

BLACKROCK LTD DURATION INCOME TRUST
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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21349

Name of Fund: BlackRock Limited Duration Income Trust (BLW)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Limited Duration Income Trust, 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 08/31/2012

Date of reporting period: 02/29/2012

Item 1 – Report to Stockholders

February 29, 2012

Semi-Annual Report (Unaudited)

BlackRock Defined Opportunity Credit Trust (BHL)

BlackRock Diversified Income Strategies Fund, Inc. (DVF)

BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

BlackRock Limited Duration Income Trust (BLW)

Not FDIC Insured No Bank Guarantee May Lose Value

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Dear Shareholder

Risk assets were advancing at this time last year despite a wave of geopolitical revolutions, soaring oil prices and natural disasters in Japan. Markets reversed sharply in May, however, when escalating political strife in Greece rekindled fears about sovereign debt problems spreading across Europe. Concurrently, global economic indicators signaled that the recovery had slowed. Confidence was further shaken by the prolonged debt ceiling debate in Washington, DC. On August 5, 2011, Standard & Poor's downgraded the US government's credit rating and turmoil erupted in financial markets around the world. Extraordinary levels of volatility persisted in the months that followed as Greece teetered on the brink of default, debt problems escalated in Italy and Spain, and exposure to European sovereign bonds stressed banks globally. Financial markets whipsawed on hopes and fears. Macro news flow became a greater influence on trading decisions than the fundamentals of the securities traded. By the end of the third quarter, equity markets had fallen nearly 20% from their April peak while safe-haven assets such as US Treasuries and gold had rallied to historic highs.

October brought enough positive economic data to assuage fears of a global double-dip recession. Additionally, European leaders began to show progress toward stemming the region's debt crisis. Investors began to reenter the markets and risk assets recovered through the month. But a lack of definitive details about Europe's rescue plan eventually raised doubts among investors and thwarted the rally at the end of October. The last two months of 2011 saw more political instability in Greece, unsustainable yields on Italian government bonds, and US policymakers in gridlock over budget issues. Global central bank actions and improving economic data invigorated the markets, but investor confidence was easily tempered by sobering news flow.

Investors showed more optimism at the start of 2012. Risk assets rallied through January and February as economic data grew stronger and debt problems in Europe stabilized. In the United States, jobs data signaled solid improvement in the labor market and the Federal Reserve indicated that it would keep short-term interest rates low through 2014. In Europe, policymakers made significant progress toward securing a Greek bailout plan and restructuring the nation's debt. Nevertheless, considerable headwinds remain. Europe faces a prolonged recession, the US economy still remains somewhat shaky and the risks of additional flare ups of euro-zone debt problems and slowing growth in China weigh heavily on the future of the global economy.

Risk assets, including equities and high yield bonds, recovered their late-summer losses and posted strong returns for the 6-month period ended February 29, 2012. On a 12-month basis, US large-cap stocks and high yield bonds delivered positive results, while small-cap and emerging-market stocks finished slightly negative. International markets, which experienced some significant downturns in 2011, lagged the broader rebound. Fixed income securities, which benefited from declining yields, advanced over the 6- and 12-month periods. Despite their quality rating downgrade, US Treasury bonds performed particularly well. Municipal bonds also delivered superior results. Continued low short-term interest rates kept yields on money market securities near their all-time lows.

Many of the themes that caused uncertainty in 2011 remain. For investors, the risks appear daunting, but this challenging environment offers new opportunities. BlackRock was built for these times. Visit blackrock.com/newworld for more information.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

For investors, the risks appear daunting, but this challenging environment offers new opportunities. BlackRock was built for these times.

