       2,398,300         7.55%, 4/15/18 (c)       100       93,000       2,398,300       2,398,300         0.75%, 4/15/14       2,920       2,398,300       2,398,300       2,398,300       2,398,300         0.75%, 4/15/18 (c)				
Frac Tech Services LLC, 7.13%, 11/15/18 (c)       1,135       1,174,725         Key Energy Services, Inc., 6.75%, 3/01/21       450       441,000         MEG Energy Corp., 6.50%, 3/15/21 (c)       580       580,0000         Oill States International, Inc., 6.50%, 6/01/19 (c)       320       320,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (c)       220       216,150         Thermon Industries, Inc., 9.50%, 5/01/17       379       397,950         Coll Products       0.5%       4,210,837         Darling International, Inc., 8.50%, 12/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         10.38%, 11/15/14       2,320       2,388,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3.651,972       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       3.651,972         Aviv Healthcare Proyetries LP,				
Key Energy Services, Inc., 6.75%, 3/01/21         450         441,000           MEG Energy Corp., 6.50%, 3/15/21 (c)         580         580,000           Oil States International, Inc., 6.50%, 6/01/19 (c)         320         320,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (c)         220         216,150           Thermon Industries, Inc., 9.50%, 5/01/17         379         397,950           Thermon Industries, Inc., 9.50%, 5/01/17         379         397,950           Darling International, Inc., 8.50%, 12/15/18 (c)         240         259,800           Del Monte Foods Co., 7.63%, 2/15/19 (c)         565         560,762           JBS USA LLC, 7.25%, 6/01/21 (c)         90         81,788           Reddy Ice Corp., 11.25%, 3/15/15         440         399,300           Totare Equipment & Supplies         1.4%         100           DIO Finance LLC:         100         93,000           17.5%, 4/15/18 (c)         242         26,5785           Fresenius US Finance II, Inc., 9.00%, 7/15/19 (c)         242         265,785           Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)         240         602,100           Teleflex, Inc., 6.88%, 6/01/19         295         292,787           3.651,972         241         242,925           ConvaTec Healthcare Pro				,
MEG Energy Corp., 6.50%, 3/15/21 (c)       580       580,000         Oil States International, Inc., 6.50%, 6/01/19 (c)       320       320,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (c)       220       216,150         Thermon Industries, Inc., 9.50%, 5/01/17       379       379,950         Voltation of the state of the stat				
Oil States International, Inc., 6.50%, 6/01/19 (c)         320         320,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (c)         220         216,150           Thermon Industries, Inc., 9.50%, 5/01/17         379         397,950           Karles Construction         379         397,950           Barling International, Inc., 8.50%, 12/15/18 (c)         240         259,800           Del Monte Foods Co., 7.63%, 2/15/19 (c)         565         560,762           JBS USA LLC, 7.25%, 6/01/21 (c)         90         81,788           Redy Ice Corp., 11.25%, 3/15/15         440         399,300           DIO Finance LLC:         1,301,650         1,301,650           DIO Finance LLC:         100         93,000           ExamWorks Group, Inc., 9.00%, 7/15/19 (c)         282         265,785           Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)         540         602,100           Teleflex, Inc., 6.88%, 6/01/19         295         292,787           3.651,972         3651,972         3651,972           Health Care Providers & Services         5.9%         3651,972           Aviv Healthcare Providers & Services         5.9%         3651,972           Aviv Healthcare E SA (c):         7.38%, 12/15/17         EUR         600         775,710				,
SunCoke Energy, Inc., 7.63%, 8/01/19 (c)       220       216,150         Thermon Industries, Inc., 9.50%, 5/01/17       379       397,950         Food Products 0.5%       4,210,837         Food Products 0.5%       240       259,800         Del Monte Foods Co., 7.63%, 2/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         100 Finance LLC:       100       93,000         17.5%, 4/15/14       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       240       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3.651,972       3.651,972       3.651,972         Health Care Providers & Services 5.9%       415       412,925         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec HealthCare E SA (c):       7.75/10       7.75/10				
Thermon Industries, Inc., 9.50%, 5/01/17       379       397,950         Food Products       0.5%       4,210,837         Darling International, Inc., 8.50%, 12/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       5665         Dastrig International, Inc., 8.50%, 12/15/18 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         Health Care Equipment & Supplies       1.4%       1,301,650         Health Care Equipment & Supplies       1.4%       100       93,000         7.75%, 4/15/18 (c)       100       93,000       2,322       2,398,300         7.75%, 4/15/18 (c)       100       93,000       2,302       2,398,300       2,320       2,398,300       2,320       2,398,300       2,320       2,398,300       2,322       2,57,85       57       540       602,100       93,000       282       265,785       57       540       602,100       295       292,787       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972       3,651,972			320	,
4,210,837         Food Products 0.5%         Darling International, Inc., 8.50%, 12/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       90       81,788         DIO Finance LLC:       100       399,300         10.88%, 11/15/14       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         Avit Healthcare Providers & Services 5.9%       415       412,925         Avit Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):       205       775,710         7.38%, 12/15/17       EUR       600       775,710				
Food Products 0.5%       240       259,800         Darling International, Inc., 8.50%, 12/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         Health Care Equipment & Supplies 1.4%       1,301,650       1,301,650         DIO Finance LLC:       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         Math Care Providers & Services 5.9%       365       365         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):       775,710       365         7.38%, 12/15/17       EUR       600       775,710	Thermon Industries, Inc., 9.50%, 5/01/17		379	397,950
Darling International, Inc., 8,50%, 12/15/18 (c)       240       259,800         Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         Instruction       1,301,650         Health Care Equipment & Supplies       1.4%         DJO Finance LLC:       2,320       2,398,300         10.88%, 11/15/14       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       240       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         Aviv Healthcare Providers & Services       5.9%       415       412,925         ConvaTec Healthcare E roperties LP, 7.75%, 2/15/19 (c)       415       412,925         7.38%, 12/15/17       EUR       600       775,710				4,210,837
Del Monte Foods Co., 7.63%, 2/15/19 (c)       565       560,762         JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         1,301,650       1,301,650         Health Care Equipment & Supplies       1.4%         DJO Finance LLC:       2,320       2,398,300         7.75%, 4/15/18 (c)       100       930,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       240       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       3251,972         Health Care Providers & Services       5.9%       415       412,925         ConvaTec Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         7.38%, 12/15/17       EUR       600       775,710				
JBS USA LLC, 7.25%, 6/01/21 (c)       90       81,788         Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         Health Care Equipment & Supplies       1.4%       1,301,650         Health Care Equipment & Supplies       1.4%       2,320       2,398,300         DJO Finance LLC:       2,320       2,398,300       90         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3.651,972       3.651,972       3.651,972         Health Care Providers & Services       5.9%       415       412,925         ConvaTec Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):       7.38%, 12/15/17       EUR       600       775,710	Darling International, Inc., 8.50%, 12/15/18 (c)		240	259,800
Reddy Ice Corp., 11.25%, 3/15/15       440       399,300         I,301,650         Health Care Equipment & Supplies       1.4%         DJO Finance LLC:       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3,651,972       3,651,972       3,651,972         Health Care Providers & Services       5.9%       415       412,925         ConvaTec Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925       ConvaTec Healthcare E SA (c):         7.38%, 12/15/17       EUR       600       775,710	Del Monte Foods Co., 7.63%, 2/15/19 (c)		565	560,762
Health Care Equipment & Supplies 1.4%       1.4%         DJO Finance LLC:       2,320       2,398,300         10.88%, 11/15/14       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3,651,972         Health Care Providers & Services 5.9%         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):       77,38%, 12/15/17       EUR       600       775,710	JBS USA LLC, 7.25%, 6/01/21 (c)		90	81,788
Health Care Equipment & Supplies 1.4%         DJO Finance LLC:       2,320       2,398,300         10.88%, 11/15/14       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         Aviv Health Care Providers & Services 5.9%         Health Care Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):       7.38%, 12/15/17       EUR       600       775,710	Reddy Ice Corp., 11.25%, 3/15/15		440	399,300
DJO Finance LLC:       2,320       2,398,300         10.88%, 11/15/14       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787				1,301,650
10.88%, 11/15/14       2,320       2,398,300         7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787	Health Care Equipment & Supplies 1.4%			
7.75%, 4/15/18 (c)       100       93,000         ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3,651,972         Health Care Providers & Services 5.9%         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):         7.38%, 12/15/17       EUR       600       775,710				
ExamWorks Group, Inc., 9.00%, 7/15/19 (c)       282       265,785         Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3,651,972         Health Care Providers & Services 5.9%         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):         7.38%, 12/15/17       EUR       600       775,710	10.88%, 11/15/14		2,320	2,398,300
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)       540       602,100         Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3,651,972         Health Care Providers & Services 5.9%         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):         7.38%, 12/15/17       EUR       600       775,710	7.75%, 4/15/18 (c)		100	93,000
Teleflex, Inc., 6.88%, 6/01/19       295       292,787         3,651,972         Health Care Providers & Services 5.9%         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):         7.38%, 12/15/17       EUR       600       775,710	ExamWorks Group, Inc., 9.00%, 7/15/19 (c)		282	265,785
3,651,972         Health Care Providers & Services 5.9%         Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):       7.38%, 12/15/17       EUR       600       775,710	Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)		540	602,100
Health Care Providers & Services 5.9%           Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)         415         412,925           ConvaTec Healthcare E SA (c):         7.38%, 12/15/17         EUR         600         775,710	Teleflex, Inc., 6.88%, 6/01/19		295	292,787
Health Care Providers & Services 5.9%           Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)         415         412,925           ConvaTec Healthcare E SA (c):         7.38%, 12/15/17         EUR         600         775,710				3,651,972
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)       415       412,925         ConvaTec Healthcare E SA (c):       7.38%, 12/15/17       EUR       600       775,710	Health Care Providers & Services 5.9%			
ConvaTec Healthcare E SA (c):         EUR         600         775,710			415	412,925
7.38%, 12/15/17     EUR     600     775,710	-			
		EUR	600	775,710

Crown Newco 3 Plc, 7.00%, 2/15/18 (c)	GBP	364	531,796
HCA, Inc.:			
8.50%, 4/15/19	USD	305	332,450
6.50%, 2/15/20		1,230	1,243,838
7.25%, 9/15/20		2,910	2,990,025
7.50%, 2/15/22		1,280	1,267,200
IASIS Healthcare LLC, 8.38%, 5/15/19 (c)		755	660,625
INC Research LLC, 11.50%, 7/15/19 (c)		410	379,250
inVentiv Health, Inc., 10.00%, 8/15/18 (c)		435	392,588
Omnicare, Inc.:			
6.13%, 6/01/13		15	15,150
6.88%, 12/15/15		88	89,760
7.75%, 6/01/20		625	637,500

		Par		
Corporate Bonds	(	000)		Value
Health Care Providers & Services (concluded)	LICD	2.15	<b>^</b>	220.050
Symbion, Inc., 8.00%, 6/15/16 (c)	USD	345	\$	320,850
Tenet Healthcare Corp.:				
9.00%, 5/01/15		1,664		1,763,840
10.00%, 5/01/18		779		856,900
8.88%, 7/01/19		2,279		2,415,740
				15,331,847
Health Care Technology 1.3%				
IMS Health, Inc., 12.50%, 3/01/18 (c)		2,405		2,765,750
MedAssets, Inc., 8.00%, 11/15/18 (c)		535		516,275
				3,282,025
Hotels, Restaurants & Leisure 1.4%				
Caesars Entertainment Operating Co., Inc.,				
11.25%, 6/01/17		130		140,075
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	53		66,237
Diamond Resorts Corp., 12.00%, 8/15/18	USD	1,190		1,154,300
El Dorado Resorts LLC, 8.63%, 6/15/19 (c)		180		153,450
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	324		399,721
Little Traverse Bay Bands of Odawa Indians, 9.00%,				
8/31/20 (c)	USD	300		249,000
MGM Mirage, 13.00%, 11/15/13		110		126,088
MGM Resorts International:				
10.38%, 5/15/14		255		279,862
11.13%, 11/15/17		820		914,300
Travelport LLC:				
4.95%, 9/01/14 (f)		180		137,250
9.88%, 9/01/14		40		34,100
9.00%, 3/01/16		120		96,300
Tropicana Entertainment LLC, Series WI, 9.63%,				
12/15/14 (a)(j)		305		31
				3,750,714
Household Durables 2.5%				
American Standard Americas, 10.75%,				
1/15/16 (c)		410		332,100
Ashton Woods USA LLC, 5.50%, 6/30/15 (c)(k)		880		631,400
Beazer Homes USA, Inc.:				
8.13%, 6/15/16		315		222,075
12.00%, 10/15/17		1,345		1,365,175
9.13%, 6/15/18		460		319,125
Ideal Standard International, 11.75%, 5/01/18 (c)	EUR	154		170,340
Jarden Corp., 7.50%, 1/15/20		305		414,035
Ryland Group, Inc., 6.63%, 5/01/20	USD	600		516,000
Standard Pacific Corp.:		000		2 10,000
10.75%, 9/15/16		1,390		1,376,100
8.38%, 5/15/18		270		236,925
		210		200,720

8.38%, 1/15/21		585	503,100
United Rentals North America, Inc., 8.38%, 9/15/20		435	396,938
			6,483,313
Household Products 0.1%			
Ontex IV SA, 7.50%, 4/15/18 (c)	EUR	150	192,850
IT Services 2.0%			
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c)	USD	740	680,800
First Data Corp. (c):			
7.38%, 6/15/19		940	883,600
8.88%, 8/15/20		535	529,650
12.63%, 1/15/21		2,114	1,997,730
SunGard Data Systems, Inc.:			
7.38%, 11/15/18		590	561,975
7.63%, 11/15/20		600	573,000
			5,226,755
See Notes to Financial Statements.			
see notes to rinancial statements.			

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#### BlackRock Corporate High Yield Fund III, Inc. (CYE) (Percentages shown are based on Net Assets)

Corporate Bonds         (000)         Value           Independent Power Producers &         Energy Traders 2.8%         Sector, 7.35%, 21/21         200         202,000           Calpine Corp. (c):         7.50%, 21/521         200         202,000         7.88%, 11/523         6.45         6.57,300         21/85         Advantage         7.87         7.175, 544         175, 544         175, 544         175, 544         175, 544         175, 544         175, 544         175, 544         175, 544         175, 544         175, 544         175, 544         176, 746, 946         174         175, 544         175, 544         175, 544         176, 746, 946         176, 746, 946         176, 946, 946, 946, 946, 946, 946, 946, 94			Par		
Face grap Traders 2.8%         USD         860         \$         868,600           Calpine Carp, (c):         00         202,000         202,000           7.8%, 1/15/23         645         657,000           Energy Future Holdings Corp, 10.00%, 1/15/20         3,395         3,408,142           Derryy Future Holdings Corp, 10.00%, 1/15/20         1,74         175,544           12/01/20         1,74         175,544           MRG Energy, Inc., 7,63%, 1/15/18 (c)         2,170         2,148,300           Table Group Pice & Co., KG, 8,00%, 5/15/18 (c)         EUR         107         149,863           1.35%, 12/01/15         USD         2,340         2,433,600           Sequar Corp, (c):         1,700         1,742,500         2,740         1,742,500           CNO Financial Group, Inc., 9,00%, 5/15/18 (c)         3,67         381,687         381,637           Minart Holdings I, Inc., 11,00%, 501/15 (c)         1,700         1,742,500         204         249,000           CNO Financial Group, Inc., 9,00%, 1/15/18 (c)         367         381,687         381,637           MISH Addings Corp., 4,16%, 11/15/14 (c)(f)         680         666,800         308,325           SY Corp. 6,88%, 901/17         1,960         2,103,300, 308,255         32,303,323,325,327		()	)00)		Value
AES Corp., 7.38%, 701/21 (c)         USD         860         \$         868,600           Calpine Corp., 6;         200         202,000           7.80%, 2/15/21         200         202,000           Rergy Future Holdings Corp., 10.00%, 1/15/20         3,395         3,408,142           Energy Future Holdings Corp., 7.63%, 1/15/18 (c)         2,170         2,148,300           TAble Group Pice Co., KG, 8,00%, 5/15/18 (c)         EUR         107         149,863           Sequa Corp. (c):         11.75%, 120/1/15         USD         2,340         2,433,600           1.56%, 120/1/15         USD         2,340         2,433,600         1,56%, 120/1/15         2,170         1,49,863           Sequa Corp. (c):         1.75%, 120/1/15         USD         2,340         2,433,600         1,56%, 120/1/15         2,057         8,11,92,52           Insurance         1.3%         4,191,252         6,774,175         1,760         1,742,500         1,742,500         1,742,500         1,81,680         668,600         1,81,680         668,600         1,81,680         668,600         1,81,680         668,600         1,81,680         668,600         1,81,680         688,610         1,81,680         688,610         1,81,680         688,610         1,81,680         688,610,61,742,5	•				
Calpine Corp. (c): 7.69%, 21/521 200 200 20, 200 7.88%, 1/15/23 645 657, 900 200 7.88%, 1/15/23 645 657, 900 200 7.88%, 1/15/23 74 74 75 74 74 75 74 74 75 74 74 75 74 74 75 74 74 74 75 74 74 74 75 74 74 74 74 74 74 74 74 74 74 74 74 74		USD	860	¢	868 600
7.5%, 2/15/21         200         202,000           Fases, 1/15/23         664         657,990           Energy, Future Holding & Corp., 10,00%, 1/15/20         3,395         3,408,142           Energy, Future Holding & Corp., 10,00%, 1/15/20         174         175,544           NRG Energy, Enc., 7.63%, 1/15/18 (c)         2,170         2,148,300           Industrial Conglomerates         2.6%         7,460,486           Industrial Conglomerates         2.6%         7,460,486           11,75%, 12/01/15         USD         2,340         2,433,600           13,50%, 12/01/15         USD         2,340         2,433,600           13,50%, 12/01/15         1,700         1,742,500         1,744,715           Insurance         1,3%         4,191,252         6,674,715           INBURACID Corp., 1,100%, 5/01/15 (c)         1,700         1,742,500         381,681           Genworth Financial, Inc., 7,63%, 9/24/21         430         381,637         381,681           Genworth Financial, Inc., 7,63%, 9/24/21         430         381,637         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017         3364,017 <td>•</td> <td>USD</td> <td>800</td> <td>φ</td> <td>808,000</td>	•	USD	800	φ	808,000
7.8%, /15/23       645       657,900         Energy Future Intermediate Holding Co. 1.1.C. (10.00%,       174       175,541         Inergy Future Intermediate Holding Co. 1.1.C. (10.00%,       2.170       2.175,541         NRG Energy, Inc., 7.63%, 1/15/18 (c)       2.170       7.460.0486         Industrial Congiomerates       2.6%       7.460.0486         Industrial Congiomerates       2.6%       2.170       2.148.3060         Sequa Corp. (c):       2.170       2.343.600       2.433.600         13.50%, 12/01/15       0.50       2.00       2.433.600         13.50%, 12/01/15       0.50%, 5/15/18 (c)       6.774.715       1.50%         Insurance       1.3%       4.191.252       6.774.715         Insurance I.3%			200		202.000
Energy Future Holdings Corp., 10,00%, 1/15/20         3,395         3,408,142           Energy Future Intermediate Holding Co. LLC, 10,00%, 1/15/20         174         175,544           INRG Energy, Inc., 7,63%, 1/15/18 (c)         2,170         2,148,300           Industrial Conglomerates         2,6%         7,460,485           Industrial Conglomerates         2,6%         107         149,863           Sequa Corp. (c):         11,75%, 12/01/15         USD         2,340         2,433,600           13,30%, 12/01/15         03,3054         4,191,252         6,774,715           Insurance         1.3%         6,774,715         149,863           Genworth Financial, Inc., 7,63%, 9/24/21         430         381,637           MIEL Acquisition Carco, Inc., 9,88%, 8015/18 (c)         260         249,600           USH Holdings Corp., 41.6%, 11/15/14 (c)(f)         680         608,800/07           Machinery 1.3%         30         33,823         3,304,335           30%, 10/15/14 (c)         1,960         2,163,350         3,238,235           SPX Corp., 6.88%, 90/1/7         175         168,837         3,300,235           SPX Corp., 6.88%, 90/1/7         175         168,837         3,302,33           SPX Corp., 6.88%, 90/1/7         175         168,837 <td></td> <td></td> <td></td> <td></td> <td></td>					
Energy Future Intermediate Holding Co. LLC, 10.00%,         174         175.54           1200120         174         175.54           NRG Energy, Inc., 7.63%, 1/15/18 (c)         2,170         2,148,300           Indistrial Congionerates 2.6%         7.400,480           Alba Group Pic & Co., KG, 8.00%, 5/15/18 (c)         USD         2,340         2,433,600           3,50%, 12/01/15         USD         2,340         2,433,600           3,50%, 12/01/15         USD         2,340         2,433,600           3,50%, 12/01/15         0.00%, 5/15/18 (c)         6,774,715           Insurance 1.3%         -         6,774,715           Insurance 1.3%         -         1,700         1,742,500           CNO Financial Group, Inc., 9,00%, 1/15/18 (c)         367         381,680           Genworth Financial, Inc., 7,67%, 9/24/21         430         381,687           Melting Corp., 41.6%, 11/15/14 (c)(f)         680         608,600           USI Holding Corp., 11.00%, 11/15/14 (c)(f)         980         858,725           Navitar International Corp.:         -         30         30,823           SyX Corp., 6.88%, 9/01/17         175         182,438         30,830,825           Nettin 14.7%         -         -         30					
1201/20       174       175,44         NRG Energy, Inc., 7.63%, 1/15/18 (c)       2,170       2,148,300         Industrial Congiomerates       2,6%       107       149,863         Sequa Corp. (c):       11,75%, 120/15       2,340       2,343,600         13,50%, 12/01/15       3,954       4,191,252       6,774,715         Insurance 1.3%       1,700       1,742,500       6,774,715         Insurance 1.3%       1,000%, 5/01/15 (c)       1,700       1,742,500         CNO Financial Group, Inc., 9,00%, 1/15/18 (c)       367       381,680         Genworth Financial, Inc., 7,63%, 9/24/21       430       381,681         MeL 2, Acquisition Canco, Inc., 9,88%, 8/15/18 (c)       260       249,600         US1 Holdings Corp., 4,16%, 11/15/14 (c)(1       680       608,600         Maxistar International Corp:       30       30,3264,017         3.00%, 10/15/14 (c)       1960       2,163,350         9.825%, 3/01/17       30       30,325         9.82 Corp., 6.88%, 9/01/17       175       168,875         AMC Entertaimment, Inc., 9.75%, 12/01/20       175       168,875         AMC Entertaimment, Inc., 9.75%, 12/01/20       175       168,875         AMC Entertaimment, Inc., 9.75%, 12/15/18 (c)       815 <t< td=""><td></td><td></td><td>-,-,-</td><td></td><td>-,,</td></t<>			-,-,-		-,,
Industrial Conglomerate 2.6%         FUR         107         149,863           Sequa Corp. (c):         11,75%,120/1/5         USD         2,340         2,433,000           13,50%, 12/01/15         3,954         4,191,252         6,774,715           Insurance 1.3%         1,700         1,742,500         6,774,715           Insurance 1.3%         430         381,680           Genworth Financial, Inc., 7.63%, 9/24/21         430         381,637           MPL 2 Acquisition Group, Inc., 9,8%, 8/15/18 (c)         260         249,600           USI Holdings Corp., 4,16%, 11/15/14 (c)(f)         680         608,600           3.364,017         3,334,017         3,334,017           Machinery 1.3%         19,960         2,163,350           AGY Holding Corp., 11,00%, 11/15/14         980         858,725           Navistar International Corp:         30         30,825           3.00%, 10/15/14 (c)         19,960         2,163,350           3.380,238         110         1144,94,900           Oshkosh Corp., 8,25%, 3/01/17         30         30,825           SPX Corp., 6,88%, 9/01/17         175         188,438           Mcd Entertainment, Inc., 9.75%, 12/01/20         175         168,875           AMC Entertainment, Inc., 9.7			174		175,544
Industrial Conglomerates         2.6%           Industrial Conglomerates         2.6%           Alba Group Ple & Co., KO, 8.00%, 5/15/18 (c)         EUR         107           Sequa Corp. (c):         1.175%, 12/01/15         2.340         2.433,000           13.50%, 12/01/15         3.954         4,191,252         6,774,715           Insurance         1.3%         1.700         1.742,500         6,774,715           Insurance         1.3%         430         381,680         Genworth Financial, Inc., 7.63%, 9/24/21         430         381,637           MPL 2 Acquisition Canco, Inc., 9.8%, 8/15/18 (c)         260         249,600         260         249,600           USI Holding Corp., 4.16%, 11/15/14 (c)(f)         680         608,600         3364,017         3364,017           Machinery         1.3%         1         140         144,904         144,902           0.00%, 10/15/14 (c)(f)         1.960         2.163,350         825%, 11/01/21         140         144,902           0.30%, 2017/15/14 (c)         1.960         2.163,350         3.380,238         3.380,238           McEintertainment, Inc., 9.75%, 120/120         175         188,438         3.320,238           McEintertainment, Inc., 9.75%, 120/120         175         168,875	NRG Energy, Inc., 7.63%, 1/15/18 (c)		2,170		2,148,300
Alba Group Pic & Co., KG, 8.00%, 5/15/18 (c)         EUR         107         149,863           Sequa Corp. (c):         USD         2,340         2,433,600           13.75%, 12/01/15         USD         2,340         2,433,600           13.50%, 12/01/15         USD         2,340         2,433,600           13.50%, 12/01/15         11.75%, 12/01/15         6,774,715         6,774,715           Alliant Holdings I, Inc., 10.00%, 5/01/15 (c)         1,700         1,742,500         367         381,680           Genworth Financial, Inc., 7.63%, 9/24/21         430         381,637         381,680           MPL 2 Acquisition Canco, Inc., 9.86%, 8/15/18 (c)         260         249,600         026         249,600           USI Holdings Corp., 4.16%, 11/15/14 (c)(f)         660         608,600         366,600         367         33,64,017           ANStar International Corp.         300         30,825         58,725         33,64,017         30         30,825         58,711/12         140         144,900         36,825         58,711/12         140         144,900         30,825         58,725         3,802,381         3,802,381         3,802,381         3,802,381         3,802,381         3,802,381         3,802,381         3,802,381         3,802,382         5,825,8,301/17<					
Sequa Corp. (c):         USD         2,340         2,433,600           11.75%, 1201/15         3.954         4.191,252           13.50%, 1201/15         6,774,715           Insurance         1.3%           Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)         1,700           CNO Financial Group, Inc., 9.00%, 1/15/18 (c)         367           Genvorth Financial, Inc., 763%, 9/24/21         430           Genvorth Financial, Inc., 763%, 9/24/21         430           Mchinery         1.3%           AGY Holding Corp., 4.16%, 11/15/14 (c)(f)         680           Mashinery         1.36%, 10/15/14 (c)           AGY Holding Corp., 11.00%, 11/15/14         980           858, 725         3.364.017           3.06%, 10/15/14 (c)         1.960           8.25%, 11/01/21         140           144,90         3.80.825           SPX Corp., 6.88%, 901/17         30           3.08, 11/15/14 (c)         140           144,90         144,90           AMC Networks, Inc., 7.75%, 7.15/21 (c)         225           SPX Corp., 6.88%, 901/17         175           3.380,238         10           AMC Entertainment, Inc., 9.75%, 12/01/20         175           AMC Networks, Inc., 7.75%, 7.15/21 (c)	Industrial Conglomerates 2.6%				
11.75%, 1201/15       USD       2,340       2,435,600         13.50%, 12/01/15       3,954       4,191,252         Insurrance       1.300       1,700       1,742,500         CNO Financial Group, Inc., 9.00%, 1/15/18 (c)       367       381,680         Genworth Financial, Inc., 7.63%, 9/24/21       430       381,637         MPL 2 Acquisition Cance, 0.nc., 9.88%, 8/15/18 (c)       260       249,600         USI Holding Corp., 4.16%, 11/15/14 (c)(f)       680       608,600         Machinery       1.3%       30       381,637         Mysitar International Corp.       306       858,725       306,101/51/4 (c)(f)       680       608,600         Navistar International Corp.       1.960       2,163,350       8,25%, 11/01/21       140       144,900         Oshkosh Corp., 8.25%, 301/17       30       30,825       30,58       30,58       30,58         MC teatorks, Inc., 7,5%, 12/01/20       175       188,438       32,53       3,255 <td< td=""><td>Alba Group Plc &amp; Co., KG, 8.00%, 5/15/18 (c)</td><td>EUR</td><td>107</td><td></td><td>149,863</td></td<>	Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c)	EUR	107		149,863
13.50%, 12/01/15       3,954       4,191,252       6,77/15         Insurance       1.3%       700       1,742,500         Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)       1,700       1,742,500         CNO Financial Group, Inc., 9.00%, 1/15/18 (c)       367       381,680         Genworth Financial, Inc., 7.63%, 9/24/21       430       381,637         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)       260       249,600         USI Holdings Corp., 4.16%, 11/15/14       0,80       608,600         AGY Holding Corp., 11.00%, 11/15/14       980       858,725         Navistar International Corp.:	Sequa Corp. (c):				
Insurance 1.3%	11.75%, 12/01/15	USD	2,340		2,433,600
Insurance         1.3%           Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)         1,700         1,742,500           CNO Financial Group, Inc., 9,00%, 1/15/18 (c)         367         381,680           Genvorth Financial, Inc., 7.63%, 9/24/21         430         381,637           MPL 2 Acquisition Canco, Inc., 9,88%, 8/15/18 (c)         260         249,600           USH Holdings Corp., 4.16%, 11/15/14 (c)(f)         680         608,600           Machinery         1.3%         3364,017           AGY Holding Corp., 11.00%, 11/15/14         980         858,725           Navisar International Corp.:         300%, 10/15/14 (c)         1,960         2,163,350           3.25%, 11/01/21         140         144,900         0skosh Corp., 8,25%, 301/17         30         30,8255           SPX Corp., 6,88%, 9/01/17         30         30,8255         3380,238         336,238           McE attertainment, Inc., 9,75%, 12/01/20         175         168,875         AMC Entertainment, Inc., 9,75%, 12/01/20         175         168,875           AMC Entertainment, Inc., 9,75%, 12/01/20         175         168,875         AMC Networks, Inc., 7,75%, 7/15/21 (c)         225         232,875           Affinion Group, Inc., 7,88%, 12/15/18 (c)         815         721,275         375,867           COH H	13.50%, 12/01/15		3,954		4,191,252
Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)       1,700       1,742,500         CNO Financial Group, Inc., 9.00%, 1/15/18 (c)       367       381,680         Genworth Financial, Inc., 7.63%, 9/24/21       430       381,637         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)       260       249,600         USI Holdings Corp., 4.16%, 11/15/14 (c)(f)       680       608,600         Machinery       1.3%       3       3,364,017         Mavistar International Corp.:       3,00%, 10/15/14 (c)       980       858,725         3.00%, 10/15/14 (c)       1,960       2,163,350         8.25%, 11/01/21       140       144,900         Oshkosh Corp., 8.25%, 3/01/17       30       30,825         SPX Corp., 6.88%, 9/01/17       175       182,438         AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.5%, 71/5/21 (c)       225       232,875         CCH II LLC, 13.50%, 11/30/16       3,253       3,756,867         CCO Holdings LLC:       72       72,55%, 10/01/15 (c)(h)       50       51,563         7.85%, 4/30/18       110       114,400       6,50%, 4/30/21       788       70,270         CD Holdings LLC:       730       390       422,175       543       <					6,774,715
CNO Financial Group, Inc., 9.00%, 1/15/18 (c)         367         381,680           Genvorth Financial, Inc., 7.63%, 9/24/21         430         381,637           MPL 2 Acquisition Canco, Inc., 9.83%, 8/15/18 (c)         260         249,600           USI Holdings Corp., 4.16%, 11/15/14 (c)(f)         680         608,600           Machinery 1.3%         3364,017         3364,017           AGY Holding Corp., 11.00%, 11/15/14         980         858,725           Navistar International Corp.:         1,960         2,163,350           3.05%, 10/15/14 (e)         1,960         2,163,350           8.25%, 11/01/21         140         144,900           Oshkosh Corp., 8.25%, 3/01/17         30         30,825           SPX Corp., 6.88%, 9/01/17         175         182,438           Media         14.7%         30         3,80,238           Media         14.7%         175         168,875           AMC Networks, Inc., 7.75%, 12/12/12 (c)         175         168,875           AMC Entertainment, Inc., 9.75%, 12/01/20         175         168,875           CCO Holding LLC:         72,255         232,375         3,756,867           CCO Holding LLC:         730         3,253         3,756,867           CCO Holding LLC:         72					
Genworth Financial, Inc., 7,63%, 9/24/21         430         381,637           MPL 2 Acquisition Canco, Inc., 9,88%, 8/15/18 (c)         260         249,600           USI Holdings Corp., 4.16%, 11/15/14 (c)(f)         680         608,600           AGY Holding Corp, 11/0%, 11/15/14         980         858,725           Navistar International Corp.:         3         30           3.00%, 10/15/14 (c)         1960         2,163,350           8.25%, 11/01/21         140         144,900           Oshkosh Corp., 8,25%, 3/01/17         30         30,825           SPX Corp., 6,88%, 9/01/17         30         30,825           SPX Corp., 6,88%, 9/01/17         30         30,825           Media         14.7%         380         386,731           AMC Entertainment, Inc., 9.75%, 12/01/20         175         168,875           AMC Networks, Inc., 7.75%, 7/15/18 (c)         815         721,275           CCO Holdings LLC:         225         232,875           7,25%, 1/03/017         50         51,563           7,88%, 4/30/18         110         114,400           6,50%, 4/30/21         788         770,270           COP Holdings LLC:         788         770,270           COP Susquehanna Corp., 3.42%, 51/5/14 (c)(f)			· · ·		· · ·
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)         260         249,600           US1 Holdings Corp., 4.16%, 11/15/14 (c)(f)         680         608,600           AGY Holding Corp., 11.00%, 11/15/14         980         858,725           Navistar International Corp.:         3         3           AGY Holding Corp., 11.00%, 11/15/14         980         858,725           Navistar International Corp.:         3         3           3.00%, 10/15/14 (c)         1.960         2.163,350           8.25%, 11/01/21         140         144,900           Oshkosh Corp., 8.25%, 3/01/17         30         30.825           SPX Corp., 6.88%, 9/01/17         175         182,438           Media         14.7%         3         3.380,238           Media         14.7%         3.380,238         3.360,238           MC Entertainment, Inc., 9.75%, 12/01/20         175         168,875           AMC Entertainment, Inc., 9.75%, 12/01/20         175         168,875           CCH Holdings LLC:         3.253         3.756,867           7.25%, 10/30/17         50         51,563           7.88%, 4/30/18         110         114,400           6.50%, 4/30/21         70,270         50         51,563           7.88%, 4/					
USI Holdings Corp., 4.16%, 11/15/14 (c)(f)         680         608,600         3,364,017           Machinery 1.3%					
Machinery         1.3%           AGY Holding Corp., 11.00%, 11/15/14         980         858,725           Navistar International Corp.:         3.00%, 10/15/14 (e)         1.960         2,163,350           3.00%, 10/15/14 (e)         1.960         2,163,350         8.25%, 11/01/21         0.40         144,900           Oshkosh Corp., 8.25%, 30/1/17         3.0         30.825         SPX Corp., 6.88%, 9/01/17         175         182,438           Media         14.7%         3.380,238         3.380,238           Media         14.7%         3.380,238         3.350,238           Corp., 8.25%, 3/01/17         175         168,875           AMC Entertainment, Inc., 9.75%, 12/10/20         175         168,875           AMC Networks, Inc., 7.75%, 7/15/21 (c)         225         232,875           Affinion Group, Inc., 7.88%, 12/15/18 (c)         815         721,275           CCH Hill, LC, 13.50%, 11/30/16         3.253         3,766,867           CCO Holdings LLC:         3.00         43,223         3,702,702           CD Holdings, L.c., 8.50%, 4/15/14         110         114,400         144,400           6.50%, 4/30/21         788         770,2702         CMP Susquehanna Corp., 3,42%, 5/15/14 (c)(f)         160         152,000         CSC Holdings, In	•				
Machinery 1.3%         Second Sec	USI Holdings Corp., 4.16%, 11/15/14 (c)(f)		680		,
AGY Holding Corp., 11.00%, 11/15/14       980       858,725         Navistar International Corp.:       3.00%, 10/15/14 (c)       1.960       2,163,350         3.00%, 10/15/14 (c)       140       144,900         0.5kbok Corp., 8.25%, 3/01/17       30       30,825         SPX Corp., 6.88%, 9/01/17       175       182,438         Media 14.7%         AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.75%, 7/15/21 (c)       225       232,875         Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       721,275         CCH HI LLC, 13.50%, 11/30/16       3,253       3,756,867         CCO Holdings LLC:       70       50       51,563         7.88%, 4/30/18       110       114,400       6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000       CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000       610,000       Cengage Learning Acquisitions, Inc., 10.50%,       11/15/15 (c)       395, 3414,838       Clear Channel Communications, Inc., 9.00%,       395, 3414,838					3,364,017
Navistar International Corp.:         3.00%, 10/15/14 (c)       1,960       2,163,350         8.25%, 11/01/21       140       144,900         Oshkosh Corp., 8,25%, 3/01/17       30       30.825         SPX Corp., 6.88%, 9/01/17       175       182,438         Media 14.7%         AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.75%, 7/15/21 (c)       225       232,875         Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       721,275         CCO Holdings LLC:			000		050 705
3.00%, 10/15/14 (e)       1,960       2,163,350         8.25%, 11/01/21       140       144,900         Oshkosh Corp., 8.25%, 3/01/17       30       30,825         SPX Corp., 6.88%, 9/01/17       175       182,438         Media       14.7%       30       3,380,238         Media       14.7%       175       168,875         AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.75%, 71/15/21 (c)       225       232,875         Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       721,275         CCH II LLC, 13.50%, 11/30/16       3,253       3,756,867         CCO Holdings LLC:       7.25%, 10/30/17       50       51,563         7.88%, 4/30/18       110       114,400       6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000       CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 11/01/15 (c)(h)       610       610,000       610,000         Cengage Learning Acquisitions, Inc., 10.50%, 11/15/15 (c)(i)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300         Citadel Broadcasting Corp., 7.75%, 12/15/			980		858,725
8.25%, 11/01/21       140       144,900         Oshkosh Corp., 8.25%, 3/01/17       30       30,825         SPX Corp., 6.88%, 9/01/17       175       182,438         Sasses         Media 14.7%         AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.75%, 7/15/21 (c)       225       232,875         Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       721,275         CCH II LLC, 13.50%, 11/30/16       3,253       3,7663         CCO Holdings LLC:       7       50       51,563         7.88%, 4/30/18       110       114,400       6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000       222,175       Catalina Marketing Corp., 10.50%, 11/15/15 (c)(h)       610       610,000       Cengage Learning Acquisitions, Inc., 10.50%,       1/15/15 (c)       645       496,650       Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       645       496,650       Checkout Holding Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       385       414,838       114,838       114,838	•		1.060		2 162 250
Oshkosh Corp., 8.25%, 3/01/17         30         30,825           SPX Corp., 6.88%, 9/01/17         175         182,438           3,380,238         3,380,238           Media         14.7%         3           AMC Entertainment, Inc., 9.75%, 12/01/20         175         168,875           Affinion Group, Inc., 7.75%, 7/15/21 (c)         225         232,875           Affinion Group, Inc., 7.88%, 12/15/18 (c)         815         721,275           CCH II LLC, 13.50%, 11/30/16         3,253         3,756,867           CCO Holdings LLC:         7.25%, 10/30/17         50         51,563           7.88%, 4/30/18         110         114,400         6.50%, 4/30/21         788         770,270           CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)         160         152,000         CSC Holdings, Inc., 8.50%, 4/15/14         390         422,175           Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)         610         610,000         610         610,000           Cengage Learning Acquisitions, Inc., 10.50%,         11/15/15 (c)         645         496,650           Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)         670         395,300         613,438           Clear Channel Communications, Inc., 9.00%,         385         414,838         614					
SPX Corp., 6.88%, 9/01/17       175       182,438         3,380,238         Media       14.7%         AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.75%, 7/15/21 (c)       225       232,875         Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       71,275         CCH II LLC, 13.50%, 11/30/16       3,253       3,766,867         CCO Holdings LLC:       7       50       51,563         7.88%, 4/30/18       110       114,400         6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000         CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000         Cengage Learning Acquisitions, Inc., 10.50%,       1/15/15 (c)       1/15/15         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       11/15/15 (c)       144,838					
Media       14.7%       3,380,238         AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.75%, 7/15/21 (c)       225       232,875         Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       721,275         CCH II LLC, 13.50%, 11/30/16       3,253       3,756,867         CCO Holdings LLC:       7       7.25%, 10/30/17       50       51,563         7.88%, 4/30/18       110       114,400       6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000       CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000       610,000         Cengage Learning Acquisitions, Inc., 10.50%,       1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300       295,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       385       414,838					
Media14.7%AMC Entertainment, Inc., 9.75%, 12/01/20175168,875AMC Networks, Inc., 7.75%, 7/15/21 (c)225232,875Affinion Group, Inc., 7.88%, 12/15/18 (c)815721,275CCH II LLC, 13.50%, 11/30/163,2533,756,867CCO Holdings LLC:725%, 10/30/175051,5637.88%, 4/30/18110114,4006.50%, 4/30/21788770,270CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)160152,000CSC Holdings, Inc., 8.50%, 4/15/14390422,175Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)6106100Cengage Learning Acquisitions, Inc., 10.50%,645496,650Checkout Holding Corp., 7.75%, 12/15/18 (c)385414,838Clear Channel Communications, Inc., 9.00%,385414,838	51 X Colp., 0.86 %, 9/01/17		175		
AMC Entertainment, Inc., 9.75%, 12/01/20       175       168,875         AMC Networks, Inc., 7.75%, 7/15/21 (c)       225       232,875         Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       721,275         CCH II LLC, 13.50%, 11/30/16       3,253       3,756,867         CCO Holdings LLC:       7.25%, 10/30/17       50       51,563         7.88%, 4/30/18       110       114,400         6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000         CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000         Cengage Learning Acquisitions, Inc., 10.50%, 11/15/15 (c)(i)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       385       414,838	Media 14.7%				5,500,250
AMC Networks, Inc., 7.75%, 7/15/21 (c)225232,875Affinion Group, Inc., 7.88%, 12/15/18 (c)815721,275CCH II LLC, 13.50%, 11/30/163,2533,756,867CCO Holdings LLC:5051,5637.25%, 10/30/175051,5637.88%, 4/30/18110114,4006.50%, 4/30/21788770,270CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)160152,000CSC Holdings, Inc., 8.50%, 4/15/14390422,175Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)610610,000Cengage Learning Acquisitions, Inc., 10.50%,11/15/15 (c)(i)670Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)670395,300Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)385414,838Clear Channel Communications, Inc., 9.00%,50%50%50%			175		168.875
Affinion Group, Inc., 7.88%, 12/15/18 (c)       815       721,275         CCH II LLC, 13.50%, 11/30/16       3,253       3,756,867         CCO Holdings LLC:       50       51,563         7.25%, 10/30/17       50       51,563         7.88%, 4/30/18       110       114,400         6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000         CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000         Cengage Learning Acquisitions, Inc., 10.50%,       1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300       295,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       144,838       144,838					,
CCH II LLC, 13.50%, 11/30/16       3,253       3,756,867         CCO Holdings LLC:       50       51,563         7.25%, 10/30/17       50       51,563         7.88%, 4/30/18       110       114,400         6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000         CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000         Cengage Learning Acquisitions, Inc., 10.50%,       11/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/18 (c)       670       395,300       385       414,838         Clear Channel Communications, Inc., 9.00%,       385       414,838       144,838					
CCO Holdings LLC:       50       51,563         7.25%, 10/30/17       50       51,563         7.88%, 4/30/18       110       114,400         6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000         CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000         Cengage Learning Acquisitions, Inc., 10.50%,       1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300       205,300       205,300       205,300       206,3	•				
7.25%, 10/30/17       50       51,563         7.88%, 4/30/18       110       114,400         6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000         CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000         Cengage Learning Acquisitions, Inc., 10.50%,       1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300       235,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       144,838       144,838	, ,		-,		- , ,
6.50%, 4/30/21       788       770,270         CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)       160       152,000         CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610         Cengage Learning Acquisitions, Inc., 10.50%,       1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300       295,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       14       14       14	-		50		51,563
CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)         160         152,000           CSC Holdings, Inc., 8.50%, 4/15/14         390         422,175           Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)         610         6100           Cengage Learning Acquisitions, Inc., 10.50%,         645         496,650           Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)         670         395,300           Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)         385         414,838           Clear Channel Communications, Inc., 9.00%,         414,838         414,838	7.88%, 4/30/18		110		114,400
CSC Holdings, Inc., 8.50%, 4/15/14       390       422,175         Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)       610       610,000         Cengage Learning Acquisitions, Inc., 10.50%,       645       496,650         1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       414,838       610	6.50%, 4/30/21		788		770,270
Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)         610         610,000           Cengage Learning Acquisitions, Inc., 10.50%,	CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)		160		152,000
Cengage Learning Acquisitions, Inc., 10.50%,       645       496,650         1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       414,838       414,838	CSC Holdings, Inc., 8.50%, 4/15/14		390		422,175
1/15/15 (c)       645       496,650         Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)       670       395,300         Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)       385       414,838         Clear Channel Communications, Inc., 9.00%,       414,838       414,838	Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)		610		610,000
Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)         670         395,300           Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)         385         414,838           Clear Channel Communications, Inc., 9.00%,         414,838         414,838					
Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)385414,838Clear Channel Communications, Inc., 9.00%,414,838					
Clear Channel Communications, Inc., 9.00%,					
			385		414,838
3/01/21 545 438,725	, , , ,				
	3/01/21		545		438,725

Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	1,525	1,616,500
Series B, 9.25%, 12/15/17	5,570	5,959,900
Cox Enterprises, Inc.:		
Loan Close 2, 4.00%, 8/15/18	661	682,581
Loan Close 3, 12.00%, 8/15/18	756	780,386
Shares Loan, 4.00%, 8/15/18	780	804,851
Cumulus Media, Inc., 7.75%, 5/01/19 (c)	130	114,075
DISH DBS Corp.:		
7.00%, 10/01/13	90	94,388
6.75%, 6/01/21 (c)	550	554,125
Gray Television, Inc., 10.50%, 6/29/15	935	902,275
Harland Clarke Holdings Corp.:		
6.00%, 5/15/15 (f)	350	260,750
9.50%, 5/15/15	315	256,725

Corporate Bonds		Par 100)		Value
Media (concluded)	(0			, unde
Intelsat Luxemburg SA:				
11.25%, 6/15/16	USD	1.090	\$	1,139,050
11.25%, 2/04/17		340	Ŧ	329,800
11.50%, 2/04/17 (h)		380		369,075
11.50%, 2/04/17 (c)(h)		910		883.837
Interactive Data Corp., 10.25%, 8/01/18 (c)		1,030		1,091,800
The Interpublic Group of Cos., Inc., 10.00%,		-,		-,
7/15/17		340		391,000
Kabel BW Erste Beteiligungs GmbH, 7.50%,		2.10		
3/15/19 (с)	EUR	673		947,430
Kabel Deutschland Vertrieb und Service GmbH &				,,
Co. KG, 6.50%, 6/29/18 (c)		345		485,236
Live Nation Entertainment, Inc., 8.13%, 5/15/18 (c)	USD	735		707,437
Musketeer GmbH, 9.50%, 3/15/21	EUR	425		610,513
NAI Entertainment Holdings LLC, 8.25%,				,
12/15/17 (c)	USD	620		626,200
Nielsen Finance LLC:	0.02	020		020,200
11.63%, 2/01/14		117		132,503
7.75%, 10/15/18		2,145		2,214,712
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c)	GBP	207		307,461
ProQuest LLC, 9.00%, 10/15/18 (c)	USD	500		490,000
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(j)		850		425
Regal Entertainment Group, 9.13%, 8/15/18		335		338,350
UPC Holding BV, 9.88%, 4/15/18 (c)		500		522,500
UPCB Finance II Ltd., 6.38%, 7/01/20 (c)	EUR	822		1,050,915
Unitymedia GmbH:				-,,
9.63%, 12/01/19		168		243,142
9.63%, 12/01/19 (c)		570		824,947
Unitymedia Hessen GmbH & Co. KG (FKA UPC				
Germany Gmbh):				
8.13%, 12/01/17 (c)		441		636,664
8.13%, 12/01/17 (c)	USD	655		668,100
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP	618		1,038,312
Ziggo Bond Co. BV, 8.00%, 5/15/18 (c)	EUR	388		546,215
Ziggo Finance BV, 6.13%, 11/15/17 (c)		800		1,120,471
				38,488,464
Metals & Mining 4.2%				, ,
Drummond Co., Inc.:				
9.00%, 10/15/14 (c)	USD	270		276,075
7.38%, 2/15/16		200		203,000
FMG Resources August 2006 Property Ltd., 7.00%,				
11/01/15 (c)		1,230		1,226,925
		,		,, =0

JMC Steel Group, $8.25\%$ , $3/15/18$ (c)200195,500James River Escrow, Inc., $7.88\%$ , $4/01/19$ (c)220199,100New World Resources NV, $7.88\%$ , $5/01/18$ EUR655898,567Newmont Mining Corp., Series A, $1.25\%$ , $7/15/14$ USD $1,475$ $2,142,438$ Novelis, Inc., $8.75\%$ , $12/15/20$ (c) $3,525$ $3,710,062$ Taseko Mines Ltd., $7.75\%$ , $4/15/19$ 330 $312,675$ Vedanta Resources Plc, $8.25\%$ , $6/07/21$ (c)270 $257,850$ Vulcan Materials Co., $7.50\%$ , $6/15/21$ 166163,49610,980,913106163,496Multiline Retail $1.8\%$ 109,809,133Multiline Retail $1.8\%$ , $7/15/17$ (h) $4.351$ $4.818,732$ Oil, Gas & Consumable Fuels $9.7\%$ $320$ $312,800$ $6.25\%$ , $6/01/21$ 1,010988,537 $6.25\%$ , $6/01/21$ $10,010$ $6.00\%$ , $6/01/19$ $320$ $312,800$ $6.25\%$ , $6/01/21$ $860$ $847,100$ $857$ $7.25\%$ , $6/15/21$ (c) $860$ $847,100$ Berry Petroleum Co., $8.25\%$ , $11/01/16$ $510$ $526,575$ $510$ Bill Barrett Corp., $9.88\%$ , $7/15/16$ $45$ $49,388$ Carrizo Oil & Gas, Inc., $8.63\%$ , $10/15/18$ 130132,600	Goldcorp, Inc., 2.00%, 8/01/14 (e)		1,060	1,395,225
New World Resources NV, 7.88%, 5/01/18EUR655898,567New mont Mining Corp., Series A, 1.25%, 7/15/14USD1,4752,142,438Novelis, Inc., 8.75%, 12/15/20 (c)3,5253,710,062Taseko Mines Ltd., 7.75%, 4/15/19330312,675Vedanta Resources Plc, 8.25%, 6/07/21 (c)270257,850Vulcan Materials Co., 7.50%, 6/15/21166163,496Dultar General Corp., 11.88%, 7/15/17 (h)4,3514,818,732Oil, Gas & Consumable Fuels 9.7%Alpha Natural Resources, Inc.:500%, 6/01/213356.00%, 6/01/19320312,8006.25%, 6/07/21 (c)335329,9757.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	JMC Steel Group, 8.25%, 3/15/18 (c)		200	195,500
Newmont Mining Corp., Series A, 1.25%, 7/15/14USD1,4752,142,438Novelis, Inc., 8.75%, 12/15/20 (c) $3,525$ $3,710,062$ Taseko Mines Ltd., 7.75%, 4/15/19 $330$ $312,675$ Vedanta Resources Plc, 8.25%, 6/07/21 (c) $270$ $257,850$ Vulcan Materials Co., 7.50%, 6/15/21166 $163,496$ IOJ980,913Multiline Retail1.8%Dollar General Corp., 11.88%, 7/15/17 (h) $4,351$ $4,818,732$ Oil, Gas & Consumable Fuels $9.7\%$ Alpha Natural Resources, Inc.: $320$ $312,800$ $6.00\%, 6/01/19$ $320$ $312,800$ $6.25\%, 6/01/21$ $1,010$ $988,537$ Arch Coal, Inc.: $7.25\%, 6/15/21$ (c) $860$ $847,100$ Berry Petroleum Co., 8.25\%, 11/01/16 $510$ $526,575$ Bill Barrett Corp., 9.88\%, 7/15/16 $45$ $49,388$	James River Escrow, Inc., 7.88%, 4/01/19 (c)		220	199,100
Novelis, Inc., 8.75%, 12/15/20 (c)         3,525         3,710,062           Taseko Mines Ltd., 7.75%, 4/15/19         330         312,675           Vedanta Resources Plc, 8.25%, 6/07/21 (c)         270         257,850           Vulcan Materials Co., 7.50%, 6/15/21         166         163,496           10,980,913         106         10,980,913           Multiline Retail         1.8%         4,351         4,818,732           Oil, Gas & Consumable Fuels         9.7%         320         312,800           Alpha Natural Resources, Inc.:         320         312,800           6.05%, 6/01/19         320         312,800           6.25%, 6/01/21         1,010         988,537           Arch Coal, Inc.:         7.25%, 10/01/20         335         329,975           7.25%, 6/15/21 (c)         860         847,100           Berry Petroleum Co., 8.25%, 11/01/16         510         526,575           Bill Barrett Corp., 9.88%, 7/15/16         45         49,388	New World Resources NV, 7.88%, 5/01/18	EUR	655	898,567
Taseko Mines Ltd., 7.75%, 4/15/19330312,675Vedanta Resources Plc, 8.25%, 6/07/21 (c)270257,850Vulcan Materials Co., 7.50%, 6/15/21166163,49610,980,913Multiline Retail 1.8%Dollar General Corp., 11.88%, 7/15/17 (h)4,3514,818,732Oil, Gas & Consumable Fuels 9.7%Alpha Natural Resources, Inc.: $6.00\%, 6/01/19$ 320312,800 $6.25\%, 6/01/21$ 1,010988,537Arch Coal, Inc.:7.25%, 10/01/20335329,975 $7.25\%, 6/15/21$ (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	Newmont Mining Corp., Series A, 1.25%, 7/15/14	USD	1,475	2,142,438
Vedanta Resources Plc, $8.25\%$ , $6/07/21$ (c)270257,850Vulcan Materials Co., 7.50%, $6/15/21$ 166163,49610,980,91310,980,913Multiline Retail1.8%Dollar General Corp., 11.88%, 7/15/17 (h)4,3514,818,732Oil, Gas & Consumable Fuels9.7%Alpha Natural Resources, Inc.:320312,800 $6.00\%$ , $6/01/19$ 320312,800 $6.25\%$ , $6/01/21$ 1,010988,537Arch Coal, Inc.:335329,975 $7.25\%$ , $10/01/20$ 335329,975 $7.25\%$ , $6/15/21$ (c)860847,100Berry Petroleum Co., $8.25\%$ , $11/01/16$ 510526,575Bill Barrett Corp., 9.88%, $7/15/16$ 4549,388	Novelis, Inc., 8.75%, 12/15/20 (c)		3,525	3,710,062
Vulcan Materials Co., 7.50%, $6/15/21$ 166163,49610,980,91310,980,913Multiline Retail 1.8%1.8%Dollar General Corp., 11.88%, 7/15/17 (h)4,3514,818,732Oil, Gas & Consumable Fuels 9.7%4,3514,818,732Alpha Natural Resources, Inc.:320312,800 $6.00\%, 6/01/19$ 320312,800 $6.25\%, 6/01/21$ 1,010988,537Arch Coal, Inc.:7.25%, 10/01/20335329,975 $7.25\%, 6/15/21$ (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	Taseko Mines Ltd., 7.75%, 4/15/19		330	312,675
Image: Main and M	Vedanta Resources Plc, 8.25%, 6/07/21 (c)		270	257,850
Multiline Retail         1.8%           Dollar General Corp., 11.88%, 7/15/17 (h)         4,351         4,818,732           Oil, Gas & Consumable Fuels         9.7%            Alpha Natural Resources, Inc.:         320         312,800           6.05%, 6/01/19         320         312,800           6.25%, 6/01/21         1,010         988,537           Arch Coal, Inc.:         7.25%, 10/01/20         335         329,975           7.25%, 6/15/21 (c)         860         847,100           Berry Petroleum Co., 8.25%, 11/01/16         510         526,575           Bill Barrett Corp., 9.88%, 7/15/16         45         49,388	Vulcan Materials Co., 7.50%, 6/15/21		166	163,496
Dollar General Corp., 11.88%, 7/15/17 (h)       4,351       4,818,732         Oil, Gas & Consumable Fuels       9.7%       7.25%, 6/01/19       320       312,800         6.05%, 6/01/21       320       312,800       1,010       988,537         Arch Coal, Inc.:       7.25%, 10/01/20       335       329,975         7.25%, 6/15/21 (c)       860       847,100         Berry Petroleum Co., 8.25%, 11/01/16       510       526,575         Bill Barrett Corp., 9.88%, 7/15/16       45       49,388				10,980,913
Oil, Gas & Consumable Fuels9.7%Alpha Natural Resources, Inc.:3206.00%, 6/01/193206.25%, 6/01/211,010988,537Arch Coal, Inc.:7.25%, 10/01/20335329,9757.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/1645	Multiline Retail 1.8%			
Alpha Natural Resources, Inc.:6.00%, 6/01/19320312,8006.25%, 6/01/211,010988,537Arch Coal, Inc.:7.25%, 10/01/20335329,9757.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/1645	Dollar General Corp., 11.88%, 7/15/17 (h)		4,351	4,818,732
6.00%, 6/01/19320312,8006.25%, 6/01/211,010988,537Arch Coal, Inc.:7.25%, 10/01/20335329,9757.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	Oil, Gas & Consumable Fuels 9.7%			
6.25%, 6/01/211,010988,537Arch Coal, Inc.:7.25%, 10/01/20335329,9757.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	Alpha Natural Resources, Inc.:			
Arch Coal, Inc.:7.25%, 10/01/20335329,9757.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	6.00%, 6/01/19		320	312,800
7.25%, 10/01/20335329,9757.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	6.25%, 6/01/21		1,010	988,537
7.25%, 6/15/21 (c)860847,100Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	Arch Coal, Inc.:			
Berry Petroleum Co., 8.25%, 11/01/16510526,575Bill Barrett Corp., 9.88%, 7/15/164549,388	7.25%, 10/01/20		335	329,975
Bill Barrett Corp., 9.88%, 7/15/16 45 49,388	7.25%, 6/15/21 (c)		860	847,100
	Berry Petroleum Co., 8.25%, 11/01/16		510	526,575
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 130 132,600	Bill Barrett Corp., 9.88%, 7/15/16		45	49,388
	Carrizo Oil & Gas, Inc., 8.63%, 10/15/18		130	132,600

