

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
Form N-CSR
August 08, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21539

First Trust Senior Floating Rate Income Fund II
(Exact name of registrant as specified in charter)

120 East Liberty Drive
Wheaton, IL 60187
(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive
Wheaton, IL 60187
(Name and address of agent for service)

registrant's telephone number, including area code: N30-765-8000

Date of fiscal year end: May 31

Date of reporting period: May 31, 2018

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

First Trust
Senior Floating Rate Income Fund II (FCT)
Annual Report
For the Year Ended
May 31, 2018

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First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 2018

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Caution Regarding Forward-Looking Statements

This report contains certain forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the goals, beliefs, plans or current expectations of First Trust Advisors L.P. (“First Trust” or the “Advisor”) and its representatives, taking into account the information currently available to them. Forward-looking statements include all statements that do not relate solely to current or historical fact. For example, forward-looking statements include the use of words such as “anticipate,” “estimate,” “intend,” “expect,” “believe,” “plan,” “may,” “should,” “would” or other words to convey uncertainty of future events or outcomes.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of First Trust Senior Floating Rate Income Fund II (the “Fund”) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. When evaluating the information included in this report, you are cautioned not to place undue reliance on these forward-looking statements, which reflect the judgment of the Advisor and its representatives only as of the date hereof. We undertake no obligation to publicly revise or update these forward-looking statements to reflect events and circumstances that arise after the date hereof.

Performance and Risk Disclosure

There is no assurance that the Fund will achieve its investment objectives. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and that the value of the Fund shares may therefore be less than what you paid for them. Accordingly, you can lose money by investing in the Fund. See “Risk Considerations” in the Additional Information section of this report for a discussion of certain other risks of investing in the Fund.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit www.ftportfolios.com or speak with your financial advisor. Investment returns, net asset value and common share price will fluctuate and Fund shares, when sold, may be worth more or less than their original cost. The Advisor may also periodically provide additional information on Fund performance on the Fund’s web page at www.ftportfolios.com.

How to Read This Report

This report contains information that may help you evaluate your investment in the Fund. It includes details about the Fund and presents data and analysis that provide insight into the Fund’s performance and investment approach. By reading the portfolio commentary by the portfolio management team of the Fund, you may obtain an understanding of how the market environment affected the Fund’s performance. The statistical information that follows may help you understand the Fund’s performance compared to that of a relevant market benchmark. It is important to keep in mind that the opinions expressed by personnel of the Advisor are just that: informed opinions. They should not be considered to be promises or advice. The opinions, like the statistics, cover the period through the date on the cover of this report. The material risks of investing in the Fund are spelled out in the prospectus, the statement of additional information, this report and other Fund regulatory filings.

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Shareholder Letter

First Trust Senior Floating Rate Income Fund II (FCT)

Annual Letter from the Chairman and CEO

May 31, 2018

Dear Shareholders,

First Trust is pleased to provide you with the annual report for the First Trust Senior Floating Rate Income Fund II which contains detailed information about your investment for the period ended May 31, 2018, including a market overview and a performance analysis for the period. We encourage you to read this report carefully and discuss it with your financial advisor.

As you are no doubt aware, 2017 was a very strong year for both the U.S. and global markets. The three major U.S. indices – the S&P 500[®] Index, the Dow Jones Industrial Average and the Nasdaq Composite – posted their best performance since 2013. And there was more good news for Wall Street as the year ended and analysts collected stock market data:

- The S&P 500[®] Index did something it had never previously done, finishing 2017 with 12 months of gains;
- The Dow Jones Industrial Average achieved a milestone as well, closing above 24,000 for the first time ever on November 30; and
- The Nasdaq Composite set a record by having 11 months of gains in 2017 (June was the only down month, and by just 0.86%).

As 2017 ended, President Trump signed the “Tax Cuts and Jobs Act of 2017” tax reform bill. As 2018 began, there was much enthusiasm for this tax reform package and the potential increase in take-home pay for many Americans, as well as the reduction in the federal corporate tax rate from 35% to 21%. Early in the year, many investors were also watching the Federal Reserve (the “Fed”) and its signaled intent to continue raising interest rates at a gradual pace. Based on strong job growth and the economic outlook in the U.S., the Fed did, in fact, raise interest rates on March 21, 2018. At the Fed’s May 2018 meeting, interest rates were unchanged, but the statement the Fed released points to the possibility of two or more rate hikes in the latter part of 2018.

For the entire first quarter of 2018, increased volatility was the norm. The S&P 500[®] Index was off to a strong start in January as it returned over 7.5% from January 2 to January 26. February, however, was a different story. Early in the month, the Dow Jones Industrial Average plunged 567 points and sank into “correction” territory (defined as a drop of 10% from the index’s high) and in just two weeks, was down more than 3,200 points. However, as February came to a close, the Dow Jones Industrial Average was back on track and up from the lows experienced earlier in the month. Volatility continued in March and April with the Dow Jones Industrial Average ending April with a small gain, while May ended with a slight decline. Across the globe, the first quarter saw the Emerging Market and Developing Market countries, as well as Europe, continue with the strong performances experienced in 2017.

The market volatility we saw during the first quarter of 2018 has continued into the second quarter, both in the U.S. and abroad. Both the U.S. and international markets have been affected by talk of a so-called “trade war” and tariffs on imports from China (and other countries), as well as geopolitical concerns around a possible war with Syria, continued concerns regarding North Korea and the potential effects of the political goals of Italy’s new prime minister. This market volatility is why we believe that one should invest for the long term and be prepared for market movements, which can happen at any time. This can be accomplished by keeping current on your portfolio and investing goals and by speaking regularly with your investment professional. As we’ve said before, markets go up and they also go down, but savvy investors are prepared for either through careful attention to their portfolios and investment goals.

At First Trust, we continue to be optimistic about the U.S. economy and we thank you for giving us the opportunity to be a part of your financial plan. We value our relationship with you and will report on your investment again in six months.

Sincerely,

James A. Bowen

Chairman of the Board of Trustees

Chief Executive Officer of First Trust Advisors L.P.