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of February 29, 2012

	[REDACTED]	
US large cap equities (S&P 500® Index)	13.31 %	5.12 %
US small cap equities (Russell 2000® Index)	12.40	(0.15)
International equities (MSCI Europe, Australasia, Far East Index)	4.13	(7.45)
Emerging market equities (MSCI Emerging Markets Index)	5.27	(0.11)
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.00	0.08
US Treasury securities (BofA Merrill Lynch 10- Year US Treasury Index)	3.70	17.22
US investment grade bonds (Barclays US Aggregate Bond Index)	2.73	8.37
Tax-exempt municipal bonds (S&P Municipal Bond Index)	5.93	12.88
US high yield bonds (Barclays US Corporate High Yield 2% Issuer Capped Index)	8.62	6.92

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 3

Fund Summary as of February 29, 2012

BlackRock Defined Opportunity Credit Trust

Investment Objective

BlackRock Defined Opportunity Credit Trust s (BHL) (the **Fund**) primary investment objective is to provide high current income, with a secondary objective of long-term capital appreciation. The Fund seeks to achieve its investment objectives by investing substantially all of its assets in loan and debt instruments and loan-related and debt-related instruments (collectively "credit securities"). The Fund invests, under normal market conditions, at least 80% of its assets in any combination of the following credit securities: (i) senior secured floating rate and fixed rate loans; (ii) second lien or other subordinated or unsecured floating rate and fixed rate loans or debt; (iii) credit securities that are rated below investment grade quality; and (iv) investment grade corporate bonds. 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 February 29, 2012, the Fund returned 9.69% based on market price and 8.88% based on net asset value (NAV). For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 12.07% based on market price and 8.96% 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?

Security selection among higher-quality and non-rated floating rate loans and common stock had a positive impact on the Fund s performance. Selection in the chemicals and electric sectors also boosted returns. The Fund s tactical exposure to high yield bonds contributed positively as the asset class outperformed loans given improving investor demand for riskier assets over the six-month period.

Detracting from performance was security selection among lower-quality loan instruments, an area of the market that generally carried a less favorable risk-return profile during the period. The Fund s exposure to the paper sector had a negative effect on returns, as did a tactical allocation to asset-backed securities via collateralized loan obligations.

Describe recent portfolio activity.

The period began with severe market volatility in reaction to headwinds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced a long-term refinancing operation. This liquidity program provided a much-needed short-term solution for the financial markets and mitigated the risk of a collapse in the European banking system. Moreover, it was the catalyst for a positive turn in the valuation of risk assets.

During the period, the Fund maintained its focus on the higher quality portions of the loan market in terms of loan structure, liquidity and overall credit quality. Given the weak outlook for global growth, the Fund remained cautious of lower-rated less-liquid loans. The Fund sought issuers with attractive risk-reward characteristics and superior fundamentals. While the developments during the period bode well for the posture of risk markets going forward, the Fund continues to maintain a high quality bias.

Describe portfolio positioning at period end.

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At period end, the Fund held 87% of its total portfolio in floating rate loan interests (bank loans), 10% in corporate bonds, with the remainder in asset-backed securities and common stocks. The Fund's largest sector exposures included wireless, non-captive diversified financials and chemicals. The Fund ended the period with economic 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 Defined Opportunity Credit Trust

Fund Information

Symbol on New York Stock Exchange (NYSE)	BHL
Initial Offering Date	January 31, 2008
Yield on Closing Market Price as of February 29, 2012 (\$13.45) ¹	5.89%
Current Monthly Distribution per Common Share ²	\$0.066
Current Annualized Distribution per Common Share ²	\$0.792
Economic Leverage as of February 29, 2012 ³	22%

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

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

³ 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 12.

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

	2/29/12	8/31/11	Change	High	Low
Market Price	\$13.45	\$12.65	6.32%	\$13.58	\$11.59
Net Asset Value	\$13.90	\$13.17	5.54%	\$13.90	\$12.93

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

Portfolio Composition

	2/29/12	8/31/11
Floating Rate Loan Interests	87 %	86 %
Corporate Bonds	10	11
Asset-Backed Securities	2	2
Common Stocks	1	—
Other Interests	—	1

Credit Quality Allocations⁴

	2/29/12	8/31/11
BBB/Baa	11 %	12 %
BB/Ba	44	33
B	45	55

⁴Using the higher of Standard & Poor's (S&P's) or Moody's Investors Service (Moody's) ratings.
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Fund Summary as of February 29, 2012

BlackRock Diversified Income Strategies Fund, Inc.