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

AUGUST 31, 2011

#### BlackRock Corporate High Yield Fund III, Inc. (CYE) (Percentages shown are based on Net Assets)

Corporate Bonds	Pa (00			Value
Oil, Gas & Consumable Fuels (concluded)	(01	,0)		vulue
Chesapeake Energy Corp.:				
6.63%, 8/15/20	USD	956	\$	999,020
6.13%, 2/15/21	COD	550	Ψ	558,250
2.25%, 12/15/38 (e)		800		712,000
Coffeyville Resources LLC, 9.00%, 4/01/15 (c)		266		281,960
Concho Resources, Inc., 7.00%, 1/15/21		410		420,250
Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c)		345		279,450
		1,965		
Consol Energy, Inc., 8.25%, 4/01/20		370		2,112,375 381,100
Continental Resources, Inc., 7.13%, 4/01/21 Copano Energy LLC, 7.13%, 4/01/21		370		
				333,325
Crosstex Energy LP, 8.88%, 2/15/18		180		186,300
Denbury Resources, Inc.:		727		776 (14
8.25%, 2/15/20		737		776,614
6.38%, 8/15/21		350		343,000
EV Energy Partners LP, 8.00%, 4/15/19 (c)		150		147,000
Energy XXI Gulf Coast, Inc. (c):				
9.25%, 12/15/17		425		435,625
7.75%, 6/15/19		900		846,000
Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)		365		347,662
Hilcorp Energy I LP, 7.63%, 4/15/21 (c)		770		777,700
Linn Energy LLC (c):				
6.50%, 5/15/19		250		238,750
8.63%, 4/15/20		1,100		1,177,000
7.75%, 2/01/21		430		438,600
MarkWest Energy Partners LP, 6.75%, 11/01/20		135		138,375
Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)		1,845		1,863,450
OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)		3,970		3,979,925
Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)		330		323,400
Petrohawk Energy Corp.:				
10.50%, 8/01/14		370		418,100
7.88%, 6/01/15		460		496,800
7.25%, 8/15/18		320		373,200
Pioneer Natural Resources Co., 6.88%, 5/01/18		100		108,317
Precision Drilling Corp., 6.50%, 12/15/21 (c)		295		295,000
Range Resources Corp.:				
8.00%, 5/15/19		400		435,000
5.75%, 6/01/21		340		341,700
SM Energy Co., 6.63%, 2/15/19 (c)		285		285,000
SandRidge Energy, Inc., 7.50%, 3/15/21 (c)		915		892,125
Teekay Corp., 8.50%, 1/15/20		550		534,875
				25,464,223
Paper & Forest Products 2.7%				
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)		1,192		834,072
Boise Paper Holdings LLC:				,
9.00%, 11/01/17		125		132,812
8.00%, 4/01/20		165		168,712
Clearwater Paper Corp.:		100		
10.63%, 6/15/16		390		427,050
7.13%, 11/01/18 (c)		585		587,925
		000		237,725

Georgia-Pacific LLC, 8.25%, 5/01/16 (c)		1,600	1,827,213
Longview Fibre Paper & Packaging, Inc., 8.00%,			
6/01/16 (c)		345	341,550
NewPage Corp., 11.38%, 12/31/14 (j)		2,070	1,821,600
Sappi Papier Holding GmbH, 6.63%, 4/15/21 (c)		140	124,600
Verso Paper Holdings LLC, 11.50%, 7/01/14		756	801,360
			7,066,894
Pharmaceuticals 0.5%			
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (c)	EUR	200	275,808
Endo Pharmaceuticals Holdings, Inc., 7.00%,			
7/15/19 (c)	USD	185	187,313
Valeant Pharmaceuticals International, 6.50%,			
7/15/16 (c)		855	812,250
			1,275,371

Corporate Bonds		Par (000)		Value
Professional Services 0.3%		(000)		value
FTI Consulting, Inc., 6.75%, 10/01/20 (c)	USD	920	\$	907,350
Real Estate Investment Trusts (REITs) 0.7%	050	)20	Ψ	907,550
FelCor Lodging LP, 6.75%, 6/01/19 (c)		1,405		1,320,700
The Rouse Co. LP, 6.75%, 11/09/15		520		526,500
The Rouse Co. Li, 0.7570, 11/0/15		520		1,847,200
Real Estate Management & Development 2.2%				1,017,200
CB Richard Ellis Services, Inc., 6.63%, 10/15/20		335		327,463
Forest City Enterprises, Inc., 7.63%, 6/01/15		1,425		1,371,562
IVG Immobilien AG, 8.00%, 5/29/49 (f)	EUR	100		109,174
Realogy Corp.:	LUK	100		109,171
11.50%, 4/15/17 (f)	USD	995		791,025
12.00%, 4/15/17	COD	100		80,000
7.88%, 2/15/19 (c)		2,610		2,166,300
Shea Homes LP, 8.63%, 5/15/19 (c)		1,120		946,400
		1,120		5,791,924
Road & Rail 2.0%				5,791,921
Avis Budget Car Rental LLC:				
9.63%, 3/15/18		510		521,475
8.25%, 1/15/19		775		749,812
Florida East Coast Railway Corp., 8.13%,		115		719,012
2/01/17 (c)		410		407,950
The Hertz Corp. (c):				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
7.50%, 10/15/18		645		632,100
6.75%, 4/15/19		445		414,963
7.38%, 1/15/21		495		472,725
Hertz Holdings Netherlands BV:		.,,,		
8.50%, 7/31/15	EUR	110		154,855
8.50%, 7/31/15 (c)		1,325		1,865,296
		-,		5,219,176
Semiconductors & Semiconductor				-,,,
Equipment 0.3%				
Micron Technology, Inc. (c):				
Series A, 1.50%, 8/01/31	USD	285		245,100
Series B, 1.88%, 8/01/31		95		79,444
Spansion LLC, 7.88%, 11/15/17 (c)		580		580,000
				904,544
Specialty Retail 2.2%				,
Asbury Automotive Group, Inc., 8.38%, 11/15/20		365		358,613
Hillman Group, Inc., 10.88%, 6/01/18		530		535,300
House of Fraser Plc, 8.88%, 8/15/18 (c)	GBP	285		393,254
Limited Brands, Inc., 8.50%, 6/15/19	USD	785		884,106
Phones4u Finance Plc, 9.50%, 4/01/18 (c)	GBP	400		499,976
OVC Inc (c):				

## Explanation of Responses:

QVC, Inc. (c):

7.13%, 4/15/17	USD	230	240,350
7.50%, 10/01/19		625	673,438
7.38%, 10/15/20		210	225,750
Sonic Automotive, Inc., 9.00%, 3/15/18		370	375,550
Toys R US-Delaware, Inc., 7.38%, 9/01/16 (c)		420	407,400
United Auto Group, Inc., 7.75%, 12/15/16		1,025	1,037,812
			5,631,549
Transportation Infrastructure 0.2%			
Aguila 3 SA, 7.88%, 1/31/18 (c)		431	405,140
Wireless Telecommunication Services 3.4%			
Cricket Communications, Inc.:			
10.00%, 7/15/15		765	790,819
7.75%, 5/15/16		200	202,500
Digicel Group Ltd. (c):			
8.88%, 1/15/15		700	700,000
9.13%, 1/15/15		1,783	1,783,000
8.25%, 9/01/17		1,180	1,180,000
10.50%, 4/15/18		500	530,000
FiberTower Corp., 9.00%, 1/01/16 (h)		311	193,551
Intelsat Jackson Holdings SA, 7.50%, 4/01/21 (c)		160	154,800

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund III, Inc. (CYE) (Percentages shown are based on Net Assets)

Community Davids		ar	¥7-1
Corporate Bonds Wireless Telecommunication Services	(0	00)	Value
(concluded)			
iPCS, Inc., 2.38%, 5/01/13 (f)	USD	815	\$ 755,912
MetroPCS Wireless, Inc.:			
7.88%, 9/01/18		350	354,813
6.63%, 11/15/20		920	860,200
NII Capital Corp., 7.63%, 4/01/21		381	388,620
Sprint Capital Corp., 6.88%, 11/15/28		1,270	1,136,650
Tetal Companda Danda 10210			9,030,865
Total Corporate Bonds 103.1%			270,079,813
Floating Rate Loan Interests (f) Airlines 0.2%			
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17		700	645,169
Building Products 0.2%			
Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/30/17		625	628,125
Capital Markets 0.1%		020	020,125
Marsico Parent Co., LLC, Term Loan, 5.25%, 12/14/14 Chemicals 0.3%		369	206,424
PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term			
Loan Facility (First Lien), 3.48% 3.51%, 7/30/14		290	264,826
Styron Sarl, Term Loan B, 6.00%, 8/02/17		492	452,038
			716,864
Commercial Services & Supplies 0.8%			
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%,			
6/10/16		508	489,304
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16		550	546,331
Volume Services America, Inc. (Centerplate), Term		002	0.40,405
Loan B, 10.50% 10.75%, 9/16/16		993	949,495
Construction & Engineering 0.8%			1,985,130
Safway Services, LLC, Last Out Term Loan, 7.25%,			
12/18/17		2,000	2,000,000
Consumer Finance 1.8%		2,000	2,000,000
Springleaf Financial Funding Co. (FKA AGFS			
Funding Co.), Term Loan, 5.50%, 5/10/17		5,150	4,770,188
Diversified Consumer Services 0.0%			
ServiceMaster Co.:			
Closing Date Term Loan, 2.69% 2.76%, 7/24/14		86	79,808
Delayed Draw Term Loan, 2.72%, 7/24/14		9	7,948
			87,756
Diversified Telecommunication Services 0.2%			
Level 3 Financing, Inc., Incremental Tranche A Term			
Loan, 2.50%, 3/13/14		500	462,000

#### Electronic Equipment, Instruments &

Components 0.0%		
CDW LLC (FKA CDW Corp.), Non-Extended Term Loan,		
3.71%, 10/10/14	120	112,800
Energy Equipment & Services 2.1%		
Dynegy Holdings, Inc.:		
Coal Company Term Loan, 9.25%, 8/04/16	1,996	1,928,119
Gas Company Term Loan, 9.25%, 8/04/16	3,654	3,589,727
		5.517.846

Floating Rate Loan Interests (f)	Pa (00		Value
Food Products 0.3%			
Advance Pierre Foods, Term Loan (Second Lien), 11.25%, 9/29/17	USD	900	\$ 882,000
Health Care Providers & Services 0.6%			
Harden Healthcare, Inc.:			
Tranche A Additional Term Loan, 7.75%, 3/02/15		456	447,136
Tranche A Term Loan, 8.50%, 3/02/15		433	423,909
inVentiv Health, Inc. (FKA Ventive Health, Inc.),			
Term Loan B, 6.50%, 8/04/16		801	755,846
			1,626,891
Hotels, Restaurants & Leisure 0.4%			
Caesars Entertainment Operating Co., Inc., Term Loan B-3, 3.25%, 1/28/15		363	312,268
Travelport LLC (FKA Travelport, Inc.), Term Loan,			
8.29%, 3/27/12		1,362	750,196
			1,062,464
Independent Power Producers & Energy Traders 0.9%			
Texas Competitive Electric Holdings Co., LLC (TXU),			
Extended Term Loan, 4.71% 4.77%, 10/10/17 Media 4.1%		3,134	2,300,562
Cengage Learning Acquisitions, Inc., (FKA Thomson			
Learning) Tranche 1 Incremental Term Loan,			
7.50%, 7/03/14		1,698	1,621,113
HMH Publishing Co., Ltd., Tranche A Term Loan,		,	, , , ,
6.21%, 6/12/14		935	751,410
Intelsat Jackson Holdings SA (FKA Intelsat			
Jackson Holdings, Ltd.), Tranche B Term Loan,			
5.25%, 4/02/18		7,282	6,972,276
Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13		1,325	1,368,062
			10,712,861
Oil, Gas & Consumable Fuels 0.8%			
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15		1,982	1,962,293
Paper & Forest Products 0.5%			
Verso Paper Finance Holdings LLC,			
Term Loan, 6.51% 7.26%, 2/01/13 (h)		1,433	1,232,420
Pharmaceuticals 0.3%		007	007 400
Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17		995	897,490
Real Estate Investment Trusts (REITs) 0.6%			
iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13		1 524	1 480 754
S.00%, 6/28/13 Real Estate Management & Development 0.3%		1,524	1,480,754
Realogy Corp.:			
Extended Synthetic Letter of Credit Loan, 4.44%,			
10/10/16		133	109,694
Extended Term Loan B, 4.52%, 10/10/16		737	606,247
			715,941
Specialty Retail 0.0%			

Claire s Stores, Inc., Term Loan B, 3.00%, 5/29/14	113	98,036
Wireless Telecommunication Services 1.2%		
Vodafone Americas Finance 2, Inc.:		
Initial Loan, 6.88%, 8/11/15	1,873	1,882,436
Term Loan B, 6.25%, 7/11/16	1,300	1,306,500
		3,188,936
Total Floating Rate Loan Interests 16.5%		43,292,950

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#### BlackRock Corporate High Yield Fund III, Inc. (CYE) (Percentages shown are based on Net Assets)

Other Interests (1)		Beneficial Interest (000)		Value
Auto Components 2.6%				
Delphi Debtor-in-Possession Holding Co. LLP,				
Class B Membership Interests (a)			(m\$)	6,860,756
Lear Corp. Escrow (a)	USD	460		9,200
				6,869,956
Energy, Equipment & Services 0.6%				
BLK CYE (Luxembourg) Investments, S.a.r.l. (Laricina				
Energy Ltd.) (a)(n)		35		1,549,759
Hotels, Restaurants & Leisure 0.0%				
Buffets, Inc. (a)		575		6
Media 0.0%				
Adelphia Escrow (a)		750		8
Adelphia Recovery Trust (a)		941		94
				102
Total Other Interests   3.2%				8,419,823

#### **Preferred Securities**

Capital Trusts	Par (000)
Insurance 0.2%	
Genworth Financial, Inc., 6.15%, 11/15/66 (f)	865 519,000
Total Capital Trusts 0.2%	519,000

Preferred Stocks	Shares	
Auto Components 0.7%		
Dana Holding Corp., 4.00% (c)(e)	17,500	1,970,938
Diversified Financial Services 0.9%		
Ally Financial, Inc., 7.00% (c)	3,234	2,460,771
Media 0.3%		
CMP Susquehanna Radio Holdings Corp.,		
0.00% (a)(c)(f)	37,314	317,169
TRA Global, Inc. (a)	286,652	352,582
		669,751
Real Estate Investment Trusts (REITs) 0.1%		
MPG Office Trust, Inc., Series A, 7.63% (a)	8,994	143,364
Thrifts & Mortgage Finance 0.1%		
Fannie Mae, Series O (a)	30,000	90,000
Freddie Mac, Series Z (a)	75,961	169,393
		259,393
Total Preferred Stocks 2.1%		5,504,217

#### Total Preferred Stocks 2.1%

Trust Preferreds		
Diversified Financial Services 0.7%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (f)	87,860	1,875,811
Total Trust Preferreds 0.7%		1,875,811
Total Preferred Securities 3.0%		7,899,028

Warrants (o)	Shares		Value
Containers & Packaging 0.0%	700	¢	20.070
MDP Acquisitions Plc (Expires 10/01/13) Health Care Providers & Services 0.0%	700	\$	28,868
HealthSouth Corp. (Expires 1/16/14)	32,042		
Hotels, Restaurants & Leisure 0.0%	02,012		
Buffets Restaurants Holdings, Inc.			
(Expires 4/29/14) (m)	485		5
Media 0.1%	04.041		240.024
Cumulus Media, Inc. (Expires 3/26/19) New Vision Holdings LLC (Expires 9/30/14)	94,241 22,447		240,834 224
New Vision Holdings LLC (Expires 9/30/14)	22,447		241,058
Software 0.0%			211,050
Bankruptcy Management Solutions, Inc.			
(Expires 9/29/17)	334		4
HMH Holdings/EduMedia (Expires 3/09/17)	11,225		
Total Warrants 0.1%			260.025
Total Long-Term Investments			269,935
(Cost \$351,137,320) 129.7%		-	339,733,419
Options Purchased	Contracts		
Exchange-Traded Call Options 0.0%			
E*Trade Financial Corp., Strike Price USD 20.00,			
Expires 10/22/11	450		5,850
Exchange-Traded Put Options 0.0%			
SPDR S&P 500 ETF Trust, Strike Price USD 120.00, Expires 9/17/11	144		32,403
Over-the-Counter Call Options 0.0%	144		52,405
Marsico Parent Superholdco LLC, Strike Price			
USD 942.86, Expires 12/21/19,			
Broker Goldman Sachs Bank USA	19		
	Notional		
	Amount		
	(000)		
Over-the-Counter Call Swaptions 0.1% Receive a return based on return of Dow Jones CDX			
North America High Yield Index Series 16 and pay a			
floating rate based on 3-month LIBOR, Expires			
12/21/11, Broker Deutsche Bank Securities Inc.	\$ 10,000		100,351
Total Options Purchased			
(Cost \$258,580) 0.1%			138,604
Total Investments Before Options Written		,	20 272 022
(Cost \$351,395,900*) 129.8%		-	339,872,023
Options Written	Contracts		
Exchange-Traded Put Options 0.0%			
E*Trade Financial Corp., Strike Price USD 13.00,	450		(02.250)
Expires 10/22/11	450		(92,250)
	Notional		
	Amount		
Over the Counter Call Swantions (0.1)%	(000)		
Over-the-Counter Call Swaptions(0.1)%Pay a return based on return of Dow Jones CDX North			
America High Yield Index Series 16 and receive a			
floating rate based on 3-month LIBOR, Expires			
9/21/11, Broker Credit Suisse International	\$ 11,650		(2,279)

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund III, Inc. (CYE) (Percentages shown are based on Net Assets)

Options Written	Notior Amou (00	nt	Value
Over-the-Counter Call Swaptions (concluded)	(00	0)	value
Pay a return based on return of Dow Jones CDX North			
America High Yield Index Series 16 and receive a			
floating rate based on 3-month LIBOR, Expires			
12/21/11. Broker Goldman Sachs International	\$ 5,0	00 \$	(227,178)
	φ ο,ο	,	(229,457)
Over-the-Counter Put Swaptions (0.3)%			(,,
Pay a return based on return of Dow Jones CDX North			
America High Yield Index Series 16 and receive a			
floating rate based on 3-month LIBOR, Expires			
9/21/11, Broker Credit Suisse International	3,0	50	(99,856)
Pay a return based on return of Dow Jones CDX North			
America High Yield Index Series 16 and receive a			
floating rate based on 3-month LIBOR, Expires			
12/21/11, Broker Goldman Sachs International	5,0	00	(163,317)
Pay a return based on return of Dow Jones CDX North			
America High Yield Index Series 16 and receive a			
floating rate based on 3-month LIBOR, Expires			
12/21/11, Broker Morgan Stanley Capital Services	10,0	)0	(388,256)
			(651,429)
Total Options Written			
(Premiums Received \$685,688) (0.4)%			(973,136)
Total Investments, Net of Options Written 129.4%			338,898,887
Liabilities in Excess of Other Assets (29.4)%			(76,941,464)
Net Assets 100.0%		\$	261,957,423

\* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 352,503,156
Gross unrealized appreciation	\$ 11,633,282
Gross unrealized depreciation	(24,264,415)
Net unrealized depreciation	\$ (12,631,133)

#### (a) Non-income producing security.

- (b) Restricted security as to resale. As of the report date the Fund held less than 0.1% of its net assets, with a current market value of \$4,114 and an original cost of \$295, in this security.
- (c) 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.
- (d) All or a portion of security has been pledged as collateral in connection with swaps.

#### Explanation of Responses:

- (e) Convertible security.
- (f) Variable rate security. Rate shown is as of report date.
- (g) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (h) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (i) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (j) Issuer filed for bankruptcy and/or is in default of interest payments.
- (k) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (1) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (m) Amount is less than \$500.
- (n) The investment is held by a wholly owned subsidiary of the Fund.
- (o) 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.

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:

i columny 20, i tot i inagust or,		Shares Held at February 28,	Net	Shares Held at August 31,		
Affiliate 2010 Activity 2011 Income		2010	Activity	2011	Inc	come
BlackRock Liquidity	1 5					
Funds, TempCash,	Funds, TempCash,					
Institutional Class 1,845,167 (1,845,167) \$ 809	Institutional Class	1,845,167	(1,845,167)		\$	809

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. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Financial futures contracts sold as of August 31, 2011 were as follows:

				Notional	Unrealized
Contracts	Issue	Exchange	Expiration	Value	Depreciation
394	S&P 500	Chicago	September	\$ 22,407,454	\$ (1,581,236)
	Index Emini	Mercantile	2011		

Foreign currency exchange contracts as of August 31, 2011 were as follows:

Curren Purchas EUR	•		irrency Sold 435,632	Counterparty Royal Bank of Scotland	Settlement Date 9/02/11	Unrealized Appreciation (Depreciation) \$ (372)
USD	454,089	CAD	449,000	Citibank NA	10/07/11	(4,018)

USD	3,886,811	GBP 2,432,500	Royal Bank of Scotland	10/07/11	(60,329)
USD 2	21,038,797	EUR 14,676,000	Citibank NA	10/26/11	(29,445)
USD	662,017	EUR 461,000	Deutsche Bank AG	10/26/11	225
USD	42,925	EUR 30,000	Morgan Stanley Capital Services, Inc.	10/26/11	(142)
USD	435,350	EUR 303,000	Royal Bank of Scotland	10/26/11	376
USD Total	481,153	EUR 335,000	UBS AG	10/26/11	241 \$ (93,464)

Credit default swaps on single-name issues buy protection outstanding as of August 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	An	tional nount 000)	Арр	realized preciation reciation)
Republic of Hungary	1.00%	Deutsche Bank AG	12/20/15	\$	300	\$	6,341
Israel (State of)	1.00%	Deutsche Bank AG	3/20/16	\$	675		(6,943)
Beazer Homes USA Inc.	5.00%	Credit Suisse Securities (USA) LLC	9/20/16	\$	125		(5,472)
Beazer Homes USA Inc.	5.00%	Goldman Sachs & Co.	9/20/16	\$	200		13,096
Realogy Corp	5.00%	Goldman Sachs & Co.	9/20/16	\$	150		(11,061)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	12/20/16	\$	225		(18,353)
Total						\$	(22,392)

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#### BlackRock Corporate High Yield Fund III, Inc. (CYE)

Credit default swaps on traded indexes buy protection outstanding as of August 31, 2011 were as follows:

Index	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Dow Jones CDX	5.00%	Credit Suisse	6/20/16	\$ 2,470	
North America		Securities			
High Yield Index		(USA) LLC			
Series 16					

Credit default swaps on single-name issues sold protection outstanding as of August 31, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating <sup>1</sup>	-	Notional Amount (000) <sup>2</sup>	Арр	realized reciation reciation)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	9/20/11	B+	\$	225	\$	1,425
ARAMARK Corp.	5.00%	Goldman Sachs International	3/20/16	В	\$	500		(14,585)
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	В	\$	300		(9,383)
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	В	\$	300		(11,486)
ARAMARK Corp.	5.00%	Goldman Sachs International	9/20/16	В	\$	350		(15,368)
Total							\$	(49,397)

- <sup>1</sup> Using S&P s rating.
- <sup>2</sup> The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

Interest rate swaps outstanding as of August 31, 2011 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrea Apprec	
3.12% <sup>(a)</sup>	3-month LIBOR	Deutsche Bank AG	8/02/21	\$ 1,445	\$	12,931
3.09% <sup>(a)</sup>	3-month LIBOR	Deutsche Bank AG	8/03/21	\$ 1,455		11,087

3.15% <sup>(a)</sup>	3-month LIBOR	Credit Suisse Securities (USA) LLC	8/11/21	\$ 1,460	14,991
3.11% <sup>(a)</sup>	3-month LIBOR	Deutsche Bank AG	8/11/21	\$ 1,460	12,406
Total				\$	51,415

(a) Pays a fixed interest rate and receives floating rate.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized in three broad levels for financial statement purposes 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund s perceived risk of investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of August 31, 2011 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs		Level 1		Level 2	Level 3		Total
Assets:							
Investments:							
Long-Term							
Investments:							
Common Stocks	\$	7,223,819	\$	286,769	\$ 2,261,282	\$	9,771,870
Corporate Bonds				264,612,199	5,467,614		270,079,813
Floating Rate							
Loan Interests				33,902,614	9,390,336		43,292,950
Other Interests		94		6,860,756	1,558,973		8,419,823
Preferred							
Securities		2,278,568		4,950,709	669,751		7,899,028
Warrants		28,868			241,067		269,935
Total	\$	9,531,349	\$	310,613,047	\$ 19,589,023	\$	339,733,419
Valuation Inputs		Level 1		Level 2	Level 3		Total
Derivative Financial		Lever			Level 5		Total
Instruments <sup>1</sup>							
Assets:							
Credit contracts			\$	121,213		\$	121,213
Equity contracts	\$	38,253	Ŷ	121,210		Ŷ	38,253
Foreign currency	Ŧ	,					,
exchange							
contracts				842			842
Interest contracts				51,415			51,415

Liabilities:			
Credit contracts		(973,537)	(973,537)
Equity contracts	(1,673,486)		(1,673,486)
Foreign currency			
exchange			
contracts		(94,306)	(94,306)
Total	\$ (1,635,233)	\$ (894,373)	\$ (2,529,606)

Derivative financial instruments are swaps, financial futures contracts, foreign currency exchange contracts and options. Swaps, financial futures contracts and foreign currency exchange contracts are valued at the unrealized appreciation/ depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.

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#### BlackRock Corporate High Yield Fund III, Inc. (CYE)

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

	Common Stocks	Corporate Bonds		loating Rate oan Interests	Other Interests	-	referred Stocks	v	Varrants	Unfunded Loan Commitments	Total
Assets/Liabilities:											
Balance, as of February 28,											
2011	\$ 719,326	\$ 5,493,390	\$	10,323,930	\$ 12,664	\$	463,230	\$	234	\$ (25,965)	\$ 16,986,809
Accrued discounts/premiums		13,213		2,203							15,416
Net realized gain (loss)		9,167		4,032							13,199
Net change in unrealized											
appreciation/depreciation <sup>2</sup>	(2,115,157)	660,057		1,160,510	(30,843)	)			240,833	25,965	(58,635)
Purchases	3,915,113	50,154		1,367,709	1,577,152		206,521				7,116,649
Sales	(258,000)	(871,154)	)	(2,707,034)							(3,836,188)
Transfers in <sup>3</sup>		112,787		1,408,641							1,521,428
Transfers out <sup>3</sup>				(2,169,655)							(2,169,655)
Balance, as of August 31, 2011	\$ 2,261,282	\$ 5,467,614	\$	9,390,336	\$ 1,558,973	\$	669,751	\$	241,067		\$ 19,589,023

- <sup>2</sup> Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(1,183,696).
- <sup>3</sup> The Fund s policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of period in relation to net assets.

See Notes to Financial Statements.

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### Schedule of Investments August 31, 2011 (Unaudited)

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

Asset-Backed Securities	_	ar 00)	Value
Asset-Backed Securities 1.8%	,	,	
ARES CLO Funds, Series 2005-10A, Class B,			
0.64%, 9/18/17 (a)(b)	USD	1,250	\$ 1,113,837
Ballyrock CDO Ltd., Series 2006-1A, Class B,			
0.67%, 8/28/19 (a)(b)		1,000	785,000
CSAM Funding, Series 2A, Class B1, 7.05%,			
10/15/16		625	594,937
Canaras Summit CLO Ltd., Series 2007-1A,			
Class B, 0.73%, 6/19/21 (a)(b)		1,225	982,879
Gannett Peak CLO Ltd., Series 2006-1X, Class A2,			
0.61%, 10/27/20 (b)		940	702,650
Greyrock CDO Ltd., Series 2005-1X, Class A2L,			
0.71%, 11/15/17 (b)		1,980	1,706,958
Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%,			
11/15/21 (b)		1,245	1,109,793
T2 Income Fund CLO Ltd., Series 2007-1A, Class B,			
0.85%, 7/15/19 (a)(b)		1,075	960,190
Total Asset-Backed Securities 1.8%			7,956,244

Chemicals 0.0%         Second special ty Chemicals, Inc.         339,340         130,273           GEO Special ty Chemicals, Inc.         906         2,944           Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d)         4,467         14,518           Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d)         4,467         14,518           Smurfit Kappa Plc         36,342         288,017           Diversified Financial Services 1.3%         1         1           Kcad Holdings I Ltd.         493,499,009         5,570,130           Leucadia National Corp.         1,445         42,816           Prefered Term Securities VI, Ltd. (a)         35,000         1,703           Betis Technologies Ltd.         286,757         3,154           Hotels, Restaurants Holdings, Inc.         2,753         6,883           HRP PIK Corp., Class B (a)         5,000         500           Uffets Restaurants Holdings, Inc.         2,337         654,444           Paper & Forest Products 0.7%         13,30,401         2,717,045           Metals & Mining 0.2%         2,337         654,444           Paper & Forest Products 0.7%         13,30,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (	Common Stocks (c)	Shares	
Wellman Holdings, Inc.       906       2,944         Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d)       4,467       14,518         Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d)       147,735         Containers & Packaging 0.1%       147,735         Smurfit Kappa Plc       36,342       288,017         Diversified Financial Services 1.3%       493,499,609       5,570,130         Leucadia National Corp.       1,445       42,816         Preferred Term Securities VI, Ltd. (a)       1,750       5614,696         Electrical Equipment 0.0%       286,757       3,154         Medis Technologies Ltd.       286,757       3,154         Hotels, Restaurants & Leisure 0.0%       50       50         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       2,753       6,583         Metals & Mining 0.2%       50       50         Euramax International       2,337       654,444         Paper & Forest Products 0.7%       5,30,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       1,42,549       291,124	Chemicals 0.0%		
Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d)         4,467         14,518           I47,735           Containers & Packaging 0.1%           Smurfit Kappa Plc         36,342         288,017           Diversified Financial Services 1.3%         493,499,609         5,570,130           Leucadia National Corp.         1,445         42,816           Preferred Term Securities VI, Ltd. (a)         1,445         42,816           Electrical Equipment 0.0%         5,614,609         5,614,609           Medis Technologies Ltd.         286,757         3,154           Hotels, Restaurants & Leisure 0.0%         5,000         500           Buffets Restaurants Holdings, Inc.         2,753         6,883           HRP PIK Corp., Class B (a)         5,000         50           Garant International         2,337         654,444           Paper & Forest Products 0.7%         5,30,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd.         142,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304	GEO Specialty Chemicals, Inc.	339,340	130,273
Instrument       147,735         Containers & Packaging       0.1%         Smurfit Kappa Ple       36,342       288,017         Diversified Financial Services       1.3%       1288,019       10         Kcad Holdings I Ltd.       493,499,609       5,570,130       10         Leucadia National Corp.       1.445       42,816         Preferred Term Securities VI, Ltd. (a)       35,000       1,750         Electrical Equipment       0.0%       5,614,696         Electrical Equipment       0.0%       1         Buffets Restaurants & Leisure       0.0%       500         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       500         Buffets Restaurants Holdings, Inc.       6,933       6,933         Metals & Mining       0.2%       6,933         Euramax International       2,307       6,943         Paper & Forest Products       0.7%       6,933         Ainsworth Lumber Co. Ltd.       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd.       1,42,549       291,124	Wellman Holdings, Inc.	906	2,944
Containers & Packaging 0.1%           Smurfit Kappa Ple         36,342         288,017           Diversified Financial Services 1.3%            Kcad Holdings I Ltd.         493,499,609         5,570,130           Leucadia National Corp.         1,445         42,816           Preferred Term Securities VI, Ltd. (a)         1,445         42,816           Electrical Equipment 0.0%          5,614,606           Medis Technologies Ltd.         286,757         3,154           Hotels, Restaurants & Leisure 0.0%             Buffets Restaurants Holdings, Inc.         2,753         6,883           HRP PIK Corp., Class B (a)         5,000         500           Genas & Mining 0.2%           6,933           Euramax International         2,337         654,444           Paper & Forest Products 0.7%         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd.         142,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304	Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d)	4,467	14,518
Smurfit Kappa Plc       36,342       288,017         Diversified Financial Services 1.3%			147,735
Diversified Financial Services 1.3%           Kcad Holdings I Ltd.         493,499,609         5,570,130           Leucadia National Corp.         1,445         42,816           Preferred Term Securities VI, Ltd. (a)         35,000         1,750           referred Term Securities VI, Ltd. (a)         35,000         1,750           referred Term Securities VI, Ltd. (a)         5,614,696         5,614,696           Electrical Equipment         0.0%         5           Medis Technologies Ltd.         286,757         3,154           Hotels, Restaurants & Leisure         0.0%         5           Buffets Restaurants & Moldings, Inc.         2,753         6,883           HRP PIK Corp., Class B (a)         2,000         50           Garamax International         2,337         654,444           Paper & Forest Products         0.7%         69,333           Ainsworth Lumber Co. Ltd. (a)         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         1,430,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         142,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304	Containers & Packaging 0.1%		
Kcad Holdings I Ltd.       493,499,609       5,570,130         Leucadia National Corp.       1,445       42,816         Preferred Term Securities VI, Ltd. (a)       35,000       1,750         5,614,696       5,614,696         Electrical Equipment       0.0%       5,614,696         Medis Technologies Ltd.       286,757       3,154         Hotels, Restaurants & Leisure       0.0%       5,000       5,000         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       500         6.933       5,000       500         Metals & Mining       0.2%       6,933         Euramax International       2,337       654,444         Paper & Forest Products       0.7%       654,444         Ainsworth Lumber Co. Ltd. (a)       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       142,549       291,124         Western Forest Products, Inc. (a)       211,149       142,304	Smurfit Kappa Plc	36,342	288,017
Leucadia National Corp.       1,445       42,816         Preferred Term Securities VI, Ltd. (a)       35,000       1,750         Felectrical Equipment       0.0%       5,614,696         Electrical Equipment       0.0%       31,54         Medis Technologies Ltd.       286,757       3,154         Hotels, Restaurants & Leisure       0.0%       35,000         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       500         Summa International       2,337       654,444         Paper & Forest Products       0.7%       330,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       1,430,401       2,717,045       31,24         Western Forest Products, Inc. (a)       211,149       142,304	Diversified Financial Services 1.3%		
Preferred Term Securities VI, Ltd. (a)       35,000       1,750         5,614,696       5,614,696         Electrical Equipment 0.0%       286,757       3,154         Medis Technologies Ltd.       286,757       3,154         Hotels, Restaurants & Leisure 0.0%       2,753       6,883         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       500         Euramax International       2,337       654,444         Paper & Forest Products 0.7%	Kcad Holdings I Ltd.	493,499,609	5,570,130
Electrical Equipment 0.0%       286,757       3,154         Medis Technologies Ltd.       286,757       3,154         Hotels, Restaurants & Leisure 0.0%       2,753       6,883         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       50         6,933         Metals & Mining 0.2%	Leucadia National Corp.	1,445	42,816
Electrical Equipment         0.0%           Medis Technologies Ltd.         286,757         3,154           Hotels, Restaurants & Leisure         0.0%         0           Buffets Restaurants Holdings, Inc.         2,753         6,883           HRP PIK Corp., Class B (a)         5,000         50           6,933           Metals & Mining         0.2%           Euramax International         2,337         654,444           Paper & Forest Products         0.7%         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         1,330,401         2,717,045         291,124           Western Forest Products, Inc. (a)         211,149         142,304	Preferred Term Securities VI, Ltd. (a)	35,000	1,750
Medis Technologies Ltd.       286,757       3,154         Hotels, Restaurants & Leisure 0.0%       0.0%         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       50         6,933         Metals & Mining 0.2%       2,337       654,444         Paper & Forest Products 0.7%       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd.       142,549       291,124         Western Forest Products, Inc. (a)       211,149       142,304			5,614,696
Hotels, Restaurants & Leisure 0.0%         Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       50         6,933         Metals & Mining 0.2%       2,337       654,444         Paper & Forest Products 0.7%       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       1,42,549       291,124         Western Forest Products, Inc. (a)       211,149       142,304	Electrical Equipment 0.0%		
Buffets Restaurants Holdings, Inc.       2,753       6,883         HRP PIK Corp., Class B (a)       5,000       50         Metals & Mining 0.2%         Euramax International       2,337       654,444         Paper & Forest Products 0.7%       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       1,42,549       291,124         Western Forest Products, Inc. (a)       211,149       142,304	Medis Technologies Ltd.	286,757	3,154
HRP PIK Corp., Class B (a)       5,000       50         Metals & Mining 0.2%       6,933         Euramax International       2,337       654,444         Paper & Forest Products 0.7%       1,330,401       2,717,045         Ainsworth Lumber Co. Ltd. (a)       1,42,549       291,124         Western Forest Products, Inc. (a)       211,149       142,304	Hotels, Restaurants & Leisure 0.0%		
Metals & Mining 0.2%         6,933           Euramax International         2,337         654,444           Paper & Forest Products 0.7%         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         1,42,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304	Buffets Restaurants Holdings, Inc.	2,753	6,883
Metals & Mining         0.2%           Euramax International         2,337         654,444           Paper & Forest Products         0.7%         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         142,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304	HRP PIK Corp., Class B (a)	5,000	50
Euramax International         2,337         654,444           Paper & Forest Products         0.7%         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         1,42,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304			6,933
Paper & Forest Products 0.7%         1,330,401         2,717,045           Ainsworth Lumber Co. Ltd. (a)         142,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304	Metals & Mining 0.2%		
Ainsworth Lumber Co. Ltd. (a)1,330,4012,717,045Ainsworth Lumber Co. Ltd.142,549291,124Western Forest Products, Inc. (a)211,149142,304	Euramax International	2,337	654,444
Ainsworth Lumber Co. Ltd.         142,549         291,124           Western Forest Products, Inc. (a)         211,149         142,304	Paper & Forest Products 0.7%		
Western Forest Products, Inc. (a)         211,149         142,304	Ainsworth Lumber Co. Ltd. (a)	1,330,401	2,717,045
	Ainsworth Lumber Co. Ltd.	142,549	291,124
3,150,473	Western Forest Products, Inc. (a)	211,149	142,304
			3,150,473

#### Semiconductors & Semiconductor Equipment 0.0%

### Explanation of Responses:

SunPower Corp., Class B	1,707	20,228
Software 0.1%		
Bankruptcy Management Solutions, Inc.	1,870	9
HMH Holdings/EduMedia	159,199	318,398
		318,407
Specialty Retail 0.0%		
Movie Gallery, Inc.	503,737	1,259
Total Common Stocks 2.4%		10,205,346

Corporate Bonds	Par (000)		Value	
Aerospace & Defense 0.8%		(000)		value
Bombardier, Inc., 7.75%, 3/15/20 (a)	USD	1,750	\$	1,911,875
Kratos Defense & Security Solutions, Inc., 10.00%,		,		
6/01/17		1,364		1,401,510
				3,313,385
Airlines 0.6%				
Air Canada, 9.25%, 8/01/15 (a)		1,060		1,017,600
Delta Air Lines, Inc., Series B, 9.75%, 12/17/16		696		713,141
United Air Lines, Inc., 12.75%, 7/15/12		786		821,019
				2,551,760
Auto Components 1.7%				
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (a)		170		158,100
Delphi Corp., 6.13%, 5/15/21 (a)		560		540,400
Icahn Enterprises LP:				
7.75%, 1/15/16		320		323,200
8.00%, 1/15/18		5,260		5,312,600
Titan International, Inc., 7.88%, 10/01/17		940		987,000
Venture Holdings Co. LLC (c)(e):		4 450		445
12.00%, 6/01/09 Series P. 0.50%, 7/01/05		4,450		445 180
Series B, 9.50%, 7/01/05		1,800		7,321,925
Beverages 0.1%				7,521,925
Crown European Holdings SA, 7.13%, 8/15/18 (a)	EUR	410		568,352
Biotechnology 0.1%	LUK	410		500,552
QHP Pharma, 10.25%, 3/15/15 (a)	USD	279		283,478
Building Products 0.7%	050	21)		203,470
Building Materials Corp. of America (a):				
7.00%, 2/15/20		940		940,000
6.75%, 5/01/21		790		756,425
Momentive Performance Materials, Inc., 9.00%,		.,,,		
1/15/21		1,315		1,124,325
		,		2,820,750
Capital Markets 1.0%				
American Capital Ltd., 7.96%, 12/31/13 (f)		1,175		1,166,752
E*Trade Financial Corp.:				
12.50%, 11/30/17 (g)		1,440		1,656,000
3.99%, 8/31/19 (a)(h)(i)		593		708,635
KKR Group Finance Co., 6.38%, 9/29/20 (a)		540		574,535
				4,105,922
Chemicals 4.3%				
American Pacific Corp., 9.00%, 2/01/15		1,490		1,463,925
American Rock Salt Co. LLC, 8.25%, 5/01/18 (a)		224		207,760
Celanese US Holdings LLC, 5.88%, 6/15/21		570		571,425
GEO Specialty Chemicals, Inc. (a):				
7.50%, 3/31/15 (g)(i)		4,171		4,170,787
10.00%, 3/31/15		4,106		3,797,680
Hexion US Finance Corp.:				000 000
8.88%, 2/01/18		955		892,925
9.00%, 11/15/20		670		584,575
Huntsman International LLC, 8.63%, 3/15/21		275		287,031

### Explanation of Responses:

Kinove German Bondco GmbH, 9.63%, 6/15/18 (a)	800	768,000
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (a)	365	361,350
Omnova Solutions, Inc., 7.88%, 11/01/18	670	587,925
Wellman Holdings, Inc., Subordinate Note (g):		
(Second Lien), 10.00%, 1/29/19	2,978	4,139,420
(Third Lien), 5.00%, 1/29/19 (i)	1,027	729,265
		18,562,068
See Notes to Financial Statements.		
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#### BlackRock Debt Strategies Fund, Inc. (DSU) (Percentages shown are based on Net Assets)

Corporate Bonds		'ar 00)	Value
Commercial Banks 2.1%			
CIT Group, Inc.:			
7.00%, 5/01/14	USD	229	\$ 229,789
7.00%, 5/01/15		800	796,000
7.00%, 5/01/16		2,655	2,641,725
7.00%, 5/01/17		4,534	4,477,325
7.00%, 5/02/17 (a)		710	701,125
			8,845,964
Commercial Services & Supplies 1.2%			
ARAMARK Corp., 8.50%, 2/01/15		840	867,300
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)		842	812,113
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a)		865	815,263
The Geo Group, Inc., 7.75%, 10/15/17		850	892,500
Mobile Mini, Inc., 7.88%, 12/01/20		640	622,400
RSC Equipment Rental, Inc., 10.00%, 7/15/17 (a)		970	1,042,750
West Corp., 8.63%, 10/01/18		315	307,125
		515	5,359,451
Communications Equipment 0.5%			5,557,151
Avaya, Inc.:			
9.75%, 11/01/15		360	306.000
10.13%, 11/01/15 (g)		1,070	924,213
7.00%, 4/01/19 (a)		255	229,500
EH Holding Corp., 6.50%, 6/15/19 (a)		600	600,000
En notating Corp., 0.30 %, 0/13/19 (a)		000	2,059,713
Consumer Finance 0.9%			2,037,713
Credit Acceptance Corp., 9.13%, 2/01/17		570	577,125
Ford Motor Credit Co. LLC:		570	577,125
3.00%, 1/13/12 (b)		2,680	2,680,054
7.00%, 4/15/15		2,080	2,080,034
		148	
6.63%, 8/15/17		146	154,940 3,711,019
Containers & Packaging 1.6%			5,711,019
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (a)	EUR	485	653,159
Ball Corp., 6.75%, 9/15/20	USD	625	
<b>*</b> · · · ·	USD		656,250
Berry Plastics Corp., 8.25%, 11/15/15		2,100	2,163,000
Beverage Packaging Holdings Luxembourg II SA,	FUD	260	201 222
8.00%, 12/15/16	EUR	260	291,322
Graphic Packaging International, Inc., 9.50%,			
6/15/17	USD	360	391,500
Smurfit Kappa Acquisitions:			( <b>72</b> 00 <b>7</b>
7.75%, 11/15/19 (a)	EUR	476	653,005
7.75%, 11/15/19		1,515	2,078,365
			6,886,601
Diversified Financial Services 3.5%			
Ally Financial, Inc.:			
7.50%, 12/31/13	USD	90	92,700
8.30%, 2/12/15		1,330	1,396,500
8.00%, 3/15/20		170	171,700
7.50%, 9/15/20		1,990	1,955,175
8.00%, 11/01/31		3,430	3,352,825

8.00%, 11/01/31		1,530	1,471,754
Archimedes Funding III Ltd., 5.50%, 11/29/11 (a)		2,636	553,541
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		665	693,263
Reynolds Group DL Escrow, Inc., 8.50%,			
10/15/16 (a)		648	662,580
Reynolds Group Issuer, Inc. (a):			
8.50%, 10/15/16	EUR	521	725,964
8.75%, 10/15/16		650	905,714
7.13%, 4/15/19	USD	1,070	1,013,825
7.88%, 8/15/19		610	603,900
6.88%, 2/15/21		920	855,600
8.25%, 2/15/21		615	518,138
WMG Acquisition Corp., 9.50%, 6/15/16 (a)		200	204,000
			15,177,179