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First Trust Senior Floating Rate Income Fund II (FCT)

“AT A GLANCE”

As of May 31, 2018 (Unaudited)

Fund Statistics

Symbol on New York Stock Exchange	FCT
Common Share Price	\$12.99
Common Share Net Asset Value (“NAV”)	\$14.05
Premium (Discount) to NAV	(7.54)%
Net Assets Applicable to Common Shares	\$375,015,306
Current Monthly Distribution per Common Share ⁽¹⁾	\$0.0600
Current Annualized Distribution per Common Share	\$0.7200
Current Distribution Rate on Common Share Price ⁽²⁾	5.54%
Current Distribution Rate on NAV ⁽²⁾	5.12%

Common Share Price & NAV (weekly closing price)

Performance

	Average Annual Total Return			
	1 Year Ended 5/31/18	5 Years Ended 5/31/18	10 Years Ended 5/31/18	Inception (5/25/04) to 5/31/18
Fund Performance⁽³⁾				
NAV	4.24%	4.91%	4.70%	4.38%
Market Value	1.05%	2.96%	4.99%	3.45%
Index Performance				
S&P/LSTA Leveraged Loan Index	4.20%	3.85%	5.20%	4.81%

⁽¹⁾Most recent distribution paid or declared through 5/31/2018. Subject to change in the future.⁽²⁾Distribution rates are calculated by annualizing the most recent distribution paid or declared through the report date and then dividing by Common Share Price or NAV, as applicable, as of 5/31/2018. Subject to change in the future.

Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. From inception to October 12, 2010, Four Corners

⁽³⁾Capital Management, LLC served as the Fund’s sub-advisor. Effective October 12, 2010, the Leveraged Finance Team of First Trust Advisors L.P. assumed the day-to-day responsibility for management of the Fund’s portfolio. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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First Trust Senior Floating Rate Income Fund II (FCT)

“AT A GLANCE” (Continued)

As of May 31, 2018 (Unaudited)

Credit Quality (S&P Ratings) ⁽⁴⁾	% of Senior Loans and Other Debt Securities ⁽⁵⁾
BBB+	0.1%
BBB-	5.0
BB+	3.6
BB	9.2
BB-	19.1
B+	23.0
B	22.4
B-	11.5
CCC+	1.3
CCC	2.1
CC	0.9
D	0.8
Privately rated ⁽⁶⁾	0.2
Not Rated	0.8
Total	100.0%

Industry Classification	% of Senior Loans and Other Securities ⁽⁵⁾
Health Care Providers & Services	16.0%
Hotels, Restaurants & Leisure	12.9
Software	11.9
Pharmaceuticals	7.1
Life Sciences Tools & Services	5.1
Diversified Financial Services	5.0
Food & Staples Retailing	3.8
Professional Services	3.5
Insurance	3.2
Media	2.9
Containers & Packaging	2.9
Technology Hardware, Storage & Peripherals	2.4
Food Products	2.4
Diversified Telecommunication Services	1.9
Commercial Services & Supplies	1.7
Capital Markets	1.6
Health Care Equipment & Supplies	1.5
Auto Components	1.5
Health Care Technology	1.4
Building Products	1.4
Household Products	1.3
Chemicals	1.2
Electric Utilities	1.1
Diversified Consumer Services	1.1
Industrial Conglomerates	0.9

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Aerospace & Defense	0.8
Semiconductors & Semiconductor Equipment	0.7
Specialty Retail	0.7
Household Durables	0.7
Oil, Gas & Consumable Fuels	0.4
Independent Power and Renewable Electricity Producers	0.4
Wireless Telecommunication Services	0.4
Machinery	0.2
Construction & Engineering	0.0*
Total	100.0%

* Amount is less than 0.1%.

Top 10 Issuers	% of Senior Loans and other Securities ⁽⁵⁾
MultiPlan, Inc. (MPH Acquisition Holdings LLC)	3.0%
Portillo's Holdings LLC	3.0
BMC Software Finance, Inc.	2.7
Valeant Pharmaceuticals International, Inc.	2.6
Amaya Holdings B.V.	2.6
Reynolds Group Holdings, Inc.	2.5
Dell, Inc. (Diamond 1 Finance Corp.)	2.4
AlixPartners	2.3
BJ's Wholesale Club, Inc.	1.8
Caesars Resorts Collection	1.8
Total	24.7%

The ratings are by Standard & Poor's except where otherwise indicated. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations except for those debt obligations that are only privately rated. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Investment grade is defined as those issuers that have a long-term credit rating of BBB- or higher. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

⁽⁴⁾ Percentages are based on long-term positions. Money market funds are excluded.

⁽⁵⁾ Represents Senior Loans privately rated upon issuance. The rating agency does not provide ongoing surveillance on the rating.

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Portfolio Commentary

First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 2018 (Unaudited)

Advisor

The First Trust Advisors L.P. (“First Trust”) Leveraged Finance Team is comprised of 15 experienced investment professionals specializing in below investment grade securities. The team is comprised of portfolio management, research, trading and operations personnel. As of May 31, 2018, the First Trust Leveraged Finance Team managed or supervised approximately \$4.07 billion in senior secured bank loans and high-yield bonds. These assets are managed across various strategies, including two closed-end funds, an open-end fund, four exchange-traded funds, one UCITS fund and a series of unit investment trusts on behalf of retail and institutional clients.

Portfolio Management Team

William Housey, CFA – Senior Vice President, Senior Portfolio Manager

Scott D. Fries, CFA – Senior Vice President, Portfolio Manager

Commentary

First Trust Senior Floating Rate Income Fund II

The primary investment objective of First Trust Senior Floating Rate Income Fund II (“FCT” or the “Fund”) is to seek a high level of current income. As a secondary objective, the Fund attempts to preserve capital. The Fund pursues its objectives by investing primarily in a portfolio of senior secured floating-rate corporate loans (“Senior Loans”). Under normal market conditions, at least 80% of the Fund’s Managed Assets are generally invested in lower grade debt instruments. “Managed Assets” means the total asset value of the Fund minus the sum of its liabilities, other than the principal amount of borrowings. There can be no assurance that the Fund will achieve its investment objectives. Investing in Senior Loans involves credit risk and, during periods of generally declining credit quality, it may be particularly difficult for the Fund to achieve its secondary investment objective. The Fund may not be appropriate for all investors.

Market Recap

The twelve-month period ended May 31, 2018 proved to be favorable for senior loans, which experienced 10 months of positive returns, and outperformed other fixed income asset classes. Specifically, the last twelve month (“LTM”) total return for the S&P/LSTA Leveraged Loan Index (the “Index”) was 4.20%. This compares to 2.29% for high-yield bonds, 1.88% for preferred securities, 0.09% for investment grade bonds and -0.37% for the US Aggregate Index.¹ For reference, the S&P 500® Total Return Index returned 14.38% over the same time period.