Investment Objective

BlackRock Diversified Income Strategies Fund, Inc. s (DVF) (the Fund) investment objective is to provide shareholders with high current income. The Fund seeks to achieve its investment objective by investing primarily in floating rate debt securities and instruments, including floating rate loans, bonds, certain preferred securities (including certain convertible preferred securities), notes or other debt securities or instruments which pay a floating or variable rate of interest until maturity. The Fund considers floating rate debt securities to include fixed rate debt securities held by the Fund where the Fund has entered into certain derivative transactions at either the portfolio level or with respect to an individual security held by the Fund, including interest rate swap agreements, in an attempt to convert the fixed rate payments it receives with respect to such securities into floating rate payments. The Fund may invest, under normal market conditions, a substantial portion of its assets in below investment grade quality securities. 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 February 29, 2012, the Fund returned 6.70% based on market price and 8.73% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 12.07% based on market price and 8.96% 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?

Security selection among higher-quality loan instruments had a positive impact on the Fund s performance. The Fund s tactical exposure to high yield bonds also contributed positively as the asset class outperformed loans during the period. Selection in the electric, chemicals and transportation services sectors boosted returns. The Fund s use of leverage was an additional contributor.

Detracting from performance was security selection among lower-quality loan instruments, an area of the market that generally carried a less favorable risk-return profile during the period. Selection within the independent energy and non-cable media sectors also had a negative impact on returns.

Describe recent portfolio activity.

The period began with severe market volatility in reaction to headwinds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced a long-term refinancing operation. This liquidity program provided a much-needed short-term solution for the financial markets and mitigated the risk of a collapse in the European banking system. Moreover, it was the catalyst for a positive turn in the valuation of risk assets.

During the period, the Fund maintained its focus on the higher quality portions of the loan market in terms of loan structure, liquidity and overall credit quality. Given the weak outlook for global growth, the Fund remained cautious of lower-rated less-liquid loans. The Fund sought issuers with attractive risk-reward characteristics and superior fundamentals. While the developments during the period bode well for the posture of risk markets going forward, the Fund continues to maintain a high quality bias.

Describe portfolio positioning at period end.

At period end, the Fund held 83% of its total portfolio in floating rate loan interests (bank loans), 12% in corporate bonds, with the remainder in asset-backed securities, common stocks and other interests. The Fund's largest sector exposures included cable media, chemicals and wireless. The Fund ended the period with economic leverage at 23% of its total managed assets.

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BlackRock Diversified Income Strategies Fund, Inc.**Fund Information**

Symbol on NYSE	DVF
Initial Offering Date	January 31, 2005
Yield on Closing Market Price as of February 29, 2012 (\$10.12) ¹	6.94%
Current Monthly Distribution per Common Share ²	\$0.0585
Current Annualized Distribution per Common Share ²	\$0.7020
Economic Leverage as of February 29, 2012 ³	23%

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

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

³ 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 12.

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

	2/29/12	8/31/11	Change	High	Low
Market Price	\$10.12	\$ 9.84	2.85%	\$10.22	\$8.84
Net Asset Value	\$10.68	\$10.19	4.81%	\$10.68	\$9.95

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

Portfolio Composition

	2/29/12	8/31/11
Floating Rate Loan Interests	83 %	80 %
Corporate Bonds	12	14
Asset-Backed Securities	2	2
Common Stocks	2	2
Other Interests	1	2

Credit Quality Allocations⁴

	2/29/12	8/31/11
BBB/Baa	8 %	8 %
BB/Ba	44	30

B	36	47
CCC/Caa	7	8
Not Rated	5	7

⁴Using the higher of S&P's or Moody's ratings.
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Fund Summary as of February 29, 2012

BlackRock Floating Rate Income Strategies Fund, Inc.