Corporate Bonds         (000)         Value           Diversified Telecommunication Services 1.5%         USD         1.010         \$ 1.035,050           Level 3 Exervo, Inc., 8.13%, 7001/19 (a)         2,022         1,920,900           Level 3 Exervo, Inc., 8.13%, 7001/19 (a)         2,022         1,920,900           Level 3 Exervo, Inc., 8.13%, 7001/19 (a)         1,225         1,065,750           8,75%, 21/517         1,200         1,176,000           Quest Communications International, Inc., Series B,         7,50%, 21/51         4,340           7,50%, 21/514         4340         544,205           tw telecom Holdings, Inc., 8.00%, 3/01/18         690         710,700           Electrici Utilities 0.2%         -         -           D'PALCO Enterprises, Inc., 7,25%, 4/01/16 (a)         775         830,618           Electronic Equipment, Instruments &         -         -         -           Components 0.1%         -         604,163         -         -           Convices 0.1%, 71/318 (a)         610         603,900         -         -           MEG Energy Equipment & Services 0.8%         -         -         -         -           Energy Equipment & Services 0.8%         -         -         -         - <td< th=""><th></th><th colspan="2">Par</th><th></th></td<>		Par		
ITC Deltacon, Inc., 10.50%, 401/16         USD         1.010         \$ 1.035, 250           Level 3 Escrow, Inc., 8.13%, 7/01/19 (a)         2,022         1,920,900           Level 3 Financing, Inc:         1         2           4.20%, 21/5/15 (b)         1,225         1,065,750           3.75%, 21/5/17         1200         1,176,000           Qwest Communications International, Inc., Series B, 7.50%, 3/01/18         690         710,700           5.05%, 21/5/14         4340         344,250           IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)         775         830,618           Electroit Equipment, Instruments &         600         600           Components 0.1%         610         603,900           COW LLC, 8.0%, 12/15/18 (a)         610         603,900           Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(c)         2,675         268           Energy Equipment & Services 0.5%, 3/01/21         740         725,800           Frac Tech Services 1.0, 6,59%, 3/01/21 (a)         1/190         1,236,50           Key Energy Services, Inc., 6,59%, 3/01/21 (a)         950         950,0000           Sural Contergy, Inc., 7,53%, 3/01/21 (a)         1/190         1,236,50           Sural Contergy, Inc., 7,53%, 3/01/21 (a)         1/150         1,337,661	Corporate Bonds	(0	00)	Value
Level 3 Escrow, Inc., 813%, 7/01/19 (a)         2,022         1,920,900           Level 3 Financing, Inc.:         1,225         1,065,750           4.20%, 2/15/15 (b)         1,215         1,065,750           8.75%, 2/15/14         340         344,250           W telecom Holdings, Inc., 8.00%, 3/01/18         690         710,700           Electric Utilities         0.2%         6,252,850           Electric Utilities         0.2%         715         830,618           Electric Utilities         0.2%         717         830,618           Electric Utilities         0.2%         717         830,618           Electric Utilities         0.2%         715         830,618           Electric Utilities         0.2%         715         830,618           Electric Utilities         0.2%         715         830,618           Electric Utilities         0.2%         70         70           CDW LLC, 8.00%, 3/15/10 (c)(c)         2657         268           Energy Equipment & Services         0.5%         700         740         725,200           Surger Corp. 6.50%, 3/15/21 (a)         950         950,000         950,0000         950,000         950,000         950         950,000           Sur				
Level 3 Financing, Inc.:         1,225         1,065,750           4.20%, 2/15/15 (b)         1,200         1,176,000           Quest Communications International, Inc., Series B,         7,505, 2/15/14         340         344,250           tw telecom Holdings, Inc., 8.00%, 3/01/18         690         710,700         6,252,850           Electric Utilities         0.2%         6,252,850         6,252,850           Electronic Equipment, Instruments &         601         603,900           Muzak Holdings, ILC, 13,00%, 3/15/10 (c)(e)         2,675         268           COmponents         0.1%         604,168         604,168           Energy Equipment, 11,115/18 (a)         1,190         1,231,650         950,000           Nuzak Holdings, ILC, 13,00%, 3/15/10 (c)(e)         2,675         2,688         604,168           Energy Equipment & Services 0.8%         1,190         1,231,650         950,000           NEG Energy Corp., 6,50%, 3/15/21 (a)         950         950,000         950,9000         915         981,1762           Suncoke Energy, Inc., 7,63%, 201/19 (a)         185         181,762         3333,612           Diel Monte Foods Co, 7,63%, 201/19 (a)         145         131,769         1,039,906           Diel Monte Foods Co, 7,63%, 201/21 (a)         485		USD	<i>,</i>	. , ,
4.20%, 2/15/15 (b)       1,225       1,065,750         8.75%, 2/15/17       1,200       1,176,000         Qwest Communications International, Inc., Series B,       340       344,250         7.50%, 2/15/14       690       710,700         tw telecom Holdings, Inc., 8.00%, 3/01/18       690       710,700         Electric Utilitie 0.2%       6,252,850       6,252,850         Electric Utilitie 0.2%       775       830,618         Components, Instruments &       600       603,900         Muzz Holdings, ILC, 13.00%, 3/15/10 (c)(c)       2,675       268         Components 0.1%       600       600,408         Energy Equipment & Services 0.8%       900       12,21,571         Frac Tech Services 1LC, 7,13%, 11/15/18 (a)       740       725,200         MidS Energy Corp., 6,50%, 3/15/21 (a)       740       725,200         SurCoke Energy, Inc., 7,63%, 3/01/19 (a)       295       295,000         SurCoke Energy, Inc., 7,63%, 8/01/19 (a)       295       295,000         SurCoke Energy, Inc., 7,63%, 8/01/19 (a)       185       181,762         JBS USA LLC, 7,25%, 6/01/21 (a)       185       181,762         Targa Resources Partners LP, 6,88%, 2/01/21 (a)       145       131,769         HOH Finance LLC:       1,270<	Level 3 Escrow, Inc., 8.13%, 7/01/19 (a)		2,022	1,920,900
8.75%, 2/15/17       1,200       1,176,000         Qwest Communications International, Inc., Series B,       340       344,250         Y.50%, 2/15/14       690       710,700         tw telecom Holdings, Inc., 8.00%, 3/01/18       690       710,700         Betcric Ufiltities 0.2%       6,252,850       6,252,850         IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)       775       830,618         Electronic Equipment, Instruments &       610       603,900         Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(c)       2,675       268         Energy Equipment & Services 0.8%       610       603,900         Frac Tech Services LLC, 7.13%, 1/1/5/18 (a)       1,190       1,231,650         Key Energy Services, Inc., 6,50%, 6/01/21 (a)       950       950,000         OunCoke Energy. Corp., 6,50%, 6/01/19 (a)       295       295,000         Suncloke Energy. Inc., 7,63%, 2/15/19 (a)       195       908,137,769         Del Monte Foods Co., 7.63%, 2/15/19 (a)       915       908,137,769         Del Monte Foods Co., 7.63%, 2/15/19 (a)       135       131,769         J105 Uintates International, Inc., 6.50%, 6/01/21 (a)       485       480,150         Health Care Equipment & Supplies 0.6%       1,039,906       135       131,769         J105 Uintance El LC: <td>Level 3 Financing, Inc.:</td> <td></td> <td></td> <td></td>	Level 3 Financing, Inc.:			
Quest Communications International, Inc., Series B,         340         344,250           7.50%, 2/15/14         340         344,250           tw telecom Holdings, Inc., 8.00%, 3/01/18         6,252,850         6,252,850           IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)         775         830,618           Electric Utilities 0.2%         610         603,900           Components 0.1%         610         603,900           Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)         2,675         268           Energy Equipment & Services 0.8%         604,168         604,168           Frac Tech Services 1.1, 7.13%, 11/15/18 (a)         1,190         1,231,650           Key Energy Services, Inc., 6.75%, 3/01/21         740         725,200           MIGS Energy Corp., 6.50%, 3/15/21 (a)         950         950,000           Surceke Energy, Inc., 7.63%, 8/01/19 (a)         295         295,000           Surceke Energy, Inc., 7.63%, 8/01/19 (a)         295         295,000           Surceke Energy, Inc., 7.63%, 8/01/19 (a)         185         181,762           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         485         480,150           Health Care Equipment & Surplies 0.6%         1,039,906         1,312,862	4.20%, 2/15/15 (b)		1,225	1,065,750
7.50%, 2/15/14       340       344,250         tw telecom Holdings, Inc., 8.00%, 3/01/18       690       710,700         Electric Utilities 0.2%       775       830,618         Electronic Equipment, Instruments &       610       603,900         Components 0.1%       610       603,900         CDW LLC, 8.00%, 12/15/18 (a)       610       603,900         Mazak Holdings, LLC, 13.00%, 3/15/10 (c)(c)       2.675       268         Energy Equipment & Services 0.8%       601       1,231,650         Frac Tech Services LLC, 7.13%, 11/15/18 (a)       1,190       1,231,650         Key Energy Services, Inc., 6.50%, 3/01/21       740       725,200         MEG Energy Corp., 6.50%, 3/01/21 (a)       950       950,000         Sunck Energy, Inc., 7.63%, 8/01/19 (a)       295       295,000         Sunck Energy, Inc., 7.63%, 8/01/19 (a)       185       181,762         Del Monte Foods Co., 7.63%, 2/15/19 (a)       1915       908,137         DBS USA LLC, 7.25%, 6/01/21 (a)       145       131,769         DO Finance LLC:       1,039,906       1,039,906         Gas Utilities 0.1%       1,270       1,312,862         7,75%, 4/15/18 (a)       1,270       1,312,862         7,75%, 4/15/18 (a)       1,270       1,312	8.75%, 2/15/17		1,200	1,176,000
tw telecom Holdings, Inc., 8.00%, 3/01/18 600 710,700 6.252.850 Electric Utilities 0.2% PALCO Enterprises, Inc., 7.25%, 4/01/16 (a) 775 830,618 Electronic Equipment, Instruments & Components 0.1% CDW LLC, 8.00%, 1/21/518 (a) 610 603,900 Muzak Holdings, LLC, 13.0%, 3/15/10 (c)(c) 760 Frac Tech Services 0.8% Frac Tech Services 0.8% Frac Tech Services 0.8% 100 Fina Tech Services 0.8% 101 10 1 231,650 Key Energy Services, Inc., 6.75%, 3/01/21 740 725,200 MEG Energy Corp., 6.50%, 3/15/21 (a) 740 725,200 MEG Energy, Inc., 7.63%, 8/01/19 (a) 815 181,762 3383,612 Food Products 0.2% Del Monte Foods Co., 7.63%, 2/15/19 (a) 915 908,137 JBS USA LLC, 7.25%, 6/01/21 (a) 145 131,766 Cas Utilities 0.1% Targa Resources Partners LP, 6.88%, 2/01/21 (a) 485 480,150 Health Care Equipment & Supples 0.6% DIO Finance LLC: 10.88%, 11/15/14 1,270 1,312,862 7,75%, 4/15/18 (a) 770 710,100 Teleflex, Inc., 6.38%, 6/01/19 455 452,725 Crown Newco 3 Ple, 7.05%, 2/15/19 455 452,725 Crown Newco 3 Ple, 7.05%,	Qwest Communications International, Inc., Series B,			
6,252,850           Electric Utilities 0.2%           IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)           Components 0.1%           CDW LLC, 8.00%, 12/15/18 (a)           CDW LLC, 8.00%, 12/15/18 (a)           Electric Utilities 0.1%           CDW LLC, 8.00%, 12/15/18 (a)           Energy Equipment & Services 0.8%           Frac Tech Services 1LC, 7.13%, 11/15/18 (a)           Key Energy Services, Inc., 6.57%, 30/0/21           Xey Energy Services, Inc., 6.57%, 30/0/21           MEG Energy Corp., 6.50%, 30/0/21 (a)           MEG Energy, Inc., 7.63%, 8/01/19 (a)           SunCoke Energy, Inc., 7.63%, 8/01/19 (a)           SunCoke Energy, Inc., 7.63%, 8/01/19 (a)           SunCoke Energy, Inc., 7.63%, 2/15/19 (a)           Del Monte Foods Co., 7.63%, 2/15/19 (a)           Bel Monte Foods Co., 7.63%, 2/15/19 (a)           Del Monte Foods Co., 7.63%, 2/15/19 (a)           Bel Monte Requipment & Supplies 0.6%           DIO Finance LLC:           DIO Finance LLC:           DIO Finance LLC:           Nuts%, 11/15/14           Tyres & Services 2.2%           Avit Health Care Providers & Services 2.2%           Avit HealthCare Properties LP, 7.75%, 2/15/19           Corown Newo 3 Plc, 7.00%, 2/15/18 (a)           GBP           Cr	7.50%, 2/15/14		340	344,250
Electric Utilities         0.2%           IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)         775         830,618           Electronic Equipment, Instruments &	tw telecom Holdings, Inc., 8.00%, 3/01/18		690	710,700
IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)       775       830,618         Electronic Equipment, Instruments &       Components 0.1%       610       603,900         Marak Holdings, LLC, 13.00%, 3/15/10 (c)(e)       2,675       268         Energy Equipment & Services 0.8%       604,168         Frac Tech Services 0.12%, 11/15/18 (a)       1,190       1,231,650         Key Energy Services, Inc., 6,57%, 301/21       740       725,200         MEG Energy Corp., 6,50%, 301/21 (a)       950       950,000         Oil States International, Inc., 6,50%, 301/19 (a)       295       295,000         SunCoke Energy, Inc., 7,63%, 801/19 (a)       185       181,762         SunCoke Energy, Inc., 7,63%, 801/19 (a)       915       908,137         JBS USA LLC, 7.25%, 6/01/21 (a)       145       131,769         Del Monte Foods Co., 7,63%, 2/15/19 (a)       915       908,137         JBS USA LLC, 7.25%, 6/01/21 (a)       485       480,150         Health Care Equipment & Supplies 0.6%       1,039,906       1,039,906         JD Finance LLC:       1,017,00       1,013,2862         JD Finance LLC:       770       176,100         Teelflex, Inc., 6.88%, 6/01/19       475       471,438         Zorow, Newco 3 Plc, 7.00%, 2/15/19       455       452,725				6,252,850
Electronic Equipment, Instruments &           Components 0.1%           CDW LLC, 8.0%, 12/15/18 (a)           Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)           2,675           268           Energy Equipment & Services 0.8%           Frac Tech Services, ILC, 7.13%, 11/15/18 (a)           Frac Tech Services, ILC, 7.13%, 11/15/18 (a)           MEG Energy Corp., 6.50%, 3/15/21 (a)           950           MEG Energy Corp., 6.50%, 3/15/21 (a)           950           MEG Energy Corp., 6.50%, 3/15/10 (a)           950           Sourcoke Energy, Inc., 7.63%, 8/01/19 (a)           Suncoke Energy, Inc., 7.63%, 8/01/19 (a)           Suncoke Energy, Inc., 7.63%, 2/15/19 (a)           Pol Monte Foods Co., 7.63%, 2/15/19 (a)           Monte Foods Co., 7.63%, 2/15/19 (a)           Sus LLC, 7.25%, 6/01/21 (a)           Health Care Equipment & Supplies 0.6%           DIO Finance LLC:           DI	Electric Utilities 0.2%			
Electronic Equipment, Instruments &           Components 0.1%           CDW LLC, 8.0%, 12/15/18 (a)           Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)           2,675           268           Frac Reck, 8.0%, 12/15/18 (a)           Frac Tech Services 0.8%           Frac Tech Services, ILC, 7.13%, 11/15/18 (a)           Frac Tech Services, ILC, 7.13%, 11/15/18 (a)           MEG Energy Corp., 6.50%, 3/15/21 (a)           950           MEG Energy Corp., 6.50%, 3/15/21 (a)           950           Services International, Inc., 6.50%, 6/01/19 (a)           Support Corp., 6.50%, 3/15/21 (a)           950           Support Corp., 6.50%, 8/01/19 (a)           Support Corp., 6.50%, 8/01/19 (a)           Support Corp., 6.50%, 8/01/19 (a)           Support Corp., 6.50%, 8/01/21 (a)           Monte Foods Co., 7.63%, 2/15/19 (a)           915           908, 137.76B           Targa Resources Partners LP, 6.88%, 2/01/21 (a)           Health Care Equipment & Supplies 0.6%           DIO Finance LLC:	IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)		775	830,618
Components         0.1%           CDW LLC, 8.00%, 12/15/18 (a)         610         603,900           Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)         2,675         268           Energy Equipment & Services         0.8%         604,168           Frac Tech Services 0.8%         1,190         1,231,650           Key Energy Services, Inc., 6.75%, 3/01/21         740         725,200           MEG Energy Corp., 6.50%, 3/15/21 (a)         950         950,000           Oil States International, Inc., 6.50%, 6/01/19 (a)         295         295,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (a)         295         295,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (a)         185         181,762           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         485         480,150           Health Care Equipment & Supplies         0.6%         1,039,006           JDO Finance LLC:         10.88%, 1/15/14         1,270         1,312,862           7.75%, 4/15/14 (a)         770         716,100           Telefex, Inc., 6.88%, 6/01/19         475         471,438           DJO Finance LLC:         2,500,400         2,500,400           ID.88%, 11/15/14 (a)         770         716,100				
CDW LLC, 8.00%, 12/15/18 (a)       610       603,900         Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)       2,675       268         Energy Equipment & Services 0.8%       610       604,165         Frac Tech Services LLC, 7.13%, 11/15/18 (a)       1,190       1,231,650         Key Energy Services, 1.e., 6,57%, 3/01/21       740       725,200         MEG Energy Corp., 6,50%, 3/15/21 (a)       950       950,000         Oil States International, Inc., 6,50%, 6/01/19 (a)       295       295,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (a)       295       950,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (a)       185       181,762         Del Monte Foods Co, 7.63%, 2/15/19 (a)       915       908,137         JBS USA LLC, 7.25%, 6/01/21 (a)       915       908,137         IBS USA LLC, 7.25%, 6/01/21 (a)       445       131,769         Targa Resources Partners LP, 6.88%, 2/01/21 (a)       445       480,150         Halth Care Equipment & Supplies       0.6%       1,270       1,312,862         DJO Finance LLC:       770       716,100       145       441,438         UDO Finance LLC:       475       471,438       5,004,010       14,53       41,438         UDA Sew, 11/15/14 (a)       770       716,100       1,445				
Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)         2,675         268           Energy Equipment & Services 0.8%         604,168           Frac Tech Services, LLC, 7.13%, 11/15/18 (a)         1,190         1,231,650           Key Energy Services, Inc., 6.75%, 3/01/21         740         725,200           MEG Energy Corp., 6.50%, 3/15/21 (a)         950         950,000           Oil States International, Inc., 6.50%, 6/01/19 (a)         295         295,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (a)         185         181,762           Food Products         0.2%         3,333,612           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         145         131,769           Targa Resources Partners LP, 6.88%, 2/01/21 (a)         485         480,150           Halth Care Equipment & Supplies         0.6%         1,270         1,312,862           7.75%, 4/15/18 (a)         770         716,100         716,100           Teleflex, Inc., 6.88%, 6/01/19         455         452,725           Crown Newco 3 Pic, 7.00%, 2/15/19         455         452,725           Crown Newco 3 Pic, 7.00%, 2/15/19         455         452,725           Crown Newco 3 Pic, 7.00%, 2/15/18 (a)         1,210         1,282,620 </td <td></td> <td></td> <td>610</td> <td>603,900</td>			610	603,900
Energy Equipment & Services 0.8%         604,168           Frac Tech Services LLC, 7.13%, 11/15/18 (a)         1,190         1,231,650           Key Energy Services, Inc., 6.75%, 3/01/21 (a)         950         950,000           MEG Energy Corp., 6.50%, 3/15/21 (a)         950         950,000           States International, Inc., 6.50%, 6/01/19 (a)         295         295,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (a)         185         181,762           Food Products         0.2%         3.383,612           Food Products         0.2%         3.383,612           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         11,750         1,339,906           Gas Utilities 0.1%         1         1,270         1,312,862           Targa Resources Partners LP, 6,88%, 2/01/21 (a)         485         480,150           Health Care Equipment & Supplies 0.6%         1         1           DJO Finance LLC:         1         1,270         1,312,862           7.75%, 4/15/18 (a)         770         716,100         2,500,400           Health Care Providers & Services 2.2%         2,500,400         2,500,400           Kvi				
Energy Equipment & Services 0.8%           Frac Tech Services LLC, 7.13%, 11/15/18 (a)         1,190         1,231,650           Key Energy Services, Inc., 6.75%, 3/01/21         740         725,200           MEG Energy Corp., 6.50%, 3/15/21 (a)         950         950,000           Oil States International, Inc., 6.50%, 6/01/19 (a)         295         295,000           Suncke Energy, Inc., 7.63%, 8/01/19 (a)         185         181,762           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         145         131,769           Targa Resources Partners LP, 6.88%, 2/01/21 (a)         145         131,769           Health Care Equipment & Supplies         0.6%         DIO Finance LLC:         1,039,906           Torga Resources Partners LP, 6.88%, 2/01/21 (a)         485         480,150           Health Care Equipment & Supplies         0.6%         DIO Finance LLC:         1,270         1,312,862           7.75%, 4/15/14         1,270         1,312,862         7,75         4/14,143         2,500,400           Health Care Providers & Services 2.2%         2,500,400         2,500,400         2,500,400           Health Care Providers & Services 2.2%         2,500,400         2,500,400         2,500,400         1,57,86	1142 at 110 at go, 220, 10100 (0, 0, 10, 10 (0)(0)		2,070	
Frac Tech Services LLC, 7.13%, 11/15/18 (a)       1,190       1,231,650         Key Energy Services, Inc., 6.75%, 3/01/21       740       725,200         MEG Energy Corp., 6.50%, 3/15/21 (a)       950       950,000         Oill States International, Inc., 6.50%, 6/01/19 (a)       295       295,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (a)       185       181,762         Jassi Services 0.2%       3,383,612         Food Products 0.2%       145       131,769         Del Monte Foods Co., 7.63%, 2/15/19 (a)       915       908,137         JBS USA LLC, 7.25%, 6/01/21 (a)       145       131,769         Targa Resources Partners LP, 6.88%, 2/01/21 (a)       485       480,150         Health Care Equipment & Supplies       0.6%       11/15/14         D10 Finance LLC:       1,270       1,312,862         D10 Finance LLC:       475       471,438         D10 Finance LC:       3,500,400       2,500,400         Health Care Providers & Services 2.2%       455       452,725         Aviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc:       5       452,725       7,25%, 9/15/20       2,020       2,042,7	Energy Equipment & Services 0.8%			001,100
Key Energy Services, Inc., 6.75%, 3/01/21         740         725,200           MEG Energy Corp., 6.50%, 3/15/21 (a)         950         950,000           Oil States International, Inc., 6.50%, 6/01/19 (a)         295         295,000           SunCoke Energy, Inc., 7.63%, 8/01/19 (a)         185         181,762           Food Products         0.2%         3,383,612           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         145         131,769           Targa Resources Partners LP, 6.88%, 2/01/21 (a)         485         480,150           Health Care Equipment & Supplies         0.6%         1,039,906           DJO Finance LLC:         10.88%, 1/115/14         1,1270         1,312,862           7.75%, 4/15/18 (a)         770         716,100           Teleftex, Inc., 6.88%, 6/01/19         475         471,438           Viv Health Care Providers & Services 2.2%         2         2           Aviv Healthcare Properties LP, 7.75%, 2/15/19         455         452,725           Crown Newco 3 Plc, 7.00%, 2/15/18 (a)         GBP         108         157,786           HCA, Inc:			1 190	1 231 650
MEG Energy Corp., 6.50%, 3/15/21 (a)       950       950,000         Oil States International, Inc., 6.50%, 6/01/19 (a)       295       295,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (a)       185       181,762         Food Products       0.2%       333,612         Del Monte Foods Co., 7.63%, 2/15/19 (a)       915       908,137         JBS USA LLC, 7.25%, 6/01/21 (a)       915       908,137         Gas Utilities       0.1%       1,45       131,769         Targa Resources Partners LP, 6.88%, 2/01/21 (a)       485       480,150         Health Care Equipment & Supplies       0.6%       1,270       1,312,862         DJO Finance LLC:       10.88%, 11/15/14       1,270       1,312,862         7.75%, 4/15/18 (a)       770       716,100         Teleflex, Inc., 6.88%, 6/01/19       475       471,438         Vir Health Care Providers & Services       2.2%         Aviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc:				
Oil States International, Inc., 6.50%, 6/01/19 (a)       295       295,000         SunCoke Energy, Inc., 7.63%, 8/01/19 (a)       185       181,762         3,383,612       3,383,612         Food Products       0.2%				
SunCoke Energy, Inc., 7.63%, 8/01/19 (a)       185       181,762         Food Products       0.2%       3,383,612         Del Monte Foods Co., 7.63%, 2/15/19 (a)       915       908,137         JBS USA LLC, 7.25%, 6/01/21 (a)       145       131,769         Gas Utilities       0.1%       1,039,906         Targa Resources Partners LP, 6.88%, 2/01/21 (a)       485       480,150         Health Care Equipment & Supplies       0.6%       1270       1,312,862         7.75%, 4/15/18 (a)       770       716,100       145       475       471,438         7.75%, 4/15/18 (a)       770       716,100       2,500,400       120       2,500,400         Health Care Providers & Services       2.2%       2,500,400       157,786       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/19       455       452,725       50%       215,726       157,786         HCA, Inc:				,
Food Products         0.2%         3,383,612           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         145         131,769           Base Utilities         0.1%         145         131,769           Gas Utilities         0.1%         145         131,769           Targa Resources Partners LP, 6.88%, 2/01/21 (a)         485         480,150           Health Care Equipment & Supplies         0.6%         1         270         1,312,862           DJO Finance LLC:         1,270         1,312,862         7,75%, 4/15/18 (a)         770         716261           Teleflex, Inc., 6.88%, 6/01/19         475         471,438         2,500,400         2,500,400           Health Care Providers & Services         2.2%         2,500,400         2,500,400         2,500,400           Health Care Providers & Services         2.2%         2,500,400         2				,
Food Products         0.2%           Del Monte Foods Co., 7.63%, 2/15/19 (a)         915         908,137           JBS USA LLC, 7.25%, 6/01/21 (a)         145         131,769           I,039,906         145         131,079           Gas Utilities         0.1%         145         130,0906           Targa Resources Partners LP, 6.88%, 2/01/21 (a)         485         480,150           Health Care Equipment & Supplies         0.6%         11270         1,312,862           7.75%, 4/15/18 (a)         770         716,100         716,100           Teleflex, Inc., 6.88%, 6/01/19         475         471,438           Z,500,400           Health Care Providers & Services         2.2%           Aviv Healthcare Properties LP, 7.75%, 2/15/19         455         452,725           Crown Newco 3 Pic, 7.00%, 2/15/18 (a)         GBP         108         157,786           HCA, Inc.:         6.50%, 2/15/20         USD         2,020         2,042,725           7.88%, 2/15/20         1,210         1,282,600         7,25%, 9/15/20         1,210         1,282,600	Suncoke Energy, Inc., 7.05%, 8/01/19 (a)		165	- )
Del Monte Foods Co., 7.63%, 2/15/19 (a)       915       908,137         JBS USA LLC, 7.25%, 6/01/21 (a)       145       131,769         I,039,906       I       145       131,769         Gas Utilities 0.1%       145       480,150         Health Care Equipment & Supplies 0.6%       1,270       1,312,862         DJO Finance LLC:       1,270       1,312,862         7.75%, 4/15/14       1,270       1,312,862         7.75%, 4/15/18 (a)       770       716,100         Teleflex, Inc., 6.88%, 6/01/19       475       471,438         2,500,400       2,500,400       2,500,400         Health Care Providers & Services 2.2%       5       455         Aviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc.:       5.05%, 2/15/20       USD       2,020       2,042,725         7.88%, 2/15/20       1,210       1,282,600       7.25%, 9/15/20       1,210       1,282,600         7.25%, 9/15/20       265       272,287       1,210       1,282,600				3,383,012
JBS USA LLC, 7.25%, 6/01/21 (a)       145       131,769         I,039,906       I,039,906         Gas Utilities 0.1%       485       480,150         Health Care Equipment & Supplies 0.6%       I       I         DJO Finance LLC:       1,270       1,312,862         7.75%, 4/15/18 (a)       770       716,100         Tefletx, Inc., 6.88%, 6/01/19       475       471,438         Z,500       2,500,400       2,500,400         Health Care Providers & Services 2.2%       Xviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc.:       5.50%, 2/15/20       USD       2,020       2,042,725         7.88%, 2/15/20       1,210       1,282,600       7,25%, 9/15/20       2,65       272,287			015	000 127
Gas Utilities 0.1%       1,039,906         Targa Resources Partners LP, 6.88%, 2/01/21 (a)       485       480,150         Health Care Equipment & Supplies 0.6%       0.6%       0.12       0.1312,862         DJO Finance LLC:       1,270       1,312,862       7.75%, 4/15/18 (a)       770       716,100         Teleflex, Inc., 6.88%, 6/01/19       475       471,438       2,500,400         Health Care Providers & Services 2.2%       2,500,400       2,500,400         Kviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc.:       6,50%, 2/15/20       USD       2,020       2,042,725         7.88%, 2/15/20       1,210       1,282,600       7,25%, 9/15/20       265       272,287				,
Gas Utilities 0.1%       485       480,150         Targa Resources Partners LP, 6.88%, 2/01/21 (a)       485       480,150         Health Care Equipment & Supplies 0.6%       5       5         DJO Finance LLC:       1,270       1,312,862         7.75%, 4/15/18 (a)       770       716,100         Teleflex, Inc., 6.88%, 6/01/19       475       471,438         2,500,400       2,500,400       2,500,400         Health Care Providers & Services 2.2%       5       455         Aviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc.:       6.50%, 2/15/20       USD       2,020       2,042,725         7.88%, 2/15/20       1,210       1,282,600       1,210       1,282,600         7.25%, 9/15/20       265       272,287       165	JBS USA LLC, 7.25%, 6/01/21 (a)		145	,
Targa Resources Partners LP, $6.88\%$ , $2/01/21$ (a)485480,150Health Care Equipment & Supplies 0.6%0.6%DJO Finance LLC:1,2701,312,862 $10.88\%$ , $11/15/14$ 1,2701,312,862 $7.75\%$ , $4/15/18$ (a)770716,100Teleflex, Inc., $6.88\%$ , $6/01/19$ 475471,4382,500,400Health Care Providers & Services 2.2%Aviv Healthcare Properties LP, $7.75\%$ , $2/15/19$ 455452,725Crown Newco 3 Plc, $7.00\%$ , $2/15/18$ (a)GBP108157,786HCA, Inc.:002,0202,042,725 $6.50\%$ , $2/15/20$ USD2,0202,042,725 $7.88\%$ , $2/15/20$ 1,2101,282,600 $7.25\%$ , $9/15/20$ 265272,287				1,039,906
Health Care Equipment & Supplies 0.6%         DJO Finance LLC:       1,270       1,312,862         10.88%, 11/15/14       1,270       1,312,862         7.75%, 4/15/18 (a)       770       716,100         Teleflex, Inc., 6.88%, 6/01/19       475       471,438         Leflex Vision 100         Health Care Providers & Services 2.2%         Aviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc.:       5.50%, 2/15/20       USD       2,020       2,042,725         7.88%, 2/15/20       1,210       1,282,600       7.25%, 9/15/20       265       272,287				
DJO Finance LLC:       1,270       1,312,862         10.88%, 11/15/14       1,270       1,312,862         7.75%, 4/15/18 (a)       770       716,100         Teleflex, Inc., 6.88%, 6/01/19       475       471,438         Velocity of the system of			485	480,150
10.88%, 11/15/141,2701,312,8627.75%, 4/15/18 (a)770716,100Teleflex, Inc., 6.88%, 6/01/19475471,4382,500,400Health Care Providers & Services 2.2%Aviv Healthcare Properties LP, 7.75%, 2/15/19455452,725Crown Newco 3 Plc, 7.00%, 2/15/18 (a)GBP108157,786HCA, Inc.:55556.50%, 2/15/20USD2,0202,042,7257.88%, 2/15/201,2101,282,6007.25%, 9/15/20265272,287				
7.75%, 4/15/18 (a)770716,100Teleflex, Inc., 6.88%, 6/01/19475471,4382,500,400Health Care Providers & Services 2.2%Aviv Healthcare Properties LP, 7.75%, 2/15/19455452,725Crown Newco 3 Plc, 7.00%, 2/15/18 (a)GBP108157,786HCA, Inc.:5.00%, 2/15/202,042,7255.7.88%, 2/15/202,042,7257.88%, 2/15/201,2101,282,6007.25%, 9/15/20265272,287				
Teleflex, Inc., 6.88%, 6/01/19       475       471,438         Leflex, Inc., 6.88%, 6/01/19         Health Care Providers & Services 2.2%         Aviv Healthcare Properties LP, 7.75%, 2/15/19       455       452,725         Crown Newco 3 Plc, 7.00%, 2/15/18 (a)       GBP       108       157,786         HCA, Inc.:			· · ·	, ,
Health Care Providers & Services         2.2%           Aviv Healthcare Properties LP, 7.75%, 2/15/19         455         452,725           Crown Newco 3 Plc, 7.00%, 2/15/18 (a)         GBP         108         157,786           HCA, Inc.:				,
Health Care Providers & Services 2.2%Aviv Healthcare Properties LP, 7.75%, 2/15/19455452,725Crown Newco 3 Plc, 7.00%, 2/15/18 (a)GBP108157,786HCA, Inc.:USD2,0202,042,7256.50%, 2/15/201,2101,282,6007.25%, 9/15/20265272,287	Teleflex, Inc., 6.88%, 6/01/19		475	
Aviv Healthcare Properties LP, 7.75%, 2/15/19455452,725Crown Newco 3 Plc, 7.00%, 2/15/18 (a)GBP108157,786HCA, Inc.: </td <td></td> <td></td> <td></td> <td>2,500,400</td>				2,500,400
Crown Newco 3 Plc, 7.00%, 2/15/18 (a)GBP108157,786HCA, Inc.:00	Health Care Providers & Services 2.2%			
HCA, Inc.:USD2,0202,042,7256.50%, 2/15/201,2101,282,6007.25%, 9/15/20265272,287	Aviv Healthcare Properties LP, 7.75%, 2/15/19		455	
6.50%, 2/15/20USD2,0202,042,7257.88%, 2/15/201,2101,282,6007.25%, 9/15/20265272,287	Crown Newco 3 Plc, 7.00%, 2/15/18 (a)	GBP	108	157,786
7.88%, 2/15/201,2101,282,6007.25%, 9/15/20265272,287	HCA, Inc.:			
7.25%, 9/15/20 265 272,287	6.50%, 2/15/20	USD	2,020	2,042,725
7.25%, 9/15/20 265 272,287	7.88%, 2/15/20		1,210	1,282,600
inVentiv Health, Inc., 10.00%, 8/15/18 (a) 85 76,713			265	272,287
	inVentiv Health, Inc., 10.00%, 8/15/18 (a)		85	76,713

### Explanation of Responses:

Omnicare, Inc., 6.88%, 12/15/15	1,055	1,076,100
Tenet Healthcare Corp.:		
9.00%, 5/01/15	630	667,800
8.88%, 7/01/19	3,030	3,211,800
		9,240,536
Health Care Technology 1.0%		
IMS Health, Inc., 12.50%, 3/01/18 (a)	3,205	3,685,750
MedAssets, Inc., 8.00%, 11/15/18 (a)	620	598,300
		4,284,050
Hotels, Restaurants & Leisure 1.1%		
Diamond Resorts Corp., 12.00%, 8/15/18	1,040	1,008,800
HRP Myrtle Beach Holdings LLC, 14.50%,		
4/01/14 (a)(c)(e)	6,892	689
HRP Myrtle Beach Operations LLC (a)(c)(e):		
5.21%, 4/01/12	5,000	500
12.50%, 4/01/13 (h)	5,000	500
Little Traverse Bay Bands of Odawa Indians, 9.00%,		
8/31/20 (a)	609	505,470
See Notes to Financial Statements.		
See notes to i material Statements.		

SEMI-ANNUAL REPORT

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AUGUST 31, 2011

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

Corporate Bonds         (00)         Value           MGM Resorts International, 11.13%, 11/15/17         USD         1,340         \$         1,494,100           Travelport LC:         370         1,349,625         332,475           Tropicane Entertainment LLC, Series WI, 9,63%,         215/14 (c)(e)         50         53           Household Durables         0.9%         46,092,212         46,092,212           Bearer Homes USA, Inc:         2         46,092,212         46,092,212           Bearer Homes USA, Inc:         2         83         5         45,094           Jarden Corp., 75,0%, 5001/17         835         853,787         5         46,092,212           Mandr Pacific Corp.         2         1,006,6300         3,387         1,2005         1,016,6300           S.38%, 1/15/18         2,20         1,306,6300         3,387,1135         3,3787           S.38%, 1/15/21         1,205         1,306,300         3,383,3731         1,205         1,205         1,306,300           J.38%, 1/15/21         1,205         1,406         1,391,200         1,205,400         1,205,400         1,205,400         1,205,400         1,205,400         1,205,400         1,205,400         1,205,400         1,205,400         1,205,400         1,20		Par		
MCM Resorts International, 11.13%, 11/15/17         USD         1,340         \$         1,494,100           Travelport LC:         1,770         1.349,625         390         332,475           Tropicane Entertainment LLC, Series WI, 9,63%,         390         332,475           Tropicane Entertainment LLC, Series WI, 9,63%,         300         53           12/15/14 (c)(c)         530         53           Household Durables         0.9%         4,692,212           Household Durables         0.9%         4,692,212           Household Durables         0.9%         4,692,212           Jarden Corp., 7,50%, 501/17         8,38         533           Standard Pacific Corp.         338         3,835,731           TS services         1,200         1,006,300           Tservices         1,205         1,006,300           Tservices         1,480         1,391,200           12,63%, 1/15/21         1,064         1,005,480           12,63%, 1/15/25         300         315,000           12,63%, 1/15/15         300         315,000           2,73%, 4/15/15         300         315,000           9,75%, 4/15/15         300         315,000           9,75%, 4/15/15         300 <td< td=""><td>•</td><td>(000)</td><td>Value</td></td<>	•	(000)	Value	
Travelgort LLC:         1.370         1.349.625           9.388, 9.001/14 (b)         3.00         332.475           12/15/14 (c)e         300         332.475           Tropicana Enteriamment LLC, Series WI, 9.63%,         300         53           21/15/14 (c)e         530         53           Hoasehold Durables         0.9%         4.692.212           Beazer Homes USA, Inc.:         1.700         1.725.500           12.00%, fol/15/17         1.700         1.725.500           9.13%, fol/15/17         1.853         833.787           Standard Pacific Corp.:         220         193.050           8.38%, 5/15/18         220         193.050           8.38%, 5/15/19         1.205         1.006.500           8.38%, 5/15/21         1.205         1.005.400           1.838<, fol/19 (a)		1000 1040	ф <u>1 404 100</u>	
495%, 901/14 (n)       1,770       1,349,625         938%, 901/14 (n)       390       332,475         Tropicana Entertainment LLC, Series WI, 9.63%,       530       53         121/51/4 (c)(c)       530       53         Household Durables 0.9%       4.692,212         Beazer Homes USA, Inc.:       1,700       1,725,500         12.05%, 101/51/7       1,700       1,725,500         133madar Pacific Corp.:       835       833,731         Taster Home Corp., 7,50%, 5001/17       835       835,731         TServices 0.3%       220       193,050         Eagle Paren Canada, Inc., 8.63%, 5001/19 (a)       940       864,800         First Data Corp. (a):       320       315,000         7.35%, 515/19       1,064       1,005,400         12.63%, 11/521       1,064       1,005,400         12.63%, 11/521       300       315,000         7.35%, 701/21 (a)       310       315,000         7.35%, 701/21 (a)       310       315,000         7.35%, 701/21 (a)       1,010       1,710         Charger Tander Meint Choling Co. LLC,       310       315,000         0.350%, 120/120       2,151       2,537,311         10.05%, 715/121       2,515		USD 1,340	\$ 1,494,100	
9,8%,901/14 (2)(2) 30 332,475 12/15/14 (2)(2) 50 4.692,312 Household Durables 0.9% Heazer Homes USA, Inc.: 12,00%, 10/15/17 1,700 1.725,500 9,13%, 6/15/18 6.5 45,094 Jarden Corp., 750%, 5/01/17 8.835 1.853,787 Standard Pacific Corp.: 8.38%, 5/15/18 2.20 1.93,050 1.38%, 5/15/18 2.20 1.93,050 1.38%, 5/15/18 2.20 1.93,050 1.38%, 5/15/18 2.20 1.93,050 1.38%, 6/15/19 1.205 1.05,050 1.38%, 6/15/19 1.205 1.05,050 1.263%, 1/15/21 1.205 1.05,08 1.263%, 1/15/21 1.205 1.05,08 1.305 1.442,025 1.305 1.442,025		1 770	1.040 (05	
Tropicana Entertainment LLC, Series WI, 9.63%,         530         530         531           12/15/14 (c)(c)         530         53         4.692,212           Household Durables 0.9%         1,700         1.725,500           12.00%, 10/15/17         1,700         1.725,500           12.00%, 10/15/17         65         45,094           Jarden Corp., 7,50%, 50/1/17         835         833,731           Tisterite Corp.:         1,205         1.036,300           8.38%, 5/15/18         1,205         1.036,300           8.38%, 5/15/18         1,205         1.036,300           8.38%, 5/15/18         1,205         1.036,300           7.50%, 5/01/19         1,480         1.391,200           12.63%, 1/15/21         1,064         1.005,440           12.63%, 1/15/21         1,064         1.005,440           Independent Power Producers & Enteries 2.4%         300         315,000           7.75%, 10/15/15         300         315,000         3,15,000           7.75%, 7.01/21 (a)         1,035         1.442,025         7,35%, 7,117,100           Charper Totaders 2.4%         1,035         1.442,025         7,35%, 7,101 / 71,100           Charper Stature Holding Co.1.1,C,         1,035         1.442,025				
12/15/14 (c)(c)         530         533         4,692,212           Household Durables 0.9%         4,692,212           Beazer Homes USA, Inc.:         1,200%, 1015/17         1,700         1,725,500           12.00%, 1015/17         65         45,094           Jarden Corp., 7,50%, 501/17         835         853,731           Stardard Pacific Corp::         200         193,050           33%, 51/51/8         220         193,050           8,38%, 51/51/8         220         193,050           8,38%, 51/51/8         220         193,050           8,38%, 51/51/8         220         193,050           8,38%, 51/51/8         220         193,050           8,38%, 51/51/8         1,005         1,036,300           12,65%, 1/15/21         1,046         1.035,480           I2,65%, 1/15/15         300         315,000           9,75%, 4/15/16         1,305         1.442,025           7,35%, 10/15/15         300         315,000           9,75%, 4/15/16         1,305         1.442,025           7,35%, 10/15/15         300         315,000           9,75%, 4/15/16         1,305         1.442,025           7,35%, 10/12/1         300         315,000 <td></td> <td>390</td> <td>332,475</td>		390	332,475	
4.692,212           Household Durables 0.9%           Beazer Homes USA, Inc.:           12.00%, 1015/17         1,700           12.00%, 1015/17         1,700           0.13%, 6115/18         6.5           0.13%, 6115/18         6.5           13.80, 5115/18         6.5           13.80, 5115/18         220           13.83, 5115/18         220           8.38%, 5115/18         220           8.38%, 5115/18         1,205           8.38%, 5115/18         1,205           8.38%, 5115/18         1,205           1.036, 300         3.833,3787           TServices 0.8%	•			
Hosehold Durables 0.9%           Beazer Homes USA, Inc.:         1,700         1,725,500           9.13%, 615/18         65         45,094           Jarden Corp., 7.50%, 5/01/17         383         5837,871           Standard Pacific Corp.:	12/15/14 (c)(e)	530		
Beazer Homes USA, Inc.:         1,700         1,725,500           12.00%, 10/15/17         6.5         4,5094           Jarden Corp., 7,50%, 50/1/7         8.35         853,787           Standard Pacific Corp.:         200         193,060           8.38%, 5/15/18         220         193,050           8.38%, 5/15/18         220         193,050           8.38%, 5/15/18         220         193,050           8.38%, 1/15/21         1,005         1,036,500           7.38%, 6/15/19         940         864,800           First Data Corp. (a):			4,692,212	
12.00%, 10/15/17         1,700         1,725,500           9.13%, 6/15/18         65         45,094           Jarden Corp, 7,50%, 5/01/17         835         853,787           Standard Pacific Corp.	Household Durables 0.9%			
9,13%, 6/15/18       65       45,094         Jarden Corp., 7,50%, 5/01/17       835       853, 7857         8,38%, 5/15/18       220       193,050         8,38%, 5/15/18       220       193,050         8,38%, 5/15/18       220       193,050         8,38%, 1/15/21       1,005,6300       3,353,731         TT Services       0.8%       3,853,731         TT Services       0.8%       1,912,000         First Data Corp. (a):	Beazer Homes USA, Inc.:			
Jarden Corp., 7,50%, 5001/17         835         853,787           Standard Pacific Corp.:         20         193,050           8,38%, 51/518         20         193,050           8,38%, 51/518         20         193,050           8,38%, 51/518         20         193,050           8,38%, 51/518         20         193,050           8,38%, 51/518         20         193,050           8,38%, 51/518         20         193,050           Standard Corp. (a):         3,353,731         3,353,731           T Services 0.8%         1,480         1,391,200           12.63%, 1/15/21         1,064         1,005,480           Independent Power Producers &         3,261,480         3,261,480           Independent Power Producers &         300         315,000           9,75%, 4/15/16         1,305         1,442,025           Cop:         7,50%, 7/15/121 (a)         710         717,100           Energy Future Holdings Corp., 10,00%, 1/15/20         3,190         3,202,348           Energy Future Holdings Corp., 10,00%, 1/15/20         2,515         2,537,311           NRG Energy, Inc., 7.63%, 1/15/18 (a)         1,700         17,702,702           10,702,702         2,515         2,537,311	12.00%, 10/15/17	1,700	1,725,500	
Standard Pacific Corp.:         220         193,050           8.38%, 1/15/21         1,036,300           3.83%, 1/15/21         1,036,300           7.83%, f/15/21         3,853,731           Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)         940         864,800           First Data Corp. (a):         -         -           7.38%, f/15/19         1,480         1,391,200           12.63%, 1/15/21         1,064         1.005,480           AES Corp. :         -         -           7.75%, 10/15/15         300         31,5000           9.75%, 10/15/15         300         31,5000           9.75%, 4/15/16         1,305         1,442,025           7.38%, f/15/16         1,305         1,442,025           7.38%, 7/12/1 (a)         710         717,100           Calpine Corp., 7.50%, 2/15/21 (a)         710         717,100           Calpine Corp., 7.50%, 1/15/18 (a)         1,760         1,742,400           10.00%, 1/20/120         2,515         2,537,311           10.00%, 1/20/120         2,515         2,537,311           11.05%, 1/20/14         2,064,000         1,0370,284           Industrial Conglomerates 1.7%         2,2964,000         1,2490           13.50	9.13%, 6/15/18	65	45,094	
8.38%, 5/15/18         220         193,050           8.38%, 1/15/21         1,205         1,036,300           3.858, 7.115/21         3.853,731         SAS5,731           Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)         940         864,800           First Data Corp. (a):         7.38%, 6/15/19         1,480         1,391,200           12.63%, 1/15/21         1,064         1,005,480         3,261,480           Independent Power Producers &         3,261,480         3,261,480           Independent Power Producers &         3,00         315,000           9,75%, 4/15/16         1,305         1,442,025           7.35%, 10/15/15         3,00         315,000           9,75%, 4/15/16         1,305         1,442,025           7.35%, 7/01/21 (a)         710         717,100           Calpine Corp., 7.50%, 2/15/21 (a)         710         717,100           Energy Transe Uolding Cor, LLC,         10,00%, 1/20,100         2,515         2,537,311           NGG Energy, Inc., 7.63%, 1/15/18 (a)         1,760         1,742,400         10,370,284           Industrial Conglomerates         1.7%         2,850         2,964,000         13,50%, 120/115         2,850         2,964,000         13,50%, 120/115         2,850         2,964,000	Jarden Corp., 7.50%, 5/01/17	835	853,787	
8.38%, 5/15/18         220         193,050           8.38%, 1/15/21         1,205         1,036,300           3.858, 7.115/21         3.853,731         SAS5,731           Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)         940         864,800           First Data Corp. (a):         7.38%, 6/15/19         1,480         1,391,200           12.63%, 1/15/21         1,064         1,005,480         3,261,480           Independent Power Producers &         3,261,480         3,261,480           Independent Power Producers &         3,00         315,000           9,75%, 4/15/16         1,305         1,442,025           7.35%, 10/15/15         3,00         315,000           9,75%, 4/15/16         1,305         1,442,025           7.35%, 7/01/21 (a)         710         717,100           Calpine Corp., 7.50%, 2/15/21 (a)         710         717,100           Energy Transe Uolding Cor, LLC,         10,00%, 1/20,100         2,515         2,537,311           NGG Energy, Inc., 7.63%, 1/15/18 (a)         1,760         1,742,400         10,370,284           Industrial Conglomerates         1.7%         2,850         2,964,000         13,50%, 120/115         2,850         2,964,000         13,50%, 120/115         2,850         2,964,000				
8.38%, 1/15/21       1,205       1,036,300         IT Services       0.3%       3853,731         Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)       940       864,800         First Data Corp. (a):       1,480       1,391,200         12.63%, 1/15/21       1,064       1,005,480         Services       2.4%       300       315,000         Energy Traders       2.4%       300       315,000         7.35%, 1/01/5/15       300       315,000       975%, 41/5/16       1,305       1,442,025         7.35%, 1/01/21 (a)       1,000%, 1/15/16       3,100       3,202,344       Barery Future Intermediate Holding Co. LLC,       10,00%, 1/10/10       717,100         Energy Future Intermediate Holding Co. LLC,       10,00%, 1/15/18 (a)       1,760       1,742,400         10.00%, 12/01/20       2,515       2,537,311       10,370,284         Industrial Conglomerates       1.75%       1,201/15       2,850       2,964,000         13.50%, 12/201/15 (g)       4,264,215       7,288,216       7,228,216         Insurance       0.6%       7,228,216       7,228,216         Insurance       0.5%       1,15/18 (a)       1,049       1,714,960         13.50%, 12/201/15 (g)       2,850, 12/2014       70		220	193,050	
3,853,731           IT Services 0.8%         3           Eagle Parent Canada, Inc., 8,63%, 5/01/19 (a)         940         864,800           First Data Corp. (a):         7.38%, 6/15/19         1,480         1,391,200           12,63%, 1/15/21         1,064         1,005,480         3,261,480           Independent Power Producers &         3.201,480         3.201,480           Energy Traders 2.4%         2.4%         3.000         3.15,000           9.75%, 4/15/16         1,305         1,442,025         7.38%, 7/01/21 (a)         1,440         4141,000           Calpine Corp., 7.50%, 2/15/21 (a)         710         717,100         717,100         717,100           D.000%, 1/201/20         2,515         2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)         1,760         1,742,400           Industrial Conglomerates 1.7%         2         2850         2.964,000           I.3.50%, 1/201/15 (g)         4,023         4,262,216         7.282,216           Insurance 0.6%         1         2         398,403         398,403           CNO Financial Group, Inc., 9.0%, 1/15/18 (a)         1,649         1,714,960         2.734,630           Machinery 0.1%         2         2,734,630         310         320,853		1,205		
IT Services         0.8%           Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)         940         864.800           First Data Corp. (a):		-,		
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)         940         864,800           First Data Corp. (a):	IT Services 0.8%		0,000,101	
First Data Corp. (a):       1,480       1,391,200         12.63%, 1/15/21       1,064       1,005,480         12.63%, 1/15/21       3,261,480         Independent Power Producers &       3,261,480         Energy Traders 2.4%       300       315,000         AES Corp.:       300       315,000         7.75%, 10/15/15       300       315,000         9.75%, 4/15/16       1,305       1,44,2025         7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10,00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       10,370,284       10,370,284         Industrial CongIomerates 1.7%       2,850       2,964,000         3,50%, 12/01/15       2,850       2,964,000         13,50%, 12/01/15 (g)       4,263       4,264,216         Insurance 0.6%       7,228,216       7,228,216         CNO Financial Group. Inc., 9,00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7,63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9,88%, 8/15/18 (a)       415       398,400         2,734,630       2,734,630       <		940	864 800	
7.38%, 6/15/19       1,480       1.391,200         12.63%, 1/15/21       1,064       1,005,480         Independent Power Producers &         Energy Traders 2.4%         AES Corp:       300       315,000         9.75%, 4/15/16       1,305       1.442,025         7.35%, 10/15/15       300       315,000         9.75%, 4/15/16       1,305       1.442,025         7.35%, 70/1/21 (a)       410       414,002         Calpine Corp, 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3.202,348         Energy Future Intermediate Holding Co. LLC,       10.00%, 1/20/120       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400       10,370,284         Industrial Conglomerates 1.7%         Sequa Corp. (a):       1       1,756       1,201/15       2,964,000         13.50%, 1/201/15 (g)       4,853       2,964,000       7,228,216         Insurance 0.6%       7,228,216         Corp. Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400 <td colspan<="" td=""><td></td><td>710</td><td>001,000</td></td>	<td></td> <td>710</td> <td>001,000</td>		710	001,000
12.63%, 1/15/21         1,064         1,005,480           Jack 1400           Independent Power Producers &           Energy Traders 2.4%           AES Corp:         7.75%, 1/01/51/5         300         315,000           7.75%, 1/01/51/6         1,305         1,442,025           7.35%, 7/01/21 (a)         410         4141,000           Calpine Corp, 7.50%, 2/15/21 (a)         710         717,000           Energy Tuture Holdings Corp., 10.00%, 1/15/20         3,190         3,202,348           Energy Future Holdings Corp., 10.00%, 1/15/20         2,515         2,537,311           NRG Energy, Inc., 7.63%, 1/15/18 (a)         1,760         1,742,400           10.00%, 1/20/120         2,850         2,964,000           13.50%, 12/01/15         2,850         2,964,000           13.50%, 12/01/15 (g)         4,264,216         7,228,216           Toto Corp. (a):           11.75%, 12/01/15 (g)         2,850         2,964,000           13.50%, 12/01/15 (g)         4,062,34,264,216         7,228,216           Toto Corp. (a):           11.75%, 12/01/15 (g)         7,06,38,174,60         6,400           Corp. Corp. (a):         1,1649         1,714,960 <tr< td=""><td>· · · · · · · · · · · · · · · · · · ·</td><td>1.480</td><td>1 301 200</td></tr<>	· · · · · · · · · · · · · · · · · · ·	1.480	1 301 200	
Independent Power Producers &         3,261,480           Energy Traders 2.4%         AES           AES Corp.:         7.75%, 1/015/15           7.75%, 1/015/16         1,305           7.75%, 1/012/1(a)         410           Calpine Corp., 7.50%, 2/15/21 (a)         710           Energy Future Indermediate Holding Co. LLC,         710           10.00%, 1/201/20         2,515         2,537,311           NRG Energy, Inture Intermediate Holding Co. LLC,         1,760         1,742,400           10.00%, 1/201/20         2,515         2,537,311           NRG Energy, Inter, 7.63%, 1/15/18 (a)         1,760         1,742,400           10.00%, 1/201/15         2,850         2,964,000           13.50%, 1/201/15 (g)         4,203         4,204,216           7.228,216         7.228,216         7.228,216           Insurance 0.6%         7.228,216         7.228,216           CNO Financial Group, Inc., 9.00%, 1/15/18 (a)         1,649         1,714,960           Genworth Financial, Inc., 7.63%, 9/24/21         700         621,270           MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)         310         320,850           Machinery 0.1%         310         320,850           Media 7.1%         310         320,850     <				
Independent Power Producers &           Energy Traders 2.4%           AES Corp.:           7.75%, 10/15/15         300         315,000           9.75%, 4/15/16         1,305         1,442,025           7.38%, 7/01/21 (a)         1,005         1,442,025           7.38%, 7/01/21 (a)         710         717,100           Calpine Corp., 7.50%, 2/15/21 (a)         710         717,100           Energy Future Holdings Corp., 10.00%, 1/15/20         3,190         3,202,348           Energy Future Intermediate Holding Co. LLC,         0.00%, 1/20/120         2,515         2,537,311           NRG Energy, Inc., 7.63%, 1/15/18 (a)         1,760         1,742,400           Sequa Corp. (a):         1         1         10,370,284           I.1.75%, 12/01/15         2,850         2,964,000         13,50%, 12/01/15 (g)         4,023         4,264,216           I.1.75%, 12/01/15         2,850         2,964,000         13,50%, 12/01/15 (g)         4,023         4,264,216           I.1.75%, 12/01/15         2,850         2,964,000         13,50%, 12/01/15 (g)         4,023         4,264,216           I.1.75%, 12/01/15         3,00         3,400         2,272         3,202         2,364,000           I.50%         1,201/15 <th< td=""><td>12.05 %, 1/15/21</td><td>1,004</td><td></td></th<>	12.05 %, 1/15/21	1,004		
7.75%, 10/15/15       300       315,000         9.75%, 4/15/16       1,305       1,442,025         7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       700       2,515       2,537,311         NGG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         Industrial Conglomerates 1.7%         Sequa Corp. (a):         11.75%, 12/01/15 (g)       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         T,228,216         Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Advistar International Corp., 8.25%, 11/01/21       310       320,850         Machinery 0.1%       X         X       405       398,400         Advistar International Corp., 8.25%, 11/01/21       310       320,850	Energy Traders 2.4%		5,201,100	
9.75%, 4/15/16       1,305       1,442,025         7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       700       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400       10,370,284         Industrial Conglomerates       1.760       1,742,400       10,370,284         Industrial Conglomerates       1.76       1,742,400       10,370,284         Industrial Conglomerates       1.76       1,742,400       10,370,284         Industrial Conglomerates       1.76       1,742,400       10,370,284         11.75%, 12/01/15       2,850       2,964,000       13,50%, 12/01/15 (g)       4,023       4,264,216         11.75%, 12/01/15 (g)       4,023       4,264,216       7,228,216       7,228,216       7,228,216       7,228,216       7,228,216       7,228,216       7,228,216       7,228,216       7,228,216       7,228,216       7,228,216       2,734,630       2,734,630       2,734,630       2,734,630       2,734,630       2,734,630       2,734,630       2,734,630       2,734,630       2,734,630	•	300	315,000	
7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         Industrial Conglomerates       1.7%       10,370,284         Industrial Conglomerates       1.7%       2,850       2,964,000         13.50%, 12/01/15 (g)       2,850       2,964,000       7,228,216         Insurance       0.6%       7,228,216       7,228,216         Insurance       1,649       1,714,960       621,270         Genworth Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial Group, Inc., 9.8%, 8/15/18 (a)       415       398,400         2,734,630       2,734,630       2,734,630         Machinery       0.1%       310       320,850         Machinery       0.1%       310       320,850         Media       7.1%       310       320,850         Media       7.1%       300       3,465,000				
Calpine Corp., 7.50%, 2/15/21 (a)         710         717,100           Energy Future Holdings Corp., 10.00%, 1/15/20         3,190         3,202,348           Energy Future Intermediate Holding Co. LLC,         700         710         717,100           10.00%, 12/01/20         2,515         2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)         10,370,284           Industrial Conglomerates 1.7%           Sequa Corp. (a):         11.75%, 12/01/15 (g)         2,850         2.964,000           13.50%, 12/01/15 (g)         4,023         4,264,216         7,228,216           Insurance 0.6%           CNO Financial Group, Inc., 9.00%, 1/15/18 (a)         1,649         1,714,960           Genworth Financial, Inc., 7.63%, 9/24/21         700         621,270           MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)         2,734,630         2,734,630           Machinery 0.1%         2,734,630         2,734,630           Navistar International Corp., 8.25%, 11/01/21         300         320,850           Metia 7.1%         310         320,850           Metia 7.1%         365         377,775           CCH II LLC, 13.50%, 11/30/16         3,000         3,465,000				
Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       2,515       2,537,311         10.00%, 12/01/20       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         Industrial Conglomerates 1.7%         Sequa Corp. (a):         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         Transce 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Z,734,630         Machinery 0.1%       310       320,850         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
Energy Future Intermediate Holding Co. LLC,         U           10.00%, 12/01/20         2,515         2,537,311           NRG Energy, Inc., 7.63%, 1/15/18 (a)         1,760         1,742,400           Industrial Conglomerates 1.7%           Sequa Corp. (a):         2,850         2,964,000           13.50%, 12/01/15 (g)         4,023         4,264,216           7,228,216         7,228,216         7,228,216           Insurance 0.6%         7,228,216         7,228,216           CNO Financial Group, Inc., 9.00%, 1/15/18 (a)         1,649         1,714,960           Genworth Financial, Inc., 7.63%, 9/24/21         700         621,270           MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)         415         398,400           2,734,630         2,734,630         2,734,630           Machinery 0.1%         310         320,850           Navistar International Corp., 8.25%, 11/01/21         310         320,850           Media 7.1%         365         377,775           AMC Networks, Inc., 7.75%, 7/15/21 (a)         3,000         3,465,000				
NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         Industrial Conglomerates       1.7%         Sequa Corp. (a):       2,850       2,964,000         13.50%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         7,228,216       7,228,216       7,228,216         Insurance       0.6%       7,228,216         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630       2,734,630       2,734,630         Machinery       0.1%       310       320,850         Media       7.1%       310       320,850         Media       7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	Energy Future Intermediate Holding Co. LLC,			
Industrial Conglomerates 1.7%       10,370,284         Sequa Corp. (a):       2,850       2,964,000         13.50%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         7,228,216       7,228,216         Insurance 0.6%       7,228,216         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630       2,734,630       2,734,630         Machinery 0.1%       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000		,		
Industrial Conglomerates 1.7%         Sequa Corp. (a):         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         7,228,216       7,228,216         Insurance 0.6%       7,228,216         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%       310       320,850         Media 7.1%       310       320,850         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	NRG Energy, Inc., 7.63%, 1/15/18 (a)	1,760		
Sequa Corp. (a):       2,850       2,964,000         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         7,228,216       7,228,216         Insurance 0.6%       7,228,216         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%       310       320,850         Media 7.1%       310       320,850         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000			10,370,284	
11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         7,228,216       7,228,216         Insurance 0.6%       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630       2,734,630       2,734,630         Machinery 0.1%       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	0			
13.50%, 12/01/15 (g)       4,023       4,264,216         7,228,216       7,228,216         Insurance 0.6%       0.649       1,714,960         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%       310       320,850         Media 7.1%       310       320,850         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
Insurance 0.6%       7,228,216         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000			, ,	
Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	13.50%, 12/01/15 (g)	4,023		
CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000			7,228,216	
Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	Insurance 0.6%			
Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	CNO Financial Group, Inc., 9.00%, 1/15/18 (a)	1,649	1,714,960	
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630       2,734,630         Machinery 0.1%       310       320,850         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000		700	621,270	
Machinery 0.1%       2,734,630         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
Machinery 0.1%           Navistar International Corp., 8.25%, 11/01/21         310         320,850           Media 7.1%         365         377,775           AMC Networks, Inc., 7.75%, 7/15/21 (a)         365         377,775           CCH II LLC, 13.50%, 11/30/16         3,000         3,465,000	• • • • • • • • • • • • • • • • • • • •			
Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media       7.1%       7.15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	Machinery 0.1%		, ,	
Media         7.1%           AMC Networks, Inc., 7.75%, 7/15/21 (a)         365         377,775           CCH II LLC, 13.50%, 11/30/16         3,000         3,465,000		310	320.850	
AMC Networks, Inc., 7.75%, 7/15/21 (a)365377,775CCH II LLC, 13.50%, 11/30/163,0003,465,000		210	0_0,000	
CCH II LLC, 13.50%, 11/30/16         3,000         3,465,000		365	377 775	
	CCO Holdings LLC:	5,000	5,105,000	

7.25%, 10/30/17		510	525,938
7.88%, 4/30/18		1,075	1,118,000
CSC Holdings, Inc., 8.50%, 4/15/14		680	736,100
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (a)		1,050	808,500
Checkout Holding Corp., 10.97%, 11/15/15 (a)(h)		1,090	643,100
Clear Channel Worldwide Holdings, Inc.:			
9.25%, 12/15/17		639	677,340
Series B, 9.25%, 12/15/17		5,802	6,208,140
DISH DBS Corp.:			
7.00%, 10/01/13		3,000	3,146,250
6.75%, 6/01/21 (a)		470	473,525
		Par	
Corporate Bonds	()	000)	Value
Media (concluded)			
Intelsat Luxemburg SA:	LICE	160	¢ 400 <b>5</b> 00
11.25%, 6/15/16	USD	460	\$ 480,700
11.25%, 2/04/17		210	203,700
11.50%, 2/04/17 (g)		100	97,125
Interactive Data Corp., 10.25%, 8/01/18		1,715	1,817,900
Kabel BW Erste Beteiligungs GmbH, 7.50%,			
3/15/19 (a)		1,040	1,024,400
NAI Entertainment Holdings LLC, 8.25%,			
12/15/17 (a)		1,020	1,030,200
Nielsen Finance LLC:			
11.63%, 2/01/14		1,239	1,403,167
7.75%, 10/15/18		1,235	1,275,138
ProQuest LLC, 9.00%, 10/15/18 (a)		415	406,700
Regal Entertainment Group, 9.13%, 8/15/18		640	646,400
Unitymedia Hessen GmbH & Co. KG (FKA UPC			
Germany GmbH), 8.13%, 12/01/17 (a)		2,730	2,784,600
Ziggo Finance BV, 6.13%, 11/15/17 (a)	EUR	655	917,385
			30,267,083
Metals & Mining 1.6%			
Drummond Co., Inc., 9.00%, 10/15/14 (a)	USD	456	466,260
FMG Resources August 2006 Property Ltd., 7.00%,			
11/01/15 (a)		1,610	1,605,975
JMC Steel Group, 8.25%, 3/15/18 (a)		335	327,463
Novelis, Inc., 8.75%, 12/15/20		3,855	4,057,387
RathGibson, Inc., 11.25%, 2/15/14 (c)(e)		4,440	222
Vulcan Materials Co., 7.50%, 6/15/21		377	371,312
			6,828,619
Multiline Retail 0.5%			
Dollar General Corp., 11.88%, 7/15/17 (g)		1,775	1,965,813
Oil, Gas & Consumable Fuels 7.1%			
Alpha Natural Resources, Inc.:			
6.00%, 6/01/19		260	254,150
6.25%, 6/01/21		815	797,681
Arch Coal, Inc.:			
7.00%, 6/15/19 (a)		215	211,775
7.25%, 10/01/20		655	645,175
7.25%, 6/15/21 (a)		700	689,500
Chesapeake Energy Corp.:			
6.63%, 8/15/20		1,592	1,663,640
6.13%, 2/15/21		1,100	1,116,500
Coffeyville Resources LLC, 9.00%, 4/01/15 (a)		436	462,160
Consol Energy, Inc.:			
8.25%, 4/01/20		1,750	1,881,250
6.38%, 3/01/21 (a)		440	436,700
Crosstex Energy LP, 8.88%, 2/15/18		100	103,500
Denbury Resources, Inc.:			
8.25%, 2/15/20		670	706,013

6.38%, 8/15/21	570	558,600
El Paso Corp., 7.00%, 6/15/17	1,575	1,750,323
Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19	1,300	1,222,000
Forest Oil Corp., 8.50%, 2/15/14	390	417,300
Hilcorp Energy I LP, 7.63%, 4/15/21 (a)	2,165	2,186,650
Linn Energy LLC:		
8.63%, 4/15/20	1,115	1,193,050
7.75%, 2/01/21 (a)	1,970	2,009,400
Niska Gas Storage US LLC, 8.88%, 3/15/18	1,600	1,616,000
OGX Petroleo e Gas Participações SA, 8.50%,		
6/01/18 (a)	3,015	3,022,537
Oasis Petroleum, Inc., 7.25%, 2/01/19 (a)	335	328,300
Petrohawk Energy Corp.:		
10.50%, 8/01/14	590	666,700
7.88%, 6/01/15	795	858,600
7.25%, 8/15/18	525	612,281
6.25%, 6/01/19 (a)	920	1,069,500
Plains Exploration & Production Co., 7.75%,		
6/15/15	530	545,900

See Notes to Financial Statements.