The senior loan asset class continues to see strong demand from investors. In turn, this demand has resulted in a wave of re-pricings (reduced spread) and refinancings. In fact, of the \$896.5 billion in institutional loan issuance during the prior year period, 69.5%, or about \$623.0 billion, was used for re-pricing and refinancing (JP Morgan). Investor demand for the senior loan asset class has resulted in approximately \$6.5 billion of inflows over the prior year period (JP Morgan). The primary factor influencing this demand has been the gradual increase in the Federal Funds Rate by the U.S. Federal Reserve (the “Fed”). More specifically, the Fed implemented three 25 basis point (bps) rate hikes in the Federal Funds Rate over the prior year to end the period at 175 bps. This increase in the Federal Funds Rate has also led to an increase in 3-month London Interbank Offered Rate (“LIBOR”) from 121 bps to 232 bps, an increase of 111 bps over the same time period. We believe that loans have begun to benefit from this increase in LIBOR, as we appear to have reached the inflection point where LIBOR increases are offsetting the spread declines from the heavy refinancing rate.

Senior Loan Market

The Index returned 4.20% for the twelve-month period ending May 31, 2018. Lower quality CCC rated issues returned 7.17% in the period, outperforming the 4.43% return for higher quality B rated issues and the 3.78% return for even higher quality BB rated issues. The average bid price of loans in the market remained relatively stable, entering the period at \$98.33 and ending the period at \$98.35. The discounted spread to a 3-year life for the senior loan market began the period at L+413 and ended the period at L+379, a tightening of 34 bps.

¹High-Yield Bonds are represented by the ICE BofAML US High Yield Constrained Index, Preferred Securities are represented by the ICE BofAML Fixed Rate Preferred Securities Index, Investment Grade Bonds are represented by

the ICE BofAML US Corporate Index and the US Aggregate Index is represented by the Bloomberg Barclays US Aggregate Bond Index.

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Portfolio Commentary (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 2018 (Unaudited)

The default rate within the Index remains below the long term average for senior loans. The LTM default rate within the Index ended the period at 2.12%, which compares favorably to the long-term average default rate of 3.01% dating back to March 1999. We believe the default rate remains below the long-term average because overall corporate fundamentals remain healthy. Given the lack of near-term debt maturities and favorable access to capital markets that companies are enjoying, we believe default rates for both senior loans and high-yield bonds will remain relatively benign for some time.

Performance Analysis

The Fund marginally outperformed the Index on a NAV basis but underperformed the Index on a market value basis for the LTM period. The Fund generated a NAV return² of 4.24% and a market price return² of 1.05% while the Index generated a total return of 4.20%. The Fund's discount to NAV ended the period 292 bps wider than one year ago. At the start of the period, the Fund's market price was at a -4.62% discount to NAV and widened to a -7.54% discount to NAV by the end of the period.

Contributing to the Fund's outperformance relative to the Index over the period was the Fund's use of leverage. The use of leverage was beneficial to Fund returns as loan returns outpaced the cost of borrowing. Leverage entered the period at 27.7% of managed assets and ended the period at 29.3%. Additionally, the Fund's overweight position and selection within the drug industry benefitted returns as this industry outperformed the broader market. Partially offsetting these tailwinds were the Fund's selection within the oil & gas and retail (except food & drug) industries.

From an income perspective, the monthly announced distribution rate began the period at \$0.0663 per share and ended at \$0.06 per share. At the \$0.06 per share monthly distribution rate, the annualized distribution rate at the end of May 2018 was 5.12% at NAV and 5.54% at market price.

Market and Fund Outlook

We believe the current healthy credit market environment may persist for the near to intermediate term. The positive backdrop for the senior loan and high-yield bond asset classes continues to be the fact that the U.S. economy is on solid ground, in our opinion. We believe the combination of improved inflation data in the U.S., less accommodation from global central banks and increased U.S. Treasury issuance to fund greater deficits will likely continue to increase interest rate volatility and continue to propel interest rates higher. Higher interest rates would drive long-duration bond prices (the most interest rate sensitive) to be lower, in our opinion. While this may also result in credit market volatility, we remain confident in our belief that the favorable backdrop for the macro economy will persist for the near to intermediate term. Specifically, we believe senior loans, given their senior secured position in the capital structure, floating interest rate, attractive income and low default rate, are well positioned as we move through 2018. Finally, we believe that, with the potential for additional interest rate hikes on the horizon, LIBOR should continue to migrate higher through 2018 and into 2019. As we evaluate new investment opportunities, decisions will continue to be rooted in our rigorous bottom-up credit analysis and our focus will remain on identifying the opportunities that we believe offer the best risk and reward balance.

Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) – 137.9%				
	Aerospace & Defense – 1.2%			
	Transdigm, Inc., Incremental TLE, 1 Mo. LIBOR + 2.50%, 0.00% Floor			
\$1,540,800		4.48%	05/30/25	\$1,535,222
2,821,824	Transdigm, Inc., Term Loan F, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	06/09/23	2,814,431
				4,349,653
	Alternative Carriers – 0.7%			
	Level 3 Financing, Inc., Tranche B 2024 Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor			
2,678,397		4.21%	02/22/24	2,679,897
	Application Software – 6.7%			
	CCC Information Resources, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor			
1,633,372		4.99%	04/26/24	1,635,707
859,054	Hyland Software, Term-3 Loans, 1 Mo. LIBOR + 3.25%, 0.75% Floor	5.23%	07/01/22	864,887
984,481	Infor (US), Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	02/02/22	983,929
2,230,934	Informatica Corp. (Ithacalux S.A.R.L), Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.23%	08/06/22	2,244,877
5,360,344	JDA Software Group (RP Crown Parent, Inc.), Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	10/12/23	5,373,745
6,653	Kronos, Inc., Term Loan B, 2 Mo. LIBOR + 3.00%, 0.00% Floor	5.06%	11/01/23	6,681
2,654,517	Kronos, Inc., Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.36%	11/01/23	2,665,587
438,736	LANDesk Software, Inc., Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	6.24%	01/18/24	431,971
331,146	Micro Focus International (MA Finance LLC), MA Finance TLB3, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	06/21/24	329,845
2,236,314	Micro Focus International (MA Finance LLC), Seattle Spinco TLB, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	06/21/24	2,227,525
524,453	Mitchell International, Inc., Delayed Draw Term Loan, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.22%	11/30/24	524,264