Investment Objective

BlackRock Floating Rate Income Strategies Fund, Inc. s (FRA) (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 February 29, 2012, the Fund returned 12.69% based on market price and 8.76% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 12.07% based on market price and 8.96% 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?

Security selection among higher-quality and non-rated floating rate loans and common stock had a positive impact on the Fund s performance. Selection in the chemicals and electric sectors also boosted returns. The Fund s tactical exposure to high yield bonds contributed positively as the asset class outperformed loans given improving investor demand for riskier assets over the six-month period.

Detracting from performance was security selection among lower-quality loan instruments, an area of the market that generally carried a less favorable risk-return profile during the period. The Fund s exposure to the paper sector had a negative effect on returns, as did a tactical allocation to asset-backed securities via collateralized loan obligations.

Describe recent portfolio activity.

The period began with severe market volatility in reaction to headwinds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced a long-term refinancing operation. This liquidity program provided a much-needed short-term solution for the financial markets and mitigated the risk of a collapse in the European banking system. Moreover, it was the catalyst for a positive turn in the valuation of risk assets.

During the period, the Fund maintained its focus on the higher quality portions of the loan market in terms of loan structure, liquidity and overall credit quality. Given the weak outlook for global growth, the Fund remained cautious of lower-rated less-liquid loans. The Fund sought issuers with attractive risk-reward characteristics and superior fundamentals. While the developments during the period bode well for the posture of risk markets going forward, the

Fund continues to maintain a high quality bias.

Describe portfolio positioning at period end.

At period end, the Fund held 83% of its total portfolio in floating rate loan interests (bank loans), 13% in corporate bonds, with the remainder in asset-backed securities and common stocks. The Fund's largest sector exposures included wireless, non-captive diversified financials and chemicals. The Fund ended the period with economic 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 Floating Rate Income Strategies Fund, Inc.**Fund Information**

Symbol on NYSE	FRA
Initial Offering Date	October 31, 2003
Yield on Closing Market Price as of February 29, 2012 (\$14.52) ¹	6.36%
Current Monthly Distribution per Common Share ²	\$0.077
Current Annualized Distribution per Common Share ²	\$0.924
Economic Leverage as of February 29, 2012 ³	22%

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

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

³ 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 12.

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

	2/29/12	8/31/11	Change	High	Low
Market Price	\$14.52	\$13.33	8.93%	\$14.60	\$12.33
Net Asset Value	\$14.76	\$14.04	5.13%	\$14.76	\$13.74

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

Portfolio Composition

	2/29/12	8/31/11
Floating Rate Loan Interests	83 %	81 %
Corporate Bonds	13	15
Asset-Backed Securities	3	3
Common Stocks	1	—
Other Interests	—	1

Credit Quality Allocations⁴

	2/29/12	8/31/11
BBB/Baa	9 %	9 %
BB/Ba	39	36
B	43	49
CCC/Caa	4	3

Not Rated 5 3

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

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Fund Summary as of February 29, 2012

BlackRock Limited Duration Income Trust

Investment Objective

BlackRock Limited Duration Income Trust s (BLW) (the Fund) investment objective is to provide current income and capital appreciation. The Fund seeks to achieve its investment objective by investing primarily in three distinct asset classes:

intermediate duration, investment grade corporate bonds, mortgage-related securities and asset-backed securities and US Government and agency securities;

senior, secured floating rate loans made to corporate and other business entities; and

US dollar-denominated securities of US and non-US issuers rated below investment grade, and to a limited extent, non-US dollar denominated securities of non-US issuers rated below investment grade.