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

Corporate Bonds	Par (000)	Value
Oil, Gas & Consumable Fuels (concluded)	(000)	v aluc
Range Resources Corp., 5.75%, 6/01/21	USD 1,230	\$ 1,236,150
SandRidge Energy, Inc., 7.50%, 3/15/21 (a)	825	¢ 1,250,150 804,375
Titan Petrochemicals Group Ltd., 8.50%, 3/18/12 (a)	1,760	1,232,000
Than Terroenennears Group Edu., 0.50 %, 5/16/12 (a)	1,700	30,297,710
Paper & Forest Products 2.5%		50,277,710
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(g)	4,530	3,170,991
Clearwater Paper Corp., 10.63%, 6/15/16	640	700,800
Georgia-Pacific LLC, 8.25%, 5/01/16 (a)	2,950	3,368,923
Longview Fibre Paper & Packaging, Inc., 8.00%,	2,,,,,,	5,500,725
6/01/16 (a)	280	277,200
NewPage Corp., 11.38%, 12/31/14	2,280	2,006,400
Verso Paper Holdings LLC:	2,200	2,000,100
11.50%, 7/01/14	510	540,600
Series B, 4.00%, 8/01/14 (b)	890	729,800
Series D, 4.00 //, 6/01/14 (0)	090	10,794,714
Pharmaceuticals 0.4%		10,794,714
Valeant Pharmaceuticals International, 6.50%,		
7/15/16 (a)	1,935	1,838,250
Professional Services 0.1%	1,955	1,030,230
FTI Consulting, Inc., 6.75%, 10/01/20	560	552,300
Real Estate Investment Trusts (REITs) 0.4%	500	552,500
FelCor Lodging LP, 6.75%, 6/01/19 (a)	1,825	1,715,500
Real Estate Management & Development 0.9%	1,025	1,715,500
Realogy Corp.:		
11.50%, 4/15/17	1.620	1 227 000
11.50%, 4/15/17	1,620 160	1,287,900 128,000
	2,225	
7.88%, 2/15/19 (a) Shaa Hamaa LB & 62% 5/15/10 (a)	· · · · · · · · · · · · · · · · · · ·	1,846,750
Shea Homes LP, 8.63%, 5/15/19 (a)	610	515,450
Dead & Dail 100		3,778,100
Road & Rail 1.2%	1 905	1 746 227
Avis Budget Car Rental LLC, 8.25%, 1/15/19	1,805 370	1,746,337
Florida East Coast Railway Corp., 8.13%, 2/01/17 (a)	370	368,150
The Hertz Corp. (a):	1 750	1 715 000
7.50%, 10/15/18	1,750	1,715,000
6.75%, 4/15/19	730 810	680,725
7.38%, 1/15/21	810	773,550
Crasialty Detail 0.20		5,283,762
Specialty Retail 0.3%	1 075	1 200 020
United Auto Group, Inc., 7.75%, 12/15/16	1,275	1,290,938
Textiles, Apparel & Luxury Goods 0.1%	410	420 411
Phillips-Van Heusen Corp., 7.75%, 11/15/23	410	430,411
Transportation Infrastructure 0.1%	252	221.020
Aguila 3 SA, 7.88%, 1/31/18 (a)	353	331,820
Wireless Telecommunication Services 2.4%	0.050	2 000 107
Cricket Communications, Inc., 7.75%, 5/15/16	3,050	3,088,125
Digicel Group Ltd. (a):	0.010	2.040.000
9.13%, 1/15/15	3,948	3,948,000
8.25%, 9/01/17	810	810,000
	815	809,906

Nextel Communications, Inc., Series E, 6.88%, 10/31/13 Sprint Capital Corp.: 8.38%, 3/15/12 6.88%, 11/15/28

8.38%, 3/15/12		625	643,750
6.88%, 11/15/28		880	787,600
			10,087,381
Total Corporate Bonds 58.1%			248,107,661
		Par	
Floating Rate Loan Interests (b)		(000)	Value
Aerospace & Defense 0.3%			
TransDigm, Inc., Term Loan (First Lien), 4.00%,			
2/14/17	USD	1,493 \$	1,432,800
Airlines 0.5%			
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17		2,375	2 199 066
Auto Components 1.5%		2,575	2,188,966
Allison Transmission, Inc., Term Loan, 2.96%,			
8/07/14		3,463	3,246,936
Autoparts Holdings, Ltd.:			
First Lien Term Loan, 6.50%, 7/28/17		1,200	1,176,000
Second Lien Term Loan, 10.50%, 1/29/18		1,800	1,773,000
			6,195,936
Biotechnology 0.2%		005	002 200
Grifols SA, Term Loan B, 6.00%, 6/01/17 Building Products 1.6%		905	883,280
CPG International I, Inc., Term Loan B, 6.00%,			
2/18/17		1,194	1,116,390
Goodman Global, Inc.:		-,-, -	-,,
Initial Term Loan (First Lien), 5.75%, 10/28/16		3,112	3,058,537
Term Loan (Second Lien), 9.00%, 10/30/17		1,200	1,206,000
Momentive Performance Materials (Blitz 06-103			
GmbH), Tranche B-2B Term Loan, 4.79%, 5/05/15	EUR	1,064	1,370,828
Carital Markata 0.00			6,751,755
Capital Markets 0.9% HarbourVest Partners, Term Loan (First Lien), 6.25%,			
12/14/16	USD	1,812	1,757,658
Nuveen Investments, Inc. (First Lien):	CDD	1,012	1,757,050
Extended Term Loan, 3.25%, 11/13/14		418	386,706
Non-Extended Term Loan, 5.75% 5.81%,			
5/12/17		1,682	1,571,220
			3,715,584
Chemicals 4.7%			
AZ Chemical Co., LLC, New Term Loan, 4.75%, 11/21/16		313	301,970
American Rock Salt Holdings LLC, Term Loan B,		515	501,970
5.50%, 4/25/17		2,264	2,170,922
Ashland, Inc., Term Loan B, 3.75%, 7/30/18		1,300	1,270,984
Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16		1,300	1,271,829
Gentek, Inc., Tranche B Term Loan, 7.00%, 10/06/15		2,046	1,909,367
MDI Holdings, LLC (FKA MacDermid, Inc.),		< <b>1</b> -	00110
Tranche C Term Loan, 3.54%, 4/11/14	EUR	647	884,136
Nexeo Solutions, LLC, Term Loan B, 5.00%, 9/08/17	USD	1,621	1,492,608
PQ Corp. (FKA Niagara Acquisition, Inc.), Original	050	1,021	1,792,008
Term Loan Facility (First Lien), 3.48% 3.51%,			
7/30/14		2,266	2,071,177
Styron Sarl, Term Loan B, 6.00%, 8/02/17		2,297	2,110,578
Tronox Worldwide LLC, Exit Term Loan, 7.00%,			
10/15/15		4,443	4,392,695
Univar, Inc., Term Loan B, 5.00%, 6/30/17		2,388	2,203,527
			20,079,793

Commercial Services & Supplies 2.3%		
ARAMARK Corp.:		
Letter of Credit 1 Facility, 2.06%, 1/27/14	28	25,983
Letter of Credit 2 Facility, 3.44%, 7/26/16	29	26,951
US Term Loan, 2.12%, 1/27/14	342	322,541
US Term Loan B, 3.50%, 7/26/16	438	409,811
AWAS Finance Luxembourg Sarl, Term Loan B,		
5.25%, 6/10/16	796	766,268
Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,		
5.00%, 5/19/17	2,400	2,280,000
Altegrity, Inc. (FKA US Investigations Services, Inc.),		
Tranche D Term Loan, 7.75%, 2/20/15	2,789	2,713,587

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

AUGUST 31, 2011

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

	Par	
Floating Rate Loan Interests (b)	(000)	Value
Commercial Services & Supplies (concluded)	UCD 075	¢ 069.407
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16	USD 975	\$ 968,497
Synagro Technologies, Inc., Term Loan (First Lien), 2.21% 2.23%, 4/02/14	878	762,601
Volume Services America, Inc. (Centerplate),		
Term Loan B, 10.50% 10.75%, 9/16/16	1,787	1,709,091 9,985,330
Communications Equipment 1.3%		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Avaya, Inc.:		
Term Loan B, 3.06%, 10/24/14	1,833	1,630,246
Term Loan B-3, 4.81%, 10/26/17	2,936	2,528,791
CommScope, Inc., Term Loan B, 5.00%, 1/14/18	1,496	1,436,400
		5,595,437
Construction & Engineering 0.8%		
BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18	875	831,250
Safway Services, LLC, First Out Tranche Loan, 9.00%,		
12/16/17	2,750	2,750,000
		3,581,250
Consumer Finance 0.9%		
Springleaf Financial Funding Co. (FKA AGFS		
Funding Co.), Term Loan, 5.50%, 5/10/17	4,250	3,936,563
Containers & Packaging 0.5%		
Berry Plastics Holding Corp., Term Loan C, 2.21%,	2.10	202 104
4/03/15	340	302,104
Graham Packaging Co., LP, Term Loan D, 6.00%,	1 (07	1 (70 270
9/23/16	1,687	1,670,378
Diversified Consumer Services 2.8%		1,972,482
Coinmach Service Corp., Term Loan, 3.22% 3.30%,		
11/20/14	4,536	3,946,303
Laureate Education, Extended Term Loan, 5.25%,	4,550	5,940,505
8/15/18	5,121	4,522,566
ServiceMaster Co.:	5,121	1,522,500
Closing Date Term Loan, 2.69% 2.76%,		
7/24/14	3,215	2,970,294
Delayed Draw Term Loan, 2.72%, 7/24/14	320	295,797
		11,734,960
Diversified Financial Services 0.2%		, ,
Reynolds Group Holdings, Inc., Term Loan E, 6.50%,		
2/09/18	963	918,068
Diversified Telecommunication Services 2.5%		
Hawaiian Telcom Communications, Inc., Term Loan,		
9.00%, 11/01/15	3,618	3,613,581
Level 3 Financing, Inc.:		
Add On Term Loan, 11.50%, 3/13/14	1,500	1,558,755
Term Loan B2, 2.50%, 9/03/18	6,000	5,655,000
		10,827,336
Electrical Equipment 0.1%		
Generac Acquisition Corp., Term Loan (First Lien),		
2.69% 2.75%, 11/11/13	297	277,791

#### Electronic Equipment, Instruments &

Components 1.8%		
Aeroflex, Inc., Term Loan B, 4.25%, 5/09/18	1,325	1,226,725
CDW LLC (FKA CDW Corp.):		
Extended Term Loan B, 4.25%, 7/14/17	1,781	1,615,930
Non-Extended Term Loan, 3.71%, 10/10/14	2,114	1,987,038
Sensata Technologies Finance Company, LLC,		
New Term Loan, 4.00%, 5/11/18	2,760	2,653,050
		7,482,743

Energy Equipment & Services 1.9%         USD         1.168         \$         1.055,629           CSS Income Trust, Term Loan, 3.25%, 11/14/14         USD         1.643         1.586,839           Gal Company Term Loan, 9.25%, 8/04/16         3.007         2.954,377           MEG Energy Corp., Tranche D Term Loan, 4.00%,         3.007         2.954,377           MEG Energy Corp., Tranche D Term Loan, 4.00%,         8.158,740         8.158,740           Stables Retailing 1.7%         8.158,740         8.158,740           AB Acquisitions UK Topeo 2 Ltd. (FKA Alliance Boots),         Facility B1, 3.01%, 709/15         GBP         3.000         4.186,994           US Foodservice, Inc., Term Loan B:         7.19%, 2.72%, 703/14         US D         2.197         1.966,712           2.71%, 2.72%, 703/14         US D         2.97         1.205,978         7.339,684           Cod Conservice, Inc., Term Loan, 8.00%, 300/18         2.878         2.782,922         (Second Lien), 11.25%, 9/29/17         1.800         1.764,000           Del Monte Corp., Term Loan, 8.40%, 3.00/18         4.210         3.967,925         Solvest, Ltd. (Dole):         1.100         1.067,922           Tranche B-1 Term Loan, 5.00%, 6.00%,         71         72,2972         1.110,337         1.258, 706         1.110,337         1.259,706		Par			
CCS income Trust, Term Loan B, 3.25%, 1/1/4/14         USD         1,168         S         1,035,629           Coal Company Term Loan, 9.25%, 8/04/16         1,643         1,586,859         3,007         2,954,377           MEG Energy Corp., Tranche D Term Loan, 4,00%,         2,700         2,581,875         8,158,740           Food & Staples Retailing         1.7%         8,158,740         8,158,740           Food Staples Retailing         1.7%         8,158,740         8,158,740           Food Staples Retailing         1.7%         1,207         1,206,712           AB Acquisitions UK Topo 2 Lod (PKA Alliance Boots),         1,27         1,206,712         1,207         1,206,712           5,75%, 3/3/17         1,27         1,205,778         7,359,684         7,359,684           Food Products         2.6%         7,359,684         7,359,684           Food Products         2.6%         7,359,684         7,4100         1,764,000           Del Monte Corp., Term Loan B, 4.50%, 308/18         4,210         3,967,925         7,782,922           Primacle Foods, Frame LUC, Tranche D Term Loan, 6,00%, 7,71         1,800         1,764,000           Del Monte Corp., Term Loan, 5,00%         6,00%, 7,71         7,22,972         1,483,225           Solvet, Lidd, (Dole):         1,7	Floating Rate Loan Interests (b)	(000)			Value
Dynegy Holdings, Inc.:		UCD	1 1 ( 0	¢	1.025.620
Cad Company Term Loan, 9.25%, 8/04/16         1,643         1,868,859           Gas Company Term Loan, 9.25%, 8/04/16         3,007         2,954,377           MEG Energy Corp., Tranche D Term Loan, 4.00%,         2,700         2,581,875           Stolles Retailing         1.7%         8,158,740           Food & Staples Retailing         1.7%         8,158,740           AB Acquisitions UK Topeo 2.1d. (FKA Alliance Boors),         189         3,000         4,186,994           US Foodservice, Inc., Term Loan B:         198         7,19%         2,197         1,966,712           2.71%         2,72%, 703/14         USD         2,197         1,966,712           5.75%, 331/17         1,297         1,205,978         7,359,684           Advance Pierre Foods, Term Loan:         7         7,359,684         2,329           (First Lien), 7,00%, 9/30/16         2,878         2,782,922         (Second Lien), 1,25%, 9/29/17         1,800         1,764,000           Pimacle Foods, Term Loan B, 4,50%, 3/08/18         4,210         3,967,925         1,706/18         3,892,93           Tranche B-1 Term Loan, 5,00%         6,00%,         7         1,713         1,598,929           Tranche C-1 Term Loan, 5,00%         6,00%,         7         1,713         1,598,706		USD	1,168	\$	1,035,629
Gas Company Term Loan, 0.25%, 8/04/16         3,007         2,954,377           MEG Energy Corp, Tranche D Term Loan, 4.00%,         2,700         2,581,875         8,158,740           Food & Staples Retailing 1.7%         2,700         2,581,875         8,158,740           AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots),         6BP         3,000         4,186,994           2,71%         2,729,703/14         USD         2,197         1,966,712           2,75%, 3/31/17         1,297         1,205,978         7,359,684           Food Products         2.6%         7,359,684         7,359,684           Food Products         2.6%         7,359,684         7,359,684           Food Products         2.6%         7,359,684         7,359,684           Advance Pierce Foods, Term Loan         2,878         2,782,922         (%rist Lien, 7,700%, 9/30/16         2,878         2,782,922         (%rist Lien, 7,00%, 9/30/16         2,878         2,278,922         (%rist Lien, 7,00%, 9/30/16         2,878         2,2792         (%rist Lien, 7,00%, 9/30/16         1,920         1,920,928         (%rist Lien, 7,00%, 9/30/1			1 ( 12		1.596.950
MEG Energy Corp., Tranche D Term Loan, 4.00%,         2,700         2,818,875           3/16/18         2,700         2,818,875           Sold & Staples Retailing 1.7%             Food & Staples Retailing 1.7%             AB Acquisitions UK Topco 2.14. (FKA Alliance Boots),             Facility B1, 3.61%, 709/15         GBP         3,000         4,186,994           25 Foodservice, Inc., Term Loan B:           7,359,684           Food Product 2.6%          7,359,684            Food Product 2.6%          7,359,684            Food Product 2.6%          7,359,684            Food Product 2.6%           7,359,684           Food Product 2.6%              Gecond Lien, 1,25%, 9/29/17         1,800         1,764,000            Plinacle Foods Finance LLC, Tranche D Term Loan, 4,90%, 308/18         4,210         3,967,925           Plinacle Foods Finance LLC, Tranche D Term Loan, 5,00%, 6,00%,           1,761,932,923           Tranche C-1 Term Loan, 5,00%, 6,00%,           1,110,337           Tranche C-1 Term Loan, 5,00%, 6,00%,					
3/16/18         2,700         2,581,875         8,158,740           Food & Staples Retailing         1.7%         8         8,158,740           AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots),         GBP         3,000         4,186,994           US Foodservice, Inc., Term Loan B:         1297         12,667,712         1297         12,059,718           2,11%         2,27%, 703/14         USD         2,197         12,066,712         7,359,684           Food Products         2.6%         7,359,684         7,359,684         7,359,684           Advance Pierre Foods, Term Loan:         (First Lian, 7,00%, 9/30/16         2,878         2,782,922         (Second Lien), 11,25%, 9/29/17         1,800         1,764,000           Del Monte Corp., Term Loan B, 4,50%, 308/18         1,505         1,483,225         50/48,124         1,055         1,483,225           Solvest, Ltd. (Dole):         71         722,972         711,110,337         712,972         711,110,337           Heidt Care Equipment & Supplies         1.0%         1,101         1,103,37         1,298,706         1,31,103,37           Heidt Care Equipment & Supplies         1.0%         1,110,337         1,244,446,667         1,713         1,589,706           Jasis Heahticare LLC (FKA ReAble Therapoutics Finance         <			3,007		2,954,577
Ford & Stapiles Retailing 1.7%         8.158,740           Food & Stapiles Retailing 1.7%         3.000         4.186,941           Scool service, Inc., Term Loan B:         1           2.71%         2.72%, 7.03/14         USD         2.197         1.966,712           5.75%, 3/31/17         1.297         1.205,978         7.355,0584           Food Products         2.6%         -         -           Advance Pierre Foods, Term Loan B.         -         7.355,0584           Food Products         2.6%         -         7.355,0584           Gecond Lien), 1.25%, 9/29/17         1.800         1.764,000           Del Monte Corp., Term Loan B, 4.50%, 3/08/18         4.210         3.667,925           Pinnacle Foods Finance LLC, Tranche D Term Loan,         -         -           Go0%, 4/02/14         1.505         1.483,225           Solvest, Ltd. (Dole):         -         -         -           Tranche B-1 Term Loan, 5.00%         6.00%,         -         -           706/18         205         251,485         -         11,110,337           Parache C-1 Term Loan, 3.24%, 3/25/15         265         251,485         11,110,337           DIO Finance LLC (FKA ReAble Therapeutics Finance         -         -         4,3			2 700		2 501 075
Food & Staples Retailing 1.7%         Image: Control of the state of the stat	5/10/16		2,700		
AB Acquisitions UK Topeo 2 Ltd. (FKA Alliance Boots), Facility B1, 3.61%, 7/09/15 GBP 3,000 4,186,994 US Foodservice, Inc., Term Loan B: 2.71% 2.72%, 7/03/14 USD 2,197 1,966,712 7,55%, 3/31/17 1297 1,205,978 7,55%, 3/31/17 1297 1,205,978 Food Products 2.6% 738 Food Products 2.6% 2,878 2,782,922 Gecond Lien, 11.25%, 9/29/17 1,800 1,7164,000 Del Monte Corp., Term Loan B, 4.50%, 3/08/18 4,210 3,967,925 Pinnace LCO, Tranche D Term Loan, 5,00%, 6/00%, 701 Tranche B-1 Term Loan, 5,00% 6,00%, 715 Tranche B-1 Term Loan, 5,00%, 5/03/18 752 Health Care Equipment & Supplies 1.0% Health Care Equipment Dam, 3.25%, 3.03/18 Health Care Equipment Dam, 3.25%, 3.03/18 Health Care Equipment Dam, 5.75%, 1.222/16 Health Care Equipment Dam, 5.75%, 1.222/16 Health Care Equipment Dam, 5.25%, 1.220/198 Health Care, Tranche B-1 Term Loam, 5.25%, 1.220/198 Health Care, T	Food & Stanles Patailing 17%				0,130,740
Facility B1, 3.61%, 709/15       GBP       3,000       4,186,994         US Foodservice, Inc., Term Loan B:					
US Foodservice, Inc., Term Loan B: 2.71% 2.72%, 703/14 USD 2,197 1,265.778 5.75%, 3/3/17 USD 2,197 1,265.778 5.75%, 3/3/17 USD 2,197 1,265.778 Food Products 2.6% Advance Pierre Foods, Term Loan: (First Lien), 7.00%, 9/30/16 2,878 2,782.922 (Second Lien), 11.25%, 9/30/17 18,000 1,764,000 Del Monte Corp., Term Loan B, 4.50%, 3/08/18 4,210 3,967,925 Pinnacle Foods Finance LLC, Tranche D Term Loan, 6.00%, 4/02/14 1,505 1,483.225 Solvest, Ltd. (Dole): Tranche B-1 Term Loan, 5.00% 6.00%, 7/06/18 751 722.972 Pinnacle C-1 Term Loan, 5.00% 6.00%, 7/06/18 751 722.972 Heinte C-1 Term Loan, 5.00% 6.00%, 7/06/18 751 722.972 11,110,337 Heith Care Equipment & Supplies 1.0% Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15 265 251,485 DIO Finance LLC (FKA ReAble Therapeutics Finance LLC), Term Loan, 3.24%, 3/25/15 1,524 4,404,667 Immucor, Inc., Term Loan, 5.00%, 5/03/18 1,514 4,404,667 Immucor, Inc., Term Loan, 5.00%, 5/03/18 1,514 1,404,667 Immucor, Inc., Term Loan, 5.00%, 5/03/18 1,514 1,404,667 Immucor, Inc., Term Loan, 5.75%, 12/22/16 1,294 4,315,676 Health Care Providers & Services 4.1% CHS/Community Health Systems, Inc.: Non-Extended Term Loan, 2.47% 2.57%, 7/25/14 1,294 1,290,198 Da'ita, Inc., Term Loan, 5.75%, 12/22/16 1,294 1,290,190 Da'ita, Inc., Tranche B-1 Term Loan; 5.25%, 1/27/18 1,995 1,845,375 HCA, Inc., Tranche B-1 Term Loan; 5.25%, 7/25/18 1,995 1,845,375 HCA, Inc., Tranche B-1 Term Loan; 5.25%, 7/25/18 1,995 1,845,375 HCA, Inc., Tranche B-1 Term Loan; 2,47% 2,57%, 7/25/18 1,995 1,845,375 HCA, Inc., Tranche B-1 Term Loan; 2,47% 2,57%, 7/25/18 1,995 1,845,375 HCA, Inc., Tranche B-1 Term Loan; 2,47% 2,57%, 7/25/18 1,995 1,845,375 HCA, I		GBP	3 000		4 186 994
2.71%       2.72%, 7/03/14       USD       2,197       1,966,712         5.75%, 3/31/17       1,297       1,205,788         Food Products       2.6%       7,359,684         Advance Pierre Foods, Term Loan:       2,878       2,782,922         (First Lien), 7.00%, 9/30/16       2,878       2,782,922         (Second Lien), 11,25%, 9/29/17       1,800       1,764,000         Del Monte Corp, Term Loan B, 4,50%, 3/08/18       4,210       3,967,925         Prinacle Foods Finance LLC, Tranche D Term Loan,       1,505       1,483,225         Solvest, Lid, (Dole):       1,505       1,483,225         Tranche B-1 Term Loan, 5,00%       6,00%,       404       389,293         Tranche C-1 Term Loan, 5,00%       6,00%,       71       722,972         7/06/18       404       389,293         Torache C-1 Term Loan, 5,00%       6,00%,       71       72,2972         11,110,337       1,588       2,514,85       11,110,337         D/06 Finance LLC (TEKA ReAble Therapeutics Finance       11,110,315       1,506       1,524       1,404,667         LLC), Term Loan, 3,22%, 5/20/14       1,512       1,524       1,404,667       4,315,676       4,315,676       4,315,676       4,315,676       4,315,676       4,315,67		GDI	5,000		1,100,221
5.75%, 3/31/17       1,297       1,205,978         Food Products 2.6%       7,359,684         Advance Pierre Foods, Term Loan:       1         (First Lien), 7,00%, 9/30/16       2,878       2,782,922         (Second Lien), 11,25%, 9/29/17       1,800       1,764,000         Del Monte Corp., Term Loan B, 4,50%, 3/08/18       4,210       3,967,925         Pinacle Foods Finance LLC, Tranche D Term Loan,       1,505       1,483,225         Solvest, Ltd. (Dole):       1       1       1,802       1,483,225         Tranche B-1 Term Loan, 5.00%       6.00%,       1       1,111,103,37         Tranche C-1 Term Loan, 5.00%       6.00%,       11,110,337         Teache To, Dollar Term Loan, 3,24%, 3/25/15       265       251,485         DIO Finance LLC (FKA ReAble Therapeutics Finance       1       1,110       1,006,188         LLC), Term Loan, 3,24%, 3/25/15       265       251,485       251         DIO Finance LLC (FKA ReAble Therapeutics Finance       4,315,676       4,315,676         Lasis Healthcare LLC, Term Loan, 5,00%, 5/03/18       1,524       1,404,667         Innucor, Inc., Term Loan, 7,25%, 8/17/18       1,100       1,060,818         CHS/Community Health Systems, Inc.:       72       67,000         Non-Extended Delayed Dr		USD	2.197		1.966.712
Food Products       2,6%         Advance Pierre Foods, Term Loan:		002			
Food Products         2.6%           Advance Pierre Foods, Term Loan:         2.878         2.782.922           (First Lien), 71.25%, 9/29/17         1.800         1.764.000           Del Monte Corp., Term Loan B, 4.50%, 3/08/18         4.210         3.967.925           Pinnacle Foods Finance LC, Tranche D Term Loan,         4.210         3.967.925           Solvest, Ltd. (Dole):         1.505         1.483.225           Solvest, Ltd. (Dole):         1         706/18         404         389.293           Tranche B-1 Term Loan, 5.00%         6.00%,         751         722.972           706/18         404         389.293         11.110.337           Health Care Equipment & Supplies         1.0%         11.110.337           Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15         205         251.485           DJO Finance LLC (FKA ReAble Therapeutics Finance         1.713         1.588.706           LC), Term Loan 3.24%, 3/25/15         205         251.485           DJO Finance LLC, Term Loan, 5.00%, 5/03/18         1.524         1.404.667           Immucor, Inc., Term Loan B, 7.25%, 8/17/18         1.00         1.060.818           Macher Providers & Services         4.1%         315.676           Health Care Providers & Services         4.1%         4.315.676			-,_, .		
(First Lien), 7.00%, 9/30/16       2,878       2,782,922         (Second Lien), 11.25%, 9/29/17       1,800       1,764,000         Del Monte Corp, Term Loan B, 4,50%, 3/08/18       4,210       3,967,925         Pinnacle Foods Finance LLC, Tranche D Term Loan,       1,505       1,483,225         Solvest, Ltd. (Dole):       1       706/18       404       389,293         Tranche B-1 Term Loan, 5.00%       6.00%,       7051       722,972         7/06/18       404       389,293       11,110,337         Health Care Equipment & Supplies       1.0%       1,515       1,516         JO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3,22%, 5/20/14       1,713       1,598,706         Immucor, Inc., Inc., Inc. Inc. and B, 7.25%, 8/17/18       1,100       1,060,818         CHS/Community Health Systems, Inc:       4,315,676       4,315,676         Vert A 2,57%, 7/25/14       72       67,000       2,47%       2,57%, 7/220,108       1,423       1,319,619       1,423       1,319,619<	Food Products 2.6%				.,
(First Lien), 7.00%, 9/30/16       2,878       2,782,922         (Second Lien), 11.25%, 9/29/17       1,800       1,764,000         Del Monte Corp, Term Loan B, 4,50%, 3/08/18       4,210       3,967,925         Pinnacle Foods Finance LLC, Tranche D Term Loan,       1,505       1,483,225         Solvest, Ltd. (Dole):       1       706/18       404       389,293         Tranche B-1 Term Loan, 5.00%       6.00%,       7051       722,972         7/06/18       404       389,293       11,110,337         Health Care Equipment & Supplies       1.0%       1,515       1,516         JO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3,22%, 5/20/14       1,713       1,598,706         Immucor, Inc., Inc., Inc. Inc. and B, 7.25%, 8/17/18       1,100       1,060,818         CHS/Community Health Systems, Inc:       4,315,676       4,315,676         Vert A 2,57%, 7/25/14       72       67,000       2,47%       2,57%, 7/220,108       1,423       1,319,619       1,423       1,319,619<	Advance Pierre Foods, Term Loan:				
Del Monte Corp., Term Loan B, 4.50%, 3/08/18         4,210         3,967,925           Pinnacle Foods Finance LLC, Tranche D Term Loan,         1,505         1,505         1,83,225           Solvest, Lud. (Dole):         1         1,505         1,83,225           Tranche B-1 Term Loan, 5.00%         6.00%,         404         389,293           Tranche C-1 Term Loan, 5.00%         6.00%,         11,110,337           Health Care Equipment & Supplies         10%         11,110,337           Health Care Equipment & Supplies         1,00         1,515         265         251,485           DJO Finance LLC (FKA ReAble Therapeutics Finance         1,713         1,598,706         1,524         1,404,667           LLC), Term Loan, 5.20%, 5/20/14         1,524         1,404,667         1,524         1,404,667           Immucor, Inc., Term Loan, 5.00%, 5/03/18         1,524         1,404,667         4,315,676           Health Care Providers & Services         4.1%         4,315,676         4,315,676           CHS/Community Health Systems, Inc.:         72         67,000         6,000           Non-Extended Delayed Draw Term Loan, 2.47%         2.57%, 1/22/16         1,423         1,319,619           ConvaTece, Inc., Dollar Term Loan, 5.75%, 12/22/16         1,294         1,220,198         1,251 <td></td> <td></td> <td>2,878</td> <td></td> <td>2,782,922</td>			2,878		2,782,922
Pinnacle Foods Finance LLC, Tranche D Term Loan,       1,505       1,483,225         6.0%, 4/02/14       1,505       1,483,225         Solvest, Ltd. (Dole):       1       1         Tranche B-1 Term Loan, 5.00%       6.00%,       404       389,293         Tranche B-1 Term Loan, 5.00%       6.00%,       751       722,972         7/06/18       751       722,972       11,110,337         Health Care Equipment & Supplies 1.0%       1       11,110,337         Health Care Equipment & Supplies 1.0%       1       1       1,598,706         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FK ReAble Therapeutics Finance       1       1,513       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706       4,315,676         Immoor, Inc., Term Loan B, 7.25%, 8/17/18       1,524       1,404,667         Immoor, Inc., Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immoor, Inc., Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immoor, Inc., Term Loan, 5.75%, 8/17/18       1,60       1,608,18         CHS/Community Health Systems, Inc.:       2,57%, 7/25/14       7       67,000         Non-Extended Delayed Draw Term L					
6.00%, 4/02/14       1,505       1,483,225         Solvest, Ltd. (Dole):	Del Monte Corp., Term Loan B, 4.50%, 3/08/18		4,210		3,967,925
Solvest, Ltd. (Dole):       Tranche B-1 Term Loan, 5.00% 6.00%,         7/06/18       404       389,293         Tranche C-1 Term Loan, 5.00% 6.00%,       751       722,972         7/06/18       751       722,972         7/06/18       751       722,972         11,110,337       1       1         Health Care Equipment & Supplies 1.0%       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1       1       598,706         Luc), Term Loan, 3.22%, 5/20/14       1,713       1,598,706       4,315,676         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818       4,315,676         Health Care Providers & Services       4.1%       4,315,676       4,315,676         Health Care Providers & Services       4.1%       4,315,676       4,315,676         Health Care Providers & Services       4.1%       4,315,676       4,315,676         CHS/Community Health Systems, Inc.:       72       67,000       67,000         Non-Extended Delayed Draw Term Loan, 5.25%, 12/22/16       1,294       1,220,198       1,294       1,220,198       1,294       1,220,198       1,294       1,220,198       1,294       1,220,198       1,294       1,220,198       1,294       1,220,	Pinnacle Foods Finance LLC, Tranche D Term Loan,				
Tranche B-1 Term Loan, 5.00% 6.00%,       404       389,293         Tranche C-1 Term Loan, 5.00% 6.00%,       706/18       706/18         7/06/18       70       72,2,972         7/06/18       70       72,2,972         Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         -       4,315,676       4,315,676         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         -       4,315,676       4,315,676         Immucor, Inc., Term Loan, S.25%, 5/20/14       72       67,000         Non-Extended Delayed Draw Term Loan,       2,47%       2,57%, 7/25/14       72       67,000         Non-Extended Term Loan, 5,75%, 12/22/16       1,294       1,292,198       1,319,619       1,294       1,220,198       1,319,619       1,303,000       1,303,000       1,319,619       1,303,000       1,303,000       1,319,519       1,3	6.00%, 4/02/14		1,505		1,483,225
7/06/18       404       389,293         Tranche C-1 Term Loan, 5.00%       6.00%,       7         7/06/18       751       722,972         11,110,337       11,10,337         Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         CHS/Community Health Systems, Inc.:       4,315,676       4,315,676         Non-Extended Delayed Draw Term Loan,       72       67,000         Non-Extended Delayed Draw Term Loan,       2,47%       2,57%, 7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198       1,900       1,930,300         Davita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300       1,900       1,930,300         Emergency Medical Services, Term Loan, 5.25%, 5/5/18       1,945       1,845,375       1,845,375         5/25/18       1,020,116       1,990       1,930,300	Solvest, Ltd. (Dole):				
Tranche C-1 Term Loan, 5.00%       6.00%,         7/06/18       751       722,972         11,110,337         Health Care Equipment & Supplies       1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1.713       1.598,706         Lasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Value       4,315,676       4,315,676         Health Care Providers & Services       4.1%       4,315,676         CHS/Community Health Systems, Inc.:       1       72       67,000         Non-Extended Delayed Draw Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%, 5/25/18       1,995       1,845,375         7/25/18       1,995       1,845,375         Y25/18       1,995       1,845,375         Y25/18       1,995	Tranche B-1 Term Loan, 5.00% 6.00%,				
7/06/18       751       722,972         11,110,337         Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         Lasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       4,315,676         CHS/Community Health Systems, Inc.:       72       67,000         Non-Extended Delayed Draw Term Loan,       2.47%       2.57%, 7/25/14       72         Non-Extended Term Loan, 2.47%       2.57%, 7       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7       72       72,019         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%, 5/25/18       1,995       1,845,375         Y25/18       1,995       1,845,375       1,250%, 11/18/13       245       236,628	7/06/18		404		389,293
11,110,337         Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DIO Finance LLC (FKA ReAble Therapeutics Finance       1713       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         4,315,676       4,315,676         Health Care Providers & Services 4.1%         CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%, 52/5/18       1,995       1,845,375         5/25/18       1,995       1,845,375         5/25/18       1,995       1,845,375         5/25/18       1,995       1,845,375         5/25/18       1,995       1,845,375         5/25/18       1,915       <					
Health Care Equipment & Supplies 1.0%       265       251,485         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       1       4,315,676         CHS/Community Health Systems, Inc.:       72       67,000         Non-Extended Delayed Draw Term Loan,       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 1,2/22/16       1,294       1,220,198         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       1,995       1,845,375         Y/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       2       236,628	7/06/18		751		,
Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services       4.1%       4,315,676         CHS/Community Health Systems, Inc.:       1       72       67,000         Non-Extended Delayed Draw Term Loan,       2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 12/22/16       1,294       1,220,198       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198       1,300       1,930,300         Emergency Medical Services, Term Loan, 5.25%, 5/25/18       1,995       1,845,375       5/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628       236,628       245       236,628					11,110,337
DJO Finance LLC (FKA ReAble Therapeutics Finance         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services       4.1%       4,315,676         Health Care Providers & Services       4.1%       4,315,676         Health Care Providers & Services       4.1%       4,315,676         Non-Extended Delayed Draw Term Loan,       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 5.47%       1,224       1,319,619       1,324       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198       1,930       1,930,300         Emergency Medical Services, Term Loan, 5.25%, 5/25/18       1,995       1,845,375       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628       236,628       245       236,628					
LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         4,315,676       4,315,676         Health Care Providers & Services       4.1%         CHS/Community Health Systems, Inc.:       72         Non-Extended Delayed Draw Term Loan,       72         2.47%       2.57%, 7/25/14         Non-Extended Term Loan, 2.47%       2.57%,         7/25/14       72       67,000         Non-Extended Term Loan, 5.75%, 12/22/16       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628			265		251,485
Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services       4.1%       4,315,676         Health Care Providers & Services       4.1%       4,315,676         CHS/Community Health Systems, Inc.:       Non-Extended Delayed Draw Term Loan,       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 5.75%, 12/22/16       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       1,995       1,845,375         F/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628					
Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         4,315,676         Health Care Providers & Services       4.1%         CHS/Community Health Systems, Inc.:					
4,315,676         Health Care Providers & Services 4.1%         CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,         2.47% 2.57%, 7/25/14       72         Non-Extended Term Loan, 2.47% 2.57%,         7/25/14       72         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16         DaVita, Inc., Term Loan B, 4.50%, 10/20/16         Emergency Medical Services, Term Loan, 5.25%,         5/25/18         HCA, Inc., Tranche B-1 Term Loan:         2.50%, 11/18/13         245					
Health Care Providers & Services 4.1%         CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,         2.47% 2.57%, 7/25/14       72         Non-Extended Term Loan, 2.47% 2.57%,         7/25/14       72         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16         DaVita, Inc., Term Loan B, 4.50%, 10/20/16         Emergency Medical Services, Term Loan, 5.25%,         5/25/18         HCA, Inc., Tranche B-1 Term Loan:         2.50%, 11/18/13	Immucor, Inc., Term Loan B, 7.25%, 8/17/18		1,100		
CHS/Community Health Systems, Inc.:       72         Non-Extended Delayed Draw Term Loan,       72         2.47% 2.57%, 7/25/14       72         Non-Extended Term Loan, 2.47% 2.57%,       72         7/25/14       1,423         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990         Emergency Medical Services, Term Loan, 5.25%,       1,995         5/25/18       1,995         HCA, Inc., Tranche B-1 Term Loan:       245	Hackle Class Base 'Laws 9 Cases' and 410'				4,315,676
Non-Extended Delayed Draw Term Loan,         2.47%       2.57%, 7/25/14         Non-Extended Term Loan, 2.47%       2.57%,         Non-Extended Term Loan, 2.47%       2.57%,         7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       5/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628					
2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%,       1,423       1,319,619         7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       5/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628					
Non-Extended Term Loan, 2.47%       2.57%,         7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       5/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628	•		72		67.000
7/25/141,4231,319,619ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/161,2941,220,198DaVita, Inc., Term Loan B, 4.50%, 10/20/161,9901,930,300Emergency Medical Services, Term Loan, 5.25%,1,9951,845,3755/25/181,9951,845,375HCA, Inc., Tranche B-1 Term Loan:245236,628			12		07,000
ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       1,995       1,845,375         5/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628			1 423		1 310 610
DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300         Emergency Medical Services, Term Loan, 5.25%,       1,995       1,845,375         5/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628					
Emergency Medical Services, Term Loan, 5.25%,         5/25/18       1,995       1,845,375         HCA, Inc., Tranche B-1 Term Loan:       245       236,628					
5/25/18     1,995     1,845,375       HCA, Inc., Tranche B-1 Term Loan:     245     236,628			1,770		1,20,000
HCA, Inc., Tranche B-1 Term Loan: 2.50%, 11/18/13 245 236,628			1,995		1.845.375
2.50%, 11/18/13 245 236,628			1,770		1,0.0,070
			245		236.628
3.50%, 5/01/18 1,329 1,246,767					
Harden Healthcare, Inc.:					

### Explanation of Responses:

Tranche A Additional Term Loan, 7.75%,		
3/02/15	2,303	2,256,973
Tranche A Term Loan, 8.50%, 3/02/15	692	678,253
inVentiv Health, Inc. (FKA Ventive Health, Inc.):		
Incremental Term Loan B3, 6.75%, 5/15/18	1,000	940,000
Term Loan B, 6.50%, 8/04/16	2,713	2,558,940
Medpace, Inc., Term Loan, 6.50%, 6/22/17	2,000	1,900,000
Renal Advantage Holdings, Inc., Tranche B Term Loan,		
5.75%, 12/16/16	1,294	1,266,557
		17,466,610
Health Care Technology 0.7%		
IMS Health, Inc., Tranche B Dollar Term Loan, 4.50%,		
8/25/17	1,990	1,908,351
MedAssets, Inc., Term Loan B, 5.25%, 11/16/16	945	894,444
		2,802,795

See Notes to Financial Statements.

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

Electing Data Loop Interacts (b)		'ar 00)		Value
Floating Rate Loan Interests (b) Hotels, Restaurants & Leisure 4.4%	(0	00)		value
Caesars Entertainment Operating Co., Inc.:				
Incremental Term Loan B-4, 9.50%, 10/31/16	USD	575	\$	573,388
Term Loan B-1, 3.25%, 1/28/15	03D	1,424	φ	1,226,002
Term Loan B-2, 3.22% 3.25%, 1/28/15		1,260		1,085,566
Term Loan B-3, 3.25%, 1/28/15		4,320		3,719,182
Dunkin Brands, Inc., New Term Loan B, 4.00%,		2.000		2 771 200
11/23/17		2,886		2,771,309
Golden Living, Term Loan, 5.00%, 5/04/18		1,890		1,677,375
Las Vegas Sands LLC:		102		150.000
Delayed Draw Term Loan, 1.72%, 5/23/14		193		179,088
Term Loan B, 1.72%, 5/23/14		1,132		1,054,062
Seaworld Parks & Entertainment, Inc. (FKA SW				
Acquisitions Co., Inc.), Term Loan B, 4.00%,				
8/17/17		1,794		1,731,632
Six Flags Theme Parks, Inc., Tranche B Term Loan				
(First Lien), 5.25%, 6/30/16		2,971		2,897,080
VML US Finance LLC (FKA Venetian Macau):				
New Project Term Loan, 4.73%, 5/27/13		880		870,868
Term B Delayed Draw Project Loan, 4.73%,				
5/25/12		1,035		1,023,828
Term B Funded Project Loan, 4.73%, 5/27/13		179		176,950
				18,986,330
IT Services 3.2%				
Ceridian Corp., US Term Loan, 3.22%, 11/10/14		3,069		2,623,859
First Data Corp.:		,		, ,
Initial B-1 Term Loan, 2.97%, 9/24/14		147		128,976
Initial B-2 Term Loan, 4.22%, 3/23/18		6,563		5,494,561
Initial B-3 Term Loan, 2.97%, 9/24/14		210		184,558
infoGROUP, Inc., Term Loan, 5.75%, 5/22/18		855		784,747
iPayment, Inc., Term Loan B, 5.75%, 5/08/17		1,154		1,091,594
TransUnion LLC, Replacement Term Loan, 4.75%,		1,151		1,071,371
2/12/18		3,721		3,529,063
2/12/10		5,721		13,837,358
Independent Power Producers &				15,657,556
Energy Traders 1.5%				
AES Corp., Term Loan B, 4.25%, 6/01/18		1,796		1,724,578
		2,042		1,724,378
Calpine Corp., Term Loan B, 4.50%, 4/02/18		2,042		1,882,709
Texas Competitive Electric Holdings Co., LLC (TXU),		2716		2 728 022
Extended Term Loan, 4.71% 4.77%, 10/10/17		3,716		2,728,033
				6,335,320
Industrial Conglomerates 1.1%		2 ( 12		2 4 60 176
Sequa Corp., Term Loan, 3.50% 3.51%, 12/03/14		2,643		2,469,176
Tomkins Plc, Term Loan B, 4.25%, 9/29/16		2,277		2,191,573
				4,660,749
Leisure Equipment & Products 0.4%				
EB Sports Corp., Loan, 11.50%, 12/31/15		1,641		1,575,288
Machinery 0.4%				
Terex Corp.:				
Term Loan, 6.03%, 4/28/17	EUR	220		306,549
Term Loan B, 5.50%, 4/28/17	USD	1,300		1,274,000

		1,580,549
Media 10.1%		
AMC Networks, Inc., Term Loan B, 4.00%, 12/31/18	1,800	1,734,750
Acosta, Inc., Term Loan, 4.75%, 3/01/18	1,796	1,693,390
Affinion Group, Inc., Tranche B Term Loan, 5.00%,		
10/10/16	988	889,380
Capsugel Healthcare Ltd., Term Loan, 5.25%,		
8/01/18	1,500	1,449,000
Cengage Learning Acquisitions, Inc. (FKA Thomson		
Learning):		
Term Loan, 2.50%, 7/03/14	925	765,021
Tranche 1 Incremental Term Loan, 7.50%, 7/03/14	1,260	1,203,125
Learning): Term Loan, 2.50%, 7/03/14		, .

		Par		
Floating Rate Loan Interests (b)	(0	)00)		Value
Media (concluded)				
Charter Communications Operating, LLC:	LICD	16	¢	45 005
Term Loan B, 7.25%, 3/06/14	USD	46	\$	45,895
Term Loan C, 3.50%, 9/06/16		2,670		2,542,192
Clear Channel Communications, Inc., Term Loan B,		0.1.4.5		2 252 044
3.87%, 1/28/16		3,145		2,353,844
Cumulus Media, Inc., Term Loan, 6.75%, 8/30/18		1,500		1,404,375
Getty Images, Inc., Initial Term Loan, 5.25%,		470		160.000
11/07/16		478		468,098
Gray Television, Inc., Term Loan B, 3.71%, 12/31/14		929		849,374
HMH Publishing Co., Ltd., Tranche A Term Loan,		0.040		1 007 470
6.21%, 6/12/14		2,348		1,887,472
Hubbard Broadcasting, Term Loan (Second Lien),		1 100		1.046.927
5.25%, 4/28/17		1,100		1,046,837
Intelsat Jackson Holdings SA (FKA Intelsat Jackson				
Holdings, Ltd.), Tranche B Term Loan,		7.000		7 ( 10 950
5.25%, 4/02/18		7,980		7,640,850
Interactive Data Corp., Term Loan, 4.50%, 2/12/18		1,696		1,603,552
Lavena Holding 3 GmbH (Prosiebensat.1 Media AG):	EUD	304		220 571
Facility B1, 4.20%, 3/06/15	EUR	608		338,574
Facility C1, 4.45%, 3/04/16 Madiasam Uliasia LLC (EKA Madiasam		008		681,514
Mediacom Illinois, LLC (FKA Mediacom Communications, LLC), Tranche D Term Loan,				
5.50%, 3/31/17	USD	983		938,287
Newsday LLC, Fixed Rate Term Loan, 10.50%,	USD	905		938,287
8/01/13		4,250		4,388,125
Nielsen Finance LLC, Class C Term Loan, 3.48%,		4,250		4,500,125
5/02/16		405		380,194
Sinclair Television Group, Inc., New Tranche B Term		105		500,171
Loan, 4.00%, 10/28/16		1,313		1,293,338
Sunshine Acquisition Ltd. (FKA HIT Entertainment),		1,010		1,200,000
Term Facility, 5.51%, 6/01/12		1,916		1,842,564
UPC Broadband Holding B.V., Term U, 5.44%,		1,910		1,012,001
12/31/17	EUR	1,246		1,672,917
Univision Communications, Inc., Extended First Lien		-,		-,,,-
Term Loan, 4.47%, 3/31/17		1,872		1,609,690
WC Luxco Sarl, New Term Loan B3, 4.25%, 3/15/18	USD	596		571,455
Weather Channel, Term Loan B, 4.25%, 2/13/17		1,696		1,633,567
		,		42,927,380
Metals & Mining 2.2%				
Novelis, Inc., Term Loan, 3.75%, 3/10/17		3,134		2,960,738
SunCoke Energy, Inc., Term Loan B, 4.00%, 7/26/18		1,600		1,520,000
Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18		5,087		4,858,324
				9,339,062
Multi-Utilities 0.1%				
		395		374,018

FirstLight Power Resources, Inc. (FKA NE Energy, Inc.), Term B Advance (First Lien), 2.75%, 11/01/13			
Multiline Retail 1.4%			
Dollar General Corp., Tranche B-2 Term Loan,			
2.96% 2.97%, 7/07/14		1,439	1,395,477
Hema Holding BV:			
Facility B, 3.43%, 7/06/15	EUR	363	484,352
Facility C, 4.18%, 7/05/16		363	486,956
Facility D, 6.43%, 1/05/17		2,900	3,777,054
			6,143,839
Oil, Gas & Consumable Fuels 1.2%			
Gibson Energy, Term Loan B, 5.75%, 6/14/18	USD	1,500	1,417,500
Obsidian Natural Gas Trust, Term Loan, 7.00%,			
11/02/15		3,651	3,614,688
			5,032,188
Paper & Forest Products 0.9%			
Verso Paper Finance Holdings LLC, Term Loan,			
6.51% 7.26%, 2/01/13 (g)		4,500	3,869,610