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6,503,217	Mitchell International, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.23%	11/30/24	6,500,876
1,294,000	Qlik Technologies (Project Alpha Intermediate Holdings, Inc.), Term Loan B, 6 Mo. LIBOR + 3.50%, 1.00% Floor	5.99%	04/26/24	1,289,148
				25,079,042
748,487	Asset Management & Custody Banks – 2.3% American Beacon Advisors, Inc. (Resolute Investment Managers), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor	5.55%	04/30/22	750,358
794,000	First Eagle Investment Management, Term Loan B, 3 Mo. LIBOR + 3.00%, 0.75% Floor	5.30%	12/01/22	798,963
988,886	Harbourvest Partners L.P., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.00% Floor	4.55%	02/28/25	988,065
210,396	Mondrian Investment Partners Ltd. (MIPL Group Ltd.), Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.30%	03/09/20	210,922
1,758,219	Victory Capital Holdings (VCH Holdings LLC), Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor	5.05%	02/15/25	1,762,615
635,808	Virtus Investment Partners, Inc., Delayed Draw Term Loan (d)	2.50%	(e)06/01/24	635,808
3,612,700	Virtus Investment Partners, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	4.43%	06/01/24	3,620,214
				8,766,945
5,456,683	Auto Parts & Equipment – 2.1% Gates Global, Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor	5.05%	03/31/24	5,478,837
1,279,000	Lumileds, Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.80%	06/30/24	1,274,524

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See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
	Auto Parts & Equipment (Continued)			
\$1,237,267	Tower Automotive Holdings USA LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.69%	03/06/24	\$1,240,360
				7,993,721
996,972	Automotive Retail – 0.3% KAR Auction Services, Inc., Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor	4.81%	03/09/23	1,000,093
2,672,150	Broadcasting – 1.5% Cumulus Media Holdings, Inc., Term Loan, Prime Rate + 2.25%, 1.00% Floor (f)	7.00%	12/23/20	2,320,308
33,483	Nexstar Broadcasting, Inc., Mission Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.41%	01/17/24	33,539
260,087	Nexstar Broadcasting, Inc., Nexstar Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.41%	01/17/24	260,518
567,379	Tribune Media Co., Extended Term Loan C, 1 Mo. LIBOR + 3.00%, 0.75% Floor	4.98%	01/27/24	566,670
45,522	Tribune Media Co., Term B Loan, 1 Mo. LIBOR + 3.00%, 0.75% Floor	4.98%	12/27/20	45,522
2,340,003	Univision Communications, Inc., Term Loan C5, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	03/15/24	2,255,178
				5,481,735
189,810	Building Products – 1.9% Beacon Roofing Supply, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.18%	01/02/25	189,708
62,578	Jeld-Wen, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.30%	12/07/24	62,636
7,013,986	Quikrete Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	11/15/23	7,013,986
				7,266,330
985,714	Cable & Satellite – 1.2% Cablevision Systems Corp. (CSC Holdings, Inc.), New Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.42%	01/25/26	983,250

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324,844	Cablevision Systems Corp. (CSC Holdings, Inc.), Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.17%	07/17/25	323,424
409,406	Mediacom Broadband LLC, Term Loan N, 1 Mo. LIBOR + 1.75%, 0.00% Floor	3.51%	02/15/24	409,406
1,404,305	UnityMedia, Term Loan E, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.80%	05/31/23	1,402,844
1,107,692	UPC Financing Partnership, Term Loan AR, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.42%	01/15/26	1,103,716
340,000	Virgin Media Finance PLC, Term Loan K, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.42%	01/31/26	338,878
				4,561,518
13,701,131	Casinos & Gaming – 11.3% Amaya Holdings B.V., Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.32%	04/06/25	13,703,871
9,587,026	Caesars Resorts Collection, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	12/22/24	9,585,684
4,798,514	CityCenter Holdings LLC, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.75% Floor	4.23%	04/18/24	4,797,746
2,559,634	Golden Nugget, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor	4.73%	10/04/23	2,573,507
1,475,271	MGM Growth Properties Operating Partnership LP, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.75%	03/23/25	1,474,253

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Casinos & Gaming (Continued)				
\$810,416	Penn National Gaming, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	4.48%	01/19/24	\$815,075
5,439,382	Station Casinos, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	4.49%	06/08/23	5,437,098
3,848,666	VICI Properties (Caesars), Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.96%	12/20/24	3,846,511
				42,233,745
1,036,453	Coal & Consumable Fuels – 0.4% Arch Coal, Inc., Term Loan, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	03/07/24	1,036,132
309,857	Peabody Energy Corp., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	03/31/25	309,092
				1,345,224
1,362,057	Commercial Printing – 0.4% Multi-Color Corp., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.23%	11/01/24	1,367,165
185,406	Construction & Engineering – 0.0% Pike Electric, Inc., Term Loan B, 1 Mo. LIBOR + 3.50%, 1.00% Floor	5.49%	03/23/25	187,260
367,500	Diversified Chemicals – 0.1% Ineos US Finance LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.98%	03/31/24	367,548
2,968,516	Diversified Support Services – 1.0% Brickman Group Holdings, Inc., Initial Term Loan (First Lien), 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.94%-4.98%	12/18/20	2,982,260
788,774	Brickman Group Holdings, Inc., Second Lien Term Loan, 1 Mo. LIBOR + 6.50%, 1.00% Floor	8.44%	12/18/21	792,292
				3,774,552
243,169	Education Services – 0.1% Bright Horizons Family Solutions, Inc., Term Loan B, 1 Mo. LIBOR + 1.75%, 0.75% Floor	3.73%	11/07/23	243,701

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	Electric Utilities – 0.9%				
370,312	Dayton Power & Light Co., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.75% Floor	3.99%	08/24/22	371,546	
<hr/>					
1,945,076	Vistra Energy Corp. (f/k/a TXU), Term Loan B-2, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.19%-4.23%	12/14/23	1,948,557	
<hr/>					
1,000,000	Vistra Energy Corp. (TXU), Term Loan B3, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.19%	12/31/25	997,360	
<hr/>					
					3,317,463
	Environmental & Facilities Services – 0.8%				
1,105,670	PSSI (Packers Holdings LLC), Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.17%	12/04/24	1,103,824	
<hr/>					
500,000	Servicemaster Company, LLC, The, Tranche C Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	11/08/23	502,345	
<hr/>					
1,361,465	WTG Holdings III Corp. (EWT Holdings III Corp.), Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.30%	12/20/24	1,369,974	
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					2,976,143