The Fund s portfolio normally has an average portfolio duration of less than five years (including the effect of anticipated leverage), although it may be longer from time to time depending on market conditions. 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 February 29, 2012, the Fund returned 10.48% based on market price and 8.20% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 13.38% based on market price and 10.05% 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?

Security selection among higher-quality credit instruments had a positive impact on the Fund s performance. Selection in the consumer services and electric sectors also boosted returns. The Fund s tactical exposure to equity securities was rewarding as equities outperformed high yield debt amid improving investor demand for riskier assets over the six-month period.

The Fund differs from its Lipper category competitors, which invest primarily in high yield bonds, in that the Fund also invests in floating rate loan interests (bank loans), investment grade credits and securitized assets. While the Fund s allocations to these other asset classes did not detract from performance on an absolute basis, they underperformed high yield bonds for the period. Security selection in the non-cable media and paper sectors pared the Fund s gains for the period.

Describe recent portfolio activity.

In the early part of the period, as the outlook for global growth worsened and the potential for further spreading of the ongoing debt crisis in Europe increased, the Fund shifted its positioning to a more conservative posture. Specifically, the Fund reduced positions in the more cyclical credits and increased exposure to market sectors with more stable cash flows.

However, the environment shifted in December when the European Central Bank announced a long-term refinancing operation. This liquidity program provided a much-needed short-term solution for the financial markets and mitigated

the risk of a collapse in the European banking system. Moreover, it was the catalyst for a positive turn in the valuation of risk assets. Given these developments, the Fund maintained its higher-quality income-oriented bias, but started selectively adding back some risk in names with appealing risk-reward characteristics. Despite this modest shift to risk-on, the Fund continued to seek issuers with superior fundamentals while avoiding higher-beta credits (i.e., those with higher sensitivity to market volatility) and the more economically sensitive areas of the market.

Describe portfolio positioning at period end.

At period end, the Fund held 45% of its total portfolio in corporate bonds, 31% in floating rate loan interests (bank loans), 11% in non-agency mortgage-backed securities, with the remainder in US Government sponsored agency securities, asset-backed securities, common stocks and taxable municipal bonds. The Fund's largest sector exposures included cable media, independent energy and chemicals. The Fund ended the period with economic leverage at 27% 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 Limited Duration Income Trust**Fund Information**

Symbol on NYSE	BLW
Initial Offering Date	July 30, 2003
Yield on Closing Market Price as of February 29, 2012 (\$16.96) ¹	7.43%
Current Monthly Distribution per Common Share ²	\$0.105
Current Annualized Distribution per Common Share ²	\$1.260
Economic Leverage as of February 29, 2012 ³	27%

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

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

³ Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowing) 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 12.

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

	2/29/12	8/31/11	Change	High	Low
Market Price	\$16.96	\$16.01	5.93%	\$17.33	\$15.00
Net Asset Value	\$17.14	\$16.52	3.75%	\$17.14	\$15.92

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

Portfolio Composition

	2/29/12	8/31/11
Corporate Bonds	45 %	40 %
Floating Rate Loan Interests	31	31
Non-Agency Mortgage-Backed Securities	11	10
US Government Sponsored Agency Securities	6	11
Asset-Backed Securities	4	5
Common Stocks	2	1
Taxable Municipal Bonds	1	1
Other Interests	—	1

Credit Quality Allocations⁴

	2/29/12	8/31/11
AAA/Aaa ⁵	12 %	17 %
AA/Aa	2	2
A	7	5
BBB/Baa	15	15
BB/Ba	33	26
B	25	27
CCC/Caa	5	7
D	—	1
Not Rated	1	—

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

⁵Includes US Government Sponsored Agency securities and US Treasury Obligations, which were deemed AAA/Aaa by the investment advisor.

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The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV of their common shares (Common Shares). However, these objectives cannot be achieved in all interest rate environments.