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

AUGUST 31, 2011

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

Fact and Incress (a)         (000)         Value           Apains Pharma, Inc., Term Loan, 5.00%, (21/01/7         USD         1,201         \$         1,615,432           Apolis Pharma, Inc., Term Loan, 5.00%, (21/01/7         USD         1,200         1,467,195           Quintels Tinanational Corp., Term Loan, 5.00%, (21/01/7)         1,105         1,115,500           GORIN         700         723,450           RPI Finance Trust, Term Loan Tranche 2, 4.00%, (21/01/7)         866         830,124           GORIN         866         830,124           Term Loan B 1, 4.25%, 3/15/18         866         830,124           Term Loan B 1, 4.25%, 3/15/18         866         830,124           Term Loan B 2, 4.25%, 3/15/18         816         830,124           Term Loan B 2, 4.25%, 3/15/18         830,124         832,124,33           Term L			Par	
Apalas Pharma, Inc., Term Loan, 5.50%, 2/10/17         USD         1,91         \$         1,615,482           Hold Pharmacuriticals Holdings, Inc., Term Loan, 5.00%, 6/08/18         1,500         1,467,195           Quinteles Transmational Corp., Term Loan, 5.00%, 6/08/18         780         723,450           RPI Finance Trust, Term Loan Tanche 2, 4.00%, 500         1,150         1,115,500           S00/18         1,150         1,115,500           Warner Chikott Corp.:         -         -         -           Term Loan B-1, 4.25%, 3/15/18         866         830,124           Term Loan B-2, 4.25%, 3/15/18         866         830,124           Term Loan B-1, 4.25%, 3/15/18         866         1,218,877           Fifth Thid Processing Solutions, LLC, Term Loan B         -         -         1,218,877           Fifth Thid Processing Solutions, LLC, Term Loan B         -         -         2,321,350           Start Financial, Inc., Term Loan, Stevend Lien),         -         -         -           Solw, G28/13         3,447         3,349,325         -         -           Real State Management & Development 1.2%         -         -         -         -           Solw, Carry Term Loan, 3,27%, 10/10/15         2,667, 7         2,362,243         -         - <td< th=""><th>Floating Rate Loan Interests (b)</th><th></th><th></th><th>Value</th></td<>	Floating Rate Loan Interests (b)			Value
Endo Pharmaceuticals Holdings, Inc., Term Loan, 5.00%,         1.500         1.467, 195           Quinteles Transnational Corp., Term Loan, 5.00%,         780         723, 450           RPI Finance Trust, Term Loan Tranche 2, 4.00%,         1.150         1.150           S09/18         1.150         1.150         1.150           S09/18         1.150         1.150         1.150           S09/18         4.25%, 3/15/18         433         415, 500           Term Loan B-2, 4.25%, 3/15/18         433         415, 500           Term Loan B-2, 4.25%, 3/15/18         433         415, 500           Term Loan B-2, 4.25%, 3/15/18         433         415, 500           MARC Third Processing Solutions, LLC, Term Loan B         2009         2.012, 473           Tist Financial, Inc., Tranche B Term Loan, 4.06%         3.447         3.349, 325           Real Estate Management & Development 1.2%         2.012, 473         3.447           Solo%, 6/28/13         3.447         3.349, 325           Real Estate Management & Development 1.2%         2.012, 473         3.447           Real State Management & Development 1.2%         2.012, 473         3.447         3.349, 325           Semiconductors & Semiconductor         3.03         2.2496, 2430         5.184, 382	Pharmaceuticals 1.4%			
4.00%, 6/18/18         1,467,195           000/01/01         780         723,450           6/08/18         780         723,450           RPI Finance Trust, Term Loan Tranche 2, 4.00%,         1,150         1,115,500           Wamer Chilcott Corp:         1         610,7354         866         830,124           Term Loan B-1, 4.25%, 3/15/18         866         830,124         61,67,354         61,67,354           Poressional Service 0.8%         61,67,354         61,67,354         61,67,354         61,67,354           Door Allen Ramilton, Inc., Term Loan B         1,246         1,218,877         1,746         1,218,877           Fifth Third Processing Solutions, LLC, Term Loan B         1,200         2,012,473         3,231,350           Read Estate Investment Trusts (RETTs) 0.8%         2,000         2,012,473         3,249,325           Readogy Corp:         2         2,262,243         2,262,243           Extended Symbelic Letter of Credit Loan,         3,033         2,2466,249         2,184,382           Semiconductors & Semiconductor         3,033         2,2462,493         2,184,382           Semiconductors, Inc., Extended Maturity         730         664,126         664,126           Microsemi Corp, Term Loan B, 4,05%, 10/0/16         363 <t< td=""><td>Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17</td><td>USD</td><td>1,791</td><td>\$ 1,615,482</td></t<>	Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17	USD	1,791	\$ 1,615,482
Quinteles Transnational Corp., Term Loan, 5.00%, 608/18         780         723,450           RPI Finance Trast, Term Loan Tranche 2, 4.00%, 909/18         1,150         1,150           Warner Chilcott Corp.:         866         830,124           Term Loan D.1, 4.25%, 3/15/18         433         415,600           Term Loan D.2, 4.25%, 3/15/18         433         415,600           Term Loan D.2, 4.25%, 3/15/18         433         415,600           Porfessional Service 0.8%         6,167,354         6,167,354           Porfessional Service 0.8%         2,000         2,012,473           Booz, Allen Hamilton, Inc., Tranche B Term Loan, 4,00%, 803/17         1,246         1,218,877           Fifth Third Processing Solutions, LLC, Term Loan B         3,447         3,349,325           Real Estate Investment Trusts (REITs) 0.8%         3,447         3,349,325           Real Estate Investment Trusts (REITs) 0.8%         3,343         2,362,243           Estate Management & Development 1.2%         2,667         2,362,243           Estate Management & Speciond Lien),         3,03         2,496,243           Advw, 10/16         396         325,890           Estate Management & Development 1.2%         2,496,243         2,496,243           Semiconductors & Semiconductor         1,803,575	Endo Pharmaceuticals Holdings, Inc., Term Loan B,			
6008/18       780       723,450         87P1 Finance Trush, Term Loan Tranche 2, 4.00%,       1,150       1,115,500         Warner Chillont Corp.:       866       830,124         Term Loan B 1, 4.25%, 3/15/18       866       830,124         Term Loan B 1, 4.25%, 3/15/18       866       830,124         Term Loan B 1, 4.25%, 3/15/18       433       415,603         Boox Allen Hamilton, Inc., Tranche B Term Loan,       433       415,603         4.00%, 8/03/17       1,246       1,218,877         Fifth Third Processing Solutions, LLC, Term Loan B       700       2,012,473         (First Lien), 4.50%, 11/03/16       2,090       2,012,473         Solw, 6/28/13       3,447       3,349,325         Real Estate Investment Trusts (REITs) 0.8%       3,447       3,349,325         Star Financial, Inc., Term Loan, Sceond Lien),       5,00%, 6/281       3,447       3,349,325         Real Estate Management & Development 1.2%       2,677       2,362,434       2,447       3,447       3,449,325         Real Gy Corp.:       T       T       2,476,249       2,478,472       2,476,249       2,486,249         Starended Term Loan, A,52%, 10/10/16       396       3,25,890       3,2840       2,584,532       2,584,532       2,584,532	4.00%, 6/18/18		1,500	1,467,195
RPI Finance Trust, Term Loan Tranche 2, 4.00%,       1,150       1,155,00         Warner Chilcott Corp.:       1,150       1,150,00         Term Loan P.1, 4.25%, 3/15/18       866       830,124         Term Loan P.2, 4.25%, 3/15/18       866       830,124         Term Loan P.2, 4.25%, 3/15/18       61.67.354       61.67.354         Booz Allen Hamilton, Inc., Tranche B Term Loan B       1,246       1,218,877         Fifth Third Processing Solutions, LLC, Term Loan B       1,246       1,218,877         Fifth Third Processing Solutions, LLC, Term Loan B       3,47       3,349,323         Real Estate Investment Trusts (REITs)       0.8%       3,47       3,349,323         Start Financia, Inc., Term Loan G, (Second Lien),       5,00%, 6/28/13       3,47       3,349,325         Started Synthetic Letter of Credit Loan,       3,66       325,890       2,5890         Extended Term Loan B, 4,52%, 10/10/16       3,66       3,280,2890       2,892         Extended Term Loan B, 4,52%, 10/10/16       3,66       3,249,239         Extended Term Loan B, 4,52%, 10/10/16       3,66       2,5890         Extended Term Loan B, 4,52%, 10/10/16       3,66       2,5890         Extended Term Loan B, 4,52%, 10/10/16       1,62,674       2,82,82         Speciaty Retail 3.3%	Quinteles Transnational Corp., Term Loan, 5.00%,			
509/18       1,150       1,115,500         Warre Chicont Corp.:       866       830,124         Tern Loan B-1, 4.25%, 3/15/18       433       415,603         Boox Allen Hamilton, Inc., Tranche B Term Loan,       6,167,354         Boox Allen Hamilton, Inc., Tranche B Term Loan,       1,246       1,218,877         Fifth Third Processing Solutions, LLC, Term Loan B       2,090       2,012,473         Real Estate Investment Trusts (REITs)       0.5%       3,231,350         Real Estate Investment Trusts (REITs)       0.5%       3,241,350         Star Financial, Inc., Term Loan, (Second Lien),       5,00%, 6/28,13       3,447       3,349,325         Real Estate Investment Trusts (REITs)       0.5%       3,247       3,249,224         Realogy Corp:       2,677       2,362,243       2,496,249         Realogy Corp:       2,677       2,362,243       2,496,249         Extended Term Loan B, 4,52%, 10/10/16       3,06       3,25,890       2,496,249         Equipment 0.4%, 10/03/16       3,033       2,496,249       2,496,249         Equipment 0.4%, 12/02/17       7,30       664,126       5,184,382         Semiconductor, Inc., Extended Maturity       730       664,126       1,893,345         Term Loan B, 4,52%, 10/10/16       730	6/08/18		780	723,450
Wamer Chilcott Corp.:       866       830.124         Term Loan B-1, 4.25%, 3/15/18       866       830.124         Term Loan B-2, 4.25%, 3/15/18       433       415,603         Corp Loan B-1, 4.25%, 3/15/18       433       415,603         Porfessional Services       0.8%       6,167,354         Boox, Allen Hamilton, Inc., Tranche B Term Loan B       1,246       1,218,877         Fifth Third Processing Solutions, LLC, Term Loan B       2,090       2,012,473         Star Financial, Inc., Tranche Stevelopment       1,246       3,349,325         Real Estate Investment Trusts (REITs)       0.8%       3,349,325         Real Fstate Management & Development       1,27       2,362,243         Star Financial, Inc., Term Loan, Sceond Lien),       5,07%, 6/28/13       3,47         Star Financial, Inc., Term Loan, Sceond Lien),       3,033       2,496,249         Star Financial, Inc., Term Loan, S,27%, 10/10/13       2,677       2,362,243         Extended Symbetic Letter of Credit Loan,       44%, 10/10/16       30,03       2,496,249         Startinde Corp., Term Loan B, 4,52%, 10/10/16       30,03       2,496,249       5,184,382         Semiconductors & Semiconductor       1,294       1,244,219       1,244,219       1,244,219       1,244,219       1,242,219       1	RPI Finance Trust, Term Loan Tranche 2, 4.00%,			
Term Loan B-1, 4.25%, 3/15/18         866         830,124           Term Loan B-2, 4.25%, 3/15/18         433         415.603           Porfessional Services 0.8%         8003/11         8003/11         8003/11           Professional Services 0.8%         1,246         1,218.877           Fifth Third Processing Solutions, LLC, Term Loan B         2,000         2,012,473           4,00%, 8003/17         2,000         2,012,473           7,871         0,876         3,447           Star Financial, Ine., Term Loan, (Second Lien),         3,447         3,349,325           Solw, 6/23/13         3,447         3,349,325         3,349,325           Reale State Management & Development 1.2%         2,677         2,362,243           Extended Synthetic Letter of Credit Loan,         396         325,890           4,44%, 10/10/16         396         325,890           Extended Term Loan B, 4,52%, 10/10/16         306         328,893           Semiconductors & Semiconductor         70         664,126           Freescale Semiconductor, Inc., Extended Maturity         730         664,126           Freescale Semiconductor, Inc., Extended Maturity         1,294         1,234,219           Freescale Semiconductor, Inc., Extended Maturity         1,294         1,234,219	5/09/18		1,150	1,115,500
Term Loan B-2, 4.25%, 3/15/18       433       415,603         Professional Services       0.8%         Booz Allen Hamilton, Inc., Tranche B Term Loan,       1,246         A00%, 8/03/17       1,246         Fifth Third Processing Solutions, LLC, Term Loan B       2,090         (First Lien), 4.50%, 11/03/16       2,090         Real Estate Investment Trusts (RETTs)       0.8%         Star Financia, Inc., Term Loan, (Second Lien),       3,447         S,00%, 6/28/13       3,447         Real Estate Management & Development       1.2%         Real Estate Management & Development       1.2%         Realogy Corp.:       2,362,243         Extended Synthetic Letter of Credit Loan,       3,063         4.44%, 10/10/16       396       325,890         Extended Term Loan B, 4.52%, 10/10/16       306       3,248,249         Eveniconductors & Semiconductor       5,184,382       5         Semiconductors, Corp., Term Loan B, 4.52%, 10/10/16       730       664,126         Mitrosemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         Intrinston Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         Specialty Retail       3,407       1,245,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 307/18				
6,167,354           Professional Services 0.8%           Booz Allen Hamilton, Inc., Tranche B Term Loan, 4.00%, 803/17         1,246         1,218.877           Fifth Third Processing Solutions, LLC, Term Loan B (First Lien), 4.50%, 11/03/16         2,090         2,012.473           Real Estate Investment Trusis (REITs)         0.8%         3,231.350           Istar Financial, Inc., Term Loan, (Second Lien), 5.00%, 6/28/13         3,447         3,349,325           Real Estate Management & Development         1.2%         2         2,677         2,362,243           Realogy Corp.:         2         2         2,677         2,362,243           Extended Draw Term Loan, 3.27%, 10/10/13         2,677         2,362,243         2,58,90           Extended Term Loan B, 4,52%, 10/10/16         396         325,890         2,518,438           Semiconductor, Inc., Extended Maturity         730         664,126           Freescale Semiconductor, Inc., Extended Maturity         730         664,126           Microsemi Corp., Term Loan B, 4.00%, 11/02/17         1,294         1,234,219           Specialty Retail 3.3%         1,000         1,803,575           Burlington Cord Factory Warehouse Corp., Term         2,175         2,052,656           J. Crew Group, Inc., Term Loan B, 4,25%, 307/18         653         581,904	Term Loan B-1, 4.25%, 3/15/18			
Professional Services 0.8%         1,246         1,218,877           Booz Allen Hamilton, Inc., Tranche B Term Loan, 4.0%, 803/17         1,246         1,218,877           Fifth Third Processing Solutions, LLC, Term Loan B         2,090         2,012,473           (First Lien), 4.50%, 11/03/16         2,090         2,012,473           Star Financial, Inc., Term Loan, (Second Lien),         3,231,350           Star Financial, Inc., Term Loan, Second Lien),         3,349,325           Real Estate Management & Development 1.2%         2           Real Estate Management & Development 1.2%         3,66           Start financial, Inc., Term Loan, 3,27%, 10/10/13         2,6677         2,362,243           Statended Synthetic Letter of Credit Loan,         396         325,890           Atstended Term Loan, 4,45%, 10/10/16         3033         2,496,249           State financhoutcor, B. Estended Maturity         70         664,126           Microsemi Corp., Term Loan, 4,44%, 120/11/6         70         664,126           Microsemi Corp., Term Loan, 6,00%, 8/03/18         1,900         1,803,575           Burlington, Core, Factory Warbouse Corp., Term         1,407         1,326,274           General Nutrition Centers, Inc., Term Loan B, 4,25%, 3/07/18         653         581,904           Jo-Am Stores, Inc., Term Loan B, 4,57%, 3/07/18	Term Loan B-2, 4.25%, 3/15/18		433	
Booz Allen Hamilton, Inc., Tranche B Term Loan,         1,246         1,218,871           4.00%, 8/03/17         2,000         2,012,473           3,231,350         3,231,350         3,231,350           Real Estate Investment Trusts (REITs)         0.8%         3,231,350           Star Financial, Inc., Term Loan, (Second Lien),         3,447         3,349,325           Real Estate Management & Development         1.2%         3,447         3,349,325           Real Estate Management & Development         1.2%         3,447         3,349,325           Real Ogy Corp.:         Delayed Draw Term Loan, 3,27%, 10/10/13         2,677         2,362,243           Extended Synthetic Letter of Credit Loan,         303         2,496,249         5,184,382           Semiconductors & Semiconductor         730         664,126         5,184,382           Freescale Semiconductor, Inc., Extended Maturity         1,294         1,234,219         1,898,345           Secalary Retail 3.3%         -         -         1,898,345           Cademy Lit, Term Loan B, 4,75%, 307/18         1,407         1,326,274           Michaels Stores, Inc., Term Loan B, 4,75%, 307/18         2,175         2,052,656           Ort, Retail 3.3%         -         -         3,263,502           Crew Group, Inc., Term Loa				6,167,354
4.00%, 803/17       1,246       1,218,877         Fifth Third Processing Solutions, LLC, Term Loan B       2,090       2,012,473         (First Lien), 4.50%, 11/03/16       2,090       2,012,473         Star Financial, Inc., Term Loan, (Second Lien),       3       3         5.00%, 6/28/13       3,447       3,349,325         Real Estate Management & Development       1.2%       2         State Management & Development       1.2%       2         Real Estate Management & Development       1.2%       2         Real Estate Management & Development       1.2%       2         Real Estate Management & Development       3       3<				
Fifth Third Processing Solutions, LLC, Term Loan B         2,090         2,012,473           (First Lien), 4,50%, 11/03/16         2,33,50           Real Estate Investment Trusts (REITs)         0.8%           Star Financial, Inc., Term Loan, (Second Lien),         3,447           5,00%, 6/28/13         3,447           Realogy Corp.:         2           Delayed Draw Term Loan, 3,27%, 10/10/13         2,677           Stended Synthetic Letter of Credit Loan,         396           4,44%, 10/10/16         396           Extended Synthetic Letter of Credit Loan,         396           4,44%, 10/10/16         3,033           Extended Term Loan B, 4,52%, 10/10/16         3,033           Freescale Semiconductors         5,184,382           Semiconductors & Semiconductor         1,838,345           Terescale Semiconductor, Inc., Extended Maturity         1,294           Terescale Semiconductor, Inc., Extended Maturity         1,898,345           Specialty Retail 3.3%         1,900           Academy Ltd, Term Loan B, 4,05%, 3/07/18         1,900           Academy Ltd, Term Loan B, 4,75%, 3/07/18         2,175           Academy Ltd, Term Loan B, 4,75%, 3/07/18         2,175           Academy Ltd, Term Loan B, 4,75%, 3/07/18         38           J. Crew Group, Inc., Term L				
(First Lien), 4.50%, Î.103/16       2,090       2,012,473         3,231,350       Real Estate Investment Trusts (REITs)       0.8%         ištar Financial, Inc., Term Loan, (Second Lien),       3,447       3,349,325         5,00%, 6/28/13       3,447       3,349,325         Real Estate Management & Development       1.2%       2,677       2,362,243         Real Gym Term Loan, 3,27%, 10/10/13       2,677       2,362,243         Extended Synthetic Letter of Credit Loan,       306       325,890         At4%, 10/10/16       306       325,890         Extended Term Loan B, 4.52%, 10/10/16       3,033       2,496,249         Equipment       0.4%       5,184,382         Semiconductors & Semiconductor       5,184,382         Secial Retail       3.3%       2,496,249         Kicrosemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         Specialty Retail       3.3%       2,456,273       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18       1,407       1,326,274       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18       653       581,904       1,407			1,246	1,218,877
3,231,350         Real Estate Investment Trusts (REITs) 0.8%         Star Financial, Inc., Term Loan, (Second Lien),         5,00%, 6/28/13         Real Estate Management & Development 1.2%         Realogy COP:         Delayed Draw Term Loan, 3.27%, 10/10/13         Ster financial, Inc., Term Loan, 3.27%, 10/10/16         3,033         Extended Synthetic Letter of Credit Loan,         4,44%, 10/10/16         3,033         Extended Term Loan, 8,452%, 10/10/16         3,033         Equipment 0.4%         Freescale Semiconductor         Equipment 0.4%         Freescale Semiconductor, Inc., Extended Maturity         Term Loan, 4.44%, 12/01/16         Microsemi Corp., Term Loan B, 4.00%, 11/02/17         1,294         1,234,219         Internet Loan B, 4.00%, 11/02/17         1,294         1,398,345         Specialty Retail 3.3%         Academy Ltd., Term Loan B, 4.00%, 8/03/18         Burlington Coar Factory Warehouse Corp., Term         Loan B, 6.25%, 2/23/17         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18         302/18         10-An Stores, Inc., Term Loan B, 4.25%, 3/07/18         10-An Stores, Inc., Term Loan B, 4.50%, 1/101				
Real Estate Investment Trusts (REITs) 0.8%         3,447         3,349,325           Star Financial, Inc., Term Loan, (Second Lien),         3,447         3,349,325           Star Sinancial, Inc., Term Loan, (Second Lien),         3,447         3,349,325           Realogy Corp.:         Delayed Draw Term Loan, 3,27%, 10/10/13         2,677         2,362,243           Extended Synthetic Letter of Credit Loan,         4,44%, 10/10/16         3,063         2,496,249           Stended Term Loan B, 4,52%, 10/10/16         3,033         2,496,249         5,184,382           Semiconductors & Semiconductor         5,184,382         5         5           Equipment         0.4%         730         664,126           Microsemi Corp., Term Loan B, 4,00%, 11/02/17         1,294         1,234,219           Incrosemi Corp., Term Loan B, 4,00%, 11/02/17         1,294         1,234,219           Specialty Retail         3.3%         1,900         1,803,575           Burlington Coat Factory Warehouse Corp., Term         1,407         1,326,274           General Nutrition Centers, Inc., Term Loan B, 4,25%, 3/07/18         2,175         2,052,656           J. Crew Group, Inc., Term Loan B, 4,25%, 3/07/18         980         926,500           J. Crew Group, Inc., Term Loan B, 4,50%, 3/16/18         798         742,140	(First Lien), 4.50%, 11/03/16		2,090	
iStar Financial, Inc., Term Loan, (Second Lien),         3,437         3,349,325           Scow, 6/28/13         3,497         3,349,325           Real Estate Management & Development         1.2%           Realogy Corp.:         2,677         2,362,243           Extended Synthetic Letter of Credit Loan,         396         325,890           Extended Synthetic Letter of Credit Loan,         396         32496,249           Equipment 0.4%         1294         1,234,219           Freescale Semiconductor, Inc., Extended Maturity         1,898,345           Specialty Retail 3.3%         1,800         1,898,345           Specialty Retail 3.3%         1,407         1,326,274           General Nutrition Coat Factory Warehouse Corp, Term         2,175         2,052,656           J. Crew Group, Inc., Term Loa				3,231,350
5.00%, 6/28/13       3,447       3,349,325         Real Estate Management & Development 1.2%				
Special State Management & Development 1.2%           Real Sy Corp.:         2,677         2,362,243           Delayed Draw Term Loan, 3.27%, 10/10/13         2,677         2,362,243           Extended Synthetic Letter of Credit Loan,         306         325,890           4.44%, 10/10/16         3,003         2,406,249           Extended Term Loan B, 4.52%, 10/10/16         3,003         2,496,249           Equipment 0.4%         5,184,382         5,184,382           Preescale Semiconductor, Inc., Extended Maturity         70         664,126           Microsemi Corp., Term Loan B, 4.00%, 11/02/17         1,294         1,234,219           Microsemi Corp., Term Loan B, 4.00%, 11/02/17         1,898,345         1,898,345           Specialty Retail 3.3%         1,000         1,803,575           Burlington Coat Factory Warehouse Corp., Term         1,803,575           Burlington Coat Factory Warehouse Corp., Term         1,000         1,803,575           Specialty Retail 3.3%         2,175         2,052,656         3,519,041           Jo-Ann Stores, Inc., Term Loan B, 4,25%, 3/07/18         653         581,904           Jo-Ann Stores, Inc., Term Loan B, 4,75%, 3/07/18         598         742,140           Michaels Stores, Inc.:         1         1,27,915           Term Loan B-1				
Realogy Corp.:       2,677       2,362,243         Delayed Draw Term Loan, 3.27%, 10/10/13       2,667       2,362,243         Extended Synthetic Letter of Credit Loan,       396       325,890         Extended Term Loan B, 4.52%, 10/10/16       3,033       2,496,249         Semiconductors & Semiconductor       5,184,382         Equipment 0.4%       730       664,126         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         Nass,345       1,898,345       1,898,345         Specialty Retail 3.3%       1,900       1,803,575         Burlington Coat Factory Warehouse Corp., Term       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/07/18       798       742,140         Michaels Stores, Inc., Term Loan B, 4.75%, 3/07/18       980       926,500         Jo-Ann Stores, Inc., Term Loan B, 4.50%, 11/12       2,708       2,545,191         Inda B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/14/11       1,004,911         Intial Loan, 6.00%, 9/01/16       1,907			3,447	3,349,325
Delayed Draw Term Loan, 3.27%, 10/10/13         2,677         2,362,243           Extended Synthetic Letter of Credit Loan,         396         325,890           4.44%, 10/10/16         3,033         2,496,249           Extended Term Loan B, 4.52%, 10/10/16         3,033         2,496,249           Semiconductors & Semiconductor         5,184,382           Semiconductor, Inc., Extended Maturity         730         664,126           Microsemi Corp., Term Loan B, 4.00%, 11/02/17         1,294         1,234,219           1.898,345         1,898,345         1,898,345           Speialty Retail         3,3%          4           Academy Ltd., Term Loan, 6,00%, 8/03/18         1,900         1,803,575           Burlington Coat Factory Warehouse Corp., Term         1,407         1,326,274           General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18         653         581,904           Jo-Ann Stores, Inc., Term Loan B, 4.25%, 3/07/18         653         581,904           Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18         798         742,140           Michaels Stores, Inc.:         1         1,427,915           Term Loan B-1, 2.50%, 10/31/13         980         926,500           Term Loan B-1, 2.50%, 10/31/16         1,517         1,427,915				
Extended Synthetic Letter of Credit Loan,         396         325,890           4.44%, 10/10/16         3,96         325,890           Extended Term Loan B, 4.52%, 10/10/16         3,03         2,496,249           Equipment 0.4%         5,184,382           Freescale Semiconductor, Inc., Extended Maturity         730         664,126           Microsemi Corp., Term Loan B, 4.00%, 11/02/17         1,294         1,234,219           Extended Y Etail 3.3%         1,900         1,803,575           Burlington Coat Factory Warehouse Corp., Term         1,407         1,326,274           General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18         2,115         2,052,656           J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18         653         581,904           Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/07/18         653         581,904           Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18         798         742,140           Michaels Stores, Inc.;         1         1         1,427,915           Term Loan B-2, 4.75%, 7/31/16         1,517         1,427,915           Peter Loan B-2, 4.75%, 7/31/16         1,517         1,427,915           Peter Loan B-2, 4.75%, 7/31/16         1,517         1,427,915           Peter Loan B-2, 4.75%, 7/31/16         1,517         1,427,915 </td <td></td> <td></td> <td></td> <td></td>				
4.44%, 10/10/16       396       325,890         Extended Term Loan B, 4.52%, 10/10/16       3,033       2,496,249         5,184,382       5,184,382         Semiconductors & Semiconductor       5,184,382         Equipment       0.4%         Freescale Semiconductor, Inc., Extended Maturity       730         Term Loan, 4,44%, 12/01/16       730       664,126         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         Lasse Semiconductor Year Deam B, 4.00%, 11/02/17       1,294       1,234,219         Microsemi Corp., Term Loan, 6.00%, 8/03/18       1,900       1,803,575         Burlington Coat Factory Warehouse Corp., Term       1,900       1,803,575         Burlington Coat Factory Warehouse Corp., Term       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.25%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.       980       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       11/17       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,			2,677	2,362,243
Extended Term Loan B, 4.52%, 10/10/16       3,033       2,496,249         Semiconductors & Semiconductor       5,184,382         Equipment       0.4%         Freescale Semiconductor, Inc., Extended Maturity       730       664,126         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         Inservation       1,898,345       1,900       1,898,345         Specialty Retail       3.3%       1,900       1,803,575         Burlington Coat Factory Warehouse Corp., Term       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.       1       1,407       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/13       980       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/12/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       11/24/17       2,708       2,545,191				
Seniconductors & Semiconductor       5,184,382         Equipment 0.4%       730         Freescale Semiconductor, Inc., Extended Maturity       730         Term Loan, 4.44%, 12/01/16       730         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294         1,294       1,234,219         1,898,345       1,898,345         Specialty Retail 3.3%       1,900         Academy Ltd., Term Loan, 6.00%, 8/03/18       1,900         B, 6.25%, 2/23/17       1,407         General Nutrition Centers, Inc., Term Loan B, 4.25%,       1,407         3/02/18       2,175       2,052,656         J, Crew Group, Inc., Term Loan B, 4.75%, 3/16/18       798       798         Nichaels Stores, Inc., Term Loan B, 4.75%, 3/16/18       980       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       1,117       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       1,117       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       1,117       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       1,117       1,427,915         Petco Animal Suppl				
Semiconductors & Semiconductor           Equipment         0.4%           Freescale Semiconductor, Inc., Extended Maturity         730         664,126           Term Loan, 4.44%, 12/01/16         730         664,126         1,898,345           Microsemi Corp., Term Loan B, 4.00%, 11/02/17         1,294         1,234,219         1,898,345           Specialty Retail         3.3%         7         1,800         1,803,575           Surlington Coat Factory Warehouse Corp., Term         1,400         1,326,274         1,407         1,326,274           General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/07/18         2,175         2,052,656         3         581,004           Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/07/18         653         581,004         3         926,500           Term Loan B-1, 2.50%, 10/31/13         980         926,500         926,500         926,500           Term Loan B-2, 4.75%, 7/31/16         94,50%, 11/27         2,708         2,545,191           Toys R Us Delaware, Inc.:         11/24/17         2,708         2,545,191           Toys R Us Delaware, Inc.:         1,104         1,064,911         1,064,911           Titial Loan, 6.00%, 9/01/16         1,970         1,786,985         1,147         1,064,911         1,064,911	Extended Term Loan B, 4.52%, 10/10/16		3,033	
Equipment 0.4%         Freescale Semiconductor, Inc., Extended Maturity         Term Loan, 4.44%, 12/01/16       730       664,126         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         1,898,345         Specialty Retail 3.3%       1,900       1,808,375         Burlington Coat Factory Warehouse Corp., Term       1,407       1,326,274         Cane B, 6.25%, 2/23/17       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%,       1,407       1,326,274         3/02/18       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.25%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Michaels Stores, Inc.       798       742,140         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,				5,184,382
Freescale Semiconductor, Inc., Extended Maturity       730       664,126         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         1,289       1,294       1,289,345         Specialty Retail       3.3%       1       900       1,803,575         Burlington Coat Factory Warehouse Corp., Term       1       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/02/18       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.:       798       742,140         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,947       1,064,911         Mireless Telecommunication Services       1,7%       1,064,911				
Term Loan, 4.44%, 12/01/16       730       664,126         Microsemi Corp., Term Loan B, 4.00%, 11/02/17       1,294       1,234,219         1,898,345         Specialty Retail       3.3%         Academy Ltd., Term Loan, 6.00%, 8/03/18       1,900       1,803,575         Burlington Coat Factory Warehouse Corp., Term       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%,       1,407       1,326,274         3/02/18       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.:       798       742,140         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       11/12/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1       11/24/17       1,786,985       1         Term Loan, 5.25%, 5/25/18       1,907       1,786,985       1       1,427,915         Wireless Telecommunication Services 1.7%       1,804       1       1,4258,051				
Image: Second start sta	•		730	664,126
Image: Second start sta	Microsemi Corp., Term Loan B, 4.00%, 11/02/17		1,294	1,234,219
Specialty Retail 3.3%         Academy Ltd., Term Loan, 6.00%, 8/03/18         1,900         1,803,575           Burlington Coat Factory Warehouse Corp., Term				
Burlington Coat Factory Warehouse Corp., Term         Loan B, 6.25%, 2/23/17       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%,       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.:       798       742,140         Michaels Stores, Inc.:       798       980       926,500         Term Loan B-1, 2.50%, 1/031/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       1       1         11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1       1       1,907       1,786,985         Term Loan, 6.00%, 9/01/16       1,907       1,786,985       1       14,258,051         Wireless Telecommunication Services       1.7%       1,425,051       1       1	Specialty Retail 3.3%			
Loan B, 6.25%, 2/23/17       1,407       1,326,274         General Nutrition Centers, Inc., Term Loan B, 4.25%,       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.:       798       742,140         Michaels Stores, Inc.:       798       980       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,907       1,786,985       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911       14,258,051         Wireless Telecommunication Services 1.7%       1.7%       1.428,051	Academy Ltd., Term Loan, 6.00%, 8/03/18		1,900	1,803,575
General Nutrition Centers, Inc., Term Loan B, 4.25%,       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.       798       742,140         Michaels Stores, Inc.       980       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       111/24/17       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911       1,4258,051         Wireless Telecommunication Services       1.7%       1.780       1.780	Burlington Coat Factory Warehouse Corp., Term			
3/02/18       2,175       2,052,656         J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.:       798       742,140         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,107       1,786,985       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911       14,258,051         Wireless Telecommunication Services       1.7%       1.7%	Loan B, 6.25%, 2/23/17		1,407	1,326,274
J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18       653       581,904         Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.:       780       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,107       1,786,985       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911       14,258,051         Wireless Telecommunication Services       1.7%       1.7%	General Nutrition Centers, Inc., Term Loan B, 4.25%,			
Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18       798       742,140         Michaels Stores, Inc.:       780       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       708       2,708       2,545,191         Toys R Us Delaware, Inc.:       2,708       2,545,191       709       7786,985         Initial Loan, 6.00%, 9/01/16       1,907       1,786,985       1,147       1,064,911         Wireless Telecommunication Services       1.7%       1.7%       1.7%	3/02/18		2,175	2,052,656
Michaels Stores, Inc.:       980       926,500         Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       2,708       2,545,191         Toys R Us Delaware, Inc.:       2,708       2,545,191         Initial Loan, 6.00%, 9/01/16       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911         Wireless Telecommunication Services 1.7%	J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18		653	581,904
Term Loan B-1, 2.50%, 10/31/13       980       926,500         Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       2,708       2,545,191         11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,907       1,786,985         Initial Loan, 6.00%, 9/01/16       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911         Wireless Telecommunication Services 1.7%	Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18		798	742,140
Term Loan B-2, 4.75%, 7/31/16       1,517       1,427,915         Petco Animal Supplies, Inc., Term Loan B, 4.50%,       2,708       2,545,191         11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,907       1,786,985         Initial Loan, 6.00%, 9/01/16       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911         Wireless Telecommunication Services 1.7%	Michaels Stores, Inc.:			
Petco Animal Supplies, Inc., Term Loan B, 4.50%,       2,708       2,708       2,545,191         11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,907       1,786,985         Term Loan, 6.00%, 9/01/16       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911         Hireless Telecommunication Services 1.7%	Term Loan B-1, 2.50%, 10/31/13		980	926,500
11/24/17       2,708       2,545,191         Toys R Us Delaware, Inc.:       1,907       1,786,985         Initial Loan, 6.00%, 9/01/16       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911         Using the services 1.7%	Term Loan B-2, 4.75%, 7/31/16		1,517	1,427,915
Toys R Us Delaware, Inc.:       1,907       1,786,985         Initial Loan, 6.00%, 9/01/16       1,907       1,786,985         Term Loan, 5.25%, 5/25/18       1,147       1,064,911         Use the communication Services 1.7%	Petco Animal Supplies, Inc., Term Loan B, 4.50%,			
Initial Loan, 6.00%, 9/01/16         1,907         1,786,985           Term Loan, 5.25%, 5/25/18         1,147         1,064,911           Wireless Telecommunication Services 1.7%	11/24/17		2,708	2,545,191
Term Loan, 5.25%, 5/25/18         1,147         1,064,911           14,258,051         14,258,051				
14,258,051         Wireless Telecommunication Services       1.7%	Initial Loan, 6.00%, 9/01/16		1,907	
Wireless Telecommunication Services 1.7%	Term Loan, 5.25%, 5/25/18		1,147	
				14,258,051
1,493 1,398,299	Wireless Telecommunication Services 1.7%			
			1,493	1,398,299

MetroPCS Wireless, Inc., Term Loan B, 4.00%, 3/16/18 Vodafone Americas Finance 2, Inc., Initial Loan, 6.88%, 8/11/15

6.88%, 8/11/15		5,887	5,916,228
			7,314,527
<b>Total Floating Rate Loan Interests</b>	71.4%		304,838,941

	Beneficial Interest	
Other Interests (j)	(000)	Value
Auto Components 0.0%		
Intermet Liquidating Trust, Class A (c)	USD 833	\$ 8
Diversified Financial Services 0.3%		
DSU JGW SPV, LLC (J.G. Wentworth LLC Preferred		
Equity Interests) (c)(k)	1	1,293,079
Hotels, Restaurants & Leisure 0.0%		
Buffets, Inc. (c)	1,440	14
Household Durables 0.4%		
DSU (S-MARTIN) SPV, LLC (Stanley Martin, Class B		
Membership Units) (c)(k)	2	1,511,219
Media 0.0%		
Adelphia Escrow (c)	7,500	75
Adelphia Preferred Escrow (c)	5	
Adelphia Recovery Trust (c)	9,406	941
Adelphia Recovery Trust, Series ACC-6B INT (c)	500	2,500
		3,516
Metals & Mining 0.8%		
DSU-(R-Gibson) SPV, LLC (RathGibson Acquisition		
Corp. LLC) (k)	280	3,459,279
Specialty Retail 0.0%		
Movie Gallery, Inc. Default Escrow (c)	21,700	217
Total Other Interests 1.5%		6,267,332
Warrants (1)	Shares	
Health Care Providers & Services 0.0%	Shares	
HealthSouth Corp. (Expires 1/16/14)	126,761	1
Hotels, Restaurants & Leisure 0.0%	120,701	1
Buffets Restaurants Holdings, Inc. (Expires 4/29/14)	1,216	12
Media 0.0%	1,210	12
Charter Communications, Inc. (Expires 11/30/14)	12,661	139,689
Software 0.0%	12,001	159,009
Bankruptcy Management Solutions, Inc.		
(Expires 9/29/17)	1,247	13
HMH Holdings/EduMedia (Expires 3/09/17)	24,924	10
C. C. T. T. C. T. T. C. T. T. C. T. T. T. C. T.	,>	13
Total Warrants 0.0%		139,715
Total Investments (Cost \$662,005,427*) 135.2%		577,515,239
Liabilities in Excess of Other Assets (35.2)%		(150,437,744)

Net Assets 100.0%

\* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 657,970,871
Gross unrealized appreciation	\$ 13,206,944
Gross unrealized depreciation	(93,662,576)

#### Explanation of Responses:

\$ 427,077,495

Net unrealized depreciation

\$ (80,455,632)

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See Notes to Financial Statements.

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#### Schedule of Investments (continued)

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

- (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) Variable rate security. Rate shown is as of report date.
- (c) Non-income producing security.
- (d) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$14,518 and an original cost of \$1,027, in this security.
- (e) Issuer filed for bankruptcy and/or is in default of interest payments.
- (f) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (g) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (i) Convertible security.
- (j) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (k) The investment is held by a wholly owned subsidiary of the Fund.
- (1) 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.

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:

	Shares Held at February 28,	Net	Shares Held at August 31,		
Affiliate	2011	Activity	2011	I	ncome
BlackRock Liquidity					
Funds, TempFund,					
Institutional Class	436,377	(436,377)		\$	1,517

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. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Foreign currency exchange contracts as of August 31, 2011 were as follows:

Currency Purchase		Curren Sold	су	Counterparty	Settlement Date	Ap	nrealized opreciation opreciation)
CAD	908,500	USD	924,168	Citibank NA	10/07/11	\$	2,759
USD	918,798	CAD	908,500	Citibank NA	10/07/11		(8,130)
EUR	877,500	USD	1,257,112	Citibank NA	10/26/11		2,590
USD	18,545,420	EUR	12,936,500	Citibank NA	10/26/11		(25,670)
USD	72,162	EUR	50,000	Deutsche Bank	10/26/11		384
USD	641,964	EUR	445,000	UBS AG	10/26/11		3,141

#### Explanation of Responses:

GBP	2,070	USD	3,342	State Street Bank	8/11/11	19
USD	454,347	GBP	280,000	Citibank NA	10/07/11	(3,598)
				Royal Bank		
USD	3,921,166	GBP	2,454,000	of Scotland	10/07/11	(60,862)
Total						\$ (89,367)

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized in three broad levels for financial statement purposes 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund s perceived risk of investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of Notes to Financial Statements.

The following tables summarize the inputs used as of August 31, 2011 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments:				
Asset-Backed				
Securities		\$ 3,056,906	\$ 4,899,338	\$ 7,956,244
Common Stocks	\$ 795,785	3,373,248	6,036,313	10,205,346
Corporate Bonds		234,208,641	13,899,020	248,107,661
Floating Rate				
Loan interests		267,976,591	36,862,350	304,838,941
Other Interests	3,441		6,263,891	6,267,332
Warrants	139,689		26	139,715
Liabilities:				
Unfunded Loan				
Commitments		(79,684)		(79,684)
Total	\$ 938,915	\$ 508,535,702	\$ 67,960,938	\$ 577,435,555
Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial				
Instruments <sup>1</sup>				
Assets:				
Foreign currency				
exchange contracts		\$ 8,893		\$ 8,893
Liabilities:				
Foreign currency				
exchange contracts		(98,260)		(98,260)
Total		\$ (89,367)		\$ (89,367)

<sup>1</sup> Derivative financial instruments are foreign currency exchange contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

See Notes to Financial Statements.

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

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

	Asset-Backed Securities	Common Stocks	Corporate Bonds	Floating Rate Loan Interests	Other Interests	Warrants	Total
Assets:							
Balance, as of February 28,							
2011	\$ 6,393,325	\$ 926,586	\$ 12,777,038	\$ 50,753,656	\$ 4,757,077	\$ 26	\$ 75,607,708
Accrued discounts/premiums	34,986		256,924	65,956			357,866
Net realized gain (loss)	62,231		11,620	151,989			225,840
Net change in unrealized							
appreciation/depreciation <sup>2</sup>	(389,979)	(5,389,893)	976,442	(4,096,771)	1,506,819		(7,393,382)
Purchases	1,712,700	10,499,620	25,052	14,100,625			26,337,997
Sales	(1,813,925)		(148,500)	(14,937,250)			(16,899,675)
Transfers in <sup>3</sup>			444	4,518,093			4,518,537
Transfers out <sup>3</sup>	(1,100,000)			(13,693,948)	(5)		(14,793,953)
Balance, as of August 31, 2011	\$ 4,899,338	\$ 6,036,313	\$ 13,899,020	\$ 36,862,350	\$ 6,263,891	\$ 26	\$ 67,960,938

- <sup>2</sup> Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(4,397,797).
- <sup>3</sup> The Fund s policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets.

See Notes to Financial Statements.

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# Schedule of Investments August 31, 2011 (Unaudited)

### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB) (Percentages shown are based on Net Assets)

Asset-Backed Securities	Par (000		Value
ARES CLO Funds, Series 2005-10A, Class B,	(000	)	value
0.64%, 9/18/17 (a)(b)	USD	500 \$	445,535
Ballyrock CDO Ltd., Series 2006-1A, Class B,			- )
0.67%, 8/28/19 (a)(b)		500	392,500
Canaras Summit CLO Ltd., Series 2007-1A, Class B,			
0.73%, 6/19/21 (a)(b)		395	316,928
Flagship CLO, Series 2006-1A, Class B, 0.60%,			
9/20/19 (a)(b)		1,000	807,500
Fraser Sullivan CLO Ltd., Series 2006-2A, Class B,			
0.65%, 12/20/20 (a)(b)		500	400,000
Gannett Peak CLO Ltd., Series 2006-1X, Class A2,			
0.61%, 10/27/20 (a)(b)		305	227,988
Goldman Sachs Asset Management CLO Plc, Series			
2007-1A, Class B, 0.70%, 8/01/22 (a)(b)		665	493,762
Landmark CDO Ltd., Series 2006-8A, Class B,		570	N
0.61%, 10/19/20 (a)(b)		570	466,665
MAPS CLO Fund LLC, Series 2005-1A, Class C,		200	0(5 770
1.20%, 12/21/17 (a)(b)		300	265,770
Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%,		405	261.017
11/15/21 (b) TO Income Fund CLO Ltd. Series 2007 14 Class P		405	361,017
T2 Income Fund CLO Ltd., Series 2007-1A, Class B,		345	208 154
0.85%, 7/15/19 (a)(b) Total Asset-Backed Securities 3.3%		545	308,154 4,485,819
1 otal Asset-Dackeu Secultures 5.5 %			4,403,019

Common Stocks (c)	Shares	
Chemicals 0.0%		
GEO Specialty Chemicals, Inc. (a)	10,732	4,120
Wellman Holdings, Inc.	181	588
		4,708
Electrical Equipment 0.0%		
Medis Technologies Ltd.	13,053	144
Semiconductors & Semiconductor		
Equipment 0.0%		
SunPower Corp., Class B	1,860	22,041
Software 0.1%		
HMH Holdings/EduMedia	47,227	94,454
Total Common Stocks 0.1%		121,347

Corporate Bonds Airlines 0.3%	Par (000)		
Air Canada, 9.25%, 8/01/15 (a)	USD	210	201,600
Delta Air Lines, Inc., Series B, 9.75%, 12/17/16		209	213,942
			415,542
Auto Components 0.8%			
Icahn Enterprises LP, 7.75%, 1/15/16		1,105	1,116,050
Capital Markets 0.0%			

E*Trade Financial Corp., 3.99%, 8/31/19 (a)(d)(e)	46	54,970
Chemicals 1.5%		
CF Industries, Inc., 6.88%, 5/01/18	480	544,200
GEO Specialty Chemicals, Inc. (a):		
7.50%, 3/31/15 (d)(f)	702	702,101
10.00%, 3/31/15	691	638,768
Wellman Holdings, Inc., Subordinate Note (Third Lien),		
5.00%, 1/29/19 (d)(f)	205	145,690
		2,030,759

		ar	•7	
Corporate Bonds Commercial Banks 1.1%	(0	00)	va	llue
CIT Group, Inc.:				
7.00%, 5/01/14	USD	45	\$	44,837
7.00%, 5/01/15	03D	170	ψ	169,150
7.00%, 5/01/16		220		218,900
7.00%, 5/01/17		960		948,000
7.00%, 5/02/17 (a)		150		148,125
1.00 /0, 5102/11 (u)		150		1,529,012
Commercial Services & Supplies 0.5%				1,529,012
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)		472		455,665
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a)		280		263,900
		200		719,565
Consumer Finance 0.5%				, 19,000
Credit Acceptance Corp., 9.13%, 2/01/17		190		192,375
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)		425		442,000
		120		634,375
Containers & Packaging 1.2%				
Berry Plastics Corp., 8.25%, 11/15/15		900		927,000
Graphic Packaging International, Inc., 9.50%, 6/15/17		115		125,063
OI European Group BV, 6.88%, 3/31/17	EUR	113		154,208
Smurfit Kappa Acquisitions (a):				- ,
7.25%, 11/15/17		175		241,332
7.75%, 11/15/19	USD	160		219,497
				1,667,100
Diversified Financial Services 1.7%				
Ally Financial, Inc., 2.53%, 12/01/14 (b)		1,175		1,101,101
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		85		88,612
Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (a)		300		306,750
Reynolds Group Issuer, Inc. (a):				
8.50%, 10/15/16	EUR	200		278,681
7.13%, 4/15/19	USD	280		265,300
7.88%, 8/15/19		100		99,000
6.88%, 2/15/21		210		195,300
			2	2,334,744
Diversified Telecommunication Services 0.6%				
ITC Deltacom, Inc., 10.50%, 4/01/16		290		297,250
Qwest Communications International, Inc.:				
8.00%, 10/01/15		300		320,250
Series B, 7.50%, 2/15/14		217		219,713
				837,213
Electronic Equipment, Instruments &				
Components 0.1%				
CDW LLC, 8.00%, 12/15/18 (a)		200		198,000
Health Care Equipment & Supplies 0.6%				
DJO Finance LLC:				
10.88%, 11/15/14		645		666,769
7.75%, 4/15/18 (a)		95		88,350
				755,119
Health Care Providers & Services 1.7%				

HCA, Inc.:		
6.50%, 2/15/20	615	621,919
7.25%, 9/15/20	255	262,012
7.50%, 2/15/22	720	712,800
Tenet Healthcare Corp.:		
9.00%, 5/01/15	95	100,700
8.88%, 7/01/19	545	577,700
		2,275,131
Health Care Technology 0.8%		
IMS Health, Inc., 12.50%, 3/01/18 (a)	980	1,127,000

See Notes to Financial Statements.

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### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB) (Percentages shown are based on Net Assets)

Corporate Bonds	Pa (00		Value
Hotels, Restaurants & Leisure 0.9%			
Little Traverse Bay Bands of Odawa Indians, 9.00%,			
8/31/20 (a)	USD	383	\$ 317,890
MGM Resorts International, 10.38%, 5/15/14		260	285,350
Travelport LLC:			
4.95%, 9/01/14 (b)		665	507,062
9.88%, 9/01/14		150	127,875
			1,238,177
IT Services 0.3%			
First Data Corp., 7.38%, 6/15/19 (a)		440	413,600
Independent Power Producers &			
Energy Traders 1.4%			
Energy Future Holdings Corp., 10.00%, 1/15/20 (a)		500	501,936
Energy Future Intermediate Holding Co. LLC, 10.00%,			
12/01/20		1,425	1,437,641
			1,939,577
Industrial Conglomerates 0.5%			
Sequa Corp., 13.50%, 12/01/15 (a)(f)		679	719,387
Media 3.0%			
AMC Networks, Inc., 7.75%, 7/15/21 (a)		120	124,200
CCH II LLC, 13.50%, 11/30/16		550	635,250
CSC Holdings, Inc., 8.50%, 4/15/14		230	248,975
Cengage Learning Acquisitions, Inc., 10.50%,			
1/15/15 (a)		340	261,800
Checkout Holding Corp., 10.97%, 11/15/15 (a)(e)		350	206,500
Clear Channel Worldwide Holdings, Inc.:			
9.25%, 12/15/17		212	224,720
Series B, 9.25%, 12/15/17		967	1,034,690
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (a)		330	333,300
UnityMedia Hessen GmbH & Co. KG (FKA UPC			
Germany GmbH), 8.13%, 12/01/17 (a)		1,000	1,020,000
			4,089,435
Metals & Mining 0.7%			
FMG Resources August 2006 Property Ltd., 7.00%,			
11/01/15 (a)		445	443,888
Novelis, Inc., 8.38%, 12/15/17		495	511,087
			954,975
Multiline Retail 0.2%			
Dollar General Corp., 11.88%, 7/15/17 (f)		235	260,263
Oil, Gas & Consumable Fuels 0.5%			
Alpha Natural Resources, Inc.:			
6.00%, 6/01/19		225	219,938
6.25%, 6/01/21		350	342,562
Coffeyville Resources LLC, 9.00%, 4/01/15 (a)		144	152,640
			715,140
Paper & Forest Products 0.2%			,2.10
Longview Fibre Paper & Packaging, Inc., 8.00%,			
6/01/16 (a)		180	178,200
Verso Paper Holdings LLC, Series B, 4.00%, 8/01/14 (b)		180	147,600
		100	325,800
Pharmaceuticals 0.4%			525,000

### Pharmaceuticals 0.4%

Valeant Pharmaceuticals International, 6.50%,		
7/15/16 (a)	530	503,500
Professional Services 0.1%		
FTI Consulting, Inc., 6.75%, 10/01/20	95	93,694
-		

	Par		
Corporate Bonds	(000	)	Value
Wireless Telecommunication Services 1.6%			
Cricket Communications, Inc., 7.75%, 5/15/16	USD	825	\$ 835,313
Digicel Group Ltd. (a):			
9.13%, 1/15/15		399	399,000
8.25%, 9/01/17		265	265,000
iPCS, Inc., 2.38%, 5/01/13 (b)		500	463,750
Nextel Communications, Inc., Series E, 6.88%,			
10/31/13		155	154,031
			2,117,094
Total Corporate Bonds 21.2%			29,065,222
Total Corporate Bonds   21.2%			29,065,222

Floating Rate Loan Interests (b)			
Aerospace & Defense 1.7%			
DynCorp International, Term Loan, 6.25%, 7/05/16		515	490,356
The SI Organization, Inc., New Tranche B Term Loan,			
4.50%, 11/22/16		470	422,550
TransDigm, Inc., Term Loan (First Lien), 4.00%,			
2/14/17		945	907,440
Wesco Aircraft Hardware Corp., Term Loan B, 4.25%,			,,
4/07/17		512	494,996
10111		512	2,315,342
Airlines 0.9%			2,515,512
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%,			
4/20/17		1,275	1,175,129
Auto Components 2.5%		1,275	1,175,129
Allison Transmission, Inc., Term Loan, 2.96%, 8/07/14		1,961	1,838,449
Autoparts Holdings, Ltd., First Lien Term Loan,		1,901	1,030,449
6.50%, 7/28/17		750	725 000
		750	735,000
Federal-Mogul Corp.:		221	201.002
Term Loan B, 2.15% 2.18%, 12/29/14		321	291,083
Term Loan C, 2.15% 2.18%, 12/28/15		164	148,410
GPX International Tire Corp., Tranche B: (c)(g)			
8.37%, 3/31/12		549	
12.00%, 3/31/12		9	
UCI International, Inc., Term Loan, 5.50%, 7/26/17		398	386,558
			3,399,500
Automobiles 0.4%			
Ford Motor Co., Tranche B-1 Term Loan, 2.96%,			
12/16/13		530	520,934
Biotechnology 0.3%			
Grifols SA, Term Loan B, 6.00%, 6/01/17		410	400,160
Building Products 3.1%			
Armstrong World Industries, Inc., Term Loan B, 4.00%,			
3/09/18		623	585,252
CPG International I, Inc., Term Loan B, 6.00%,			
2/18/17		945	883,809
Goodman Global, Inc., Initial Term Loan (First Lien),			,
5.75%, 10/28/16		2,394	2,352,721
Momentive Performance Materials (Blitz 06-103		2,371	2,352,721
GmbH), Tranche B-2B Term Loan, 4.79%,			
5/05/15	EUR	341	439,940
5/05/15	LUK	541	+39,940

		4,261,722
USD	261	253,869
	906	878,829
	459	424,282
	916	855,804
		2,412,784
	USD	906 459

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### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB) (Percentages shown are based on Net Assets)

AZ Chemical Co, LLC, Term Loan B, 4.75%.         USD         257         S         247,402           American Rock Salt Holdings LLC, Term Loan B, 5.0%, 4/27/16         600         586,603           Chemican Core, Exit Term Loan B, 5.50%, 8/27/16         600         586,603           Chemican Core, Exit Term Loan B, 5.50%, 8/27/16         600         586,603           Chemican Core, Exit Term Loan B, 5.00%, 8/27/16         600         586,603           Chemican Core, Exit Term Loan B, 5.00%, 8/27/16         787         734,781           D011 Holdings, LLC (FKA MacDermid, Inc.),         787         734,781           Tranche C Term Loan, 5.45%, 471/14         EUR         663         574,008           Nexco Solutions, LLC, Term Loan B, 5.00%, 908/17         USD         623         574,008           Nexco Solutions, LLC, Term Loan, 7,00%,         701         50         699,384           Styron Sart, Term Loan B, 5.00%, 630/17         1,453         1,436,537         1,435         1,435,531           10/15/15         1,453         1,436,537         1,245,531         1,245,531         1,245,731           10/15/15         1,453         1,245,731         1,253         1,285,531           10/15/15         1,50%, 6/20/17         1,31         12,457,1774         1,31         1,2457,1774 <th>Floating Rate Loan Interests (b)</th> <th>P: (00</th> <th>ar )0)</th> <th>Value</th>	Floating Rate Loan Interests (b)	P: (00	ar )0)	Value
11/21/16       USD       257       \$       247,02         So%, 4/25/17       718       688,574         Ashland, Inc., Term Loan B, 3.75%, 7/20/18       600       586,608         Chemitura Corp., Exit Term Loan B, 5.50%, 8/27/16       800       782,664         Gentek, Inc., Tranche B Term Loan, B, 5.50%, 8/27/16       800       782,664         Gentek, Inc., Tranche B Term Loan, S.50%, 908/17       USD       623       574,080         NTanche C Term Loan, S.45%, 4/11/4       EUR       264       661,369         Nexeo Solutions, LLC, Term Loan, S. 50%, 908/17       USD       623       574,080         Q Corp. (FKA Naigara Acquisition, Inc.), Original       765       699,384       769         Term Roan B, 600%, 80/217       99       98,1164       700/55       1453       1.456,357         Univar, Inc., Term Loan B, 5.00%, 6/30/17       1,393       1.285,391       8,277,714       8,277,714       8,277,714         Commercial Services & Supplies       39%       8,216       755       360,751         Current Loan B, 3.00%, 7/26/16       13       12,047       13       12,047         US Term Loan B, 3.00%, 7/26/16       13       12,047       10       14,771       10       13       12,047,11       10       10,01 <td>Chemicals 6.0%</td> <td></td> <td></td> <td></td>	Chemicals 6.0%			
5.50%, 4/25/17         718         688.574           Ashland, Inc., Term Loan B, 375%, 7/30/18         600         586.608           Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16         800         782.664           Genick, Inc., Tranche D Term Loan, 3.75%, 7/30/18         787         734.781           MDI Holdings, LLC (PKA MacDernid, Inc.),         787         734.781           Tranche C Term Loan, 3.54%, 4/11/4         EUR         264         561,369           Nexeo Solutions, LLC, Term Loan B, 5.00%, 9/08/17         USD         623         574,080           QC Corp. (FKA Naigara Acquisition, Inc.), Original         765         699,384         574,080           Term Facility (First Lien), 3.49%         3.51%, 7/30/14         765         699,384           Varons Worldwide LLC, Exit Term Loan, 7.00%,         1453         1.436.357           I/nivar, Inc., Term Loan B, 5.00%, 6/30/17         1,393         1.285.391           Commercial Services & Supplies         39%         82.277.774           ARAMARK Corp:         111         104.717           US Term Loan B, 3.50%, 7/26/16         13         12.047           US Term Loan B, 3.50%, 7/26/16         13         12.047           US Term Loan B, 3.50%, 7/26/16         13         12.452.500           Other Lisex		USD	257	\$ 247,402
Ashland, Inc., Term Loan B, 375%, 730/18         600         \$86,608           Chemutra Corp. Exit Term Loan, 7,00%,         787         734,781           10/06/15         787         734,781           D0/06/15         787         734,781           D0/15         787         734,781           D0/06/15         787         734,781           D1 Holdings, LLC (FKA MacDermid, Inc.),         EUR         264         361,369           Pecco Solutions, LLC, Term Loan B, 500%, 908/17         USD         623         3740,800           PQ Corp, (FKA Miagrat Acquisition, Inc.), Original         765         699,384           Styron Sart, Term Loan B, 600%, 802/17         959         881,164           Tronso Worldwide LLC, Exit Term Loan, 7.00%,         1,453         1,456,351           Univar, Inc., Term Loan B, 500%, 6/30/17         1,393         1,285,391           RAMARK Corp:         2         2         2           Letter of Credit 1 Facility, 2,06%, 1/27/14         9         8,436           US Term Loan B, 3,50%, 7/26/16         13         12,047           US Term Loan B, 3,50%, 7/26/16         13         12,047           US Term Loan B, 3,50%, 7/26/16         13         12,047           US Term Loan B, 3,50%, 7/26/16         13<	-		719	600 571
Chemura Corp., Exit Term Loan B. 50%, 827/16         800         782,664           Gentek, Inc., Tranche B Term Loan, 7.00%,         787         734,781           MDH Holdings, LLC (FKA MacDermid, Inc.),         787         V134,781           Tranche C Trem Loan, 3.54%, 4/11/14         EUR         264         361,369           Nexeo Solutions, LLC, Term Loan B, 500%, 908/17         USD         623         574,080           QC Corp. (FKA Nagara Acquisition, Inc.), Original         765         699,384           Term Tacility (First Lien), 3.48%         3.51%, 7/30/14         765         699,384           Mytron Sart, Term Loan B, 500%, 6/30/17         1.933         1.285,391         8,277,74           Commercial Services & Supplies         3.9%         8,277,74         8,277,74           Commercial Services & Supplies         3.9%         8,217,74         9         8,346           Cortin L Facility, 7.0%, 1/27/14         9         8,346         1.61,047,17         1.045,177           US Term Loan B, 5.0%, 7/20/16         13         12,047         13         12,047           US Term Loan B, 5.0%, 7/20/16         13         12,047         13         12,047           US Term Loan B, 5.0%, 7/20/16         13         12,047         13         12,047         13 <t< td=""><td></td><td></td><td></td><td></td></t<>				
Gentek, Inc., Tranche B Term Loan, 7,00%,         787         734,781           MDI Holdings, LLC (FKA MacDermid, Inc.),         EUR         264         361,369           Nexeo Solutions, LLC, Term Loan, 5,50%, 908/17         USD         623         574,080           Nexeo Solutions, LLC, Term Loan, 7,00%, 703/14         765         699,384           Perm Facility (First Lien, 3,48%, 3,51%, 7/30/14         765         699,384           Styron Sari, Term Loan B, 500%, 6/30/17         959         881,164           Tronox Worldwide LLC, Exit Term Loan, 7,00%, 10/15/15         1,453         1,436,357           Univar, Inc., Term Loan B, 5.00%, 6/30/17         1,939         1,285,591           ARAMARK Corp:         2         8,277,774           Letter of Credit         1 Facility, 2,06%, 1/27/14         9         8,436           Letter of Credit         1 Facility, 2,06%, 1/27/14         9         8,436           Letter of Credit         1 Facility, 2,06%, 1/27/14         111         104,717           US Term Loan, 2,12%, 1/27/14         9         8,436         124,970           US Term Loan, 2,12%, 1/27/14         9         8,436         124,970           US Term Loan, 2,12%, 1/27/14         111         104,717         130         1,282,500           Addesa, Inc. (K				
MD1 Holdings, LLC (FKA MacDermid, Inc.),       EUR       264       361,369         Pranche C Term Loan B, 50%, 90%/17       USD       623       574,080         PQ Corp, (FKA Niagara Acquisition, Inc.), Original	Gentek, Inc., Tranche B Term Loan, 7.00%,			
Tranche C Term Lean, 3.54%, 4/11/14       EUR       264       361,369         Nexeo Solutions, LLC, Term Loan B, 5.00%, 908/17       USD       623       574,080         PC Corp. (FK A Ningara Acquisition, Inc.) Original       765       699,384         Term Facility (First Lien), 3.48%       3.51%, 7/30/14       765       699,384         Mayron Satl, Term Loan B, 5.00%, 6/30/17       1,453       1,445,357       1,445,357         Ionivar, Inc., Term Loan B, 5.00%, 6/30/17       1,333       1,285,391       8,277,774         Commercial Services & Supplies       3.9%       8,277,774       8,277,774         Cammercial Services & Supplies       3.9%       8,277,774       8,368         Letter of Credit 1 Facility, 2.06%, 1/27/14       9       8,436       1,453       1,476,157         US Term Loan B, 5.00%, 7/26/16       13       12,047       11       104,717         US Term Loan B, 3.50%, 7/26/16       13       12,047       11       104,717         US Term Loan B, 3.50%, 7/26/16       13       12,047       11       104,717         US Term Loan B, 3.50%, 7/26/16       13       12,047       11       104,717       235%, 6/(0/16       1350       1,282,500         Altery of Ir, Ir, CFKA US Investigations Services, Inc.),       1350			101	751,701
Nexes Solutions, I.L.C, Term Loan B, 500%, 908/17         USD         623         574,080           PQ Corp. (FKA Niagara Acquisition, Inc.) Original         699,384         699,384           Styron Sarl, Term Loan B, 6.00%, 802/17         959         881,164           Tronox Worldwide LLC, Exit Term Loan 7.00%,         1,453         1,453         1,436,357           Univar, Inc., Term Loan B, 5.00%, 6/30/17         1,393         1,285,391         8,277,774           Commercial Services & Supplies         3.9%         726/174         9         8,436           Letter of Credit         1 Facility, 2.06%, 1/27/14         9         8,436           Letter of Credit         1 Facility, 3.44%, 7/26/16         13         12,047           US Term Loan B, 3.50%, 7/26/16         196         183,178           AWAS Finance Luxembourg Sarl, Term Loan B, 5.00%, 5/17/14         196         183,178           AWAS Finance Luxembourg Sarl, Term Loan B, 5.00%, 5/17/16         1,350         1,282,500           Alegrity, Inc. (FKA US Investigations Services, Inc.),         7         1,350         1,282,500           Alegrity, Inc. (FKA US Investigations Services, Inc.),         13         1,282,500         2,169,2234,402/14         864         749,976           Volume Services America, Inc. (Centerplate), Term         1,000         99		EUR	264	361.369
PQ Corp. (FKA Niagara Acquisition, Inc.), Original         765         699,384           Term Facility (First Lien), 3.48%         3.51%, 730/14         959         881,164           Tronow Worldwide LJC, Exit Term Loan, 7.00%.         1,453         1,436,357           Univar, Inc., Term Loan B, 5.00%, 6/30/17         1,393         1,285,391           RAMARK Corp.:         8,277,774         8,277,774           Commercial Services & Supplies         3.9%         8,277,774           Catter of Credit 1 Facility, 2.06%, 1/27/14         9         8,436           Letter of Credit 1 Facility, 2.06%, 1/27/14         111         104,717           US Term Loan B, 3.50%, 7/20/16         196         183,178           AWAS Finance Laxembourg Sarl, Term Loan B, 5.25%, 6/10/16         375         360,751           AVAS Finance Laxembourg Sarl, Term Loan B, 5.25%, 6/10/16         375         360,751           Allegrity, Inc. (FKA US Investigations Services, Inc.), Tritial Term Loan B, 5.05%, 3/17/16         1,350         1,282,500           Allegrity, Inc. (FKA US Investigations Services, Inc.), Tritial Term Loan B, 10.50%         10,350         1,282,500           Support Chenlogies, Inc., Term Loan C, 175%, 2/20/15         930         904,529           Volume Services America, Inc. (Centerplate), Term Loan B, 10.50%         10,35%, 916,716         131         123				
Term Facility (First Lien), 3:48% 3:51%, 7/30/14         765         699,384           Styron Sarl, Term Loan B, 6:00%, 8/02/17         959         881,164           Tronox Worldwide LLC, Exit Term Loan, 7:00%,         1.453         1.436,357           Univar, Inc., Term Loan B, 5:00%, 6/30/17         1.393         1.285,391           RAMARK Corp.:         8,277,774           Commercial Services & Supplies         3.9%           ARAMARK Corp.:         9         8,436           Letter of Credit         1 Facility, 2.06%, 1/27/14         9         8,436           Lots Tor Coan, 2.12%, 1/27/14         111         104,717           US Term Loan, 2.12%, 1/27/15         105         1,282,500           AdVaS Finance Luxembourg Sarl, Term Loan B,				
Styron Sarl, Term Loan B, 6.00%, 8/02/17         959         881,164           Tronox Worldwide LLC, Exit Term Loan, 7.00%,         1453         1.436,357           Univar, Inc., Term Loan B, 5.00%, 6/30/17         1,393         1.285,391           RAMARK Corp:         8,277,774           Commercial Services & Supplies         3.9%         8,277,774           US Term Loan, 7,277,714         111         104,717           US Term Loan, 7,276,72016         13         12,047           US Term Loan, B, 3.50%, 7,7501         300         904,529           Allegrity, Inc. (FKA US Investigations Services, Inc.),         1,000         993,330           Tranche D Term Loan, 7,75%, 22,015         930 </td <td></td> <td></td> <td>765</td> <td>699.384</td>			765	699.384
Tonox Worldwide LLC, Exit Term Loan, 7.00%,       1,453       1,453,57         10/15/15       1,453       1,453,57         10/15/15       1,285,391       8,277,774         Commercial Services & Supplies 3.9%       8,277,774         ARAMARK Corp:       9       8,436         Letter of Credit       1 Facility, 2.06%, 1/27/14       9       8,436         Letter of Credit       2 Facility, 3.44%, 7/26/16       13       12,047         US Term Loan, 2.12%, 1/27/14       106       183,178         AWAS Finance Luxembourg Sarl, Term Loan B,       196       183,178         Adwas, Finance Luxembourg Sarl, Term Loan B,       375       360,751         5.25%, 6/10/16       375       1,282,500       1,282,500         Allergirity, Inc. (FKA US Investigations Services, Inc.),       1,350       1,282,500         Synagro Technologies, Inc., Term Loan B, 7.00%, 3/17/16       1,000       993,330         Synagro Technologies, Inc., Term Loan (First Lien),       21       498,464         Cuan B, 10.50%       10.75%, 9/16/16       1000       993,330         Synagro Technologies, Inc., Inc. (Centerplate), Term       21       402/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       21       413       12,359 <td></td> <td></td> <td></td> <td></td>				
10/15/15       1,453       1,436,357         Univar, Inc., Term Loan B, 5.00%, 6/30/17       1,393       1,285,391         Commercial Services & Supplies 3.9%         ARAMARK Corp.:       9       8,436         Letter of Credit 1 Facility, 2.06%, 1/27/14       9       8,436         Letter of Credit 2 Facility, 3.44%, 7/26/16       13       12,047         US Term Loan B, 3.50%, 7/26/16       13       12,047         US Term Loan B, 3.50%, 7/26/16       196       183,178         AWAS Finance Luxembourg Sarl, Term Loan B,       375       360,751         Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,       375       360,751         Adesa, Inc., (KAR US Investigations Services, Inc.),       1,350       1,282,500         Tranche D Term Loan, 7.75%, 2/20/15       930       904,529         Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16       930       904,529         Synagor Technologies, Inc., Term Loan (First Lien),       221%       2.32%, 4/0/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       521       498,485       521       498,485         West Corp.:				
Univar, Inc., Term Loan B, 5.00%, 6/30/17         1,393         1,285,391           RAMARK Corp.:         8,277,774           ARAMARK Corp.:         9         8,436           Letter of Credit 1 Facility, 2.06%, 1/27/14         9         8,436           Letter of Credit 1 Facility, 3.44%, 7/26/16         13         12,047           US Term Loan, 2.12%, 1/27/14         111         104,717           US Term Loan, 5.05%, 7/26/16         196         183,178           WAS Finance Luxembourg Sarl, Term Loan B,         375         360,751           Advas, Inc. (KAR Holdings, Inc.), Initial Term Loan B,         1,350         1,282,500           Altegrity, Inc. (FKA US Investigations Services, Inc.),         1,350         1,282,500           Altegrity, Inc. (FKA US Investigations Services, Inc.),         1,350         1,282,500           Altegrity, Inc. (FKA US Investigations Services, Inc.),         1,350         9,30         904,529           Delos Aircaft, Inc., Term Loan B2, 7.00%, 3/17/16         1,000         993,330         59,3330           Synagro Technologies, Inc., Term Loan (First Lien),         2,21%, 402/14         864         749,976           Volume Services America, Inc. (Centerplate), Term         521         498,485         521         528,6109           Term Loan B4, 4.50%, 7/15/16         <			1,453	1.436.357
Services Supplies 3.9%         8,277,74           Commercial Services Supplies 3.9%         8           ARAMARK Corp.:         9           Letter of Credit 1 Facility, 2.06%, 1/27/14         9           US Term Loan B, 3.44%, 7/26/16         13           US Term Loan B, 3.50%, 7/27/14         111           US Term Loan B, 3.50%, 7/27/16         196           AWAS Finance Luxembourg Sarl, Term Loan B, 5.05%, 7/27/16         375           AWAS Finance Luxembourg Sarl, Term Loan B, 5.05%, 6/10/16         375           Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B, 5.05%, 6/10/16         375           Allegrity, Inc. (FKA US Investigations Services, Inc.), Tranche D Term Loan 2, 7.00%, 3/17/16         1,000           Synagro Technologies, Inc., Term Loan (First Lien), 2.21%, 4/02/14         864           Yolume Services America, Inc. (Centerplate), Term         131           Loan B, 10.50% 10.75%, 9/16/16         131         123,559           Term Loan B4, 4.50%, 7/15/16         68         64,201           Doms A1, 50%, 7/15/16         68         64,201           Term Loan B4, 4.50%				, ,
Commercial Services & Supplies         3.9%           ARAMARK Corp:         9         8.436           Letter of Credit         2 Facility, 3.44%, 7/26/16         13         12.047           US Term Loan, 2.12%, 1/27/14         111         104,717           US Term Loan, B, 3.50%, 7/26/16         196         183,178           AWAS Finance Luxembourg Sarl, Term Loan B,         30%         360,751           AWAS Finance Luxembourg Sarl, Term Loan B,         30%         942,520           Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,         300         942,529           5.05%, 5/19/17         1,350         1,282,500           Alter and Term Loan, 7.5%, 2/20/15         930         904,529           Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16         1,000         993,330           Synagor Technologies, Inc., Term Loan (First Lien),         223%, 4/02/14         864         749,976           Volume Services America, Inc. (Centerplate), Term         21         221         428%,485           Term Loan B, 10.50% 10.75%, 9/16/16         521         498,485           West Corp.:         31         123,599           Term Loan B, 3.66%, 10/24/14         540         479,930           Term Loan B, 3.06%, 10/24/14         540         479,930      <			,	
Letter of Credit         1 Facility, 2.06%, 1/27/14         9         8,436           Letter of Credit         2 Facility, 3.44%, 7/26/16         13         12,047           US Term Loan B, 3.50%, 7/26/16         196         183,178           AWAS Finance Luxembourg Sarl, Term Loan B,         375         360,751           Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,         375         360,751           Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,         300         904,529           Solw, 5/19/17         1,350         1,282,500           Altegrity, Inc. (FKA US Investigations Services, Inc.),         300         904,529           Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16         1,000         993,330           Synagro Technologies, Inc., Term Loan (First Lien),         2.21%         2.23%, 4/02/14         864         749,976           Volume Services America, Inc. (Centerplate), Term         21         498,485         131         123,959           Term Loan B, 10.50%         10.75%, 9/16/16         131         123,959         5286,40201           Term Loan B, 4.50%, 7/15/16         131         123,959         5286,109           Communications Equipment         1.7%         2         2         498,485           Vaya, Inc::         Term Loan B, 3.06%				-, -, -, -
Letter of Credit         2 Facility, 3.44%, 7/26/16         13         12,047           US Term Loan, 2.12%, 1/27/14         111         104,717           US Term Loan, B, 3.50%, 7/26/16         196         183,178           AWAS Finance Luxembourg Sarl, Term Loan B,         375         360,751           Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,         375         360,751           Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,         1,350         1,282,500           Altegrity, Inc. (FKA US Investigations Services, Inc.),         930         904,529           Delos Aircraft, Inc., Term Loan Z, 700%, 3/17/16         1,000         993,330           Synagro Technologies, Inc., Term Loan (First Lien),         221%         2.23%, 4/02/14         864         749,976           Volume Services America, Inc. (Centerplate), Term         521         498,485         948,485           West Corp.:         131         123,959         5,286,109           Communications Equipment         1,76         5,286,109         5,286,109           Communications Equipment         540         479,930         5,286,109           Communications Equipment         540         479,930         5,286,109           Communications Equipment         540         479,930         5,286,109			0	8 136
US Term Loan, 2.12%, 1/27/14 US Term Loan, 3.50%, 7/26/16 AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16 Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B, 5.00%, 5/19/17 Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B, 5.00%, 5/19/17 Altegrity, Inc. (FKA US Investigations Services, Inc.), Tranche D Term Loan, 7.75%, 2/20/15 Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16 Synagro Technologies, Inc., Term Loan B2, 7.00%, 3/17/16 Synagro Technologies, Inc., Term Loan GFirst Lien), 2.21% 2.23%, 4/02/14 Yolume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 9/16/16 Term Loan B4, 4.50%, 7/15/16 Term Loan B5, 4.50%, 7/15/16 Communications Equipment 1.7% Avaya, Inc: Term Loan B, 3.06%, 10/24/14 Term Loan B, 3.06%, 10/24/14 Comstruction & Engineering 1.0% BakerCorp, Inc., Term Loan B, 5.00%, 6/01/18 Safway Services, LLC, First Out Tranche Loan, 9.00%, 12/16/17 900 900,000	• • • • • • • • • • • • • • • • • • • •			
US Term Loan B, 3.50%, 7/26/16         196         183,178           AWAS Finance Luxembourg Sarl, Term Loan B,         375         360,751           5.25%, 6/10/16         375         360,751           Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,         1,350         1,282,500           Altegrity, Inc. (FKA US Investigations Services, Inc.),         1,350         1,282,500           Tranche D Term Loan, 7.75%, 2/20/15         930         094,529           Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16         1,000         993,330           Synagro Technologies, Inc., Term Loan (First Lien),         221%         2.23%, 4/02/14         864         749,976           Volum Services America, Inc. (Centerplate), Term         2.21%         2.21%         2.21 498,485         131         123,959           Term Loan B, 10.50%, 7/15/16         131         123,959         131         123,959           Term Loan B5, 4.50%, 7/15/16         131         123,959         5,286,109           Communications Equipment 1.7%         360         479,930           Avaya, Inc:         1,014         873,494           CommScope, Inc., Term Loan B, 5.00%, 1/14/18         998         957,600           0         2,311,024         2,311,024           Comstruction & Engineering 1.0% <td></td> <td></td> <td></td> <td></td>				
AWAS Finance Luxembourg Sarl, Term Loan B,       375       360,751         5.25%, 6/10/16       375       360,751         Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,       1,350       1,282,500         Altegrity, Inc. (FKA US Investigations Services, Inc.),       1,300       993,330         Tranche D Term Loan, 7.75%, 2/20/15       930       904,529         Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16       1,000       993,330         Synagro Technologies, Inc., Term Loan (First Lien),       221%       2.23%, 4/02/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       864       749,976       Volume Services America, Inc. (Centerplate), Term         Loan B, 10.50%       10.75%, 9/16/16       521       498,485         West Corp.:       Term Loan B5, 4.50%, 7/15/16       131       123,959         Term Loan B4, 4.50%, 7/15/16       131       123,959         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/24/14       1,014       873,494         Communications Equipment       1.7%       2,311,024         Communications Equipment       1.014       873,494         CommScope, Inc., Term Loan B, 5.00%, 6/01/1				
5.25%, 6/10/16       375       360,751         Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,       1,350       1,282,500         5.00%, 5/19/17       1,350       1,282,500         Altegrity, Inc. (FKA US Investigations Services, Inc.),       930       904,529         Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16       1,000       993,330         Synagro Technologies, Inc., Term Loan (First Lien),       221%       2.23%, 4/02/14         2.21%       2.23%, 4/02/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       2.21%       521       498,485         West Corp.:       Term Loan B4, 4.50%, 7/15/16       521       498,485         West Corp.:       Term Loan B5, 4.50%, 7/15/16       131       123,959         Term Loan B5, 4.50%, 7/15/16       68       64,201         5/286,109       521       498,485         Vaya, Inc.:       Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         Comstruction & Engineering 1.0%       2,311,024         Construction & Engineering 1.0%       2,311,024         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18			190	105,170
5.00%, 5/19/17       1,350       1,282,500         Altegrity, Inc. (FKA US Investigations Services, Inc.),       930       904,529         Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16       1,000       993,330         Synagro Technologies, Inc., Term Loan B2, 7.00%, 3/17/16       1,000       993,330         2.21%       2.23%, 4/02/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       864       749,976         Loan B, 10.50%       10.75%, 9/16/16       521       498,485         West Corp.:       131       123,959         Term Loan B5, 4.50%, 7/15/16       131       123,959         Term Loan B5, 4.50%, 7/15/16       68       64,201         Term Loan S, 3.06%, 10/24/14       540       479,930         Avaya, Inc.:       7       540       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/24/14       873,494       2,311,024         Comscope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         Zenstruction & Engineering 1.0%         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Zenstruction & Engineering 1.0%         Zenstruction & Engi	5.25%, 6/10/16		375	360,751
Tranche D Term Loan, 7.75%, 2/20/15       930       904,529         Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16       1,000       993,330         Synagro Technologies, Inc., Term Loan (First Lien),       749,976         2.21%       2.23%, 4/02/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       864       749,976         Loan B, 10.50%       10.75%, 9/16/16       521       498,485         West Corp.:       131       123,959         Term Loan B4, 4.50%, 7/15/16       131       123,959         Term Loan B5, 4.50%, 7/15/16       68       64,201         Communications Equipment       1.7%       540       479,930         Term Loan B, 3.06%, 10/24/14       873,494       2,311,024         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         2,311,024       2,311,024       2,311,024         Construction & Engineering 1.0%       430       408,500         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Safway Services,	5.00%, 5/19/17		1,350	1,282,500
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16         1,000         993,330           Synagro Technologies, Inc., Term Loan (First Lien),				
Synagro Technologies, Inc., Term Loan (First Lien),       864       749,976         2.21%       2.23%, 4/02/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       521       498,485         West Corp.:       131       123,959         Term Loan B4, 4.50%, 7/15/16       131       123,959         Term Loan B5, 4.50%, 7/15/16       68       64,201         Term Loan B5, 4.50%, 7/15/16       5286,109       5,286,109         Communications Equipment       1.7%       1.014       873,494         Avaya, Inc.:       540       479,930       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.00%, 1/14/18       998       957,600         2,311,024       2,311,024       2,311,024         Construction & Engineering 1.0%       3430       408,500         Safway Services, LLC, First Out Tranche Loan, 9.00%,       430       900,000				
2.21%       2.23%, 4/02/14       864       749,976         Volume Services America, Inc. (Centerplate), Term       521       498,485         West Corp.:       131       123,959         Term Loan B4, 4.50%, 7/15/16       131       123,959         Term Loan B5, 4.50%, 7/15/16       68       64,201         Communications Equipment 1.7%         Avaya, Inc.:       7         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         Construction & Engineering 1.0%       2,311,024         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Safway Services, LLC, First Out Tranche Loan, 9.00%,       900       900,000			1,000	993,330
Volume Services America, Inc. (Centerplate), Term         Loan B, 10.50%       10.75%, 9/16/16         Set Corp.:       131         Term Loan B4, 4.50%, 7/15/16       131         Term Loan B5, 4.50%, 7/15/16       68         Get Communications Equipment       1.7%         Avaya, Inc.:       520         Term Loan B, 3.06%, 10/24/14       540         Avaya, Inc.:       479,930         Term Loan B, 3.06%, 10/24/14       540         Yourne Sequeration       521         Avaya, Inc.:       10,114         Term Loan B, 3.06%, 10/24/14       540         Yourne Sequeration       900         Sequeration       231,024         Construction & Engineering 1.0%       430         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430         Safway Services, LLC, First Out Tranche Loan, 9.00%, 12/16/17       900         Yourne Sequeration       900				- 10 0- 1
Loan B, 10.50%       10.75%, 9/16/16       521       498,485         West Corp.:			864	749,976
Term Loan B4, 4.50%, 7/15/16       131       123,959         Term Loan B5, 4.50%, 7/15/16       68       64,201         Specific Communications Equipment 1.7%         Communications Equipment 1.7%         Avaya, Inc.:       540       479,930         Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/26/17       1,014       873,494         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         Construction & Engineering 1.0%         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Safway Services, LLC, First Out Tranche Loan, 9.00%,       12/16/17       900       900,000			521	498,485
Term Loan B5, 4.50%, 7/15/16       68       64,201         5,286,109       5,286,109         Communications Equipment       1.7%         Avaya, Inc.:       7         Term Loan B, 3.06%, 10/24/14       540         479,930       479,930         Term Loan B-3, 4.81%, 10/26/17       1,014         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998         Oconstruction & Engineering       1.0%         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430         Safway Services, LLC, First Out Tranche Loan, 9.00%,       12/16/17	West Corp.:			
Specific Communications Equipment 1.7%       540         Avaya, Inc.:       Term Loan B, 3.06%, 10/24/14         Term Loan B, 3.06%, 10/24/14       540         Term Loan B, 3.06%, 10/26/17       1,014         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998         Opstruction & Engineering 1.0%       2,311,024         Construction & Engineering 1.0%       430         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430         Safway Services, LLC, First Out Tranche Loan, 9.00%,       12/16/17	Term Loan B4, 4.50%, 7/15/16		131	123,959
Specific Communications Equipment 1.7%       540         Avaya, Inc.:       Term Loan B, 3.06%, 10/24/14         Term Loan B, 3.06%, 10/24/14       540         Term Loan B, 3.06%, 10/26/17       1,014         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998         Opstruction & Engineering 1.0%       2,311,024         Construction & Engineering 1.0%       430         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430         Safway Services, LLC, First Out Tranche Loan, 9.00%,       12/16/17	Term Loan B5, 4.50%, 7/15/16		68	64,201
Avaya, Inc.:       Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/26/17       1,014       873,494         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         Construction & Engineering 1.0%         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18         Safway Services, LLC, First Out Tranche Loan, 9.00%, 12/16/17				5,286,109
Term Loan B, 3.06%, 10/24/14       540       479,930         Term Loan B, 3.06%, 10/26/17       1,014       873,494         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         Construction & Engineering 1.0%         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Safway Services, LLC, First Out Tranche Loan, 9.00%,       12/16/17       900       900,000	Communications Equipment 1.7%			
Term Loan B-3, 4.81%, 10/26/17       1,014       873,494         CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         Construction & Engineering 1.0%         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Safway Services, LLC, First Out Tranche Loan, 9.00%,       900       900,000	Avaya, Inc.:			
CommScope, Inc., Term Loan B, 5.00%, 1/14/18       998       957,600         Construction & Engineering 1.0%       2,311,024         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Safway Services, LLC, First Out Tranche Loan, 9.00%,       12/16/17       900       900,000	Term Loan B, 3.06%, 10/24/14		540	479,930
Construction & Engineering 1.0%       2,311,024         BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18       430       408,500         Safway Services, LLC, First Out Tranche Loan, 9.00%,       900       900,000	Term Loan B-3, 4.81%, 10/26/17		1,014	
Construction & Engineering 1.0%         430         408,500           BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18         430         408,500           Safway Services, LLC, First Out Tranche Loan, 9.00%,         900         900,000	CommScope, Inc., Term Loan B, 5.00%, 1/14/18		998	957,600
BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18         430         408,500           Safway Services, LLC, First Out Tranche Loan, 9.00%,         900         900,000	Construction & Engineering 10%			2,311,024
Safway Services, LLC, First Out Tranche Loan, 9.00%,         900         900,000           12/16/17         900         900,000			430	408 500
12/16/17 900 900,000			150	100,000
			900	900.000
			,	1,308,500