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
	Food Distributors – 0.5%			
\$643,500	TKC Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	6.23%	01/31/23	\$646,718
1,179,000	US Foods, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	06/27/23	1,183,020
				1,829,738
	Food Retail – 2.3%			
1,798,062	Albertsons LLC, FILO ABL TL, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.98%	05/31/23	1,799,411
2,848,954	Albertsons LLC, Term Loan B5, 3 Mo. LIBOR + 3.00%, 0.75% Floor	5.29%	12/21/22	2,818,270
4,228,163	Albertsons LLC, Term Loan B6, 3 Mo. LIBOR + 3.00%, 0.75% Floor	5.32%	06/22/23	4,177,341
				8,795,022
	Health Care Equipment – 2.1%			
3,799,398	DJO Finance LLC (ReAble Therapeutics Finance LLC), Initial Term Loan, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.23%	06/08/20	3,808,099
3,849,075	DJO Finance LLC (ReAble Therapeutics Finance LLC), Initial Term Loan, 3 Mo. LIBOR + 3.25%, 1.00% Floor	5.56%	06/08/20	3,857,889
198,500	Kinetic Concepts, Inc. (Acelity L.P., Inc.), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor	5.55%	01/31/24	199,542
				7,865,530
	Health Care Facilities – 4.2%			
1,042,097	Acadia Healthcare Co., Inc., Term Loan B3, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	02/11/22	1,048,932
1,192,670	Acadia Healthcare Co., Inc., Term Loan B4, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	02/16/23	1,200,494
1,519,588	CHS/Community Health Systems, Inc., Term Loan G, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.31%	12/31/19	1,511,428
1,699,735	Concentra, Inc. (MJ Acquisition Corp.), Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.66%	06/01/22	1,703,984
6,551,265	Kindred Healthcare, Inc., New Term Loan, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.88%	04/09/21	6,543,076

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3,672,236	National Veterinary Associates (NVA Holdings, Inc.), Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor	5.05%	02/02/25	3,674,550
				15,682,464
4,157,551	Health Care Services – 10.8% 21st Century Oncology, Inc., Tranche B Term Loan, 3 Mo. LIBOR + 6.13%, 1.00% Floor	8.48%	01/16/23	3,982,934
289,408	Air Medical Group, New Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	6.18%	03/14/25	290,010
2,839,084	Air Methods Corp. (ASP AMC Intermediate Holdings, Inc.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.80%	04/30/24	2,821,340
5,550	CHG Healthcare Services, Inc, Term Loan B, 2 Mo. LIBOR + 3.00%, 1.00% Floor	5.06%	06/07/23	5,586
2,203,245	CHG Healthcare Services, Inc, Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.36%	06/07/23	2,217,566
3,580,216	Curo Health Services Holdings, Inc., Term Loan B, 2 Mo. LIBOR + 4.00%, 1.00% Floor	6.09%	02/05/22	3,582,472
2,855,635	DuPage Medical Group (Midwest Physician), Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor	4.71%	08/15/24	2,837,730
4,603,882	Envision Healthcare Corp. (Emergency Medical Services Corp.), Term Loan B, 1 Mo. LIBOR + 3.00%, 0.75% Floor	4.99%	12/01/23	4,608,532

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Health Care Services (Continued)				
\$814,823	ExamWorks Group, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.23%	07/27/23	\$819,663
4,587,378	Healogics, Inc. (CDRH Parent, Inc.), Initial Term Loan (First Lien), 3 Mo. LIBOR + 4.25%, 1.00% Floor	6.28%	07/01/21	4,166,853
4,539,411	Surgery Centers Holdings, Inc., Term Loan B, 2 Mo. LIBOR + 3.25%, 1.00% Floor	5.35%	08/31/24	4,530,922
5,404,347	Team Health, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	02/06/24	5,210,709
5,284,564	U.S. Renal Care, Inc., Term Loan B, 3 Mo. LIBOR + 4.25%, 1.00% Floor	6.55%	12/30/22	5,255,922
				40,330,239
Health Care Supplies – 0.1%				
410,207	ConvaTec, Inc., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.75% Floor	4.55%	10/31/23	410,978
Health Care Technology – 2.0%				
5,558,629	Change Healthcare Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	03/01/24	5,554,460
2,031,036	Cotiviti Corp., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.00% Floor	4.56%	09/28/23	2,028,497
				7,582,957
Hotels, Resorts & Cruise Lines – 0.5%				
1,352,212	Extended Stay America (ESH Hospitality, Inc.), Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.98%	08/30/23	1,353,267
444,375	Four Seasons Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.98%	11/30/23	445,548
				1,798,815
Household Appliances – 0.9%				
3,477,628	Traeger Grills, Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	6.23%	09/25/24	3,501,553
5,303,611	Household Products – 1.9%	4.06%-4.10%	06/23/22	5,296,133

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Spectrum Brands, Inc., Term Loan B, 2 Mo. LIBOR + 2.00%,
0.00% Floor

1,696,389	Spectrum Brands, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.36%	06/23/22	1,693,997
				6,990,130
1,992,500	Human Resource & Employment Services – 0.5% Tempo Acquisition, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.98%	05/01/24	1,992,918
8,227,403	Hypermarkets & Super Centers – 2.6% BJ’s Wholesale Club, Inc., 1st Lien Term Loan, 1 Mo. LIBOR + 3.50%, 1.00% Floor	5.42%	01/31/24	8,233,985
1,451,165	BJ’s Wholesale Club, Inc., 2nd Lien Term Loan, 1 Mo. LIBOR + 7.50%, 1.00% Floor	9.42%	02/03/25	1,463,863
				9,697,848
1,945,000	Independent Power Producers & Energy Traders – 0.5% Calpine Corp., Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor	4.81%	01/15/24	1,945,000
112,174	Industrial Conglomerates – 1.2% Accudyne Industries, Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.23%	08/18/24	112,414

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Industrial Conglomerates (Continued)				
\$4,423,232	Gardner Denver, Inc., Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor	5.05%	07/30/24	\$4,439,819
				4,552,233
1,049,536	Industrial Machinery – 0.3% Douglas Dynamics LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.99%	12/31/21	1,052,821
2,865,115	Insurance Brokers – 4.6% Amwins Group, Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.61%-4.73%	01/25/24	2,866,462
6,588,494	HUB International Ltd., Term Loan B, 2 Mo. LIBOR + 3.00%, 0.00% Floor	5.36%	04/25/25	6,574,790
2,100,298	National Financial Partners Corp., Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.98%	01/06/24	2,097,673
5,799,680	USI, Inc. (Compass Investors, Inc.), Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.30%	05/15/24	5,787,616
				17,326,541
5,825,782	Integrated Telecommunication Services – 2.0% Century Link (Qwest), Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	01/31/25	5,750,047
1,739,429	Numericable U.S. LLC (Altice France S.A.), Term Loan B12, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.35%	01/31/26	1,711,407
107,284	Zayo Group LLC, Term Loan B2, 1 Mo. LIBOR + 2.25%, 1.00% Floor	4.23%	01/19/24	107,820
				7,569,274
5,669,962	Leisure Facilities – 2.3% ClubCorp Club Operations, Inc., Term Loan B, 2 Mo. LIBOR + 2.75%, 0.00% Floor	4.89%	09/18/24	5,654,030
2,526,994	Planet Fitness Holdings LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor	4.73%	03/31/21	2,540,690