The Funds may utilize leverage by borrowing through a credit facility or through entering into reverse repurchase agreements. 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 borrows 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 borrowing costs and interest expense on the \$30 million of borrowings 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 borrowing costs and 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' NAVs 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, the Funds' 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 less than if leverage had not been used, and therefore the amount available for distribution to shareholders 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, as amended (the 1940 Act), the Funds are permitted to issue senior securities representing indebtedness up to 33 1/3% of their total managed assets (each Fund's net assets plus the proceeds of any outstanding borrowings). If the Funds segregate liquid assets having a value not less than the repurchase price (including accrued interest), a reverse repurchase agreement will not be considered a senior security and therefore will not be subject to this limitation. In addition, each Fund voluntarily limits its aggregate economic leverage to 50% of its managed assets. As of February 29, 2012, the Funds had aggregate economic leverage from any reverse repurchase agreements and borrowings through a credit facility as a percentage of their total managed assets as follows:

	Percent of Economic Leverage	
BHL		22%
DVF		23%
FRA		22%
BLW		27%

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 February 29, 2012 (Unaudited) **BlackRock Defined Opportunity Credit Trust (BHL)**
(Percentages shown are based on Net Assets)

Asset-Backed Securities	Par (000)	Value
ARES CLO Funds, Series 2005-10A, Class B, 0.95%, 9/18/17 (a)(b)	USD 250	\$ 231,345
Canaras Summit CLO Ltd., Series 2007-1A, Class B, 1.04%, 6/19/21 (a)(b)	345	293,350
Flagship CLO, Series 2006-1A, Class B, 0.91%, 9/20/19 (a)(b)	1,000	772,500
Fraser Sullivan CLO Ltd., Series 2006-2A, Class B, 0.96%, 12/20/20 (a)(b)	500	425,000
Gannett Peak CLO Ltd., Series 2006-1X, Class A2, 0.92%, 10/27/20 (b)	265	213,988
Goldman Sachs Asset Management CLO Plc, Series 2007-1A, Class B, 1.00%, 8/01/22 (a)(b)	580	464,000
Landmark CDO Ltd., Series 2006-8A, Class B, 0.92%, 10/19/20 (a)(b)	495	414,404
MAPS CLO Fund LLC, Series 2005-1A, Class C, 1.52%, 12/21/17 (a)(b)	260	234,260
Portola CLO Ltd., Series 2007-1X, Class B1, 1.95%, 11/15/21 (b)	350	300,125
T2 Income Fund CLO Ltd., Series 2007-1A, Class B, 1.17%, 7/15/19 (a)(b)	300	260,175
Total Asset-Backed Securities 2.9%		3,609,147

Common Stocks (c)	Shares	
Auto Components 0.8%		
Delphi Automotive Plc (180-day lock) (acquired 11/17/11, cost \$176,777) (d)	30,737	958,994
Hotels, Restaurants & Leisure 0.1%		
BLB Worldwide Holdings, Inc.	20,020	196,180
Software 0.0%		
HMH Holdings/EduMedia	53,267	13,317
Total Common Stocks 0.9%		1,168,491

	Par (000)	
Corporate Bonds		
Airlines 0.2%		
American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23	USD 129	136,740
Delta Air Lines, Inc., Series 2009-1-B, Class B, 9.75%, 6/17/18	55	58,663 195,403
Auto Components 0.9%		
Icahn Enterprises LP:		
7.75%, 1/15/16	785	822,287
8.00%, 1/15/18 (a)	340	360,400 1,182,687
Chemicals 0.6%		
CF Industries, Inc., 6.88%, 5/01/18	415	488,662
Ineos Finance Plc, 8.38%, 2/15/19 (a)	110	116,875
Lyondell Chemical Co., 11.00%, 5/01/18	130	142,256
LyondellBasell Industries NV, 6.00%, 11/15/21 (a)	45	49,388 797,181