2,593,500
131,134
122,929
268,429
589,545
1,112,037

Electing Data Laon Interacts (b)		ar 00)	Value
Floating Rate Loan Interests (b) Diversified Consumer Services 3.0%	(0	00)	value
Coinmach Service Corp., Term Loan, 3.22% 3.30%,			
11/20/14	USD	1,348	\$ 1,172,350
Laureate Education, Extended Term Loan, 5.25%,		,	, , ,
8/15/18		2,039	1,800,468
ServiceMaster Co.:			
Closing Date Term Loan, 2.69% 2.76%,			
7/24/14		1,109	1,024,820
Delayed Draw Term Loan, 2.72%, 7/24/14		110	102,057
			4,099,695
Diversified Financial Services 0.5%			
Reynolds Group Holdings, Inc., Term Loan E, 6.50%, 2/09/18		698	665,956
Diversified Telecommunication Services 4.4%			
Hawaiian Telcom Communications, Inc., Term Loan,			
9.00%, 11/01/15		700	699,125
Integra Telecom Holdings, Inc., Term Loan, 9.25%,			
4/15/15		792	745,470
Level 3 Financing, Inc.:			
Add on Term Loan, 11.50%, 3/13/14		625	649,481
Incremental Tranche A Term Loan, 2.50%,			
3/13/14		1,300	1,201,200
Term Loan B2, 2.50%, 9/03/18		2,000	1,885,000
US Telepacific Corp., Term Loan B, 5.75%, 2/23/17		898	864,308
			6,044,584
Electronic Equipment, Instruments &			
Components 2.2%			
Aeroflex Inc., Term Loan B, 4.25%, 5/09/18		775	717,518
CDW LLC (FKA CDW Corp.):			500.055
Extended Term Loan B, 4.25%, 7/14/17		554	502,377
Non-Extended Term Loan, 3.71%, 10/10/14		728	683,991
Flextronics International Ltd. Delayed Draw:		24	22 (40
Term Loan A-2, 2.44%, 10/01/14		24 21	22,649
Term Loan A-3, 2.47%, 10/01/14 Sensete Technologies Finance Company, LLC		21	19,413
Sensata Technologies Finance Company, LLC,		1,100	1,057,375
New Term Loan, 4.00%, 5/11/18		1,100	3,003,323
Energy Equipment & Services 2.5%			5,005,525
CCS Corporation, Term Loan B, 3.25%, 11/14/14		876	776,520
Dynegy Holdings, Inc.:		870	770,520
Coal Company Term Loan, 9.25%, 8/04/16		371	358,323
Gas Company Term Loan, 9.25%, 8/04/16		679	667,118
MEG Energy Corp., Tranche D Term Loan, 4.00%,		017	007,110
3/16/18		1,750	1,673,437
		)	3,475,398
Food & Stanlas Datailing 1901			2,,0,0,0

# Food & Staples Retailing 1.8%

AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots),			
Facility B1, 3.61%, 7/09/15	GBP	675	942,074
Bolthouse Farms, Inc., Term Loan (First Lien),			
5.50% 5.75%, 2/11/16		285	277,703
US Foodservice, Inc. Term Loan B:			
2.71% 2.72%, 7/03/14	USD	943	844,200
5.75%, 3/31/17		399	371,070
			2,435,047
Food Products 4.1%			
Advance Pierre Foods, Term Loan:			
(First Lien), 7.00%, 9/30/16		1,032	998,182
(Second Lien), 11.25%, 9/29/17		600	588,000
Del Monte Corp., Term Loan B, 4.50%, 3/08/18		2,700	2,544,750
Michaels Foods Group, Inc. (FKA M-Foods Holdings,			
Inc.), Term Loan B, 4.25%, 2/23/18		86	82,154
See Notes to Financial Statements.			

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SEMI-ANNUAL REPORT

AUGUST 31, 2011

#### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB) (Percentages shown are based on Net Assets)

Floating Rate Loan Interests (b)	Par (000)	Value
Food Products (concluded)	(000)	Value
Pinnacle Foods Finance LLC, Tranche D Term Loan,		
6.00%, 4/02/14	USD 631	\$ 621,894
Solvest, Ltd. (Dole):	000 001	\$ 021,091
Tranche B-1 Term Loan, 5.00% 6.00%, 7/06/18	301	289,863
Tranche C-1 Term Loan, 5.00% 6.00%, 7/06/18	559	538,317
		5,663,160
Health Care Equipment & Supplies 1.6%		-,,
Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15	365	346,385
DJO Finance LLC (FKA ReAble Therapeutics Finance	0.00	0.10,000
LLC), Term Loan, 3.22%, 5/20/14	498	464,558
Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18	852	785,544
Immucor, Inc., Term Loan B, 7.25%, 8/17/18	570	549,696
	010	2,146,183
Health Care Providers & Services 5.5%		_,110,105
CHS/Community Health Systems, Inc.:		
Extended Term Loan B, 3.72% 3.82%,		
1/25/17	90	82,238
Non-Extended Delayed Draw Term Loan,	20	02,230
2.47% 2.57%, 7/25/14	45	41,966
Non-Extended Term Loan, 2.47% 2.57%,	15	11,700
7/25/14	841	779,433
ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16	697	657,029
DaVita, Inc., Term Loan B, 4.50%, 10/20/16	896	868,635
Emergency Medical Services, Term Loan, 5.25%,	070	000,055
5/25/18	1,052	973,331
HCA, Inc.:	1,052	775,551
Tranche B-1 Term Loan, 3.50%, 5/01/18	311	291,390
Tranche B-2 Term Loan, 3.50%, 3/31/17	368	346,271
Harden Healthcare, Inc.:	500	540,271
Tranche A Additional Term Loan, 7.75%, 3/02/15	608	596,182
Tranche A Term Loan, 8.50%, 3/02/15	346	339,127
inVentiv Health, Inc. (FKA Ventive Health, Inc.):	540	557,127
Incremental Term Loan B3, 6.75%, 5/15/18	400	376,000
Term Loan B, 6.50%, 8/04/16	948	894,172
Medpace, Inc., Term Loan, 6.50%, 6/22/17	650	617,500
Renal Advantage Holdings, Inc., Tranche B Term Loan,	050	017,500
5.75%, 12/16/16	697	681,992
J. I J IV, 12/10/10	097	7,545,266
Health Care Technology 0.7%		7,545,200
Health Care Technology 0.7% IMS Health, Inc., Tranche B Dollar Term Loan, 4.50%,		
8/25/17	640	614,169
		405,379
MedAssets, Inc., Term Loan B, 5.25%, 11/16/16	428	
Hotale Destaurants & Leigure 77%		1,019,548
Hotels, Restaurants & Leisure 7.7%		
Ameristar Casinos, Inc., Term Loan B, 4.00%,	700	766 000
4/13/18	798	766,080
Caesars Entertainment Operating Co.:	000	207 152
Incremental Term Loan B-4, 9.50%, 10/31/16	398	397,152
Term Loan B-1, 3.22% 3.25%, 1/28/15	128	110,367
Term Loan B-2, 3.22% 3.25%, 1/28/15	165	142,157

Term Loan B-3, 3.24% 3.25%, 1/28/15	2,964	2,551,880
Dunkin Brands, Inc., New Term Loan B, 4.00%,		
11/23/17	1,144	1,098,572
Golden Living, Term Loan, 5.00%, 5/04/18	935	829,812
Las Vegas Sands LLC:		
Delayed Draw Term Loan, 1.72%, 5/23/14	111	103,087
Term Loan B, 1.72%, 5/23/14	439	408,907
Penn National Gaming, Inc., Term Loan B, 3.75%,		
7/16/18	175	170,187
Seaworld Parks & Entertainment, Inc. (FKA SW		
Acquisitions Co., Inc.), Term Loan B, 4.00%, 8/17/17	932	899,131
Six Flags Theme Parks, Inc., Tranche B Term Loan		
(First Lien), 5.25%, 6/30/16	833	812,511

	Pa	ır	
Floating Rate Loan Interests (b)	(00	0)	Value
Hotels, Restaurants & Leisure (concluded)			
Twin River Worldwide Holdings, Inc., Term Loan, 7.75%, 11/05/15	USD	429	\$ 425,534
VML US Finance LLC (FKA Venetian Macau):			
New Project Term Loan, 4.73%, 5/27/13		318	314,743
Term B Delayed Draw Project Loan, 4.73%,			
5/25/12		521	515,575
Term B Funded Project Loan, 4.73%, 5/27/13		1,011	998,288
			10,543,983
Household Durables 0.0%			
Visant Corp. (FKA Jostens), Tranche B Term Loan, 5.25%, 12/22/16		24	22,200
IT Services 4.8%			
Ceridian Corp., US Term Loan, 3.22%, 11/10/14		1,095	936,456
First Data Corp.:			
Initial B-1 Term Loan, 2.97%, 9/24/14		137	120,278
Initial B-2 Loan B, 4.22%, 3/23/18		3,438	2,878,608
Initial B-3 Term Loan, 2.97%, 9/24/14		78	68,902
infoGROUP, Inc., Term Loan, 5.75%, 5/22/18		377	345,614
iPayment, Inc., Term Loan B, 5.75%, 5/08/17		601	568,539
TransUnion LLC, Replacement Term Loan, 4.75%,			
2/12/18		1,738	1,648,036
			6,566,433
Independent Power Producers & Energy Traders 3.6%			
AES Corp., Term Loan B, 4.25%, 6/01/18		998	958,099
Calpine Corp., Term Loan B, 4.50%, 4/02/18		1,994	1,838,344
Texas Competitive Electric Holdings Co., LLC (TXU),			
Extended Term Loan, 4.71% 4.77%, 10/10/17		2,910	2,136,409
			4,932,852
Industrial Conglomerates 2.1%			
Sequa Corp., Term Loan, 3.50% 3.51%, 12/03/14		1,671	1,561,243
Tomkins Plc, Term Loan B, 4.25%, 9/29/16		1,366	1,314,944
			2,876,187
Insurance 0.7%			
CNO Financial Group, Inc., Term Loan, 6.25%,			
9/30/16		1,009	985,993
Machinery 0.8%			
Navistar Financial Corp., Term Loan B, 4.50%,		100	410.101
12/16/12		422	410,181
Terex Corp.:	EUD	70	07.520
Term Loan, 6.03%, 4/28/17	EUR	70	97,539
Term Loan B, 5.50%, 4/28/17	USD	550	539,000
			1,046,720

### Marine 0.3%

Horizon Lines, LLC:			
Revolving Loan, 0.50% 6.50%, 8/08/12	EUR	285	278,310
Term Loan A, 6.25%, 8/08/12		120	115,927
			394,237
Media 18.4%			
AMC Networks, Inc., Term Loan B, 4.00%,			
12/31/18	USD	900	867,375
Acosta, Inc., Term Loan, 4.75%, 3/01/18		1,062	1,001,922
Affinion Group, Inc., Tranche B Term Loan, 5.00%,			
10/10/16		814	733,223
Atlantic Broadband Finance, LLC, Term Loan B,			
4.00%, 3/08/16		519	490,787
Bresnan Telecommunications Co. LLC, Term Loan B,			
4.50%, 12/14/17		1,592	1,519,230
Capsugel Healthcare Ltd., Term Loan, 5.25%,			
8/01/18		700	676,200
Catalina Marketing Corp., Term Loan B, 2.97%,			
10/01/14		125	114,312

See Notes to Financial Statements.

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### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB) (Percentages shown are based on Net Assets)

Floating Rate Loan Interests (b)		'ar 00)		Value
Media (concluded)				
Cengage Learning Acquisitions, Inc.				
(FKA Thomson Learning):				
Term Loan, 2.50%, 7/03/14	USD	1,025	\$	847,696
Tranche 1 Incremental Term Loan, 7.50%,				
7/03/14		497		474,380
Charter Communications Operating, LLC:				
Term Loan B, 7.25%, 3/06/14		14		14,385
Term Loan C, 3.50%, 9/06/16		1,436		1,367,001
Clarke American Corp., Term Facility B, 2.72% 2.75%, 6/30/14		530		439,985
Clear Channel Communications, Inc., Term Loan B,		550		+59,905
3.87%, 1/28/16		1,145		856,964
Cumulus Media, Inc., Term Loan, 6.75%, 8/30/18		700		655,375
Getty Images, Inc., Initial Term Loan, 5.25%,		700		055,575
11/07/16		258		252,314
Gray Television, Inc., Term Loan B, 3.71%, 12/31/14		643		588,419
HMH Publishing Co., Ltd., Tranche A Term Loan,				, -
6.21%, 6/12/14		741		595,858
Hubbard Broadcasting, Term Loan (Second Lien),				
5.25%, 4/28/17		500		475,835
Intelsat Jackson Holdings S.A. (FKA Intelsat Jackson				
Holdings, Ltd.), Tranche B Term Loan,				
5.25%, 4/02/18		3,491		3,342,872
Interactive Data Corp., Term Loan, 4.50%, 2/12/18		1,546		1,462,062
Knology, Inc., Term Loan B, 4.00%, 8/18/17		347		328,258
Lavena Holding 3 GmbH (Prosiebensat.1 Media AG),				
Facility B1, 4.20%, 3/06/15	EUR	304		338,575
Mediacom Illinois, LLC (FKA Mediacom				
Communications, LLC), Tranche D Term Loan,				
5.50%, 3/31/17	USD	491		469,144
Newsday LLC, Fixed Rate Term Loan, 10.50%,				
8/01/13		1,325		1,368,062
Nielsen Finance LLC, Class B Dollar Term Loan,				
3.95%, 5/02/16		731		687,557
Sinclair Television Group, Inc., New Tranche B Term				
Loan, 4.00%, 10/28/16		508		499,999
Sunshine Acquisition Ltd. (FKA HIT Entertainment),				
Term Facility, 5.51%, 6/01/12		1,012		972,874
UPC Broadband Holding B.V., Term U, 5.44%,				
12/31/17	EUR	1,210		1,625,655
Univision Communications, Inc., Extended First Lien				
Term Loan, 4.47%, 3/31/17		941		809,370
WC Luxco Sarl, New Term Loan B3, 4.25%, 3/15/18	USD	251		240,612
Weather Channel, Term Loan B, 4.25%, 2/13/17		1,202		1,157,561
			2	5,273,862
Metals & Mining 2.8%		1 7 7 7		1 407 7 10
Novelis, Inc., Term Loan, 3.75%, 3/10/17		1,522		1,437,742
SunCoke Energy, Inc., Term Loan B, 4.00%, 7/26/18		500		475,000
Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18		2,063		1,970,452
				3,883,194
Multi-Utilities 0.1%		174		164 500
		174		164,529

FirstLight Power Resources, Inc. (FKA NE Energy, Inc.),			
Term B Advance (First Lien), 2.75%, 11/01/13			
Multiline Retail 0.7%			
Dollar General Corp., Tranche B-2 Term Loan,2.96%2.97%,7/07/14		360	349,596
Hema Holding BV:		500	549,590
Facility B, 3.43%, 7/06/15	EUR	205	274,466
Facility C, 4.18%, 7/05/16		205	275,942
			900,004
Floating Data Lean Interacts (h)		Par (000)	Value
Floating Rate Loan Interests (b) Oil, Gas & Consumable Fuels 2.1%		(000)	value
EquiPower Resources Holdings, LLC, Term Loan B,			
5.75%, 1/26/18	USD	848	\$ 812,900
Gibson Energy, Term Loan B, 5.75%, 6/14/18		950	897,750
Obsidian Natural Gas Trust, Term Loan, 7.00%,			
11/02/15		1,176	1,163,820
			2,874,470
Paper & Forest Products 1.3%		614	600 160
Georgia-Pacific LLC, Term Loan B, 2.32%, 12/21/12 Verso Paper Finance Holdings LLC, Term Loan,		014	609,160
6.51% 7.26%, 2/01/13 (f)		1,419	1,220,615
0.5170 7.2070, 2701715 (1)		1,417	1,829,775
Pharmaceuticals 2.5%			-,,
Axcan Pharma, Inc., Term Loan B, 5.50%, 2/10/17		1,144	1,032,113
Endo Pharmaceuticals Holdings, Inc., Term Loan B,			
4.00%, 6/18/18		700	684,691
Quinteles Transnational Corp., Term Loan, 5.00%,			
6/08/18		680	630,700
RPI Finance Trust, Term Loan Tranche 2, 4.00%, 5/09/18		500	185 000
Warner Chilcott Corp.:		500	485,000
Term Loan B-1, 4.25%, 3/15/18		365	349,526
Term Loan B-2, 4.25%, 3/15/18		182	174,991
			3,357,021
Professional Services 1.0%			
Booz Allen Hamilton, Inc., Tranche B Term Loan,			
4.00%, 8/03/17		612	598,983
Fifth Third Processing Solutions, LLC, Term Loan B		704	744.54
(First Lien), 4.50%, 11/03/16		796	766,656
Real Estate Investment Trusts (REITs) 0.8%			1,365,639
iStar Financial, Inc., Term Loan, (Second Lien), 5.00%,			
6/28/13		1,179	1,145,821
Real Estate Management & Development 1.8%		-,,	-,,
Mattamy Funding Partnership, Term Loan, 2.56%,			
4/11/13		227	213,385
Realogy Corp.:			
Delayed Draw Term Loan, 3.27%, 10/10/13		853	753,011
Extended Synthetic Letter of Credit Loan, 4.44%,		74	(0.9(9
10/10/16 Extended Term Loan B, 4.52%, 10/10/16		74 1,447	60,868 1,191,345
Letter of Credit, 3.19%, 10/10/13		35	30,603
Term Loan, 3.27%, 10/10/13		275	242,972
			2,492,184
Road & Rail 0.3%			
The Hertz Corp., Term Loan B, 3.75%, 3/09/18		449	425,309
Semiconductors & Semiconductor			
Equipment 0.7%			
Freescale Semiconductor, Inc., Extended Maturity		100	400 700
Term Loan, 4.44%, 12/01/16		465	422,798

Microsemi Corp., Term Loan B, 4.00%, 11/02/17	547	522,170
		944,968
Software 0.6%		
Rovi Solution Corp., Tranche B, Term Loan, 4.00%,		
2/07/18	549	527,596
Vertafore, Inc., Term Loan B, 5.25%, 7/29/16	358	340,738
		868,334
Specialty Retail 4.8%		
Academy Ltd., Term Loan, 6.00%, 8/03/18	900	854,325
Burlington Coat Factory Warehouse Corp.,		
Term Loan B, 6.25%, 2/23/17	469	442,091
General Nutrition Centers, Inc., Term Loan B, 4.25%,		
3/02/18	1,275	1,203,281
See Notes to Financial Statements.		
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#### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB) (Percentages shown are based on Net Assets)

	Par	
Floating Rate Loan Interests (b)	(000)	Value
Specialty Retail (concluded)		
J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18	USD 434	\$ 386,455
Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18	374	347,588
Michaels Stores, Inc.:		
Term Loan B-1, 2.50%, 10/31/13	392	370,491
Term Loan B-2, 4.75%, 7/31/16	711	669,049
Petco Animal Supplies, Inc., Term Loan B, 4.50%,		
11/24/17	1,238	1,163,250
Toys R Us Delaware, Inc.:		
Initial Loan, 6.00%, 9/01/16	926	867,755
Term Loan, 5.25%, 5/25/18	299	277,803
		6,582,088
Wireless Telecommunication Services 1.5%		
MetroPCS Wireless, Inc.:		
Extended Term Loan B, 4.07%, 11/04/16	479	447,761
Term Loan B, 4.00%, 3/16/18	249	233,050
Vodafone Americas Finance 2. Inc.:		
Initial Loan, 6.88%, 8/11/15	1,070	1,075,678
PIK Term Loan B, 6.25%, 7/11/16	300	301,500
		2,057,989
Total Floating Rate Loan Interests 111.7%		153,006,467

Other Interests (h)	Beneficial Interest (000)
	(000)
Auto Components 0.7%	
Delphi Debtor-in-Possession Holding Co. LLP,	
Class B Membership Interests (c)	(i) 950,363
Diversified Financial Services 0.2%	
FRB JGW SPV, LLC (J.G. Wentworth, LLC Preferred	
Equity Interests) (c)(j)	(i) 325,070
Total Other Interests 0.9%	1,275,433

Warrants (k)	Shares	
Software 0.0%	<b>7 0</b> 00	
HMH Holdings/EduMedia (Expires 3/09/17)	5,330	
Total Warrants 0.0%		
Total Long-Term Investments		
(Cost \$198,471,320) 137.2%		187,954,288
Short-Term Securities		
BlackRock Liquidity Funds, TempFund,		
Institutional Class, 0.07% (l)(m)	3,303,074	3,303,074
Total Short-Term Securities		
(Cost \$3,303,074) 2.4%		3,303,074

(Cos	t \$5,505,074) 2.4%			5,505,0
Optic	ons Purchased	C	ontracts	Value
Over	-the-Counter Call Options	0.0%		
			11	

Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA **Total Options Purchased** (Cost \$10,756) 0.0% **Total Investments (Cost \$201,785,150\*) 139.6%** Liabilities in Excess of Other Assets (39.6)% Net Assets 100.0%

191,257,362 (54,238,996) \$ 137,018,366

\* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 201,107,274
Gross unrealized appreciation	\$ 2,073,939
Gross unrealized depreciation	(11,923,851)
Net unrealized depreciation	\$ (9,849,912)

- (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) Variable rate security. Rate shown is as of report date.
- (c) Non-income producing security.
- (d) Convertible security.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (g) Issuer filed for bankruptcy and/or is in default of interest payments.
- (h) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (i) Amount is less than \$500.
- (j) The investment is held by a wholly owned subsidiary of the Fund.
- (k) 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.
- 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:

	Shares Held at February 28,	Net	Shares Held at August 31,		
Affiliate	2011	Activity	2011	]	Income
BlackRock Liquidity					
Funds, TempFund,					
Institutional Class	2,714,267	588,807	3,303,074	\$	2,165

#### (m) 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. These definitions may not

apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

See Notes to Financial Statements.

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#### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)

Foreign currency exchange contracts as of August 31, 2011 were as follows:

Currenc	2V	C	urrency		Settlement	Unrealized Appreciation
Purchas	•	-	Sold	Counterparty	Date	(Depreciation)
CAD	1,000,000	USD	1,016,913	Citibank NA	10/07/11	\$ 3,370
CAD	162,863	USD	165,000	Deutsche Bank AG	10/07/11	1,182
USD	1,158,990	CAD	1,146,000	Citibank NA	10/07/11	(10,255)
USD	217,325	GBP	135,000	Citibank NA	10/07/11	(1,735)
USD	600,798	GBP	376,000	Royal Bank	10/07/11	(9,325)
				of Scotland		
EUR	110,600	USD	158,446	Citibank NA	10/26/11	326
EUR	145,000	USD	206,372	Deutsche Bank AG	10/26/11	1,783
USD	3,741,618	EUR	2,610,000	Citibank NA	10/26/11	(5,187)
USD	295,736	EUR	205,000	UBS AG	10/26/11	1,447
USD	565,178	EUR	395,000	Morgan Stanley	10/26/11	(1,867)
USD	99,645	EUR	70,000	Citibank NA	10/26/11	(844)
Total						\$ (21,105)

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized in three broad levels for financial statement purposes 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund s perceived risk of investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of August 31, 2011 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs	I	Level 1	Level 2	Level 3	Total
Assets:					
Investments:					
Long-Term Investments:					
Asset-Backed					
Securities			\$ 1,537,282	\$ 2,948,537	\$ 4,485,819
Common Stocks	\$	22,185		99,162	121,347
Corporate Bonds			27,260,773	1,804,449	29,065,222
Floating Rate					

Loan interests Other Interests Short-Term		140,689,485 950,363	12,316,982 325,070	153,006,467 1,275,433
Securities	3,303,074			3,303,074
Liabilities:	-,,-			-,,
Unfunded Loan				
Commitments		(48,248)		(48,248)
Total	\$ 3,325,259	\$ 170,389,655	\$ 17,494,200	\$ 191,209,114
Valuation Inputs	Level 1	Level 2	Level 3	Total
· · · · · · · · · · · · · · · · · · ·				
Derivative Financial				
Derivative Financial Instruments <sup>1</sup>				
Instruments <sup>1</sup>				
Instruments <sup>1</sup> Assets:				
Instruments <sup>1</sup> Assets: Foreign currency exchange contracts		\$ 8,108		\$ 8,108
Instruments <sup>1</sup> Assets: Foreign currency exchange		\$ 8,108		\$ 8,108
Instruments <sup>1</sup> Assets: Foreign currency exchange contracts Liabilities: Foreign currency		\$ 8,108		\$ 8,108
Instruments <sup>1</sup> Assets: Foreign currency exchange contracts Liabilities: Foreign currency exchange		\$		\$
Instruments <sup>1</sup> Assets: Foreign currency exchange contracts Liabilities: Foreign currency		\$ 8,108 (29,213) (21,105)		\$ 8,108 (29,213) (21,105)

<sup>1</sup> Derivative financial instruments are foreign currency exchange contracts, which 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 in determining fair value:

	 set-Backed Securities	(	Common Stocks	C	Corporate Bonds	Floating Rate Loan Interests	I	Other	Unfunded Loan mmitments Assets	Com	funded Loan mitments abilities)	Total
Assets/Liabilities:												
Balance, as of February 28, 2011	\$ 4,537,295	\$	240,264	\$	1,839,313	\$ 20,965,976	\$	299,336	\$ 2,079	\$	(5,523)	\$ 27,878,740
Accrued												
discounts/premiums	27,075				26,477	64,533						118,085
Net realized gain (loss)	5,891				9,404	126,679						141,974
Net change in unrealized												
appreciation/depreciation <sup>2</sup>	(237,314)		(141,102)		36,152	(561,226)		25,734	(2,079)		4,604	(875,231)
Purchases					5,005	5,855,248						5,860,253
Sales	(944,410)				(111,902)	(9,519,383)						(10,575,695)
Transfers in <sup>3</sup>						1,536,422					919	1,537,341
Transfers out <sup>3</sup>	(440,000)					(6,151,267)						(6,591,267)
Balance, as of August 31, 2011	\$ 2,948,537	\$	99,162	\$	1,804,449	\$ 12,316,982	\$	325,070				\$ 17,494,200

<sup>2</sup> Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation/depreciation on investments still held on August 31, 2011 was \$(779,472).

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

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets. See Notes to Financial Statements.

AUGUST 31, 2011

# Schedule of Investments August 31, 2011 (Unaudited)

#### BlackRock Senior High Income Fund, Inc. (ARK) (Percentages shown are based on Net Assets)

Asset-Backed Securities	Pa (000		Value	
Asset-Backed Securities 2.0%	(	- )		
ARES CLO Funds, Series 2005-10A, Class B, 0.64%,				
9/18/17 (a)(b)	USD	500	\$ 445,5	;35
CSAM Funding, Series 2A, Class B1, 7.05%,				
10/15/16		500	475,9	50
Canaras Summit CLO Ltd., Series 2007-1A,				
Class B, 0.73%, 6/19/21 (a)(b)		635	509,4	92
Frankin CLO Ltd., Series 6A, Class B, 0.72%,				
8/09/19 (a)(b)		810	695,4	66
Gannett Peak CLO Ltd., Series 2006-1X, Class A2,				
0.61%, 10/27/20 (b)		495	370,0	)13
Greyrock CDO Ltd., Series 2005-1X, Class A2L,				
0.71%, 11/15/17 (b)		1,025	883,6	52
Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%,				
11/15/21 (b)		645	574,9	53
T2 Income Fund CLO Ltd., Series 2007-1A, Class B,				
0.85%, 7/15/19 (a)(b)		560	500,1	.92
Total Asset-Backed Securities 2.0%			4,455,2	:53

Common Stocks (c)	Shares	
Capital Markets 0.1%		
E*Trade Financial Corp.	27,100	334,956
Chemicals 0.0%		
GEO Specialty Chemicals, Inc.	142,466	54,693
Wellman Holdings, Inc.	1,557	5,060
Wellman, Inc. (acquired 1/30/09, cost \$822) (d)	3,574	11,616
		71,369
Containers & Packaging 0.1%		
Smurfit Kappa Plc	18,171	144,008
Diversified Financial Services 0.0%		
Leucadia National Corp.	722	21,393
Metals & Mining 0.1%		
Euramax International	935	261,772
Paper & Forest Products 0.6%		
Ainsworth Lumber Co. Ltd.	190,634	389,327
Ainsworth Lumber Co. Ltd. (a)	421,556	860,933
		1,250,260
Software 0.1%		
HMH Holdings/EduMedia	75,676	151,352
Total Common Stocks 1.0%		2,235,110

Corporate Bonds	Par (000		
Aerospace & Defense 0.8%			
Bombardier, Inc., 7.75%, 3/15/20 (a)	USD	900	983,250
		692	711.030

Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17

		1,694,280
Airlines 0.7%		
Air Canada, 9.25%, 8/01/15 (a)	590	566,400
Delta Air Lines, Inc., Series B, 9.75%, 12/17/16	348	356,571
United Air Lines, Inc., 12.75%, 7/15/12	589	615,764
		1,538,735

	Par			
Corporate Bonds	(000)		Value	
Auto Components 1.6%				
Delphi Corp., 6.13%, 5/15/21 (a)	USD 290	) \$	279,850	
Icahn Enterprises LP:				
7.75%, 1/15/16	16	)	161,600	
8.00%, 1/15/18	2,690	)	2,716,900	
Titan International, Inc., 7.88%, 10/01/17	490	)	514,500	
Venture Holdings Co. LLC (c)(e):				
12.00%, 6/01/09	70	)	70	
Series B, 9.50%, 7/01/05	3,32	5	332	
			3,673,252	
Biotechnology 0.1%				
QHP Pharma, 10.25%, 3/15/15 (a)	149	)	151,349	
Building Products 0.4%				
Building Materials Corp. of America (a):				
7.00%, 2/15/20	48	5	485,000	
6.75%, 5/01/21	410	)	392,575	
			877,575	
Capital Markets 0.8%			,	
American Capital Ltd., 7.96%, 12/31/13 (f)	60	)	595,788	
E*Trade Financial Corp., 12.50%,		-	,	
11/30/17 (a)(g)(h)	75:	5	868,250	
KKR Group Finance Co., 6.38%, 9/29/20 (a)	280		297,907	
Hitt Group 1 mande een, 0.5070, 725720 (a)	20	<i>.</i>	1,761,945	
Chemicals 4.7%			1,701,210	
American Pacific Corp., 9.00%, 2/01/15	610	)	599,325	
American Rock Salt Co. LLC, 8.25%, 5/01/18 (a)	110		107,590	
Celanese US Holdings LLC, 5.88%, 6/15/21	300		300,750	
GEO Specialty Chemicals, Inc. (a):	500	,	500,750	
7.50%, 3/31/15 (g)(i)	1,869	2	1,868,623	
10.00%, 3/31/15	1,83		1,700,816	
Hexion U.S. Finance Corp., 8.88%, 2/01/18	34:		322,575	
Huntsman International LLC, 8.63%, 3/15/21	150		156,563	
Kinove German Bondco GmbH, 9.63%, 6/15/18 (a)	400		384,000	
Omnova Solutions, Inc., 7.88%, 11/01/18	350		307,125	
	240			
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (a)	240	J	237,600	
Wellman Holdings, Inc., Subordinate Note (g): (Second Lien), 10.00%, 1/29/19	2.20	,	2 212 270	
	2,383		3,312,370	
(Third Lien), 5.00%, 1/29/19 (i)	1,765	)	1,253,274	
			10,550,611	
Commercial Banks 1.9%				
CIT Group, Inc.:	12	2	140 115	
7.00%, 5/01/14	139		140,115	
7.00%, 5/01/15	450		447,750	
7.00%, 5/01/16	640		636,800	
7.00%, 5/01/17	2,57		2,538,863	
7.00%, 5/02/17 (a)	400	)	395,000	
			4,158,528	
Commercial Services & Supplies 1.3%				
ARAMARK Corp., 8.50%, 2/01/15	440		454,300	
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)	550	5	536,509	

Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a)	455	428,837
The Geo Group, Inc., 7.75%, 10/15/17	450	472,500
Mobile Mini, Inc., 7.88%, 12/01/20	335	325,788
RSC Equipment Rental, Inc., 10.00%, 7/15/17 (a)	550	591,250
West Corp., 8.63%, 10/01/18	165	160,875
		2,970,059
Communications Equipment 0.2%		
Avaya, Inc., 7.00%, 4/01/19 (a)	200	180,000
EH Holding Corp., 6.50%, 6/15/19 (a)	320	320,000
		500,000

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#### BlackRock Senior High Income Fund, Inc. (ARK) (Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Consumer Finance 0.9%		
Credit Acceptance Corp., 9.13%, 2/01/17	USD 300	\$ 303,750
Ford Motor Credit Co. LLC:		
3.00%, 1/13/12 (b)	1,340	1,340,027
7.00%, 4/15/15	140	149,450
6.63%, 8/15/17	300	314,068
		2,107,295
Containers & Packaging 0.7%		
Ball Corp., 6.75%, 9/15/20	325	341,250
Berry Plastics Corp., 8.25%, 11/15/15	1,100	1,133,000
Graphic Packaging International, Inc., 9.50%,		
6/15/17	185	201,187
		1,675,437
Diversified Financial Services 3.4%		
Ally Financial, Inc.:		
8.30%, 2/12/15	3,670	3,853,500
8.00%, 11/01/31	480	461,727
Axcan Intermediate Holdings, Inc., 12.75%,		
3/01/16	350	364,875
Reynolds Group DL Escrow, Inc., 8.75%,		
10/15/16 (a)	850	869,125
Reynolds Group Issuer, Inc. (a):		
7.13%, 4/15/19	560	530,600
7.88%, 8/15/19	320	316,800
6.88%, 2/15/21	480	446,400
8.25%, 2/15/21	930	783,525
WMG Acquisition Corp., 9.50%, 6/15/16 (a)	105	107,100
		7,733,652
Diversified Telecommunication Services 0.4%		
ITC Deltacom, Inc., 10.50%, 4/01/16	520	533,000
Qwest Communications International, Inc.,		
Series B, 7.50%, 2/15/14	180	182,250
tw telecom Holdings, Inc., 8.00%, 3/01/18	170	175,100
		890,350
Electric Utilities 0.2%		
IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)	405	434,065
Electronic Equipment, Instruments &		,
Components 0.1%		
CDW LLC, 8.00%, 12/15/18 (a)	320	316,800
Energy Equipment & Services 0.8%		, i
Frac Tech Services LLC, 7.13%, 11/15/18 (a)	625	646,875
Key Energy Services, Inc., 6.75%, 3/01/21	380	372,400
MEG Energy Corp., 6.50%, 3/15/21 (a)	490	490,000
Oil States International, Inc., 6.50%, 6/01/19 (a)	175	175,000
SunCoke Energy, Inc., 7.63%, 8/01/19 (a)	100	98,250
		1,782,525
Food Products 0.2%		,,
Blue Merger Sub, Inc., 7.63%, 2/15/19 (a)	480	476,400
JBS USA LLC, 7.25%, 6/01/21 (a)	75	68,156
	10	544,556
Gas Utilities 0.1%		011,000
Targa Resources Partners LP, 6.88%, 2/01/21 (a)	250	247,500
Health Care Equipment & Supplies 0.4%	250	217,500
Actual Cure Equipment & Supplies 01470		

DJO Finance LLC:		
10.88%, 11/15/14	670	692,613
7.75%, 4/15/18 (a)	30	27,900
Teleflex, Inc., 6.88%, 6/01/19	250	248,125
		968.638

Corporate Bonds	Par (000)	Value
Health Care Providers & Services 3.0%		
Aviv Healthcare Properties LP, 7.75%, 2/15/19	USD 235	\$ 233,825
HCA, Inc.:		
8.50%, 4/15/19	65	70,850
6.50%, 2/15/20	990	1,001,137
7.88%, 2/15/20	1,924	2,039,440
7.25%, 9/15/20	525	539,437
inVentiv Health, Inc., 10.00%, 8/15/18 (a)	45	40,613
Omnicare, Inc., 6.88%, 12/15/15	555	566,100
Tenet Healthcare Corp.:		
10.00%, 5/01/18	430	473,000
8.88%, 7/01/19	1,680	1,780,800
	,	6,745,202
Health Care Technology 1.0%		-,,
IMS Health, Inc., 12.50%, 3/01/18 (a)	1,730	1,989,500
MedAssets, Inc., 8.00%, 11/15/18 (a)	325	313,625
nou useu, ne., 0.00 %, 11/15/10 (u)	525	2,303,125
Hotels, Restaurants & Leisure 1.1%		2,505,125
Diamond Resorts Corp., 12.00%, 8/15/18	540	523,800
Little Traverse Bay Bands of Odawa Indians, 9.00%,	540	525,800
8/31/20 (a)	282	234,060
MGM Resorts International:	202	234,000
	720	700 200
10.38%, 5/15/14	720	790,200
11.13%, 11/15/17	750	836,250
Tropicana Entertainment LLC, Series WI, 9.63%,	220	22
12/15/14 (c)(e)	220	22
		2,384,332
Household Durables 1.1%		
Beazer Homes USA, Inc., 12.00%, 10/15/17	1,000	1,015,000
Jarden Corp., 7.50%, 5/01/17	435	444,787
Standard Pacific Corp.:		
8.38%, 5/15/18	145	127,238
8.38%, 1/15/21	1,100	946,000
		2,533,025
IT Services 0.7%		
First Data Corp. (a):		
7.38%, 6/15/19	805	756,700
8.25%, 1/15/21	501	428,355
12.63%, 1/15/21	333	314,685
		1,499,740
Independent Power Producers &		, ,
Energy Traders 2.4%		
AES Corp.:		
7.75%, 10/15/15	155	162,750
9.75%, 4/15/16	674	744,770
7.38%, 7/01/21 (a)	215	217,150
Calpine Corp., 7.50%, 2/15/21 (a)	370	373,700
Energy Future Holdings Corp., 10.00%, 1/15/20	1,065	1,069,123
	1,005	1,009,125
Energy Future Intermediate Holding Co. LLC,	0.125	2 152 020
10.00%, 12/01/20	2,135	2,153,939
NRG Energy, Inc., 7.63%, 1/15/18 (a)	770	762,300
		5,483,732

## Industrial Conglomerates 1.6%

Sequa Corp. (a):		
11.75%, 12/01/15	1,430	1,487,200
13.50%, 12/01/15 (i)	1,930	2,045,776
		3,532,976
Insurance 0.6%		
CNO Financial Group, Inc., 9.00%, 1/15/18 (a)	851	885,040
Genworth Financial, Inc., 7.63%, 9/24/21	370	328,386
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	220	211,200
		1,424,626

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#### BlackRock Senior High Income Fund, Inc. (ARK) (Percentages shown are based on Net Assets)

Corporate Bonds	<b>Par</b> (000)	Value
Machinery 0.1%		
Navistar International Corp., 8.25%, 11/01/21	USD 220	\$ 227,700
Media 7.8%		
AMC Networks, Inc., 7.75%, 7/15/21 (a)	190	196,650
CCH II LLC, 13.50%, 11/30/16	1,700	1,963,500
CCO Holdings LLC:		
7.25%, 10/30/17	260	268,125
7.88%, 4/30/18	565	587,600
CSC Holdings, Inc., 8.50%, 4/15/14	390	422,175
Checkout Holding Corp., 10.97%, 11/15/15 (a)(h)	570	336,300
Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	340	360,400
Series B, 9.25%, 12/15/17	4,526	4,842,820
DISH DBS Corp.:		
7.00%, 10/01/13	850	891,437
6.63%, 10/01/14	750	774,375
6.75%, 6/01/21 (a)	270	272,025
Interactive Data Corp., 10.25%, 8/01/18	900	954,000
Kabel BW Erste Beteiligungs GmbH, 7.50%,		
3/15/19 (a)	540	531,900
NAI Entertainment Holdings LLC, 8.25%,		
12/15/17 (a)	530	535,300
Nielsen Finance LLC:		,
11.63%, 2/01/14	636	720,270
7.75%, 10/15/18	640	660,800
ProQuest LLC, 9.00%, 10/15/18 (a)	220	215,600
Regal Entertainment Group, 9.13%, 8/15/18	290	292,900
Unitymedia Hessen GmbH & Co. KG (FKA UPC		. ,
Germany Gmbh), 8.13%, 12/01/17 (a)	1,500	1,530,000
Virgin Media Secured Finance Plc, 6.50%, 1/15/18	1,250	1,331,250
8	,	17,687,427
Metals & Mining 1.7%		.,,
Drummond Co., Inc., 9.00%, 10/15/14 (a)	233	238,243
FMG Resources August 2006 Property Ltd., 7.00%,	200	200,210
11/01/15 (a)	1,080	1,077,300
JMC Steel Group, 8.25%, 3/15/18 (a)	170	166,175
Novelis, Inc., 8.75%, 12/15/20	2,015	2,120,787
RathGibson, Inc., 11.25%, 2/15/14 (c)(e)	2,175	109
Vulcan Materials Co., 7.50%, 6/15/21	194	191,073
		3,793,687
Multiline Retail 0.5%		5,775,007
Dollar General Corp., 11.88%, 7/15/17 (i)	948	1,049,910
Oil, Gas & Consumable Fuels 6.9%	210	1,019,910
Alpha Natural Resources, Inc.:		
6.00%, 6/01/19	135	131,962
6.25%, 6/01/21	425	415,969
Arch Coal, Inc.:	-125	+15,707
7.00%, 6/15/19 (a)	115	113,275
7.25%, 10/01/20	368	362,480
7.25%, 6/15/21 (a)	360	354,600
Chesapeake Energy Corp.:	500	554,000
6.63%, 8/15/20	1,122	1,172,490
6.13%, 2/15/21	690	700,350
0.1570, 2115121	090	700,530

Coffeyville Resources LLC, 9.00%, 4/01/15 (a)	240	254,400
Consol Energy, Inc.:		
8.25%, 4/01/20	900	967,500
6.38%, 3/01/21 (a)	230	228,275
Crosstex Energy LP, 8.88%, 2/15/18	55	56,925
Denbury Resources, Inc.:		
8.25%, 2/15/20	351	369,866
6.38%, 8/15/21	295	289,100

	Par		
Corporate Bonds	(000)		Value
Oil, Gas & Consumable Fuels (concluded)	LICD OF	<b>N7 A</b>	016.026
El Paso Corp., 7.00%, 6/15/17	USD 82		916,836
Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19	66		625,100
Forest Oil Corp., 8.50%, 2/15/14		20	235,400
Hilcorp Energy I LP, 7.63%, 4/15/21 (a)	1,14	10	1,151,400
Linn Energy LLC:			
8.63%, 4/15/20 (a)		30	620,600
7.75%, 2/01/21	1,02		1,045,500
Niska Gas Storage US LLC, 8.88%, 3/15/18	81	15	823,150
OGX Petroleo e Gas Participações SA, 8.50%,			
6/01/18 (a)	1,59		1,598,987
Oasis Petroleum, Inc., 7.25%, 2/01/19 (a)	17	70	166,600
Petrohawk Energy Corp.:			
10.50%, 8/01/14	31		350,300
7.88%, 6/01/15	41	15	448,200
7.25%, 8/15/18	27	75	320,719
6.25%, 6/01/19 (a)	48	30	558,000
Plains Exploration & Production Co., 7.75%,			
6/15/15	27	75	283,250
Range Resources Corp., 5.75%, 6/01/21	64	45	648,225
SandRidge Energy, Inc., 7.50%, 3/15/21 (a)	43	35	424,125
			15,633,584
Paper & Forest Products 1.8%			
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(i)	1,42	25	997,380
Clearwater Paper Corp., 10.63%, 6/15/16	30	55	399,675
Georgia-Pacific LLC, 8.25%, 5/01/16 (a)	1,63	30	1,861,473
Longview Fibre Paper & Packaging, Inc., 8.00%,	,		,,
6/01/16 (a)	14	45	143,550
Verso Paper Holdings LLC:			- ,
11.50%, 7/01/14	28	39	306,340
Series B, 4.00%, 8/01/14 (b)	48		397,700
			4,106,118
Pharmaceuticals 0.4%			.,,
Valeant Pharmaceuticals International, 6.50%,			
7/15/16 (a)	1,01	15	964,250
Professional Services 0.1%	1,01		901,290
FTI Consulting, Inc., 6.75%, 10/01/20	29	95	290,944
Real Estate Investment Trusts (REITs) 0.4%	2,	, ,	290,911
FelCor Lodging LP, 6.75%, 6/01/19 (a)	95	50	893,000
Real Estate Management & Development 0.1%	).		075,000
Shea Homes LP, 8.63%, 5/15/19 (a)	31	20	270,400
Road & Rail 1.5%	52	20	270,400
Avis Budget Car Rental LLC, 8.25%, 1/15/19	97	75	943,312
Florida East Coast Railway Corp., 8.13%,	9.	15	945,512
	20	00	100.000
2/01/17 (a) The Hertz Corp. (a):	20	00	199,000
The Hertz Corp. (a):	0.1	15	907 700
7.50%, 10/15/18		15	896,700
6.75%, 4/15/19		75	349,688
7.38%, 1/15/21	92	25	883,375
			3,272,075

Specialty Retail 0.4%		
United Auto Group, Inc., 7.75%, 12/15/16	845	855,563
Textiles, Apparel & Luxury Goods 0.1%		
Phillips-Van Heusen Corp., 7.75%, 11/15/23	215	225,703
Transportation Infrastructure 0.1%		
Aguila 3 SA, 7.88%, 1/31/18 (a)	176	165,440
Wireless Telecommunication Services 2.5%		
Cricket Communications, Inc.:		
10.00%, 7/15/15	90	93,038
7.75%, 5/15/16	1,770	1,792,125
Digicel Group Ltd. (a):		
12.00%, 4/01/14	800	896,000
8.25%, 9/01/17	270	270,000
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### BlackRock Senior High Income Fund, Inc. (ARK) (Percentages shown are based on Net Assets)

Comparete Dande	P: (00			Value
Corporate Bonds Wireless Telecommunication Services (concluded)	(00	<i>)</i> ()		value
Nextel Communications, Inc., Series E, 6.88%,				
10/31/13	USD	415	\$	412,406
Sprint Capital Corp.:	COD	115	Ψ	112,100
8.38%, 3/15/12		325		334,750
6.88%, 11/15/28		2,010		1,798,950
		2,010		5,597,269
Total Corporate Bonds 55.6%				125,516,980
Floating Rate Loan Interests (b)				
Aerospace & Defense 0.3%				
TransDigm, Inc., Term Loan (First Lien), 4.00%,				
2/14/17		746		716,400
Airlines 0.5%				
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%,				
4/20/17		1,275		1,175,129
Auto Components 1.4%				
Allison Transmission, Inc., Term Loan, 2.96%,		1.004		1 775 006
8/07/14		1,894		1,775,896
Autoparts Holdings, Ltd.:		(00		599,000
First Lien Term Loan, 6.50%, 7/28/17		600		588,000
Second Lien Term Loan, 10.50%, 1/29/18		900		886,500 3,250,396
Automobiles 0.3%				5,250,590
Ford Motor Co.:				
Tranche B-1 Term Loan, 2.96%, 12/16/13		556		546,631
Tranche B-2 Term Loan, 2.96%, 12/16/13		63		61,557
Tranche D-2 Term Loan, 2.90%, 12/10/15		05		608,188
Biotechnology 0.2%				000,100
Grifols SA, Term Loan B, 6.00%, 6/01/17		455		444,080
Building Products 1.3%		155		111,000
CPG International I, Inc., Term Loan B, 6.00%,				
2/18/17		597		558,195
Goodman Global, Inc.:				,
Initial Term Loan (First Lien), 5.75%, 10/28/16		1,676		1,646,905
Term Loan (Second Lien), 9.00%, 10/30/17		600		603,000
				2,808,100
Capital Markets 0.9%				
HarbourVest Partners, Term Loan (First Lien), 6.25%,				
12/14/16		906		878,829
Nuveen Investments, Inc. (First Lien):				
Extended Term Loan, 3.25%, 11/13/14		371		342,520
Non-Extended Term Loan, 5.75% 5.81%,				
5/12/17		754		704,874
				1,926,223
Chemicals 4.6%				
AZ Chemical Co. LLC, Term Loan, 4.75%, 11/21/16		142		136,522
American Rock Salt Holdings LLC, Term Loan B,				
5.50%, 4/25/17		1,192		1,142,842