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590,262	Planet Fitness Holdings LLC, Term Loan B, 3 Mo. LIBOR + 2.75%, 0.75% Floor	5.05%	03/31/21	593,461
				8,788,181
2,144,991	Life Sciences Tools & Services – 7.0% Immucor, Inc., Term Loan B First Lien, 3 Mo. LIBOR + 5.00%, 1.00% Floor	7.30%	06/15/21	2,179,846
7,375,565	Ortho-Clinical Diagnostics, Inc. (Crimson Merger Sub, Inc.), Initial Term Loan, 1 Mo. LIBOR + 3.75%, 1.00% Floor	5.73%	06/30/21	7,377,409
6,945,084	Parexel International Corp., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	09/27/24	6,934,250
2,028,543	Pharmaceutical Product Development, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 1.00% Floor	4.48%	08/18/22	2,026,514
2,235,684	Pharmaceutical Product Development, Inc., Term Loan B, 3 Mo. LIBOR + 2.50%, 1.00% Floor	4.80%	08/18/22	2,233,449
5,537,778	Sterigenics International (STHI Intermediate Holding Corp.), Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.98%	05/15/22	5,549,906
				26,301,374
3,555,654	Managed Health Care – 5.2% Davis Vision/Superior Vision (Wink Holdco), Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.98%	12/02/24	3,536,809

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Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Managed Health Care (Continued)				
\$16,032,456	MultiPlan, Inc. (MPH Acquisition Holdings LLC), Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor	5.05%	06/07/23	\$16,054,581
				19,591,390
1,900,029	Metal & Glass Containers – 0.6% Berlin Packaging LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.92%-4.98%	11/07/25	1,901,606
198,600	Crown Holdings, Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.31%	04/03/25	199,655
				2,101,261
381,833	Movies & Entertainment – 1.0% AMC Entertainment, Inc., 2016 Incremental Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.17%	12/15/23	382,429
276,250	AMC Entertainment, Inc., Initial Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.17%	12/15/22	276,664
1,935,000	Cineworld Group PLC (Crown), Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	02/05/25	1,926,544
987,525	Creative Artists Agency LLC (CAA Holdings LLC), Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.92%	02/15/24	991,643
				3,577,280
166,667	Oil & Gas Exploration & Production – 0.0% Ascent Resources - Marcellus, LLC, EXIT Term Loan B, 1 Mo. LIBOR + 6.50%, 1.00% Floor (g)	8.41%	03/30/23	166,667
12,424,120	Other Diversified Financial Services – 7.0% AlixPartners, Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor	5.05%	04/04/24	12,447,478
6,249,242	Duff & Phelps Corp., Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor	5.55%	02/13/25	6,241,430
3,863,684	First Data Corp., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.97%	04/26/24	3,860,941

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725,473	iPayment, Inc., Term Loan, 1 Mo. LIBOR + 5.00%, 1.00% Floor	6.94%	04/11/23	726,380
3,144,000	Wex, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.23%	07/01/23	3,152,363
				26,428,592
9,139,780	Packaged Foods & Meats – 3.4% Hostess Brands LLC, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.75% Floor	4.23%	08/03/22	9,162,629
3,427,495	Post Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.97%	05/24/24	3,428,112
				12,590,741
13,197,189	Paper Packaging – 3.5% Reynolds Group Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	02/05/23	13,219,228
1,682,692	Pharmaceuticals – 9.8% Akorn, Inc., Loan, 1 Mo. LIBOR + 4.25%, 1.00% Floor	6.25%	04/16/21	1,636,418
1,953,062	Catalent Pharma Solutions, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 1.00% Floor	4.23%	05/20/24	1,959,702
5,182,926	Concordia Healthcare Corp., Initial Dollar Term Loan, 1 Mo. LIBOR + 4.25%, 1.00% Floor (f)	6.23%	10/21/21	4,663,183
7,289,462	Endo LLC, Term Loan B, 1 Mo. LIBOR + 4.25%, 0.75% Floor	6.25%	04/29/24	7,204,831
1,496,222	Grifols Worldwide Operations Limited, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.00%	01/31/25	1,500,366

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May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Pharmaceuticals (Continued)				
\$5,240,323	Horizon Pharma, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.25%	03/29/24	\$5,249,441
970,874	Mallinckrodt International Finance S.A., 2018 Incremental Term Loan, 6 Mo. LIBOR + 3.00%, 0.75% Floor	5.52%	02/24/25	945,388
970,874	Mallinckrodt International Finance S.A., Term Loan B, 6 Mo. LIBOR + 2.75%, 0.75% Floor	5.20%	09/24/24	941,748
12,471,436	Valeant Pharmaceuticals International, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.98%	06/01/25	12,491,765
				36,592,842
4,970,864	Research & Consulting Services – 4.4% Acosta, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.23%	09/26/21	3,933,743
7,647,321	Advantage Sales & Marketing, Inc., Initial Term Loan (First Lien), 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.23%	07/23/21	7,268,779
801,980	Advantage Sales & Marketing, Inc., Term Loan B2, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.23%	07/23/21	763,485
4,603,500	Information Resources, Inc., Term Loan B, 3 Mo. LIBOR + 4.25%, 1.00% Floor	6.57%	01/18/24	4,623,663
				16,589,670
175,200	Restaurants – 4.3% IRB Holding Corp. (Arby's), Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.17%	01/18/25	175,769
219,000	IRB Holding Corp. (Arby's), Term Loan B, 2 Mo. LIBOR + 3.25%, 1.00% Floor	5.25%	01/18/25	219,712
8,341,454	Portillo's Holdings LLC, Second Lien Term Loan, 3 Mo. LIBOR + 8.00%, 1.00% Floor	10.30%	08/15/22	8,341,454
7,463,811	Portillo's Holdings LLC, Term B Loan (First Lien), 3 Mo. LIBOR + 4.50%, 1.00% Floor	6.80%	08/02/21	7,449,854
				16,186,789