	Par (000) Value	
Corporate Bonds		
Commercial Banks 0.2%		
CIT Group, Inc.:		
7.00%, 5/02/16 (a)	USD 180	\$ 180,225
7.00%, 5/02/17 (a)	130	130,163 310,388
Commercial Services & Supplies 0.3%		
ARAMARK Corp., 4.05%, 2/01/15 (b)	65	64,756
AWAS Aviation Capital Ltd., 7.00%, 10/17/16 (a)	340	355,200 419,956
Consumer Finance 0.3%		
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)	325	347,750
Containers & Packaging 0.1%		
Graphic Packaging International, Inc., 9.50%, 6/15/17	100	111,250
Diversified Financial Services 1.1%		
Ally Financial, Inc., 2.73%, 12/01/14 (b)	1,025	959,330
FCE Bank Plc, 7.13%, 1/15/13	EUR 50	69,113
Reynolds Group Issuer, Inc. (a):		

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7.13%, 4/15/19	USD	120	126,900
6.88%, 2/15/21		185	196,100
			1,351,443
Diversified Telecommunication Services 0.1%			
ITC Deltacom, Inc., 10.50%, 4/01/16		140	145,950
Health Care Providers & Services 0.5%			
HCA, Inc., 6.50%, 2/15/20		400	429,000
Tenet Healthcare Corp., 6.25%, 11/01/18 (a)		185	197,256
			626,256
Health Care Technology 0.8%			
IMS Health, Inc., 12.50%, 3/01/18 (a)		850	1,011,500
Hotels, Restaurants & Leisure 0.5%			
MGM Resorts International:			
10.38%, 5/15/14		175	199,062
11.13%, 11/15/17		390	443,625
			642,687
Household Durables 0.6%			
Beazer Homes USA, Inc., 12.00%, 10/15/17		715	779,350
Independent Power Producers & Energy Traders 2.0%			
Calpine Corp., 7.25%, 10/15/17 (a)		545	577,700
Energy Future Holdings Corp., 10.00%, 1/15/20		370	400,062
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20		1,355	1,471,869
			2,449,631
Machinery 0.1%			
UR Financing Escrow Corp., 5.75%, 7/15/18 (a)(e)		80	82,200
Media 1.9%			
AMC Networks, Inc., 7.75%, 7/15/21 (a)		105	117,075
CCH II LLC, 13.50%, 11/30/16		500	575,000
Clear Channel Worldwide Holdings, Inc.:			
9.25%, 12/15/17		185	202,575
Series B, 9.25%, 12/15/17		850	935,000
Unitymedia Hessen GmbH & Co. KG, 8.13%, 12/01/17 (a)		500	542,500
			2,372,150

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

CAD Canadian Dollar **GO** General Obligation Bonds
EUR Euro **USD** US Dollar
GBP British Pound

to the following list:

See Notes to Financial Statements.

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Schedule of Investments (continued)

**BlackRock Defined Opportunity Credit Trust
(BHL)****(Percentages shown are based on Net Assets)**

Corporate Bonds	Par (000) Value
Oil, Gas & Consumable Fuels 0.1%	
Coffeyville Resources LLC, 9.00%, 4/01/15 (a)	USD 126 \$ 134,820
Paper & Forest Products 0.3%	
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a)	155 159,263
Verso Paper Holdings LLC, 11.50%, 7/01/14	180 183,600 342,863
Pharmaceuticals 0.1%	
Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a)	185 188,700
Real Estate Management & Development 0.1%	
Realogy Corp., 7.63%, 1/15/20 (a)	165 170,363
Wireless Telecommunication Services 1.7%	
Cricket Communications, Inc., 7.75%, 5/15/16	1,125 1,198,125
Sprint Nextel Corp. (a):	
9.00%, 11/15/18	290 323,350
7.00%, 3/01/20	550 558,937 2,080,412
Total Corporate Bonds 12.5%	15,742,940
 Floating Rate Loan Interests (b)	
Aerospace & Defense 1.6%	
DynCorp International, Term Loan B, 6.25%, 7/07/16	326 324,524
SI Organization, Inc., New Term Loan B, 4.50%, 11/22/16	419 401,072
TransDigm, Inc.:	
Add on Term Loan B2, 4.00%, 2/14/17	180 180,149
Term Loan (First Lien), 4.00%, 2/14/17	842 840,759
Wesco Aircraft Hardware Corp., Term Loan B, 4.25%, 4/07/17	294 293,325 2,039,829