Ashland, Inc., Term Loan B, 3.75%, 7/30/18	700	684,376
Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16	800	782,664
Gentek, Inc., Tranche B Term Loan, 7.00%, 10/06/15	1,122	1,047,387
Nexeo Solutions, LLC, Term Loan B, 5.00%, 9/08/17	873	803,712
PQ Corp. (FKA Niagara Acquisition, Inc.), Original		
Term Facility (First Lien), 3.48% 3.51%, 7/30/14	1,295	1,183,433
Styron Sarl, Term Loan B, 6.00%, 8/02/17	1,208	1,109,818
Tronox Worldwide LLC, Exit Term Loan, 7.00%,		
10/15/15	2,318	2,292,269

Floating Rate Loan Interests (b)	Par (000)	Value
Chemicals (concluded)		
Univar, Inc., Term Loan B, 5.00%, 6/30/17	USD 1,294 \$	, ,
		10,376,600
Commercial Services & Supplies 2.6%		
ARAMARK Corp.:		
Letter of Credit 1 Facility, 2.06%, 1/27/14	17	15,595
Letter of Credit 2 Facility, 3.44%, 7/26/16	19	17,454
US Term Loan, 2.12%, 1/27/14	205	193,592
US Term Loan B, 3.50%, 7/26/16	284	265,395
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16	410	394,674
Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B, 5.00%, 5/19/17	1,250	1,187,500
Altegrity, Inc. (FKA US Investigations Services, Inc.),	-, *	-,,
Tranche D Term Loan, 7.75%, 2/20/15	1,394	1,356,793
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16	1,075	1,067,830
Synagro Technologies, Inc., Term Loan (First Lien),		,,
2.21% 2.23%, 4/02/14	494	429,255
Volume Services America, Inc. (Centerplate), Term		- ,
Loan B, 10.50% 10.75%, 9/16/16	993	949,495
		5,877,583
Communications Equipment 1.3%		, ,
Avaya, Inc.:		
Term Loan B, 3.06%, 10/24/14	962	855,554
Term Loan B-3, 4.81%, 10/26/17	1,542	1,327,950
CommScope, Inc., Term Loan B, 5.00%, 1/14/18	748	718,200
		2,901,704
Construction & Engineering 1.1%		
BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18	485	460,750
Brand Energy & Infrastructure Services, Inc.		
(FR Brand Acquisition Corp.), Synthetic Letter of		
Credit, Term Loan (First Lien), 0.13%, 2/07/14	500	455,000
Safway Services, LLC, First Out Tranche Loan, 9.00%,		
12/16/17	1,500	1,500,000
		2,415,750
Consumer Finance 0.9%		
Springleaf Financial Funding Co., (FKA AGFS Funding		
Co.), Term Loan, 5.50%, 5/10/17	2,200	2,037,750
Containers & Packaging 0.6%		
Anchor Glass Container Corp., Term Loan (First Lien),		
6.00%, 3/02/16	124	121,787
Berry Plastics Holding Corp., Term Loan C, 2.21%,		
4/03/15	491	436,900
Graham Packaging Co., LP, Term Loan D, 6.00%,		
9/23/16	893	884,317
		1,443,004
Diversified Consumer Services 2.8%		
Coinmach Service Corp., Term Loan, 3.22% 3.30%,		
11/20/14	2,177	1,893,722
Evalenation of Decrements		140

Laureate Education, Inc., Extended Term Loan, 5.25%, 8/15/18	3,080	2,720,175
ServiceMaster Co.:	5,000	2,720,175
Closing Date Term Loan, 2.69% 2.76%, 7/24/14	1,755	1,621,077
Delayed Draw Term Loan, 2.72%, 7/24/14	175	161,435
		6,396,409
Diversified Financial Services 0.2%		
Reynolds Group Holdings, Inc., Term Loan E, 6.50%,		
2/09/18	459	437,628
Diversified Telecommunication Services 2.7%		
Hawaiian Telcom Communications, Inc., Term Loan,		
9.00%, 11/01/15	1,350	1,348,312
Integra Telecom Holdings, Inc., Term Loan, 9.25%,		
4/15/15	916	861,950
See Notes to Financial Statements.		
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# Schedule of Investments (continued)

#### BlackRock Senior High Income Fund, Inc. (ARK) (Percentages shown are based on Net Assets)

	Par	¥7. 1
Floating Rate Loan Interests (b)	(000)	Value
Diversified Telecommunication Services		
(concluded)		
Level 3 Financing, Inc.:	1100 775	¢ 005.257
Add on Term Loan, 11.50%, 3/13/14	USD 775	\$ 805,357
Incremental Tranche A Term Loan,	1 100	1.016.400
2.49% 2.50%, 3/13/14	1,100	1,016,400
Term Loan B2, 2.50%, 9/03/18	2,050	1,932,125
		5,964,144
Electronic Equipment, Instruments &		
Components 1.7%	700	(10.001
Aeroflex Inc., Term Loan B, 4.25%, 5/09/18	700	648,081
CDW LLC (FKA CDW Corp.):	0.4.4	
Extended Term Loan B, 4.25%, 7/14/17	944	856,267
Non-Extended Term Loan, 3.71%, 10/10/14	1,101	1,034,645
Sensata Technologies Finance Company, LLC, New		
Term Loan, 4.00%, 5/11/18	1,440	1,384,200
		3,923,193
Energy Equipment & Services 1.9%		
CCS Corporation, Term Loan B, 3.25%, 11/14/14	709	628,389
Dynegy Holdings, Inc.:		
Coal Company Term Loan, 9.25%, 8/04/16	866	836,087
Gas Company Term Loan, 9.25%, 8/04/16	1,584	1,556,607
MEG Energy Corp., Tranche D Term Loan, 4.00%,		
3/16/18	1,400	1,338,750
		4,359,833
Food & Staples Retailing 0.8%		
US Foodservice, Inc., Term Loan B:		
2.71% 2.72%, 7/03/14	1,524	1,363,865
5.75%, 3/31/17	399	371,070
		1,734,935
Food Products 2.5%		
Advance Pierre Foods, Term Loan (First Lien),		
7.00%, 9/30/16	2,347	2,269,521
Del Monte Corp., Term Loan B, 4.50%, 3/08/18	2,210	2,082,925
Pinnacle Foods Finance LLC, Tranche D Term Loan,		
6.00%, 4/02/14	800	788,375
Solvest, Ltd. (Dole):		
Tranche B-1 Term Loan, 5.00% 6.00%,		
7/06/18	205	197,174
Tranche C-1 Term Loan, 5.00% 6.00%,		
7/06/18	380	366,181
		5,704,176
Health Care Equipment & Supplies 1.0%		.,,
Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15	135	128,115
DJO Finance LLC (FKA ReAble Therapeutics Finance		-,
LLC), Term Loan, 3.22%, 5/20/14	796	742,490
Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18	737	679,283
Immucor, Inc., Term Loan B, 7.25%, 8/17/18	750	723,285
	750	2,273,173
Health Care Providers & Services 4.2%		_,_,5,175
CHS/Community Health Systems Inc :		

CHS/Community Health Systems, Inc.:

Non-Extended Delayed Draw Term Loan,		
2.47% 2.57%, 7/25/14	48	44,118
Non-Extended Term Loan, 2.47% 2.57%,		
7/25/14	897	831,592
ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16	697	657,029
DaVita, Inc., Term Loan B, 4.50%, 10/20/16	1,095	1,061,665
Emergency Medical Services, Term Loan,		
5.25%, 5/25/18	1,097	1,014,956
HCA, Inc., Extended Term Loan B3, 3.50%, 5/01/18	856	803,550
Harden Healthcare, Inc.:		
Tranche A Additional Term Loan, 7.75%, 3/02/15	1,217	1,192,363
Tranche A Term Loan, 8.50%, 3/02/15	346	339,127

	Р	ar	
Floating Rate Loan Interests (b)	(0	00)	Value
Health Care Providers & Services (concluded)			
inVentiv Health, Inc. (FKA Ventive Health, Inc.):			
Incremental Term Loan B3, 6.75%, 5/15/18	USD	500	\$ 470,000
Term Loan B, 6.50%, 8/04/16		1,416	1,335,615
Medpace, Inc., Term Loan, 6.50%, 6/22/17		1,050	997,500
Renal Advantage Holdings, Inc., Tranche B Term			
Loan, 5.75%, 12/16/16		697	681,992
			9,429,507
Health Care Technology 0.7%			
IMS Health, Inc., Tranche B Dollar Term Loan, 4.50%,			
8/25/17		1,036	993,876
MedAssets, Inc., Term Loan B, 5.25%, 11/16/16		552	522,646
			1,516,522
Hotels, Restaurants & Leisure 4.8%			
Caesars Entertainment Operating Co., Inc.:			
Incremental Term Loan B-4, 9.50%, 10/31/16		634	632,961
Term Loan B-2, 3.22% 3.25%, 1/28/15		265	228,313
Term Loan B-3, 3.24% 3.25%, 1/28/15		2,965	2,552,371
Dunkin Brands, Inc., New Term Loan B, 4.00%,			
11/23/17		1,533	1,472,236
Golden Living, Term Loan, 5.00%, 5/04/18		990	878,625
Las Vegas Sands LLC:			
Delayed Draw Term Loan, 1.72%, 5/23/14		113	104,996
Term Loan B, 1.72%, 5/23/14		664	617,974
Seaworld Parks & Entertainment, Inc. (FKA SW			
Acquisitions Co., Inc.), Term Loan B, 4.00%,			
8/17/17		944	910,857
Six Flags Theme Parks, Inc., Tranche B Term Loan			
(First Lien), 5.25%, 6/30/16		1,553	1,514,479
VML US Finance LLC (FKA Venetian Macau):			
New Project Term Loan, 4.73%, 5/27/13		809	800,732
Term B Delayed Draw Project Loan, 4.73%,			
5/25/12		533	527,177
Term B Funded Project Loan, 4.73%, 5/27/13		572	565,037
			10,805,758
IT Services 3.5%			
Ceridian Corp., US Term Loan, 3.22%, 11/10/14		1,552	1,326,995
First Data Corp.:			
Initial B-1 Term Loan, 2.97%, 9/24/14		98	86,116
Initial B-2 Term Loan, 4.22%, 3/23/18		3,699	3,096,400
Initial B-3 Term Loan, 2.97%, 9/24/14		141	124,080
InfoGROUP, Inc., Term Loan, 5.75%, 5/22/18		474	435,067
iPayment, Inc., Term Loan B, 5.75%, 5/08/17		625	591,280
SunGard Data Systems, Inc. (Solar Capital Corp.),			
Tranche B US Term Loan, 3.84% 3.89%, 2/26/16		402	380,007
		1,960	1,858,613

# TransUnion LLC, Replacement Term Loan, 4.75%, 2/12/18

2/12/10		
		7,898,558
Independent Power Producers &		
Energy Traders 1.4%		
AES Corp., Term Loan B, 4.25%, 6/01/18	948	910,194
Calpine Corp., Term Loan B, 4.50%, 4/02/18	1,046	964,286
Texas Competitive Electric Holdings Co., LLC		
(TXU), Extended Term Loan, 4.71% 4.77%,		
10/10/17	1,878	1,378,715
		3,253,195
Industrial Conglomerates 1.0%		
Sequa Corp., Term Loan, 3.50% 3.51%,		
12/03/14	1,225	1,144,228
Tomkins Plc, Term Loan B, 4.25%, 9/29/16	1,138	1,095,787
		2,240,015
Machinery 0.3%		
Terex Corp., Term Loan B, 5.50%, 4/28/17	700	686,000
See Notes to Financial Statements.		
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# Schedule of Investments (continued)

#### BlackRock Senior High Income Fund, Inc. (ARK) (Percentages shown are based on Net Assets)

Floating Rate Loan Interests (b)		ar 00)	Value
Media 10.8%			
AMC Networks, Inc., Term Loan B, 4.00%,	LICD	1 100	¢ 1.0(0.105
12/31/18	USD	1,100	\$ 1,060,125 846,605
Acosta, Inc., Term Loan, 4.75%, 3/01/18 Affinion Group, Inc., Tranche B Term Loan, 5.00%,		898	846,695
10/10/16		741	667,035
Capsugel Healthcare Ltd., Term Loan, 5.25%,		/41	007,035
8/01/18		800	772,800
Cengage Learning Acquisitions, Inc. (FKA Thomson			
Learning):			
Term Loan, 2.50%, 7/03/14		2,564	2,119,570
Tranche 1 Incremental Term Loan, 7.50%,			
7/03/14		671	641,018
Charter Communications Operating, LLC:			
Term Loan B, 7.25%, 3/06/14		24	23,975
Term Loan C, 3.50%, 9/06/16		2,221	2,114,561
Cumulus Media, Inc., Term Loan, 6.75%, 8/30/18		800	749,000
Getty Images, Inc., Initial Term Loan, 5.25%, 11/07/16		202	276.070
Gray Television, Inc., Term Loan B, 3.71%, 12/31/14		282 479	276,079 438,389
HMH Publishing Co., Ltd., Tranche A Term Loan,		4/2	430,309
6.21%, 6/12/14		1,355	1,088,850
Hubbard Broadcasting, Term Loan (Second Lien),		1,555	1,000,000
5.25%, 4/28/17		600	571,002
Intelsat Jackson Holdings SA (FKA Intelsat Jackson			
Holdings, Ltd.), Tranche B Term Loan, 5.25%,			
4/02/18		4,239	4,059,202
Interactive Data Corp., Term Loan, 4.50%, 2/12/18		898	848,939
Mediacom Illinois, LLC (FKA Mediacom			
Communications, LLC), Tranche D Term Loan,			
5.50%, 3/31/17		491	469,144
Newsday LLC, Fixed Rate Term Loan, 10.50%,		2 2 5 0	0.055.605
8/01/13		3,250	3,355,625
Nielsen Finance LLC, Class C Term Loan, 3.48%, 5/02/16		225	211 210
		225	211,219
Sinclair Television Group, Inc., New Tranche B Term Loan, 4.00%, 10/28/16		836	823,891
Sunshine Acquisition Ltd. (FKA HIT Entertainment),		850	025,091
Term Facility, 5.51%, 6/01/12		960	923,052
UPC Financing Partnership, Facility Term Loan T,		,00	,,
3.69%, 12/30/16		425	391,666
Univision Communications, Inc., Extended First Lien			
Term Loan, 4.47%, 3/31/17	EUR	978	840,930
WC Luxco Sarl, New Term Loan B3, 4.25%, 3/15/18	USD	314	300,766
Weather Channel, Term Loan B, 4.25%, 2/13/17		898	864,829
			24,458,362
Metals & Mining 2.1%		1	
Novelis, Inc., Term Loan, 3.75%, 3/10/17		1,642	1,550,863
SunCoke Energy, Inc., Term Loan B, 4.00%, 7/26/18		850	807,500
Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18		2,594	2,476,792
			4,835,155

Multi-Utilities 0.1%		
FirstLight Power Resources, Inc. (FKA NE Energy, Inc.),		
Term B Advance (First Lien), 2.75%, 11/01/13	332	314,150
Multiline Retail 0.3%		
Dollar General Corp., Tranche B-2 Term Loan,		
2.96% 2.97%, 7/07/14	598	579,678
Oil, Gas & Consumable Fuels 1.1%		
Gibson Energy, Term Loan B, 5.75%, 6/14/18	800	756,000
Obsidian Natural Gas Trust, Term Loan, 7.00%,		
11/02/15	1,835	1,816,166
		2,572,166

	Par	
Floating Rate Loan Interests (b)	(000)	Value
Pharmaceuticals 1.6%		
Axcan Pharma, Inc., Term Loan B, 5.50%, 2/10/17	USD 945 \$	852,615
Endo Pharmaceuticals Holdings, Inc., Term Loan B,	800	700 504
4.00%, 6/18/18	800	782,504
Quinteles Transnational Corp., Term Loan, 5.00%, 6/08/18	705	652 000
RPI Finance Trust, Term Loan Tranche 2, 4.00%,	703	653,888
5/09/18	600	582,000
Warner Chilcott Corp.:	000	582,000
Term Loan B-1, 4.25%, 3/15/18	456	436,907
Term Loan B-2, 4.25%, 3/15/18	228	218,739
		3,526,653
Professional Services 0.8%		0,020,000
Booz Allen Hamilton, Inc., Tranche B Term Loan,		
4.00%, 8/03/17	648	633,836
Fifth Third Processing Solutions, LLC, Term Loan B		
(First Lien), 4.50%, 11/03/16	1,095	1,054,152
		1,687,988
Real Estate Investment Trusts (REITs) 0.8%		
iStar Financial, Inc., Term Loan (Second Lien),		
5.00%, 6/28/13	1,778	1,727,546
Real Estate Management & Development 1.7%		
Realogy Corp.:		
Delayed Draw Term Loan, 3.27%, 10/10/13	1,775	1,566,808
Extended Synthetic Letter of Credit Loan, 4.44%,	1 215	1 000 070
10/10/16	1,315	1,082,279
Extended Term Loan B, 4.52%, 10/10/16	1,405	1,156,522
Semiconductors & Semiconductor		3,805,609
Equipment 0.5%		
Freescale Semiconductor, Inc., Extended Maturity		
Term Loan, 4.44%, 12/01/16	584	531,256
Microsemi Corp., Term Loan B, 4.00%, 11/02/17	697	664,579
		1,195,835
Specialty Retail 3.4%		, ,
Academy Ltd. Term Loan, 6.00%, 8/03/18	1,000	949,250
Burlington Coat Factory Warehouse Corp., Term		
Loan B, 6.25%, 2/23/17	790	744,575
General Nutrition Centers, Inc., Term Loan B,		
4.25%, 3/02/18	1,125	1,061,719
J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18	339	302,057
Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18	399	371,070
Michaels Stores, Inc.:		
Term Loan B-1, 2.50%, 10/31/13	239	225,917
Term Loan B-2, 4.75%, 7/31/16	1,199	1,127,971
Petco Animal Supplies, Inc., Term Loan B, 4.50%,	1	1 100 171
11/24/17	1,520	1,428,471

# Explanation of Responses:

Toys R Us Delaware, Inc.:		
Initial Loan, 6.00%, 9/01/16	1,209	1,132,375
Term Loan B, 5.25%, 5/25/18	399	370,404
		7,713,809
Wireless Telecommunication Services 1.9%		
Digicel International Finance Ltd., US Term Loan		
(Non-Rollover), 2.75%, 3/30/12	656	646,171
MetroPCS Wireless, Inc., Term Loan B, 4.00%,		
3/16/18	746	699,149
Vodafone Americas Finance 2, Inc., Initial Loan,		
6.88%, 8/11/15	2,943	2,958,114
		4,303,434
Total Floating Rate Loan Interests 70.6%		159,324,338
See Notes to Financial Statements.		

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## Schedule of Investments (continued)

#### BlackRock Senior High Income Fund, Inc. (ARK) (Percentages shown are based on Net Assets)

Other Interests (j)		Beneficial Interest (000)		Value
Auto Components 0.0%				
Intermet Liquidating Trust Class A (c)	USD	320	\$	3
Diversified Financial Services 0.5%				
ARK JGW SPV, LLC (J.G.Wentworth LLC Preferred				
Equity Interests) (c)(k)			(1)	1,033,018
Media 0.0%				
Adelphia Preferred Escrow (c)		3		
Adelphia Recovery Trust, Series ACC-6B INT (c)		250		1,250
				1,250
Metals & Mining 0.7%				
ARK (R-Gibson) SPV, LLC (RathGibson Acquisition				
Corp., LLC) (k)		137		1,673,740
Total Other Interests 1.2%				2,708,011

Preferred Securities		
Preferred Stocks	Shares	
Diversified Financial Services 0.0%		
Ally Financial, Inc., 7.00%, 12/31/11 (a)	90 68	,482
Total Preferred Stocks 0.0%	68	,482

Trust Preferreds		
Diversified Financial Services 0.4%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)	35,560	755,752
Total Trust Preferreds 0.4%		755,752
Total Preferred Securities 0.4%		824,234

Warrants (m)		
Media 0.0%		
Charter Communications, Inc. (Expires 11/30/14)	6,862	75,708
Total Warrants 0.0%		75,708
Total Investments (Cost \$317,900,510*) 130.8%		295,139,634
Liabilities in Excess of Other Assets (30.8)%		(69,452,932)
Net Assets 100.0%	\$	5 225,686,702

\* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 316,680,361
Gross unrealized appreciation	\$ 6,838,103
Gross unrealized depreciation	(28,378,830)
Net unrealized depreciation	\$ (21,540,727)

- (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) Variable rate security. Rate shown is as of report date.
- (c) Non-income producing security.
- (d) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$11,616 and original cost of \$822, in this security.
- (e) Issuer filed for bankruptcy and/or is in default of interest payments.
- (f) Represents a step-down bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (g) Convertible security.
- (h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (i) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (j) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (k) The investment is held by a wholly-owned subsidiary of the Fund.
- (l) Amount is less than \$500.
- (m) 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.

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 a follows:

	Shares Held at February 28,	Net	Shares Held at August 31,		
Affiliate	2011	Activity	2011	I	ncome
BlackRock Liquidity					
Funds, TempFund,					
Institutional Class	270,650	(270,650)		\$	747

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. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Foreign currency exchange contracts as of August 31, 2011 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation			
USD 471,000	CAD 489,870	UBS AG	10/07/11	\$	9,316		
See Notes to Financial Statem	ents.						
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## Schedule of Investments (concluded)

#### BlackRock Senior High Income Fund, Inc. (ARK)

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized in three broad levels for financial statement purposes 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund s perceived risk of investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of August 31, 2011 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments:				
Asset-Backed Securities		\$ 1,455,219	\$ 3,000,034	\$ 4,455,253
Common Stocks	\$ 889,684	1,122,705	222,721	2,235,110
Corporate Bonds		117,147,304	8,369,676	125,516,980
Floating Rate Loan Interests		140,433,056	18,891,282	159,324,338
Other Interests	1,250		2,706,761	2,708,011
Preferred Securities	755,752	68,482		824,234
Warrants	75,708			75,708
Liabilities:				
Unfunded Loan Commitments		(36,655)		(36,655)
Total	\$ 1,722,394	\$ 260,190,111	\$ 33,190,474	\$ 295,102,979
Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments <sup>1</sup>				
Assets:				
Foreign currency exchange contracts		\$ 9,316		\$ 9,316

<sup>1</sup> Derivative financial instruments are foreign currency exchange contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

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

	 sset-Backed Securities	Common Stocks		Corporate Bonds		Floating Rate Loan Interests		Other Interests		Total
Assets:										
Balance, as of February 28, 2011	\$ 3,467,413	\$	433,333	\$	6,609,156	\$	18,685,436	\$	2,125,823	\$ 31,321,161
Accrued discounts/premiums	20,164				89,853		39,240			149,257
Net realized gain (loss)	50,449				5,282		35,537			91,268
Net change in unrealized										
appreciation/depreciation <sup>2</sup>	(213,505)		(210,612)		1,689,613		1,780,683		522,241	3,568,420
Purchases	1,586,263				43,054		7,945,449		58,700	9,633,466
Sales	(1,470,750)				(67,500)		(9,463,997)			(11,002,247)
Transfers in <sup>3</sup>					218		3,455,156			3,455,374
Transfers out <sup>3</sup>	(440,000)						(3,586,222)		(3)	(4,026,225)
Balance, as of August 31, 2011	\$ 3,000,034	\$	222,721	\$	8,369,676	\$	18,891,282	\$	2,706,761	\$ 33,190,474

- <sup>2</sup> Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(563,317).
- <sup>3</sup> The Fund s policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets.

See Notes to Financial Statements.

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# Statements of Assets and Liabilities

August 31, 2011 (Unaudited)	BlackRock Corporate High Yield Fund, Inc. (COY)	BlackRock Corporate High Yield Fund III, Inc. (CYE)	BlackRock Debt Strategies Fund, Inc. (DSU)	BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)	BlackRock Senior High Income Fund, Inc. (ARK)
Assets	(COI)	(CIE)	(DSU)	(FKD)	(AKK)
Investments at value unaffiliated	\$ 299,837,211	\$ 339,872,023	\$ 577,515,239	\$ 187,954,288	\$ 295,139,634
Investments at value affiliated	1,965,816	\$ 557,672,025	φ 577,515,259	3,303,074	φ 275,157,054
Cash pledged as collateral for financial	1,905,010			5,505,071	
futures contracts	2,034,000	1,950,000			
Cash pledged as collateral for swaps	1,062,380	614,250			
Investments sold receivable	1,522,121	2,042,916	6,115,527	2,778,576	4,933,602
Principal paydown receivable	34,146	47,112	265,526	51,841	137,589
Interest receivable	5,416,494	5,503,197	6,921,900	553,004	2,491,808
Interest receivable affiliated	, ,	, ,	252	,	52
Swap premiums paid	422,491	445,622			
Swaps receivable	112,038	1,120,509			
Foreign currency at value <sup>3</sup>	34,192	209,458		168,394	317
Dividends receivable	54,890	24,590	56,385		
Unrealized appreciation on swaps	66,052	72,277			
Unrealized appreciation on foreign currency					
exchange contracts	484	842	8,893	8,108	9,316
Prepaid expenses	4,464	17,791	7,829	9,232	3,376
Other assets	5,279	23,665	447,645	13,062	
Total assets	312,572,058	351,944,252	591,339,196	194,839,579	302,715,694
Liabilities					
Bank overdraft	446,576	146,969	71,676	2,646	14,803
Loan payable	66,000,000	85,000,000	147,000,000	50,000,000	68,000,000
Investments purchased payable	3,912,395	2,582,619	16,089,584	7,388,364	8,435,900
Unrealized depreciation on unfunded loan					
commitments			79,684	48,248	36,655
Unrealized depreciation on swaps	97,116	92,651			
Options written at value <sup>4</sup>	878,047	973,136			
Interest expense payable	62,900	159,832	506,295	102,674	238,228
Swaps premiums received	2,437	2,193			
Investment advisory fees payable	131,558	177,847	297,879	120,707	127,360
Margin variation payable	213,611	242,906			
Swaps payable	312,634	317,896			
Unrealized depreciation on foreign currency					
exchange contracts	87,509	94,306	98,260	29,213	
Income dividends payable		80,263		45,705	33,534
Options purchased payable	29,478	32,403	0.7.1	( ac=	
Deferred income	13,712	16,401	2,741	6,237	1,446
Officer s and Directors fees payable	13,191	14,416	104,588	7,705	13,743
Bank overdraft on foreign currency <sup>3</sup>	116.050	50.001	10,994	(0.714	107.000
Other accrued expenses payable	116,350	52,991		69,714	127,323
Other liabilities	12,460				
Total liabilities	72,329,974	89,986,829	164,261,701	57,821,213	77,028,992
Net Assets	\$ 240,242,084	\$ 261,957,423	\$ 427,077,495	\$ 137,018,366	\$ 225,686,702

Net Assets Consist of					
Paid-in capital <sup>5</sup>	\$ 309,243,562	\$ 324,916,847	\$ 796,951,067	\$ 199,583,676 \$	371,544,299
Undistributed net investment income	3,119,356	2,751,432	1,138,431	312,660	3,572,802
Accumulated net realized loss	(60,153,466)	(52,302,891)	(286,703,191)	(52,280,562)	(126,642,176)
Net unrealized appreciation/depreciation	(11,967,368)	(13,407,965)	(84,308,812)	(10,597,408)	(22,788,223)
Net Assets	\$ 240,242,084	\$ 261,957,423	\$ 427,077,495	\$ 137,018,366 \$	225,686,702
Net asset value	\$ 6.90	\$ 7.01	\$ 3.96	\$ 12.96 \$	3.98
1 Investments at cost unaffiliated	\$ 310,041,442	\$ 351,395,900	\$ 662,005,427	\$ 198,482,076 \$	317,900,510
2 Investments at cost affiliated	\$ 1,965,816			\$ 3,303,074	
3 Foreign currency at cost	\$ 34,023	\$ 210,432	\$ (11,157)	\$ 168,766 \$	325
4 Premiums received	\$ 601,636	\$ 685,688			
<sup>5</sup> Shares outstanding, 200 million shares authorized, par value \$0.10 per share	34,792,580	37,356,898	107,883,026	10,574,327	56,661,773
See Notes to Financial Statements.					
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# Statements of Operations

Six Months Ended August 31, 2011 (Unaudited)		BlackRock Corporate High Yield Fund, Inc. (COY)	I	BlackRock Corporate High Yield Fund III, Inc. (CYE)	D	BlackRock ebt Strategies Fund, Inc. (DSU)		BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)		BlackRock Senior High Income Fund, Inc. (ARK)
Investment Income		(001)		(CIL)		(DSC)		(I'KD)		(ARR)
Interest	\$	12,368,288	\$	13,386,021	\$	20,869,048	\$	6,122,959	\$	10,544,636
Dividends unaffiliated	Ψ	75,898	Ψ	209,565	Ψ	5,112	Ψ	0,122,757	Ψ	10,544,050
Dividends affiliated		1,031		809		1,517		2,165		747
Facility and other fees		25,060		392,213		773,903		2,105		392,666
Total income		12,470,277		13,988,608		21,649,580		6,146,989		10,938,049
Total income		12,470,277		13,988,008		21,049,380		0,140,989		10,958,049
Expenses										
Investment advisory		809,383		1,109,393		1,822,534		748,721		773,675
Borrowing costs <sup>1</sup>		108,336		131,144		225,060		72,962		105,514
Professional		60,885		68,324		126,870		71,728		78,906
Accounting services		43,313		25,597		52,804		16,101		23,143
Custodian		26,101		25,750		26,331		37,945		18,342
Transfer agent		14,416		19,706		43,192		11,832		24,551
Printing		24,524		16,558		29,243		10,027		16,140
Officer and Directors		12,686		12,769		19,138		7,395		13,099
Registration		6,118		6,001		18,868		4,668		10,055
Miscellaneous		23,026		19,877		25,986		14,964		23,975
Total expenses excluding interest expense		1,128,788		1,435,119		2,390,026		996,343		1,087,400
Interest expense		326,327		433,530		730,657		254,602		345,555
Total expenses		1,455,115		1,868,649		3,120,683		1,250,945		1,432,955
Less fees waived by advisor		(869)		(489)		(1,000)		(854)		(760)
Total expenses after fees waived		1,454,246		1,868,160		3,119,683		1,250,091		1,432,195
Net investment income		11,016,031		12,120,448		18,529,897		4,896,898		9,505,854
Realized and Unrealized Gain (Loss) Net realized gain (loss) from:		0 001 054				0.100.055		407.000		
Investments		3,381,256		4,117,474		3,129,057		407,232		1,816,811
Financial futures contracts		1,051,801		1,153,901		(1.001.550)				(1 ( 0 0 0)
Foreign currency transactions		(671,670)		(537,976)		(1,231,773)		66,629		(16,238)
Options written		2,141,307		2,225,613		(77.004)				(24.520)
Swaps		1,221,388		1,509,737		(75,221)		1=2 0.44		(24,530)
		7,124,082		8,468,749		1,822,063		473,861		1,776,043
Net change in unrealized										
appreciation/depreciation on:						(2= 040 044)		(1.0.10.0.40.0)		
Investments		(24,440,737)		(28,511,617)		(37,810,041)		(12,492,600)		(16,174,507)
Financial futures contracts		(1,126,389)		(1,293,818)						
Foreign currency transactions		66,525		139,990		328,702		148,890		20,564
Options written		(276,412)		(287,448)						
Swaps		341,627		246,400		77,957				52,151
Unfunded loan commitments		(11,592)		23,261		(116,909)		(78,214)		(52,873)
		(25,446,978)		(29,683,232)		(37,520,291)		(12,421,924)		(16,154,665)
Total realized and unrealized loss		(18,322,896)		(21,214,483)		(35,698,228)		(11,948,063)		(14,378,622)
Net Decrease in Net Assets Resulting										
from Operations	\$	(7,306,865)	\$	(9,094,035)	\$	(17,168,331)	\$	(7,051,165)	\$	(4,872,768)

<sup>1</sup> See Note 7 of the Notes to Financial Statements for details of short-term borrowings.

See Notes to Financial Statements.

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# Statements of Changes in Net Assets

	High Yield F Six Months	k Corporate und, Inc. (COY)	BlackRock High Yield Fund Six Months	l III, Inc. (CYE)		
	Ended August 31, 2011	Year Ended February 28,	Ended August 31, 2011	Year Ended February 28,		
Increase (Decrease) in Net Assets: Operations	(Unaudited)	2011	(Unaudited)	2011		
Net investment income	\$ 11,016,031	\$ 22,535,037	\$ 12,120,448	\$ 24,174,359		
Net realized gain	7,124,082	6,965,831	8,468,749	9,224,596		
Net change in unrealized appreciation/depreciation	(25,446,978)	18,790,685	(29,683,232)	21,881,740		
Net increase (decrease) in net assets resulting from						
operations	(7,306,865)	48,291,553	(9,094,035)	55,280,695		
Dividends to Shareholders From						
Net investment income	(10,637,966)	(21,257,066)	(11,207,069)	(22,906,514)		
	(,,,,	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(,,-,-,-,-,)	(, , , , , , , , , , , , , , , , , ,		
Capital Share Transactions Reinvestment of dividends	277 (90	282 201		162 777		
Reinvestment of dividends	277,689	282,201		163,777		
Net Assets						
Total increase (decrease) in net assets	(17,667,142)	27,316,688	(20,301,104)	32,537,958		
Beginning of period	257,909,226	230,592,538	282,258,527	249,720,569		
End of period	\$ 240,242,084	\$ 257,909,226	\$ 261,957,423	\$ 282,258,527		
Undistributed net investment income	¢ 2 1 1 0 256					
endistributed net investment meonie	\$ 3,119,356	\$ 2,741,291	\$ 2,751,432	\$ 1,838,053		
	BlackI Strategies F Six Months	Rock Debt and, Inc. (DSU)	BlackRock Float Strategies Fund Six Months	ing Rate Income d II, Inc. (FRB)		
	BlackI Strategies F Six Months Ended	Rock Debt and, Inc. (DSU) Year	BlackRock Float Strategies Fund Six Months Ended	ing Rate Income d II, Inc. (FRB) Year		
	BlackI Strategies F Six Months Ended August 31, 2011	Rock Debt and, Inc. (DSU)	BlackRock Float Strategies Fund Six Months	ing Rate Income d II, Inc. (FRB)		
Increase (Decrease) in Net Assets:	BlackI Strategies F Six Months Ended August 31,	Rock Debt and, Inc. (DSU) Year Ended	BlackRock Float Strategies Fund Six Months Ended August 31,	ting Rate Income d II, Inc. (FRB) Year Ended		
Increase (Decrease) in Net Assets: Operations	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011		
Increase (Decrease) in Net Assets: Operations Net investment income	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898	ing Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss)	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861	ing Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898	ing Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss)	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861	ing Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924)	ing Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations Dividends and Distribution to Shareholders From	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291) (17,168,331)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048 78,413,128	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924) (7,051,165)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations Dividends and Distribution to Shareholders From Net investment income	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048 78,413,128 (35,928,501)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803 (8,767,675)		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations Dividends and Distribution to Shareholders From Net investment income Tax return of capital	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291) (17,168,331)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048 78,413,128	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924) (7,051,165)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations Dividends and Distribution to Shareholders From Net investment income	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291) (17,168,331)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048 78,413,128 (35,928,501) (924,228)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924) (7,051,165) (4,692,191)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803 (8,767,675) (716,193)		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations <b>Dividends and Distribution to Shareholders From</b> Net investment income Tax return of capital Decrease in net assets resulting from dividends and	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291) (17,168,331) (17,464,936)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048 78,413,128 (35,928,501) (924,228)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924) (7,051,165)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803 (8,767,675)		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations Dividends and Distribution to Shareholders From Net investment income Tax return of capital Decrease in net assets resulting from dividends and distributions to shareholders	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291) (17,168,331) (17,464,936)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048 78,413,128 (35,928,501) (924,228)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924) (7,051,165) (4,692,191)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803 (8,767,675) (716,193)		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations Dividends and Distribution to Shareholders From Net investment income Tax return of capital Decrease in net assets resulting from dividends and distributions to shareholders	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291) (17,168,331) (17,464,936) (17,464,936)	Rock Debt and, Inc. (DSU)         Year Ended February 28, 2011         \$ 35,976,309 (2,434,229) 44,871,048         78,413,128         (35,928,501) (924,228)         (36,852,729)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924) (7,051,165) (4,692,191) (4,692,191)	ing Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803 (8,767,675) (716,193) (9,483,868)		
Increase (Decrease) in Net Assets: Operations Net investment income Net realized gain (loss) Net change in unrealized appreciation/depreciation Net increase (decrease) in net assets resulting from operations Dividends and Distribution to Shareholders From Net investment income Tax return of capital Decrease in net assets resulting from dividends and distributions to shareholders	BlackI Strategies F Six Months Ended August 31, 2011 (Unaudited) \$ 18,529,897 1,822,063 (37,520,291) (17,168,331) (17,464,936)	Rock Debt and, Inc. (DSU) Year Ended February 28, 2011 \$ 35,976,309 (2,434,229) 44,871,048 78,413,128 (35,928,501) (924,228)	BlackRock Float Strategies Fund Six Months Ended August 31, 2011 (Unaudited) \$ 4,896,898 473,861 (12,421,924) (7,051,165) (4,692,191)	ting Rate Income d II, Inc. (FRB) Year Ended February 28, 2011 \$ 9,200,317 574,094 9,308,392 19,082,803 (8,767,675) (716,193)		

Net Assets				
Total increase (decrease) in net assets	(34,169,696)	42,025,203	(11,533,320)	10,181,002
Beginning of period	461,247,191	419,221,988	148,551,686	138,370,684
End of period	\$ 427,077,495	\$ 461,247,191	\$ 137,018,366	\$ 148,551,686
Undistributed net investment income	\$ 1,138,431	\$ 73,470	\$ 312,660	\$ 107,953

See Notes to Financial Statements.

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# Statements of Changes in Net Assets

			BlackRock S Income Fund Six Months		
Increase (Decrease) in Net As	scote		Ended August 31, 2011 (Unaudited)	]	Year Ended February 28, 2011
Operations	35013.		(Unaudited)		2011
Net investment income		\$	9,505,854	\$	17,899,921
Net realized gain (loss)		Ψ	1,776,043	Ψ	(2,983,318)
Net change in unrealized ap	opreciation/depreciation		(16,154,665)		20,894,516
	net assets resulting from operations		(4,872,768)		35,811,119
Dividends to Shareholder					
Net investment income			(8,494,412)		(18,479,539)
Capital Share Transaction	ns				
Reinvestment of dividends			293,462		255,895
Net Assets			(12,072,710)		17 507 475
Total increase (decrease) in	i net assets		(13,073,718)		17,587,475
Beginning of period End of period		\$	238,760,420 225,686,702	¢	221,172,945 238,760,420
Undistributed net investme	ntingama	\$ \$	3,572,802	\$ \$	2,561,360
See Notes to Financial Stat		\$	5,572,802	φ	2,501,500
See Roles to T manetal Stat	enents.				
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# Statements of Cash Flows

Six Months Ended August 31, 2011 (Unaudited) Cash Provided by (Used for) Operating Activities	BlackRock Corporate High Yield Fund, Inc. (COY)	BlackRock Corporate High Yield Fund III, Inc. (CYE)	BlackRock Debt Strategies Fund, Inc. (DSU)	BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)	BlackRock Senior High Income Fund, Inc. (ARK)
Net decrease in net assets resulting from					
operations	\$ (7,306,865)	\$ (9,094,035)	\$ (17,168,331)	\$ (7,051,165)	\$ (4,872,768)
Adjustments to reconcile net decrease in net					
assets resulting from operations to net cash					
provided by (used for) operating activities:					
Decrease in interest receivable	205,805	728,007	202,850	850,072	776,510
Increase in interest receivable affiliated			(252)		(52)
Increase in cash pledged as collateral for					
financial futures contracts	(1,524,000)	(1,385,000)			
Increase in cash pledged as collateral for swaps	(1,062,380)	(614,250)			
Increase in swaps receivable	(44,973)	(1,049,756)	1.005	1.0.42	570
Decrease in commitment fees receivable		97	1,385	1,043	573
Decrease in receivable from custodian	564	(15 720)	26,800	(12.0(2))	602,027
(Increase) decrease in other assets	564	(15,730)	26,890	(13,062)	8,967
(Increase) decrease in dividends receivable	(19,189)	40,645	(48)	11.670	15 020
Increase in investment advisory fees payable	8,996	7,239	29,674	11,670	15,920
Decrease in cash held as collateral for swaps	(100,000)	(7.720)	262 201	22.286	107 175
Increase (decrease) in interest expense payable	(56,344)	(7,729)	263,291	22,286	127,175
Decrease in other affiliates payable	(1,404)	(1,572)	(2,511)	(820)	(1,278)
Increase (decrease) in swaps payable	241,319	257,674	(10,897)		(14,850)
Increase (decrease) in other accrued expenses	(10.805)	(75.076)	(220, 526)	(10, 108)	32,225
payable Decrease in prepaid expenses	(10,805) 11,592	(75,076)	(239,536) 22,209	(40,198)	11,941
Increase in margin variation payable	179,666	204,946	22,209		11,941
Increase (decrease) in other liabilities	10,460	(30,652)		(54,550)	
Increase in Officer s and Directors fees payable	12,508	13,672	24,116	7,308	12,973
Net periodic and termination payment of swaps	1,345,008	1,505,112	(7,514)	7,508	2,145
Net realized and unrealized loss on investments	1,545,000	1,505,112	(7,514)		2,143
and swaps	18,839,987	21,667,860	33,938,120	11,964,520	14,086,067
Amortization of premium and accretion of	10,039,907	21,007,000	55,950,120	11,704,520	14,000,007
discount on investments and swaps	(54,795)	(372,211)	(1,954,414)	(611,118)	(572,230)
Paid-in-kind income	(234,981)	(258,299)	(566,754)	(99,755)	(179,217)
Premiums received from options written	1,066,309	1,109,984	(500,751)	()),(55)	(179,217)
Premiums paid on closing options written	(235,331)	(239,275)			
Proceeds from sales of long-term investments	130,904,461	154,264,083	203,290,854	79,011,677	104,564,878
Purchases of long-term investments	(134,699,566)	(151,649,457)	(235,606,566)	(92,331,998)	(126,405,426)
Net proceeds from sales (purchases) of	(101,0)),000)	(101,01),107)	(200,000,000)	()_,001,000)	(120,100,120)
short-term securities	(243,950)	1,845,167	4,761,986	(588,807)	2,272,105
Cash provided by (used for) operating	( , , )	-,-,-,,	.,	(****,***)	_,,
activities	7,232,092	16,851,444	(12,995,448)	(8,922,897)	(9,532,315)
Cash Provided by (Used for) Financing Activities					
Cash receipts from borrowings	65,000,000	90,000,000	164,000,000	81,000,000	84,000,000
Cash payments on borrowings	(62,000,000)	(96,000,000)	(134,000,000)	(67,000,000)	(66,000,000)
Cash dividends paid	(10,453,661)	(11,207,287)	(17,198,196)	(4,646,486)	(8,582,029)

Increase (decrease) in bank overdraft	146,615		146,969		82,670	(404,039)	14,803
Cash provided by (used for) financing							
activities	(7,307,046)	(1	7,060,318)	1	2,884,474	8,949,475	9,432,774
Cash Impact from Foreign Exchange							
Fluctuations							
Cash impact from foreign exchange							
fluctuations	(660)		(974)		(675)	6,869	(1,869)
Cash and Foreign Currency							
Net increase (decrease) in cash and foreign							
currency	(75,614)		(209,848)		(111,649)	33,447	(101,410)
Cash and foreign currency at beginning of							
period	109,806		419,306		111,649	134,947	101,727
Cash and foreign currency at end of period	\$ 34,192	\$	209,458			\$ 168,394	\$ 317
Cash Flow Information							
Cash paid during the period for interest	\$ 382,671	\$	441,259	\$	467,366	\$ 232,316	\$ 218,380
Noncash Activities							
Capital shares issued in reinvestment of							
dividends	277,689				463,571	210,036	293,462

A Statement of Cash Flows is presented when a Fund had a significant amount of borrowing during the period, based on the average borrowing outstanding in relation to average total assets.

See Notes to Financial Statements.

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# Financial Highlights

#### BlackRock Corporate High Yield Fund, Inc. (COY)

	~	x Months Ended ugust 31, 2011	Year Ended February 28,					Period June 1, 2008 to Sebruary 28,	Year Ended May 31,						
	(U	naudited)		2011		2010		2009		2008		2007		2006	
Per Share Operating															
Performance Net asset value, beginning of															
period	\$	7.42	\$	6.64	\$	4.19	\$	7.74	\$	9.07	\$	8.52	\$	8.53	
Net investment income <sup>1</sup>	φ	0.32	φ	0.65	φ	0.65	φ	0.50	φ	0.75	φ	0.73	φ	0.74	
Net realized and unrealized gain		0.52		0.05		0.05		0.50		0.75		0.75		0.74	
(loss)		(0.53)		0.74		2.53		(3.50)		(1.32)		0.49		0.02	
Net increase (decrease) from		(0.00)						(0.00)		()		,			
investment operations		(0.21)		1.39		3.18		(3.00)		(0.57)		1.22		0.76	
Dividends and distributions from								. ,							
net investment income		(0.31)		(0.61)		(0.73)		(0.55)		(0.76)		(0.67)		(0.77)	
Net asset value, end of period	\$	6.90	\$	7.42	\$	6.64	\$	4.19	\$	7.74	\$	9.07	\$	8.52	
Market price, end of period	\$	7.01	\$	7.03	\$	6.88	\$	3.91	\$	7.28	\$	8.47	\$	7.42	
Total Investment Return <sup>2</sup>															
Based on net asset value		$(2.99)\%^3$		22.11%		79.91%		$(38.98)\%^3$		(5.49)%		15.60%		9.75%	
Based on market price		4.03% <sup>3</sup>		11.66%		99.76%		(39.46)% <sup>3</sup>		(4.81)%		23.96%		(3.63)%	
Ratios to Average Net Assets															
Total expenses		$1.13\%^{4}$		1.18%		1.18%		$2.29\%^{4}$		2.33%		3.25%		2.39%	
Total expenses after fees waived															
and paid indirectly		$1.13\%^{4}$		1.18%		1.18%		$2.29\%^{4}$		2.33%		3.25%		2.39%	
Total expenses after fees waived															
and paid indirectly and excluding															
interest expense and fees		$0.88\%^{4}$		0.89%		0.92%		$1.17\%^{4}$		0.83%		0.91%		0.90%	
Net investment income		$8.58\%^{4}$		9.28%		11.36%		11.45%4		9.15%		8.36%		8.55%	
Supplemental Data															
Net assets, end of period (000)	\$	240,242	\$	257,909	\$	230,593	\$	144,800	\$	268	\$	313,821	\$ 2	94,759	
Borrowings outstanding, end of															
period (000)	\$	66,000	\$	63,000	\$	72,000	\$	38,700	\$	64,700	\$	126,200	\$ 1	27,700	
Average borrowings outstanding															
during the period (000)	\$	67,250	\$	55,304	\$	42,184	\$	59,553	\$	81,598	\$	125,974	\$ 1	01,539	
Portfolio turnover		39%		83%		85%		37%		38%		62%		57%	
Asset coverage, end of period per \$1,000	\$	4,640	\$	5,094	\$	4,203	\$	4,203	\$	5,138	\$	3,487	\$	3,308	

<sup>1</sup> Based on average common shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Annualized.

See Notes to Financial Statements.

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# Financial Highlights

#### BlackRock Corporate High Yield Fund III, Inc. (CYE)

		x Months Ended ugust 31, 2011		Year E Februa		y 28,		Period June 1, 2008 to February 28,		Ŷ	,			
	(U	naudited)		2011		2010		2009		2008		2007		2006
Per Share Operating														
Performance														
Net asset value, beginning of														
period	\$	7.56	\$	6.69	\$		\$	7.62	\$	8.99	\$	8.46	\$	8.46
Net investment income <sup>1</sup>		0.32		0.65		0.64		0.50		0.73		0.71		0.72
Net realized and unrealized gain		(0.57)		0.02		2 (0		(2.51)		(1.00)		0.40		0.00
(loss)		(0.57)		0.83		2.68		(3.51)		(1.33)		0.49		0.02
Net increase (decrease) from		(0.25)		1 40		2.22		(2,01)		(0, 0)		1.00		0.74
investment operations		(0.25)		1.48		3.32		(3.01)		(0.60)		1.20		0.74
Dividends and distributions		(0.20)		$(0, \epsilon_1)$		(0, 69)		(0.56)		(0, 77)		(0, 67)		(0, 74)
from net investment income	\$	(0.30) 7.01	\$	(0.61) 7.56	\$	(0.68) 6.69	\$	(0.56) 4.05	\$	(0.77) 7.62	\$	(0.67) 8.99	\$	(0.74) 8.46
Net asset value, end of period Market price, end of period	э \$	6.88	ֆ \$	7.30	ֆ \$		ֆ \$	3.57	ֆ \$	7.02	ֆ \$	8.53	ֆ \$	7.36
Market price, end of period	Ф	0.88	Ф	7.14	ф	0.07	Ф	5.57	ф	7.05	Э	8.33	Ф	7.50
Total Investment Return <sup>2</sup>														
Based on net asset value		$(3.35)\%^3$		23.50%		86.65%		$(39.69)\%^3$		(5.69)%		15.51%		9.78%
Based on market price		$0.43\%^3$		16.99%		111.12%		$(42.38)\%^3$		(8.30)%		25.98%		(3.59)%
Dused on market price		0.1570		10.77 //		111.12%		(12.30)/0		(0.50)/0		20.7070		(5.57)/0
Ratios to Average Net Assets														
Total expenses		1.33%4		1.37%		1.34%		$2.45\%^{4}$		2.47%		3.38%		2.49%
Total expenses after fees waived														
and paid indirectly		$1.33\%^{4}$		1.37%		1.33%		$2.45\%^{4}$		2.47%		3.38%		2.49%
Total expenses after fees waived														
and paid indirectly and														
excluding interest expense		$1.02\%^{4}$		1.03%		1.04%		$1.29\%^{4}$		0.96%		1.04%		1.00%
Net investment income		8.63%4		9.15%		11.35%		$11.80\%^{4}$		9.01%		8.25%		8.45%
Supplemental Data														
Net assets, end of period (000)	\$	261,957	\$	282,259	\$	249,721	\$	151,261	\$	284,361	\$	335,479	\$ 3	15,699
Borrowings outstanding, end of														
period (000)	\$	85,000	\$	91,000	\$	76,000	\$	44,200	\$	71,700	\$	129,700	\$ 1	41,000
Average borrowings														
outstanding during the period	<b>•</b>	00.007	<b></b>	(0.007	¢	10.107	<b>•</b>	65.500	•	00.466	<b>•</b>	101 501	<b>.</b>	00.144
(000)	\$	89,207	\$	69,937	\$	- ,	\$	65,500	\$	88,466	\$	134,704	\$ 1	09,144
Portfolio turnover		40%		89%		89%		37%		38%		62%		56%
Asset coverage, end of period	¢	4.092	¢	4 100	¢	1 294	¢	4 400	¢	1.000	¢	2 507	¢	2 2 2 2
per \$1,000	\$	4,082	\$	4,102	\$	4,286	\$	4,422	\$	4,966	\$	3,587	\$	3,239

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Annualized.

See Notes to Financial Statements.

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# Financial Highlights

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

		x Months Ended ugust 31, 2011		Year	r Eno	led February	28,		Year Ended February 29,			Year Ended bruary 28,
	(U	naudited)		2011		2010		2009		2008	1 0,	2007
Per Share Operating Performance												
Net asset value, beginning of period	\$	4.28	\$	3.89	\$	2.35	\$	5.57	\$	7.01	\$	6.69
Net investment income <sup>1</sup>		0.17		0.33		0.39		0.52		0.66		0.68
Net realized and unrealized gain												
(loss)		(0.33)		0.40		1.55		(3.12)		(1.43)		0.28
Net increase (decrease) from												
investment operations		(0.16)		0.73		1.94		(2.60)		(0.77)		0.96
Dividends and distributions from:												
Net investment income		(0.16)		(0.33)		(0.39)		(0.62)		(0.67)		(0.64)
Tax return of capital				(0.01)		(0.01)						
Total dividends and distributions		(0.16)		(0.34)		(0.40)		(0.62)		(0.67)		(0.64)
Net asset value, end of period	\$	3.96	\$	4.28	\$	3.89	\$	2.35	\$	5.57	\$	7.01
Market price, end of period	\$	3.98	\$	4.05	\$	3.91	\$	2.07	\$	5.43	\$	7.28
<b>Total Investment Return<sup>2</sup></b>												
Based on net asset value		(3.81)%	,3	19.92%		87.82%		(50.19)%		(11.72)%		15.35%
Based on market price		2.16%	3	12.90%		114.32%		(54.99)%		(17.13)%		18.37%
Ratios to Average Net Assets												
Total expenses		1.37%	1	1.27%		1.23%		2.42%		3.13%		3.16%
Total expenses after fees waived		1.36%	1	1.27%		1.23%		2.42%		3.13%		3.16%
Total expenses after fees waived and												
excluding interest expense		1.05%	1	1.02%		1.02%		1.20%		0.99%		0.99%
Net investment income		8.11%	4	8.22%		12.16%		11.79%		9.90%		9.97%
Supplemental Data												
Net assets, end of period (000)	\$	427,078	\$	461,247	\$	419,222	\$	252,080	\$	594,204	\$	745,944
Borrowings outstanding, end of	Ф	427,078	Ф	401,247	Э	419,222	Ф	232,080	Ф	394,204	Ф	743,944
period (000)	\$	147,000	\$	117,000	\$	67,000	\$	90,000	\$	199,000	\$	298,600
Average borrowings outstanding	φ	147,000	φ	117,000	φ	07,000	φ	90,000	φ	199,000	φ	298,000
during the period (000)	\$	150,821	\$	89,362	\$	58,574	\$	163,286	\$	272,846	\$	283,906
Portfolio turnover	Ф	33%	Ф	89,362 81%	φ	58,574 86%	φ	105,280	φ	272,840	φ	283,900
Asset coverage, end of period per		55%		01%		80%		44%		51%		03%
\$1,000	\$	3,905	\$	4.942	\$	7.257	\$	3.801	\$	3,986	\$	3,498
φ1,000	φ	5,905	φ	4,742	φ	1,251	φ	5,001	φ	5,900	φ	3,470

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Annualized.

See Notes to Financial Statements.

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# Financial Highlights

#### BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)

		x Months Ended ugust 31, 2011		Yea	r End	led February	28,		Fe	Year Ended bruary 29,	Fe	Year Ended bruary 28,
	(U	naudited)		2011		2010		2009		2008		2007
Per Share Operating Performance												
Net asset value, beginning of period	\$	14.07	\$	13.16	\$	8.92	\$	16.06	\$	19.28	\$	19.39
Net investment income <sup>1</sup>		0.46		0.87		0.86		1.37		1.55		1.55
Net realized and unrealized gain												
(loss)		(1.13)		0.94		4.44		(6.98)		(3.27)		(0.12)
Net increase (decrease) from												
investment operations		(0.67)		1.81		5.30		(5.61)		(1.72)		1.43
Dividends and distributions from:												
Net investment income		(0.44)		(0.83)		(0.98)		(1.53)		(1.50)		(1.54)
Tax return of capital				(0.07)		(0.08)						
Total dividends and distributions		(0.44)		(0.90)		(1.06)		(1.53)		(1.50)		(1.54)
Net asset value, end of period	\$	12.96	\$	14.07	\$	13.16	\$	8.92	\$	16.06	\$	19.28
Market price, end of period	\$	12.25	\$	14.22	\$	15.01	\$	8.28	\$	14.75	\$	18.50
Total Investment Return <sup>2</sup>												
Based on net asset value		(4.85)%		14.20%		62.08%		(36.46)%		(8.98)%		8.31%
Based on market price		(11.01)%	6 <sup>3</sup>	1.19%		99.15%		(35.78)%		(12.88)%		13.47%
Ratios to Average Net Assets												
Total expenses		1.70%	4	1.56%		1.50%		2.48%		2.78%		2.87%
Total expenses after fees waived and												
paid indirectly		1.70%	4	1.56%		1.50%		2.48%		2.78%		2.87%
Total expenses after fees waived and paid indirectly and excluding interest												
expense		1.35%		1.30%		1.27%		1.38%		1.20%		1.22%
Net investment income		6.65%	4	6.48%		7.40%		10.08%		8.39%		8.03%
Supplemental Data												
Net assets, end of period (000)	\$	137,018	\$	148,552	\$	138,371	\$	93,656	\$	168,553	\$	202,364
Borrowings outstanding, end of period (000)	\$	50,000	\$	36,000	\$	24,000	\$	26,000	\$	50,000	\$	47,000
Average borrowings outstanding												
during the period (000)	\$	52,554	\$	29,101	\$	22,225	\$	45,165	\$	55,269	\$	61,022
Portfolio turnover		33%		100%		92%		47%		65%		65%
Asset coverage, end of period per \$1,000	\$	3,740	\$	5,126	\$	6,765	\$	4,602	\$	4,371	\$	5,306

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Annualized.

See Notes to Financial Statements.