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	Security & Alarm Services – 0.3%				
1,191,028	Garda World Security Corp., Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.51%	05/26/24	1,197,352	
	Semiconductors – 1.0%				
2,246,400	Microchip Technology, Initial Term Loan, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.97%	05/29/25	2,258,194	
	Western Digital Corp., Term Loan B, 2 Mo. LIBOR + 1.75%, 0.00% Floor	3.71%	04/29/23	1,672,328	
					3,930,522
	Specialized Consumer Services – 1.5%				
500,000	Asurion LLC, Term Loan (Second Lien), 1 Mo. LIBOR + 6.00%, 0.00% Floor	7.98%	07/31/25	511,750	
	Asurion LLC, Term Loan B4, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	08/04/22	1,382,149	
	Asurion LLC, Term Loan B6, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	11/03/23	3,693,321	
					5,587,220
	Specialized Finance – 0.1%				
280,500	Alliant Holdings I, LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.93%	05/09/25	280,149	
	Specialty Chemicals – 1.7%				
5,162,659	H.B. Fuller, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.95%	10/20/24	5,164,104	

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Specialty Chemicals (Continued)				
\$1,082,905	Platform Specialty Products Corp. (fka: Macdermid, Inc.), Term Loan B6, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.98%	06/07/23	\$1,086,067
				6,250,171
305,550	Specialty Stores – 0.8% Party City Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor	4.74%	08/19/22	306,696
298,491	Party City Holdings, Inc., Term Loan B, 2 Mo. LIBOR + 2.75%, 0.75% Floor	4.81%	08/19/22	299,611
297,551	Party City Holdings, Inc., Term Loan B, 6 Mo. LIBOR + 2.75%, 0.75% Floor	5.28%	08/19/22	298,667
2,811,036	Toys "R" US-Delaware, Inc., Term B-2 Loan, Prime Rate + 2.75%, 1.50% Floor (f) (h)	7.50%	05/25/18	1,076,627
1,991,346	Toys "R" US-Delaware, Inc., Term B-4 Loan, Prime Rate + 7.75%, 1.00% Floor (f) (h)	12.25%	04/25/20	866,235
				2,847,836
743,464	Systems Software – 10.2% Applied Systems, Inc., 1st Lien Term Loan, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.30%	09/13/24	748,230
511,161	Applied Systems, Inc., 2nd Lien Term Loan, 3 Mo. LIBOR + 7.00%, 1.00% Floor	9.30%	09/13/25	528,095
1,222,656	Avast Software B.V. (Sybil Software LLC), Term Loan B, 1 Mo. LIBOR + 2.50%, 1.00% Floor	4.49%	09/30/23	1,227,413
14,512,065	BMC Software Finance, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.23%	09/10/22	14,524,690
7,096,469	Compuware Corp., Term Loan B3, 1 Mo. LIBOR + 3.50%, 1.00% Floor	5.48%	12/15/21	7,148,274
3,836,180	Misys Financial Software Ltd. (Almonde, Inc.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.81%	06/13/24	3,772,883

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2,010,793	Riverbed Technology, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.24%	04/24/22	1,993,198
3,165,218	SS&C European Holdings, S.a.r.l, Term Loan B3, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	04/16/25	3,181,044
1,185,058	SS&C European Holdings, S.a.r.l, Term Loan B4, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	04/16/25	1,190,983
4,053,316	Vertafore, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.23%	06/30/23	4,054,573
				38,369,383
12,622,113	Technology Hardware, Storage & Peripherals – 3.4% Dell, Inc. (Diamond 1 Finance Corp.), Term Loan B, 1 Mo. LIBOR + 2.00%, 0.75% Floor	3.99%	09/07/23	12,606,336
1,888,000	Wireless Telecommunication Services – 0.5% SBA Senior Finance II LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.99%	04/11/25	1,884,847
	Total Senior Floating-Rate Loan Interests			517,003,627

(Cost \$522,540,837)

Principal Value	Description	Stated Coupon	Stated Maturity	Value
	CORPORATE BONDS AND NOTES (c) – 3.5%			
1,022,000	Cable & Satellite – 0.5% Altice US Finance I Corp. (i)	5.50%	05/15/26	983,982

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Stated Coupon	Stated Maturity	Value
CORPORATE BONDS AND NOTES (c) (Continued)				
Cable & Satellite (Continued)				
\$1,000,000	CCO Holdings LLC/CCO Holdings Capital Corp.	5.75%	01/15/24	\$1,005,000
				1,988,982
Health Care Facilities – 2.7%				
1,000,000	Select Medical Corp.	6.38%	06/01/21	1,017,500
800,000	Tenet Healthcare Corp.	6.00%	10/01/20	829,000
5,776,000	Tenet Healthcare Corp. (i)	7.50%	01/01/22	6,073,175
2,136,000	Tenet Healthcare Corp.	8.13%	04/01/22	2,242,800
				10,162,475
Life Sciences Tools & Services – 0.3%				
894,000	Ortho-Clinical Diagnostics, Inc./Ortho-Clinical Diagnostics S.A. (i)	6.63%	05/15/22	887,894
	Total Corporate Bonds and Notes			13,039,351
	(Cost \$13,032,550)			
FOREIGN CORPORATE BONDS AND NOTES (c) – 0.3%				
Pharmaceuticals – 0.3%				
774,000	Valeant Pharmaceuticals International, Inc. (i)	6.75%	08/15/21	782,456
500,000	Valeant Pharmaceuticals International, Inc. (i)	5.50%	11/01/25	492,500
	Total Foreign Corporate Bonds and Notes			1,274,956
	(Cost \$1,278,165)			
Shares	Description			Value
COMMON STOCKS (c) – 0.9%				
Commodity Chemicals – 0.0%				
20	LyondellBasell Industries N.V., Class A			2,242
Electric Utilities – 0.7%				
106,607	Vistra Energy Corp. (j)			2,615,070
Oil & Gas Exploration & Production – 0.2%				
119,734	American Energy Marcellus, Class A (g) (j) (k)			396,140
3,699	Fieldwood Energy Equity (j) (k) (l)			168,304

		564,444
	Total Common Stocks	3,181,756
	(Cost \$3,031,424)	
	RIGHTS (c) – 0.0%	
	Electric Utilities – 0.0%	
106,607	Vistra Energy Corp. (j)	58,634
175,375	Vistra Energy Corp. Claim (j) (m) (n)	0
		58,634
	Life Sciences Tools & Services – 0.0%	
1	New Millennium Holdco, Inc., Corporate Claim Trust (j) (m) (n) (o)	0
1	New Millennium Holdco, Inc., Lender Claim Trust (j) (m) (n) (o)	0
		0
	Total Rights	58,634
	(Cost \$178,763)	
	WARRANTS (c) – 0.0%	
	Oil & Gas Exploration & Production – 0.0%	
31,000	American Energy Marcellus First Lien Warrants (g) (j)	2,015

(Cost \$3,100)

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Shares	Description	Value
	MONEY MARKET FUNDS (c) – 2.1%	
8,000,000	1.61% (p) Morgan Stanley Institutional Liquidity Fund - Treasury Portfolio - Institutional Class -	\$8,000,000
	(Cost \$8,000,000)	
	Total Investments – 144.7%	542,560,339
	(Cost \$548,064,839) (q)	
	Outstanding Loans – (41.3)%	(155,000,000)
	Net Other Assets and Liabilities – (3.4)%	(12,545,033)
	Net Assets – 100.0%	\$375,015,306

- Senior Floating-Rate Loan Interests (“Senior Loans”) in which the Fund invests pay interest at rates which are periodically predetermined by reference to a base lending rate plus a premium. These base lending rates are generally (i) the lending rate offered by one or more major European banks, such as the LIBOR, (ii) the prime rate offered by one or more United States banks or (iii) the certificate of deposit rate. Certain Senior Loans are subject to a LIBOR floor that establishes a minimum LIBOR rate. When a range of rates is disclosed, the Fund holds more than one contract within the same tranche with identical LIBOR period, spread and floor, but different LIBOR reset dates.
- (a) Senior Loans generally are subject to mandatory and/or optional prepayment. As a result, the actual remaining maturity of Senior Loans may be substantially less than the stated maturities shown.
- (b) All of these securities are available to serve as collateral for the outstanding loans.
- (c) Delayed Draw Term Loan (See Note 2C - Unfunded Loan Commitments in the Notes to Financial Statements).
- (d) Represents commitment fee rate on unfunded loan commitment. The commitment fee rate steps up at predetermined time intervals.
- (e) This issuer has filed for protection in federal bankruptcy court.
- (f) On March 30, 2018, American Energy Marcellus Holdings LLC, also known as Ascent Resources - Marcellus LLC, completed a Bankruptcy Plan of Reorganization. In connection with the Plan of Reorganization, the Fund received a portion of a new exit term loan and a share of the newly issued common equity shares in the re-organized company. The Fund also received equity warrants entitling it to purchase additional common equity shares.
- (g) This issuer is in default and interest is not being accrued by the Fund nor paid by the issuer. This security, sold within the terms of a private placement memorandum, is exempt from registration upon resale under Rule 144A under the Securities Act of 1933, as amended (the “1933 Act”), and may be resold in transactions exempt from registration, normally to qualified institutional buyers. Pursuant to procedures adopted by the Fund’s Board of Trustees, this security has been determined to be liquid by First Trust Advisors L.P. (the “Advisor”). Although market instability can result in periods of increased overall market illiquidity, liquidity for each security is determined based on security specific factors and assumptions, which require subjective judgment. At May 31, 2018, securities noted as such amounted to \$9,220,007 or 2.5% of net assets.
- (h) Non-income producing security.
- (i)
- (j)
- (k)

Security received in a transaction exempt from registration under the 1933 Act. The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. Pursuant to procedures adopted by the Fund's Board of Trustees, this security has been determined to be liquid by the Advisor. Although market instability can result in periods of increased overall market illiquidity, liquidity for the security is determined based on security-specific factors and assumptions, which require subjective judgment. At May 31, 2018, securities noted as such amounted to \$564,444 or 0.2% of net assets.

On April 11, 2018, Fieldwood Energy, LLC completed a Bankruptcy Plan of Reorganization. In connection with (l) the Plan of Reorganization, the Fund received a pro rata share of the newly issued common equity shares in the re-organized company.

This security is fair valued by the Advisor's Pricing Committee in accordance with procedures adopted by the (m) Fund's Board of Trustees, and in accordance with the provisions of the Investment Company Act of 1940, as amended. At May 31, 2018, securities noted as such are valued at \$0 or 0.0% of net assets.

(n) This security's value was determined using significant unobservable inputs (see Note 2A – Portfolio Valuation in the Notes to Financial Statements).

(o) Pursuant to procedures adopted by the Fund's Board of Trustees, this security has been determined to be illiquid by the Advisor.

(p) Rate shown reflects yield as of May 31, 2018.

(q) Aggregate cost for federal income tax purposes was \$548,121,334. As of May 31, 2018, the aggregate gross unrealized appreciation for all investments in which there was an excess of value over tax cost was \$2,014,481 and the aggregate gross unrealized depreciation for all investments in which there was an excess of tax cost over value was \$7,575,476. The net unrealized depreciation was \$5,560,995.

LIBOR London Interbank Offered Rate

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Valuation Inputs

A summary of the inputs used to value the Fund's investments as of May 31, 2018 is as follows (see Note 2A - Portfolio Valuation in the Notes to Financial Statements):

	Total Value at 5/31/2018	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Senior Floating-Rate Loan Interests*	\$ 517,003,627	—	\$ 517,003,627	—
Corporate Bonds and Notes*	13,039,351	—	13,039,351	—
Foreign Corporate Bonds and Notes*	1,274,956	—	1,274,956	—
Common Stocks:				
Oil & Gas Exploration & Production	564,444	—	564,444	—
Other industry categories*	2,617,312	2,617,312	—	—
Rights:				
Electric Utilities	58,634	—	58,634	—**
Life Sciences Tools & Services	—**	—	—	—**
Warrants*	2,015	—	2,015	—
Money Market Funds	8,000,000	8,000,000	—	—
Total Investments	\$ 542,560,337	\$ 10,617,312	\$ 531,943,027	—**

* See Portfolio of Investments for industry breakout.

** Investment is valued at \$0.

All transfers in and out of the Levels during the period are assumed to occur on the last day of the period at their current value. There were no transfers between Levels at May 31, 2018.

Level 3 Rights that are fair valued by the Advisor's Pricing Committee are footnoted in the Portfolio of Investments.

The Level 3 Rights values are based on unobservable and non-quantitative inputs. The Fund's Board of Trustees has adopted valuation procedures that are utilized by the Advisor's Pricing Committee to oversee the day-to-day valuation of the Fund's investments. The Advisor's Pricing Committee, through the Fund's fund accounting agent, monitors the daily pricing via tolerance checks and stale and unchanged price reviews. The Advisor's Pricing Committee also reviews monthly back testing of third-party pricing service prices by comparing sales prices of the Fund's investments to prior day third-party pricing service prices. Additionally, the Advisor's Pricing Committee reviews periodic information from the Fund's third-party pricing service that compares secondary market trade prices to their daily valuations.

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

The following table presents the activity of the Fund's investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the period presented.

Beginning Balance at May 31, 2017

Senior Floating-Rate Loan Interests \$90,379

Rights —**

Net Realized Gain (Loss)

Senior Floating-Rate Loan Interests (19,479)

Rights —