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# Financial Highlights

#### BlackRock Senior High Income Fund, Inc. (ARK)

		x Months Ended ugust 31, 2011		Yea	r Eno	ded February	28,		Year Ended February 29,			Year Ended bruary 28,
	(U	naudited)		2011		2010		2009		2008		2007
Per Share Operating Performance												
Net asset value, beginning of period	\$	4.22	\$	3.91	\$	2.54	\$	5.04	\$	6.17	\$	6.00
Net investment income <sup>1</sup>		0.17		0.32		0.36		0.41		0.54		0.57
Net realized and unrealized gain												
(loss)		(0.26)		0.32		1.31		(2.43)		(1.11)		0.16
Net increase (decrease) from												
investment operations		(0.09)		0.64		1.67		(2.02)		(0.57)		0.73
Dividends and distributions from:												
Net investment income		(0.15)		(0.33)		(0.30)		(0.43)		(0.56)		(0.56)
Tax return of capital								(0.05)				
Total dividends and distributions		(0.15)		(0.33)		(0.30)		(0.48)		(0.56)		(0.56)
Net asset value, end of period	\$	3.98	\$	4.22	\$	3.91	\$	2.54	\$	5.04	\$	6.17
Market price, end of period	\$	3.78	\$	4.18	\$	3.94	\$	2.21	\$	4.91	\$	6.53
Total Investment Return <sup>2</sup>												
Based on net asset value		(2.18)%	3	17.13%		68.90%		(42.15)%		(9.76)%		12.82%
Based on market price		(6.20)%		15.13%		95.61%		(48.33)%		(16.94)%		21.84%
Dused on market price		(0.20)/	/	15.15%		25.0170		(10.55)70		(10.94)//		21.01%
Ratios to Average Net Assets												
Total expenses		1.20%		1.13%		1.13%		2.24%		2.70%		3.03%
Total expenses after fees waived		1.20%	4	1.13%		1.13%		2.24%		2.70%		3.03%
Total expenses after fees waived and												
excluding interest expense		0.91%		0.90%		0.93%		1.05%		0.86%		0.90%
Net investment income		7.98%	4	7.83%		10.70%		9.96%		9.16%		9.42%
Supplemental Data												
Net assets, end of period (000)	\$	225,687	\$	238,760	\$	221,173	\$	143,643	\$	284,692	\$	347,449
Borrowings outstanding, end of	Ŷ		Ŷ	200,700	Ŷ		Ŷ	2.0,0.0	Ŷ	_0.,0,2	Ψ	,
period (000)	\$	68,000	\$	50,000	\$	43,000	\$	47,000	\$	91,500	\$	132,000
Average borrowings outstanding	Ψ	00,000	Ψ	00,000	Ψ	.0,000	Ψ	.,,000	Ŷ	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	φ	102,000
during the period (000)	\$	71,337	\$	41,405	\$	29,978	\$	79,422	\$	109,978	\$	131,575
Portfolio turnover	Ψ	34%	Ψ	83%	Ψ	80%	Ψ	49%	Ψ	48%	Ψ	62%
Asset coverage, end of period per		5170		0570		0070		1970		1070		0270
\$1,000	\$	4.319	\$	5,775	\$	6.144	\$	4.056	\$	4.112	\$	3.632
· - , · · ·	4	.,	Ŷ	0,0	Ψ	0,111	Ψ	.,	Ŷ	.,	Ŷ	0,002

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Annualized.

See Notes to Financial Statements.

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#### Notes to Financial Statements (Unaudited) 1. Organization and Significant Accounting Policies:

BlackRock Corporate High Yield Fund, Inc. ( COY ), BlackRock Corporate High Yield Fund III, Inc. ( CYE ), BlackRock Debt Strategies Fund, Inc. ( DSU ) and BlackRock Floating Rate Income Strategies Fund II, Inc. ( FRB ) are registered under the Investment Company Act of 1940, as amended (the 1940 Act ), as diversified, closed-end management investment companies. BlackRock Senior High Income Fund, Inc. ( ARK ) is registered under the 1940 Act as a non-diversified, closed-end management investment company. COY, CYE, DSU, FRB and ARK are referred to collectively as the Funds. The Funds are organized as Maryland corporations. The Funds financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ( US GAAP ), which may require management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The Board of Directors and the Board of Trustees of the Funds are referred to throughout this report as the Board of Directors or the Board. The Funds determine and make available for publication the net asset values on a daily basis.

The following is a summary of significant accounting policies followed by the Funds:

Valuation: US GAAP defines fair value as the price the Funds would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Funds fair value their financial instruments at market value using independent dealers or pricing services under policies approved by the Board. The Funds value their bond investments on the basis of last available bid prices or current market quotations provided by dealers or pricing services. Floating rate loan interests are valued at the mean of the bid prices from one or more brokers or dealers as obtained from a pricing service. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments, various relationships observed in the market between investments and calculated yield measures. Asset-backed and mortgage-backed securities are valued by independent pricing services using models that consider estimated cash flows of each tranche of the security, establish a benchmark yield and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche. Financial futures contracts traded on exchanges are valued at their last sale price. Swap agreements are valued utilizing quotes received daily by the Funds pricing service or through brokers, which are derived using daily swap curves and models that incorporate a number of market data factors, such as discounted cash flows, trades and values of the underlying reference instruments. Investments in open-end registered investment companies are valued at net asset value each business day. Short-term securities with remaining maturities of 60 days or less may be valued at amortized cost, which approximates fair value.

Equity investments traded on a recognized securities exchange or the NASDAQ Global Market System (NASDAQ) are valued at the last reported sale price that day or the NASDAQ official closing price, if applicable. For equity investments traded on more than one exchange, the last reported sale price on the exchange where the stock is primarily traded is used. Equity investments traded on a recognized exchange for which there were no sales on that day are valued at the last available bid price. If no bid price is available, the prior day s price will be used, unless it is determined that such prior day s price no longer reflects the fair value of the security.

Securities and other assets and liabilities denominated in foreign currencies are translated into US dollars using exchange rates determined as of the close of business on the NYSE. Foreign currency exchange contracts are valued at the mean between the bid and ask prices and are determined as of the close of business on the NYSE. Interpolated values are derived when the settlement date of the contract is an interim date for which quotations are not available.

Exchange-traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade. An exchange-traded option for which there is no mean price is valued at the last bid (long positions) or ask (short positions) price. If no bid or ask price is available, the prior day s price will be used, unless it is determined that the prior day s price no longer reflects the fair value of the option. Over-the-counter (OTC) options and swaptions are valued by an independent pricing service using a mathematical model which incorporates a number of market data factors, such as the trades and prices of the underlying instruments.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment or if a price is not available, the investment will be valued in accordance with a policy approved by the Board as reflecting fair value ( Fair Value Assets ). When determining the price for Fair Value Assets, the investment advisor and/or the sub-advisor seeks to determine the price that each Fund might reasonably expect to receive from the current sale of that asset in an arm s-length transaction. Fair value determinations shall be based upon all available factors that the investment advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof.

Generally, trading in foreign instruments is substantially completed each day at various times prior to the close of business on the NYSE. Occasionally, events affecting the values of such instruments may occur between the foreign market close and the close of business on the NYSE that may not be reflected in the computation of each Fund s net assets. If events (for example, a company announcement, market volatility or a natural disaster) occur during such periods that are expected to materially affect the value of such instruments, those instruments may be Fair Value Assets and be valued at their fair value, as determined in good faith by the investment advisor using a pricing service and/or policies approved by the Board.

**Foreign Currency Transactions:** The Funds books and records are maintained in US dollars. Purchases and sales of investment securities are recorded at the rates of exchange prevailing on the respective date of such transactions. Generally, when the US dollar rises in value against a foreign currency, the Funds investments denominated in that currency will lose value because its currency is worth fewer US dollars; the opposite effect occurs if the US dollar falls in relative value.

The Funds do not isolate the portion of the results of operations arising as a result of changes in the foreign exchange rates from the changes in the market prices of investments held or sold for financial reporting purposes.

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#### Notes to Financial Statements (continued)

Accordingly, the effects of changes in foreign currency exchange rates on investments are segregated on the Statements of Operations from the effects of changes in market prices of those investments but are included as a component of net realized and unrealized gain (loss) from investments. The Funds report realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are treated as ordinary income for federal income tax purposes.

Asset-Backed Securities: The Funds may invest in asset-backed securities. Asset-backed securities are generally issued as pass-through certificates, which represent undivided fractional ownership interests in an underlying pool of assets, or as debt instruments, which are also known as collateralized obligations, and are generally issued as the debt of a special purpose entity organized solely for the purpose of owning such assets and issuing such debt. Asset-backed securities are often backed by a pool of assets representing the obligations of a number of different parties. The yield characteristics of certain asset-backed securities may differ from traditional debt securities. One such major difference is that all or a principal part of the obligations may be prepaid at any time because the underlying assets (i.e., loans) may be prepaid at any time. As a result, a decrease in interest rates in the market may result in increases in the level of prepayments as borrowers, particularly mortgagors, refinance and repay their loans. An increased prepayment rate with respect to an asset-backed security subject to such a prepayment feature will have the effect of shortening the maturity of the security. If the Fund has purchased such an asset-backed security at a premium, a faster than anticipated prepayment rate could result in a loss of principal to the extent of the premium paid.

**Zero-Coupon Bonds:** The Funds may invest in zero-coupon bonds, which are normally issued at a significant discount from face value and do not provide for periodic interest payments. Zero-coupon bonds may experience greater volatility in market value than similar maturity debt obligations which provide for regular interest payments.

**Capital Trusts:** The Funds may invest in capital trusts. These securities are typically issued by corporations, generally in the form of interest-bearing notes with preferred securities characteristics, or by an affiliated business trust of a corporation, generally in the form of beneficial interests in subordinated debentures or similarly structured securities. The securities can be structured as either fixed or adjustable coupon securities that can have either a perpetual or stated maturity date. Dividends can be deferred without creating an event of default or acceleration, although maturity cannot take place unless all cumulative payment obligations have been met. The deferral of payments does not affect the purchase or sale of these securities in the open market. Payments on these securities are treated as interest rather than dividends for federal income tax purposes. These securities generally are rated below that of the issuing company s senior debt securities.

**Preferred Stock:** The Funds may invest in preferred stocks. Preferred stock has a preference over common stock in liquidation (and generally in receiving dividends as well) but is subordinated to the liabilities of the issuer in all respects. As a general rule, the market value of preferred stock with a fixed dividend rate and no conversion element varies inversely with interest rates and perceived credit risk, while the market price of convertible preferred stock generally also reflects some element of conversion value. Because preferred stock is junior to debt securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of a preferred stock than in a more senior debt security with similar stated yield characteristics. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer s board of directors. Preferred stock also may be subject to optional or mandatory redemption provisions.

**Floating Rate Loan Interests:** The Funds may invest in floating rate loan interests. The floating rate loan interests the Funds hold are typically issued to companies (the borrower ) by banks, other financial institutions, and privately and publicly offered corporations (the lender ). Floating rate loan interests are generally non-investment grade, often involve borrowers whose financial condition is troubled or uncertain and companies that are highly levered. The Funds may invest in obligations of borrowers who are in bankruptcy proceedings. Floating rate loan interests may include fully funded term loans or revolving lines of credit. Floating rate loan interests are typically senior in the corporate capital structure of the borrower. Floating rate loan interests generally pay interest at rates that are periodically determined by reference to a base lending rate plus a premium. The base lending rates are generally the lending rate offered by one or more European banks, such as LIBOR (London Interbank Offered Rate), the prime rate offered by one or more US banks or the certificate of deposit rate. Floating rate loan interests may involve foreign borrowers, and investments may be denominated in foreign currencies. The Funds consider these investments to be investments in debt securities for purposes of their investment policies.

When a Fund purchases a floating rate loan interest it may receive a facility fee and when it sells a floating rate loan interest it may pay a facility fee. On an ongoing basis, the Funds may receive a commitment fee based on the undrawn portion of the underlying line of credit amount of a floating rate loan interest. Facility and commitment fees are typically amortized to income over the term of the loan or term of the commitment, respectively. Consent and amendment fees are recorded to income as earned. Prepayment penalty fees, which may be received by the Funds upon the prepayment of a floating rate loan interest by a borrower, are recorded as realized gains. The Funds may invest in multiple series or tranches of a loan. A different series or tranche may have varying terms and carry different associated risks.

Floating rate loan interests are usually freely callable at the borrower s option. The Funds may invest in such loans in the form of participations in loans (Participations) or assignments (Assignments) of all or a portion of loans from third parties. Participations typically will result in the Funds having a contractual relationship only with the lender, not with the borrower. The Funds will have the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the Participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing Participations, the Funds generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of offset against the borrower, and the Funds may not benefit directly from any collateral supporting the loan in which it has purchased the Participation. As a result, the Funds will assume the credit risk of both the borrower and the lender that is selling the Participation. The Funds investment in loan participation interests involves the risk of insolvency of the financial

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#### Notes to Financial Statements (continued)

intermediaries who are parties to the transactions. In the event of the insolvency of the lender selling the Participation, the Funds may be treated as general creditors of the lender and may not benefit from any offset between the lender and the borrower. Assignments typically result in the Funds having a direct contractual relationship with the borrower, and the Funds may enforce compliance by the borrower with the terms of the loan agreement.

**Segregation and Collateralization:** In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that the Funds either deliver collateral or segregate assets in connection with certain investments (e.g., financial futures contracts, foreign currency exchange contracts or swaps), or certain borrowings (e.g., loan payable), the Funds will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on their books and records cash or liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party to such transactions has requirements to deliver/deposit securities as collateral for certain investments.

**Investment Transactions and Investment Income:** For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis. Consent fees are compensation for agreeing to changes in the terms of debt instruments and are included in interest income in the Statements of Operations.

**Dividends and Distributions:** Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. If the total dividends and distributions made in any tax year exceeds net investment income and accumulated realized capital gains, a portion of the total distribution may be treated as a tax return of capital. The amount and timing of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from US GAAP.

**Income Taxes:** It is each Fund s policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Each Fund files US federal and various state and local tax returns. As of February 28, 2011, inclusive of the open tax return years, no income tax returns are currently under examination.

Each Fund s state and local tax returns may remain open for an additional year depending upon the jurisdiction. Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

DSU, FRB, and ARK have wholly owned taxable subsidiaries organized as limited liability companies (the Taxable Subsidiaries ), which are listed in the Schedules of Investments. The Taxable Subsidiaries enable a Fund to hold an investment that is organized as an operating partnership while still satisfying Regulated Investment Company tax requirements. Income earned on the investments held by the Taxable Subsidiaries is taxable to such subsidiaries. An income tax provision for all income, including realized and unrealized gains, if any, of the Taxable Subsidiaries is reflected as a reduction in the value of the Taxable Subsidiaries.

COY and CYE have a wholly owned subsidiary (the Subsidiary ) which holds shares of a private Canadian company. Such shares are held in the Subsidiary in order to realize benefits under the Double Tax Avoidance Convention (the DTAC) between Canada and Luxembourg, the result of which is that gains on the sale of such shares will not be subject to capital gains taxes in Canada. Accordingly, no income tax provision has been made in the accompanying financial statements.

**Recent Accounting Standard:** In May 2011, the Financial Accounting Standards Board issued amended guidance to improve disclosure about fair value measurements which will require the following disclosure for fair value measurements categorized as Level 3: quantitative information about the unobservable inputs and assumptions used in the fair value measurement, a description of the valuation policies and procedures and a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs and the interrelationships between those unobservable inputs. In addition, the amounts and reasons for all transfers in and out of Level 1 and Level 2 will be required to be disclosed. The amended guidance is effective for financial statements for fiscal years beginning after December 15, 2011 and interim periods within those fiscal years Management is evaluating the impact of this guidance on the Funds financial statements and disclosures.

#### Explanation of Responses:

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### Notes to Financial Statements (continued)

**Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan:** Under the deferred compensation plan approved by each Fund s Board, independent Directors (Independent Directors) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Directors. This has approximately the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Fund. Each Fund may, however, elect to invest in common shares of certain other BlackRock Closed-End Funds selected by the Independent Directors in order to match its deferred compensation obligations. Investments to cover each Fund s deferred compensation liability, if any, are included in other assets in the Statements of Assets and Liabilities. Dividends and distributions from the BlackRock Closed-End Fund investments under the plan are included in dividends affiliated in the Statements of Operations.

**Other:** Expenses directly related to a Fund are charged to that Fund. Other operating expenses shared by several funds are pro rated among those funds on the basis of relative net assets or other appropriate methods.

The Funds have an arrangement with the custodians whereby fees may be reduced by credits earned on uninvested cash balances, which, if applicable, are shown as fees paid indirectly in the Statements of Operations. The custodians impose fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

#### 2. Derivative Financial Instruments:

The Funds engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Funds and to economically hedge, or protect, their exposure to certain risks such as credit risk, equity risk, interest rate risk and foreign currency exchange rate risk. These contracts may be transacted on an exchange or OTC.

Losses may arise if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument or if the counterparty does not perform under the contract. The Funds maximum risk of loss from counterparty credit risk on OTC derivatives is generally the aggregate unrealized gain netted against any collateral pledged by/posted to the counterparty. For OTC options purchased, the Funds bear the risk of loss in the amount of the premiums paid plus the positive change in market values net of any collateral received on the options should the counterparty fail to perform under the contracts. Options written by the Funds do not give rise to counterparty credit risk, as options written obligate the Funds to perform and not the counterparty. Counterparty risk related to exchange-traded financial futures contracts and options is deemed to be minimal due to the protection against defaults provided by the exchange on which these contracts trade.

The Funds may mitigate counterparty risk by procuring collateral and through netting provisions included within an International Swaps and Derivatives Association, Inc. master agreement (ISDA Master Agreement) implemented between a Fund and each of its respective counterparties. The ISDA Master Agreement allows each Fund to offset with each separate counterparty certain derivative financial instrument s payables and/or receivables with collateral held. The amount of collateral moved to/from applicable counterparties is generally based upon minimum transfer amounts of up to \$500,000. To the extent amounts due to the Funds from their counterparties are not fully collateralized contractually or otherwise, the Funds bear the risk of loss from counterparty non-performance. See Note 1 Segregation and Collateralization for information with respect to collateral practices. In addition, the Funds manage counterparty risk by entering into agreements only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties.

Certain ISDA Master Agreements allow counterparties to OTC derivatives to terminate derivative contracts prior to maturity in the event the Funds net assets decline by a stated percentage or the Funds fails to meet the terms of their ISDA Master Agreements, which would cause the Funds to accelerate payment of any net liability owed to the counterparty.

**Financial Futures Contracts:** The Funds purchase or sell financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in the value of equity securities (equity risk). Financial futures contracts are agreements between the Funds and counterparty to buy or sell a specific quantity of an underlying instrument at a specified price and at a specified date. Depending on the terms of the particular contract, futures contracts are settled either through physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date. Pursuant to the contract, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recorded by the Funds as unrealized appreciation or depreciation. When the contract is closed, the Funds record a realized gain or loss equal to

#### Explanation of Responses:

the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures contracts involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest rates and the underlying assets.

**Foreign Currency Exchange Contracts:** The Funds enter into foreign currency exchange contracts as an economic hedge against either specific transactions or portfolio instruments or to obtain exposure to foreign currencies (foreign currency exchange rate risk). A foreign currency exchange contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date. Foreign currency exchange contracts, when used by the Funds, help to manage the overall exposure to the currencies in which some of the investments held by the Funds are denominated. The contract is marked-to-market daily and the change in market value is recorded by the Funds as an unrealized gain or loss. When the contract is closed, the Funds record a realized gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. The use of foreign currency exchange contracts involves the risk that the value of a foreign currency exchange contract changes unfavorably due to movements in

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## Notes to Financial Statements (continued)

the value of the referenced foreign currencies and the risk that a counter-party to the contract does not perform its obligations under the agreement.

**Options:** The Funds purchase and write call and put options to increase or decrease their exposure to underlying instruments (including equity risk) and/or, in the case of options written, to generate gains from options premiums. A call option gives the purchaser of the option the right (but not the obligation) to buy, and obligates the seller to sell (when the option is exercised), the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. When the Funds purchase (write) an option, an amount equal to the premium paid (received) by the Funds is reflected as an asset (liability). The amount of the asset (liability) is subsequently marked-to-market to reflect the current market value of the option expires (or the fund enters into a closing transaction), the Funds realize a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premiums received or paid). When the Funds write a call option, such option is covered, meaning that the Funds hold the underlying instrument subject to being called by the option counterparty. When the Funds write a put option, such option is covered by cash in an amount sufficient to cover the obligation.

In purchasing and writing options, the Funds bear the risk of an unfavorable change in the value of the underlying instrument or the risk that the Funds may not be able to enter into a closing transaction due to an illiquid market. Exercise of a written option could result in the Funds purchasing or selling a security at a price different from the current market value.

**Swaps:** The Funds enter into swap agreements, in which the Funds and a counterparty agree to make periodic net payments on a specified notional amount. These periodic payments received or made by the Funds are recorded in the Statements of Operations as realized gains or losses, respectively. Any upfront fees paid are recorded as assets and any upfront fees received are recorded as liabilities and amortized over the term of the swap. Swaps are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation). When the swap is terminated, the Funds will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Funds basis in the contract, if any. Generally, the basis of the contracts is the premium received or paid. Swap transactions involve, to varying degrees, elements of interest rate, credit and market risk in excess of the amounts recognized in the Statements of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counter-party to the agreements may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreements, and that there may be unfavorable changes in interest rates and/or market values associated with these transactions.

Credit default swaps The Funds enter into credit default swaps to manage their exposure to the market or certain sectors of the market, to reduce their risk exposure to defaults of corporate and/or sovereign issuers or to create exposure to corporate and/or sovereign issuers to which they are not otherwise exposed (credit risk). The Funds enter into credit default swap agreements to provide a measure of protection against the default of an issuer (as buyer of protection) and/or gain credit exposure to an issuer to which it is not otherwise exposed (as seller of protection). The Funds may either buy or sell (write) credit default swaps on single-name issuers (corporate or sovereign), a combination or basket of single-name issuers or traded indexes. Credit default swaps on single-name issuers are agreements in which the buyer pays fixed periodic payments to the seller in consideration for a guarantee from the seller to make a specific payment should a negative credit event take place with respect to the referenced entity (e.g., bankruptcy, failure to pay, obligation accelerators, repudiation, moratorium or restructuring). Credit default swaps on traded indexes are agreements in which the buyer pays fixed periodic payments to the seller in consideration for a guarantee from the seller to make a specific payment should a write-down, principal or interest shortfall or default of all or individual underlying securities included in the index occurs. As a buyer, if an underlying credit event occurs, the Funds will either receive from the seller an amount equal to the notional amount of the swap and deliver the referenced security or underlying securities comprising the index or receive a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index. As a seller (writer), if an underlying credit event occurs, the Funds will either pay the buyer an amount equal to the notional amount of the swap and take delivery of the referenced security or underlying securities comprising the index or pay a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index.

Interest rate swaps The Funds enter into interest rate swaps to gain or reduce exposure to or manage duration, the yield curve or interest rate risk by economically hedging the value of the fixed rate bonds which may decrease when interest rates rise (interest rate risk). Interest rate swaps are agreements in which one party pays a stream of interest payments, either fixed or floating rate, for another party s stream of interest payments, either fixed or floating, on the same notional amount for a specified period of time. Interest rate floors, which are a type

of interest rate swap, are agreements in which one party agrees to make payments to the other party to the extent that interest rates fall below a specified rate or floor in return for a premium. In more complex swaps, the notional principal amount may decline (or amortize) over time.

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# Notes to Financial Statements (continued)

#### Derivative Financial Instruments Categorized by Risk Exposure:

	Fair Values of Derivative Financial Instruments Asset D	as of August Perivatives	31, 2011			
		COY	CYE	DSU	FRB	ARK
	Statements of Assets and Liabilities Location			Value		
Interest rate contracts	Unrealized appreciation on swaps	\$ 47,092	\$ 51,415			
Foreign currency	Unrealized appreciation on foreign currency					
exchange contracts	exchange contracts	484	842	\$ 8,893	\$ 8,108	\$ 9,316
Credit contracts	Unrealized appreciation on swaps; Investments at					
	value unaffiliated**	119,311	121,213			
Equity contracts	Net unrealized appreciation/depreciation*;					
	Investments at value unaffiliated**	34,834	38,253			
Total		\$ 201,721	\$ 211,723	\$ 8,893	\$ 8,108	\$ 9,316

	Liability Der	ivatives			
		COY	CYE	DSU	FRB
	Statements of Assets and Liabilities Location		Value		
Foreign currency	Unrealized depreciation on foreign currency				
exchange contracts	exchange contracts	\$ 87,509	\$ 94,306	\$ 98,260	\$ 29,213
Credit contracts	Unrealized depreciation on swaps; Options written				
	at value	890,703	973,537		
Equity contracts	Net unrealized appreciation/depreciation*; Options				
	written at value	1,462,528	1,673,486		
Total		\$ 2,440,740	\$ 2,741,329	\$ 98,260	\$ 29,213

\* Includes cumulative appreciation/depreciation on financial futures contracts as reported in the Schedules of Investments. Only current day s margin variation is reported within the Statements of Assets and Liabilities.

\*\* Includes options purchased at value as reported in the Schedules of Investments.

#### The Effect of Derivative Financial Instruments in the Statements of Operations Six Months Ended August 31, 2011

		Net Reali	zed	Gain (Loss) f	ron	n	
	COY	CYE		DSU		FRB	ARK
Foreign currency exchange contracts:							
Foreign currency exchange contracts***	\$ (792,954)	\$ (770,695)	\$	(997,670)	\$	(162,563)	\$ (16,238)
Credit contracts:							
Swaps	1,221,388	1,509,737		(75,221)			(24,530)
Options****	392,787	351,200					
Equity contracts:							
Financial futures contracts	1,051,801	1,153,901					
Options****	1,748,520	1,874,413					
Total	\$ 3,621,542	\$ 4,118,556	\$	(1,072,891)	\$	(162,563)	\$ (40,768)

	Net	Cha	nge in Unreal	ized	Appreciatio	n/D	epreciation	on	
	COY		CYE		DSU		FRB		ARK
Interest rate contracts:									
Swaps	\$ 47,092	\$	51,415						
Foreign currency exchange contracts:									
Foreign currency exchange contracts***	68,459		62,388	\$	334,968	\$	148,788	\$	22,433
Credit contracts:									
Swaps	294,535		194,985		77,957				52,151
Options****	(283,256)		(294,855)						
Equity contracts:									
Financial futures contracts	(1,126,389)		(1,293,818)						
Options****	(86,054)		(93,991)						
Total	\$ (1,085,613)	\$	(1,373,876)	\$	412,925	\$	148,788	\$	74,584

\*\*\* Foreign currency exchange contracts are included in the net realized gain (loss) from foreign currency transactions and net change in unrealized appreciation/depreciation on foreign currency transactions.

\*\*\*\* Options purchased are included in the net realized gain (loss) from investments and net change in unrealized appreciation/depreciation on investments.

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# Notes to Financial Statements (continued)

For the six months ended August 31, 2011, the average quarterly balances of outstanding derivative financial instruments were as follows:

		СОУ		CYE	DSU	FRB	ARK
Financial futures contracts:							
Average number of contracts sold		258		287			
Average notional value of contracts sold	\$	15,386,310	\$	17,077,605			
Foreign currency exchange contracts:							
Average number of contracts US dollars purchased		11		12	6	5	1
Average number of contracts US dollars sold		1		1	2	2	
Average US dollar amounts purchased	\$	24,078,160	\$	25,287,882	\$ 27,543,683	\$ 7,596,105	\$ 488,671
Average US dollar amounts sold	\$	296,270	\$	334,147	\$ 1,092,311	\$ 690,866	
Options:							
Average number of option contracts purchased		387		422		11	
Average number of option contracts written		206		225			
Average notional value of option contracts purchased	\$	2,533,929	\$	2,752,314		\$ 10,371	
Average notional value of option contracts written	\$	267,800	\$	292,500			
Average number of swaption contracts purchased		1		1			
Average number of swaption contracts written		3		3			
Average notional value of swaption contracts purchase	ed \$	5,000,000	\$	5,000,000			
Average notional value of swaption contracts written	\$	15,712,500	\$	17,350,000			
Credit default swaps:							
Average number of contracts buy protection		8		6	1		1
Average number of contracts sell protection		9		9			
Average notional value buy protection	\$	4,630,000	\$	3,422,500	\$ 125,000		\$ 100,000
Average notional value sell protection	\$	3,221,806	\$	3,345,491			
Interest rate swaps:							
Average number of contracts receives fixed rate		2		2			
Average notional value receives fixed rate	\$	2,665,000	\$	2,910,000			
3. Investment Advisory Agreement and Other Tran	sactions	with Affiliat	tes:				

ent Advisory Agreement and Other Transactions with Affiliates

The PNC Financial Services Group, Inc. ( PNC ) and Barclays Bank PLC ( Barclays ) are the largest stockholders of BlackRock, Inc. ( BlackRock ). Due to the ownership structure, PNC is an affiliate for 1940 Act purposes, but Barclays is not.

Each Fund entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager ), the Funds investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Fund s portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of each Fund. For such services, each Fund pays the Manager a monthly fee at the following annual rates of each Fund s average daily net assets, plus the proceeds of any outstanding borrowings used for leverage:

COY												0.50%
CYE												0.60%
DSU												0.60%
FRB												0.75%
ARK												0.50%
		-			-	-	-					

The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Fund pays to the Manager indirectly through its investment in affiliated money market funds, however, the Manager does not waive its investment advisory fees by the amount of investment advisory fees paid in connection with each Fund s investment in other affiliated investment companies, if any. These amounts are shown as fees waived by advisor in the Statements of Operations.

The Manager entered into a sub-advisory agreement with BlackRock Financial Management, Inc. ( BFM ), an affiliate of the Manager. The Manager pays BFM, for services it provides, a monthly fee that is a percentage of the investment advisory fees paid by each Fund to the Manager.

Certain officers and/or directors of the Funds are officers and/or directors of BlackRock or its affiliates. The Funds reimburse the Manager for compensation paid to the Funds Chief Compliance Officer.

#### 4. Investments:

Purchases and sales of investments, including paydowns and excluding short-term securities, for the six months ended August 31, 2011, were as follows:

	Purchases	Sales
COY	\$ 132,750,784	\$ 125,211,717
CYE	\$ 146,438,044	\$ 148,324,330
DSU	\$ 211,312,209	\$ 201,506,164
FRB	\$ 68,024,767	\$ 76,487,670
ARK	\$ 109,264,614	\$ 106,828,536

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# Notes to Financial Statements (continued)

Transactions in options written for the six months ended August 31, 2011 were as follows:

	Option Contracts	Calls waptions Notional (000)	Premiums Received	Option Contracts	Puts Swaptions Notional (000)	Premiums Received
СОУ						
Outstanding options, beginning of period						
Options written		\$ 28,650	\$ 362,930	1,370	\$ 44,090	\$ 703,379
Options expired		(14,000)	(189,800)		(27,315)	(202,987)
Options closed				(958)		(71,886)
Outstanding options, end of period		\$ 14,650	\$ 173,130	412	\$ 16,775	\$ 428,506
СҮЕ						
Outstanding options, beginning of period						
Options written		\$ 30,650	\$ 399,230	1,442	\$ 35,100	\$ 710,754
Options expired		(14,000)	(189,800)		(17,050)	(161,400)
Options closed				(992)		(73,096)
Outstanding options, end of period 5. Capital Loss Carryforwards:		\$ 16,650	\$ 209,430	450	\$ 18,050	\$ 476,258

As of February 28, 2011, the Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

Expires February 28,		COY	CYE	DSU		FRB		ARK
2012	\$	6,647,369	\$ 1,938,881	\$ 17,223,475			\$	22,345,071
2013				21,126,025				
2014				20,233,987	\$	100,255		4,906,362
2015				3,578,574		1,315,945		1,585,622
2016		454,146	363,401					
2017		23,362,415	24,709,530	56,690,782		12,168,927		27,675,242
2018		36,323,237	33,834,777	148,062,952		38,830,450		60,685,648
2019				16,301,990				9,564,345
Total	\$	66,787,167	\$ 60,846,589	\$ 283,217,785	\$	52,415,577	\$	126,762,290
	a	341	 A ( C 2010		1	1 4 5 1	C	E 1 00

Under the recently enacted Regulated Investment Company Modernization Act of 2010, capital losses incurred by the Funds after February 28, 2011 will not be subject to expiration. In addition, any such losses must be utilized prior to the losses incurred in pre-enactment taxable years.

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# Notes to Financial Statements (continued) 6. Borrowings:

On March 4, 2010, the Funds entered into a senior committed secured, 364-day revolving line of credit and a separate security agreement (the SSB Agreement) with State Street Bank and Trust Company (SSB). The Funds have granted a security interest in substantially all of their assets to SSB. The SSB Agreement allowed for the following maximum commitment amounts:

	C	ommitment Amounts
COY	\$	90,000,000
CYE	\$	95,000,000
DSU	\$	150,000,000
FRB	\$	58,000,000
ARK	\$	91,000,000

Advances were made by SSB to the Funds, at the Funds option of (a) the higher of (i) 1.0% above the Fed Funds rate or (ii) 1.0% above the Overnight LIBOR or (b) 1.0% above 7-day, 30-day, 60-day or 90-day LIBOR.

Effective March 3, 2011, the SSB Agreement was renewed for 364 days. The SSB Agreement allows for the following maximum commitment amounts:

	Commitm	
COY	\$ 126,6	00,000
CYE	\$ 138,0	00,000
DSU	\$ 224,5	00,000
FRB	\$ 72,5	00,000
ARK	\$ 117,5	00,000

Advances were made by SSB to the Funds, at the Funds option of (a) the higher of (i) 0.80% above the Fed Funds rate or (ii) 0.80% above the Overnight LIBOR or (b) 0.80% above 7-day, 30-day, 60-day or 90-day LIBOR. In addition, the Funds pay a facility fee and a commitment fee based upon SSB s total commitment to the Funds. The fees associated with each of the agreements are included in the Statements of Operations as borrowing costs. Advances to the Funds as of August 31, 2011 are shown in the Statements of Assets and Liabilities as loan payable.

The Funds may not declare dividends or make other distributions on shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding short-term borrowings is less than 300%.

For the six months ended August 31, 2011 the Funds daily weighted average interest rates under the revolving line of credit agreements were as follows:

СОУ	0.96%
CYE	0.96%
DSU	0.96%
FRB	0.96%
ARK	0.96%
7. Commitments:	

The Funds may invest in floating rate loan interests. In connection with these investments, the Funds may also enter into unfunded floating rate loan interests and bridge loan commitments ( commitments ). Bridge loan commitments may obligate the Fund to furnish temporary financing to a borrower until permanent financing can be arranged. At August 31, 2011, COY and CYE had outstanding bridge loan commitments of \$1,650,000 and \$1,790,000, respectively. In connection with either of these commitments, the Funds earn a commitment fee, typically set as a percentage of the commitment amount. Such fee income, which is included in interest income in the Statements of Operations, is recognized ratably over the commitment period. The unrecognized commitment fee income is recorded on the Statements of Assets and Liabilities as deferred income. Unfunded floating rate loan interests are marked-to-market daily, and any unrealized appreciation or depreciation is included in

## Explanation of Responses:

the Statements of Assets and Liabilities and Statements of Operations. As of August 31, 2011, the Funds had the following unfunded floating rate loan interests:

Borrower	Unfunded Floating Rate Loan Interest	Value of Underlying Floating Rate Loan Interest	Unrealized Depreciation
DSU			
Reynolds Group Holdings, Inc.	5.25%	\$ 2,395,325	\$ (79,684)
FRB			
Reynolds Group Holdings, Inc.	5.25%	\$ 1,437,195	\$ (47,810)
Horizon Lines, LLC	8.00%	\$ 51,268	\$ (438)
ARK			
Reynolds Group Holdings, Inc.	5.25%	\$ 1,101,850	\$ (36,655)

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## Notes to Financial Statements (concluded) 8. Market and Credit Risk:

In the normal course of business, the Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Funds may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Funds may be exposed to counterparty credit risk, or the risk that an entity with which the Funds have unsettled or open transactions may fail to or be unable to perform on its commitments. The Funds manage counterparty credit risk by entering into transactions only with coun-terparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded in the Funds Statements of Assets and Liabilities, less any collateral held by the Funds.

#### 9. Capital Share Transactions:

Each Fund is authorized to issue 200 million shares, par value \$0.10 per share, all of which were initially classified as Common Shares. The Board is authorized, however, to reclassify any unissued shares without approval of Common Shareholders.

For the six months ended August 31, 2011 and the year ended February 28, 2011, shares issued and outstanding increased by the following amounts as a result of dividend reinvestment:

	Six Months Ended August 31, 2011	Year Ended February 28, 2011
COY	38,458	40,744
CYE		23,432
DSU	111,020	114,520
FRB	15,006	42,733
ARK	55,454	63,426
10 Subsequent Events.		

**10. Subsequent Events:** 

Management s evaluation of the impact of all subsequent events on the Funds financial statements was completed through the date the financial statements were issued and the following items were noted:

The Funds paid a net investment income dividend in the following amounts per share on September 30, 2011 to shareholders of record on September 15, 2011:

	Cor	Common Dividend Per Share	
COY	\$	0.0510	
CYE	\$	0.0500	
DSU	\$	0.0270	
FRB	\$	0.0730	
ARK	\$	0.0250	

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements

The Board of Directors (each, a Board, collectively, the Boards, and the members of which are referred to as Board Members ) of BlackRock Corporate High Yield Fund, Inc. ( COY ), BlackRock Corporate High Yield Fund III, Inc. ( CYE ), BlackRock Debt Strategies Fund, Inc. ( DSU ), BlackRock Floating Rate Income Strategies Fund II, Inc. ( FRB ) and BlackRock Senior High Income Fund, Inc. ( ARK and together with COY, CYE, DSU, and FRB, each a Fund, and, collectively, the Funds ) met on April 14, 2011 and May 12 13, 2011 to consider the approval of each Fund s investment advisory agreement (each, an Advisory Agreement ) with BlackRock Advisors, LLC (the Manager ), each Fund s investment advisor. The Board of each Fund also considered the approval of the sub-advisory agreement (each, a Sub-Advisory Agreement ) between the Manager and BlackRock Financial Management, Inc. (the Sub-Advisor ), with respect to each Fund. The Manager and the Sub-Advisor are referred to herein as BlackRock. The Advisory Agreements and the Sub-Advisory Agreements are referred to herein as the Agreements.

#### Activities and Composition of the Board

Each Board consists of eleven individuals, nine of whom are not interested persons of such Fund as defined in the Investment Company Act of 1940 (the 1940 Act ) (the Independent Board Members ). The Board Members are responsible for the oversight of the operations of the Funds and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chairman of the Board is an Independent Board Member. Each Board has established five standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee and an Executive Committee, each of which is composed of Independent Board Members (except for the Executive Committee, which also has one interested Board Member) and is chaired by an Independent Board Member. Each Board also established an *ad hoc* committee, the Joint Product Pricing Committee, which consisted of Independent Board Members and the directors/trustees of the boards of certain other BlackRock-managed funds, who were not interested persons of their respective funds.

#### The Agreements

Pursuant to the 1940 Act, the Boards are required to consider the continuation of the Agreements on an annual basis. In connection with this process, the Boards assessed, among other things, the nature, scope and quality of the services provided to the Funds by BlackRock, its personnel and its affiliates, including investment management, administrative and shareholder services, oversight of fund accounting and custody, marketing services, risk oversight, compliance program and assistance in meeting applicable legal and regulatory requirements.

The Boards, acting directly and through their respective committees, considered at each of their meetings, and from time to time as appropriate, factors that are relevant to its annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Funds and their shareholders. Among the matters the Boards considered were: (a) investment performance for one-, three- and five-year periods, as applicable, against peer funds, and applicable benchmarks, if any, as well as senior management s and portfolio managers analysis of the reasons for any over performance or underperformance against their peers and/or benchmark, as applicable; (b) fees, including advisory and other amounts paid to BlackRock and its affiliates by the Funds for services such as call center and fund accounting; (c) Fund operating expenses and how BlackRock allocates expenses to the Funds; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Funds investment objectives, policies and restrictions; (e) the Funds compliance with its Code of Ethics and other compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock s and other service providers internal controls and risk and compliance oversight mechanisms; (h) BlackRock s implementation of the Funds valuation and liquidity procedures; (k) an analysis of contractual and actual management fee ratios for products with similar investment objectives across the open-end fund, closed-end fund and institutional account product channels, as applicable; (l) BlackRock s business.

#### **Board Considerations in Approving the Agreements**

**The Approval Process:** Prior to the April 14, 2011 meeting, the Boards requested and received materials specifically relating to the Agreements. The Boards are engaged in a process with BlackRock to review periodically the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the April meeting included (a) information independently compiled and prepared by Lipper, Inc. (Lipper) on Fund fees and expenses and the investment performance of the Funds as compared with a peer group of funds as determined by Lipper and, with respect to DSU, FRB and ARK, a customized peer group selected by BlackRock (collectively, Peers); (b) information on the profitability of the Agreements to BlackRock and a discussion of fall-out benefits to BlackRock and its affiliates and significant shareholders; (c) a general analysis provided by BlackRock concerning investment management fees (a combination of the advisory fee and the administration fee, if any) charged to other clients, such as institutional clients and open-end funds, under similar investment

mandates, as applicable; (d) the impact of economies of scale; (e) a summary of aggregate amounts paid by each Fund to BlackRock and (f) if applicable, a comparison of management fees to similar BlackRock closed-end funds, as classified by Lipper.

At an in-person meeting held on April 14, 2011, the Boards reviewed materials relating to their consideration of the Agreements. As a result of the discussions that occurred during the April 14, 2011 meeting, and as a culmination of the Boards year-long deliberative process, the Boards presented BlackRock with questions and requests for additional information. BlackRock responded to these requests with additional written information in advance of the May 12 13, 2011 Board meeting.

At an in-person meeting held on May 12 13, 2011, each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund and the Sub-Advisory Agreement between the Manager and the Sub-Advisory with respect to its Fund, each for a one-year term ending June 30, 2012. In approving the continuation of the Agreements, the Boards considered: (a) the nature,

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (continued)

extent and quality of the services provided by BlackRock; (b) the investment performance of the Funds and BlackRock; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with the Funds; (d) economies of scale; (e) fall-out benefits to BlackRock as a result of its relationship with the Funds; and (f) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as services related to the valuation and pricing of Fund portfolio holdings, direct and indirect benefits to BlackRock and its affiliates and significant shareholders from their relationship with Funds and advice from independent legal counsel with respect to the review process and materials submitted for the Boards review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as controlling, and each Board Member may have attributed different weights to the various items considered.

**A. Nature, Extent and Quality of the Services Provided by BlackRock:** The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of the Funds. Throughout the year, the Boards compared Fund performance to the performance of a comparable group of closed-end funds and/or the performance of a relevant benchmark, if any. The Boards met with BlackRock s senior management personnel responsible for investment operations, including the senior investment officers. Each Board also reviewed the materials provided by its Fund s portfolio management team discussing Fund performance and the Fund s investment objective, strategies and outlook.

The Boards considered, among other factors, the number, education and experience of BlackRock s investment personnel generally and their Funds portfolio management teams, investments by portfolio managers in the funds they manage, BlackRock s portfolio trading capabilities, BlackRock s use of technology, BlackRock s commitment to compliance, BlackRock s credit analysis capabilities, BlackRock s risk analysis capabilities and BlackRock s approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards engaged in a review of BlackRock s compensation structure with respect to their Funds portfolio management teams and BlackRock s ability to attract and retain high-quality talent and create performance incentives.

In addition to advisory services, the Boards considered the quality of the administrative and non-investment advisory services provided to the Funds. BlackRock and its affiliates provide the Funds with certain services (in addition to any such services provided to the Funds by third parties) and officers and other personnel as are necessary for the operations of the Funds. In addition to investment advisory services, BlackRock and its affiliates provide the Funds with other services, including (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering and periodic shareholder reports; (ii) preparing communications with analysts to support secondary market trading of the Funds; (iii) assisting with daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; and (viii) performing other administrative functions necessary for the operation of the Funds, such as tax reporting, fulfilling regulatory filing requirements and call center services. The Boards reviewed the structure and duties of BlackRock s fund administration, accounting, legal and compliance departments and considered BlackRock s policies and procedures for assuring compliance with applicable laws and regulations.

**B. The Investment Performance of the Fund and BlackRock:** The Boards, including the Independent Board Members, also reviewed and considered the performance history of their Funds. In preparation for the April 14, 2011 meeting, the Boards worked with BlackRock and Lipper to develop a template for, and was provided with reports independently prepared by Lipper, which included a comprehensive analysis of each Fund s performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock, which analyzed various factors that affect Lipper s rankings. In connection with its review, each Board received and reviewed information regarding the investment performance of its Fund as compared to funds in that Fund s applicable Lipper category and, with respect to DSU, FRB and ARK, a customized peer group selected by BlackRock. The Boards were provided with a description of the methodology used by Lipper to select peer funds. The Boards and each Board s Performance Oversight Committee regularly review, and meet with Fund management to discuss, the performance of the Funds throughout the year.

The Board of each of COY and CYE noted that, in general, its respective Fund performed better than its Peers in that the Fund s performance was at or above the median of its Lipper Performance Universe in each of the one-, three- and five-year periods reported.

The Board of DSU noted that the Fund performed below the median of its Customized Lipper Peer Group in the three- and five-year periods reported, but that the Fund performed at or above the median of its Customized Lipper Peer Group in the one-year period reported. The Board of DSU and BlackRock reviewed and discussed the reasons for the Fund s underperformance during the three- and five-year periods compared with its Peers. The Board of DSU was informed that, among other things, the primary factor impacting relative performance over the three- and five-year periods was 2008 performance. Performance in 2008 was impacted by the Fund s credit positioning, which was biased towards lower

credit ratings, higher yield and higher beta credits.

The Board of FRB noted that the Fund performed below the median of its Customized Lipper Peer Group in each of the one-, three- and five-year periods reported. The Board of FRB and BlackRock reviewed and discussed the reasons for the Fund s underperformance during these periods compared with its Peers. The Board of FRB was informed that, among other things, in general the Fund s portfolio management team runs a conservative investment style that is biased towards the higher credit tiers and higher quality credits in terms of cash flow, asset quality, collateral, and loan structure. The Fund s portfolio management team believes this leads to superior risk-adjusted performance over longer periods but can cause the Fund to trail the average fund in up markets such as 2009 and 2010.

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (continued)

The Board of ARK noted that the Fund performed below the median of its Customized Lipper Peer Group in each of the one-, three- and five-year periods reported. The Board of ARK and BlackRock reviewed and discussed the reasons for the Fund s underperformance during these periods compared with its Peers. The Board of ARK was informed that, among other things, a major factor impacting performance over the three- and five-year periods was the Fund s performance in 2008. Performance in 2008 was impacted by the Fund s credit positioning, which was biased towards lower credit ratings, higher yield and higher beta credits.

The Board of each of DSU, FRB and ARK discussed with BlackRock its strategy for improving the respective Fund s performance and BlackRock s commitment to providing the resources necessary to assist the Fund s portfolio managers and to improve the Fund s performance.

The Boards noted that BlackRock has made changes to the organization of the overall fixed income group management structure designed to result in a strengthened leadership team.

**C.** Consideration of the Advisory/Management Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Fund: Each Board, including the Independent Board Members, reviewed its Fund s contractual management fee ratio compared with the other funds in its Lipper category. It also compared the Fund s total expense ratio, as well as actual management fee ratio, to those of other funds in its Lipper category. The Boards considered the services provided and the fees charged by BlackRock to other types of clients with similar investment mandates, including separately managed institutional accounts.

The Boards received and reviewed statements relating to BlackRock s financial condition and profitability with respect to the services it provided the Funds. The Boards were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Funds. The Boards reviewed BlackRock s profitability with respect to the Funds and other funds the Boards currently oversee for the year ended December 31, 2010 compared to available aggregate profitability data provided for the years ended December 31, 2009, and December 31, 2008. The Boards reviewed BlackRock s profitability with respect to other fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock s assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, expense allocations and business mix, and the difficulty of comparing profitability as a result of those factors.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Boards considered BlackRock s overall operating margin, in general, compared to the operating margin for leading investment management firms whose operations include advising closed-end funds, among other product types. That data indicates that operating margins for BlackRock, in general and with respect to its registered funds, are generally consistent with margins earned by similarly situated publicly traded competitors. In addition, the Boards considered, among other things, certain third party data comparing BlackRock s operating margin with that of other publicly-traded asset management firms. That third party data indicates that larger asset bases do not, in themselves, translate to higher profit margins.

In addition, the Boards considered the cost of the services provided to the Funds by BlackRock, and BlackRock s and its affiliates profits relating to the management of the Funds and the other funds advised by BlackRock and its affiliates. As part of its analysis, the Boards reviewed BlackRock s methodology in allocating its costs to the management of the Funds. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high-quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Boards.

The Board of each Fund noted that its respective Fund s contractual management fee ratio (a combination of the advisory fee and the administration fee, if any) was lower than or equal to the median contractual management fee ratio paid by the Fund s Peers, in each case before taking into account any expense reimbursements or fee waivers.

**D. Economies of Scale:** Each Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its Fund increase. Each Board also considered the extent to which its Fund benefits from such economies and whether there should be changes in the advisory fee rate or structure in order to enable the Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the asset level of the Fund. Based on the *ad hoc* Joint Product Pricing Committees and the Boards review and consideration of this issue, the Boards concluded that closed-end funds are typically priced at scale at a fund s inception; therefore, the implementation of breakpoints was not necessary.

The Boards noted that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering. The Boards noted that only one closed-end fund in the Fund Complex has breakpoints in its

advisory fee structure.

**E. Other Factors Deemed Relevant by the Board Members:** The Boards, including the Independent Board Members, also took into account other ancillary or fall-out benefits that BlackRock or its affiliates and significant shareholders may derive from their respective relationships with the Funds, both tangible and intangible, such as BlackRock s ability to leverage its investment professionals who manage other portfolios and risk management personnel, an increase in BlackRock s profile in the investment advisory community, and the engagement of BlackRock s affiliates as service providers to the Funds, including securities lending services. The Boards also considered BlackRock s overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain registered fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that BlackRock s funds may invest in affiliated ETFs without any offset against the management fees payable by the funds to BlackRock.

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (concluded)

In connection with its consideration of the Agreements, the Boards also received information regarding BlackRock s brokerage and soft dollar practices. The Boards received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace and that shareholders are able to sell their Fund shares in the secondary market if they believe that the Fund s fees and expenses are too high or if they are dissatisfied with the performance of the Fund.

#### Conclusion

Each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund for a one-year term ending June 30, 2012 and the Sub-Advisory Agreement between the Manager and the Sub-Advisor, with respect to its Fund, for a one-year term ending June 30, 2012. As part of its approval, the Boards considered the detailed review of BlackRock s fee structure, as it applies to the Funds, conducted by the *ad hoc* Joint Product Pricing Committee. Based upon their evaluations of all of the aforementioned factors in their totality, the Boards, including the Independent Board Members, were satisfied that the terms of the Agreements were fair and reasonable and in the best interest of the Funds and their shareholders. In arriving at their decision to approve the Agreements, the Boards did not identify any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making these determinations. The contractual fee arrangements for the Funds reflect the results of several years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. As a result, the Board Members conclusions may be based in part on their consideration of these arrangements in prior years.

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## Officers and Directors

Richard E. Cavanagh, Chairman of the Board and Director Karen P. Robards, Vice Chairperson of the Board, Chairperson of the Audit Committee and Director Paul L. Audet, Director Michael J. Castellano, Director and Member of the Audit Committee Frank J. Fabozzi, Director and Member of the Audit Committee Kathleen F. Feldstein, Director James T. Flynn, Director and Member of the Audit Committee Henry Gabbay, Director Jerrold B. Harris, Director R. Glenn Hubbard, Director W. Carl Kester, Director and Member of the Audit Committee John M. Perlowski, President and Chief Executive Officer Anne Ackerley, Vice President Brendan Kyne, Vice President Neal Andrews, Chief Financial Officer Jay Fife, Treasurer Brian Kindelan, Chief Compliance Officer and Anti-Money Laundering Officer Ira P. Shapiro, Secretary

#### **Investment Advisor**

BlackRock Advisors, LLC Wilmington, DE 19809

#### Sub-Advisor

BlackRock Financial Management, Inc. New York, NY 10055

#### Custodians

JPMorgan Chase Bank, N.A.<sup>1</sup> New York, NY 10017

State Street Bank and Trust Company<sup>2</sup> Boston, MA 02111

The Bank of New York Mellon<sup>3</sup> New York, NY 10286

#### **Transfer Agents**

BNY Mellon Shareowner Services<sup>3</sup> Jersey City, NJ 07310

Computershare Trust Company, N.A.<sup>1,2</sup> Providence, RI 02940

#### Accounting Agent

State Street Bank and Trust Company Boston, MA 02116

#### Legal Counsel

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

#### **Independent Registered Public Accounting Firm**

Deloitte & Touche LLP Boston, MA 02116

#### Address of the Funds

100 Bellevue Parkway Wilmington, DE 19809

- <sup>1</sup> For COY.
- <sup>2</sup> For CYE and FRB.
- <sup>3</sup> For DSU and ARK.

Effective April 14, 2011, Michael J. Castellano became Director of the Funds and Member of the Audit Committee.

Effective July 28, 2011, Richard S. Davis resigned as Director of the Funds, and Paul L. Audet became Director of the Funds.

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# Additional Information

#### **Proxy Results**

The Annual Meeting of Shareholders was held on July 28, 2011 for shareholders of record on May 31, 2011, to elect director nominees for each Fund. There were no broker non-votes with regard to any of the Funds.

	Paul L. Audet Votes			Michael J. Castellano Votes			Richard E. Cavanagh Votes		
	Votes For	Withheld	Abstain	Votes For	Withheld	Abstain	Votes For	Withheld	Abstain
COY	26,645,732	760,801	0	26,682,412	724,121	0	26,628,673	777,860	0
CYE	28,435,992	758,155	0	28,425,194	768,953	0	28,362,453	831,694	0
DSU	85,341,623	2,310,604	0	85,307,064	2,345,163	0	85,349,415	2,302,812	0
FRB	6,911,699	315,308	0	6,899,160	327,847	0	6,911,699	315,308	0
ARK	46,679,991	1,032,281	0	46,663,663	1,048,609	0	46,632,207	1,080,065	0

	Frank J. Fabozzi Votes			Kathleen F. Feldstein Votes			James T. Flynn Votes		
	Votes For	Withheld	Abstain	Votes For	Withheld	Abstain	Votes For	Withheld	Abstain
COY	26,600,086	806,447	0	26,519,271	887,262	0	26,562,238	844,295	0
CYE	28,407,163	786,984	0	28,299,553	894,594	0	28,394,193	799,954	0
DSU	85,351,279	2,300,948	0	85,218,368	2,433,859	0	85,156,466	2,495,761	0
FRB	6,899,160	327,847	0	6,895,914	331,093	0	6,894,536	332,471	0
ARK	46,530,202	1,182,070	0	46,640,428	1,071,844	0	46,531,898	1,180,374	0

	Henry Gabbay Votes			Jerrold B. Harris Votes			R. Glenn Hubbard Votes		
	Votes For	Withheld	Abstain	Votes For	Withheld	Abstain	Votes For	Withheld	Abstain
COY	26,545,573	860,960	0	26,632,218	774,316	0	26,621,144	785,390	0
CYE	28,437,894	756,253	0	28,380,655	813,492	0	28,371,677	822,470	0
DSU	85,391,657	2,260,570	0	85,394,789	2,257,438	0	85,314,620	2,337,607	0
FRB	6,908,538	318,469	0	6,900,340	326,667	0	6,903,501	323,506	0
ARK	46,718,199	994,073	0	46,726,858	985,414	0	46,570,391	1,141,881	0

	W.	Carl Kester Votes		Karen P. Robards Votes				
	Votes For	Withheld	Abstain	Votes For	Withheld	Abstain		
COY	26,636,721	769,813	0	26,588,355	818,179	0		
CYE	28,417,785	776,362	0	28,352,920	841,227	0		
DSU	85,404,764	2,247,463	0	85,331,083	2,321,144	0		
FRB	6,900,340	326,667	0	6,895,914	331,093	0		
ARK	46,746,768	965,504	0	46,734,992	977,280	0		

#### **Dividend Policy**

The Funds dividend policy is to distribute all or a portion of their net investment income to their shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the Funds may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any particular month pay out such accumulated but undistributed income in addition to net investment income earned in that month. As a result, the dividends paid by the Funds for any particular month may be more or less than the amount of net investment income earned by the Funds during such month. The Funds current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

# Additional Information (continued)

#### **General Information**

The Funds do not make available copies of their Statements of Additional Information because the Funds shares are not continuously offered, which means that the Statement of Additional Information of each Fund has not been updated after completion of the respective Fund s offerings and the information contained in each Fund s Statement of Additional Information may have become outdated.

During the period, there were no material changes in the Funds investment objectives or policies or to the Funds charter or by-laws that would delay or prevent a change of control of the Funds that were not approved by shareholders or in the principal risk factors associated with investment in the Funds. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Funds portfolios.

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

#### **Electronic Delivery**

Electronic copies of most financial reports are available on the Funds website or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports by enrolling in the Funds electronic delivery program.

#### Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:

Please contact your financial advisor to enroll. Please note that not all investment advisors, banks or brokerages may offer this service.

#### Householding

The Funds will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called householding and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call (800) 441-7762.

#### Availability of Quarterly Schedule of Investments

Each Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds Forms N-Q are available on the SEC s website at http://www.sec.gov and may also be reviewed and copied at the SEC s Public Reference Room in Washington, D.C. Information on how to access documents on the SEC s website without charge may be obtained by calling (800) SEC-0330. Each Fund s Forms N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

#### Availability of Proxy Voting Policies and Procedures

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling (800) 441-7762; (2) at http://www.blackrock.com; and (3) on the SEC s website at http://www.sec.gov.

#### Availability of Proxy Voting Record

Information about how the Funds voted proxies relating to securities held in the Funds portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at http://www.blackrock.com or by calling (800) 441-7762 and (2) on the SEC s website at http://www.sec.gov.

#### Availability of Fund Updates

BlackRock will update performance and certain other data for the Funds on a monthly basis on its website in the Closed-end Funds section of http://www.blackrock.com. Investors and others are advised to periodically check the website for updated performance information and the release of other material information about the Funds.

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# Additional Information (concluded)

#### **BlackRock Privacy Principles**

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

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

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

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

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This report is transmitted to shareholders only. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Funds have leveraged their Common Shares, which creates risks for Common Shareholders, including the likelihood of greater volatility of net asset value and market price of the Common Shares, and the risk that fluctuations in short-term interest rates may reduce the Common Shares yield. Statements and other information herein are as dated and are subject to change.

#CEF1-5-8/11

- Item 2 Code of Ethics Not Applicable to this semi-annual report
- Item 3 Audit Committee Financial Expert Not Applicable to this semi-annual report
- Item 4 Principal Accountant Fees and Services Not Applicable to this semi-annual report
- Item 5 Audit Committee of Listed Registrants Not Applicable to this semi-annual report
- Item 6 –
   Investments

   (a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this Form.

   (b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.
- Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies Not Applicable to this semi-annual report
- Item 8 –
   Portfolio Managers of Closed-End Management Investment Companies

   (a) Not Applicable to this semi-annual report
   (b) As of the date of this filing, there have been no changes in any of the portfolio managers identified in the most recent annual report on Form N-CSR.
- Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers Not Applicable
- Item 10 Submission of Matters to a Vote of Security Holders There have been no material changes to these procedures.
- Item 11 Controls and Procedures

(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.

(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 second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

#### Item 12 - Exhibits attached hereto

- (a)(1) Code of Ethics Not Applicable to this semi-annual report
- (a)(2) Certifications Attached hereto
- (a)(3) Not Applicable
- (b) 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 Corporate High Yield Fund III, Inc.

By: /s/ John M. Perlowski John M. Perlowski Chief Executive Officer (principal executive officer) of BlackRock Corporate High Yield Fund III, Inc.

Date: November 4, 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/ John M. Perlowski John M. Perlowski Chief Executive Officer (principal executive officer) of BlackRock Corporate High Yield Fund III, Inc.

Date: November 4, 2011

By: /s/ Neal J. Andrews Neal J. Andrews Chief Financial Officer (principal financial officer) of BlackRock Corporate High Yield Fund III, Inc.

Date: November 4, 2011