Airlines 0.8%

Delta Air Lines, Inc., Credit New Term Loan B,
5.50%, 4/20/17 1,067 1,041,761

Auto Components 2.6%

Allison Transmission, Inc., Term Loan B, 2.75%, 8/07/14 1,419 1,402,833

Autoparts Holdings Ltd., First Lien Term Loan,
6.50%, 7/28/17 648 649,996

Federal-Mogul Corp.:

Term Loan B, 2.19% 2.20%, 12/29/14 275 262,844

Term Loan C, 2.19% 2.20%, 12/28/15 140 134,104

Schaeffler AG, Term Loan C2, 6.00%, 1/27/17 480 481,402

UCI International, Inc., Term Loan, 5.50%, 7/26/17 347 347,366
3,278,545

Biotechnology 0.7%

Grifols SA, Term Loan B, 4.50%, 6/1/17 868 866,443

Building Products 3.2%

Armstrong World Industries, Inc., Term Loan B,
4.00%, 3/19/18 447 444,812

CPG International, Inc., Term Loan B, 6.00%, 2/18/17 792 748,440

Goodman Global, Inc., Initial Term Loan (First Lien),
5.75%, 10/28/16 2,094 2,104,553

Momentive Performance Materials, Inc. (Blitz 06-103
GmbH), Tranche B-2B Term Loan, 4.08%, 5/05/15 EUR 563 710,195
4,008,000

Capital Markets 1.8%

American Capital Ltd., Term Loan B, 7.50%, 12/31/13 USD 61 61,446

HarbourVest Partners, Term Loan (First Lien),
6.25%, 12/16/16 838 838,853

**Par
(000) Value**

Floating Rate Loan Interests (b)

Capital Markets (concluded)

Nuveen Investments, Inc., Incremental Term Loan,
7.25%, 5/13/17 USD 160 \$ 161,120

Nuveen Investments, Inc. (First Lien):

3.30% 3.58%, 11/13/14 391 388,468

5.74% 5.83%, 5/12/17 782 780,021
2,229,908

Chemicals 5.0%

American Rock Salt Holdings LLC, Term Loan B,

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5.50%, 4/25/17	610	567,273
Ashland, Inc., Term Loan B, 3.75%, 8/23/18	429	430,341
Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16	750	752,347
Gentek, Inc., Term Loan B, 5.00% 5.75%, 10/06/15	491	488,055
MDI Holdings LLC, Term Loan B, 2.24%, 4/11/14	446	443,147
Nexeo Solutions LLC, Term Loan B, 5.00%, 9/08/17	571	561,888
Polyone Corp., Term Loan, 5.00%, 12/20/17	185	185,278
PQ Corp., Original Term Loan (First Lien), 3.50%, 7/30/14	706	688,474
Styron Sarl LLC, Term Loan B, 6.00% 6.75%, 8/02/17	506	456,469
Tronox Worldwide LLC: Delayed Draw Term Loan, 1.00%, 2/09/18	176	175,517
Term Loan B, 4.25%, 2/08/18	644	643,564
Univar, Inc., Term Loan B, 5.00%, 6/30/17	934	926,108
		6,318,461

Commercial Services & Supplies 3.9%

Altegrity, Inc., Tranche D Term Loan, 7.75%, 2/20/15	697	696,257
ARAMARK Corp.: Letter of Credit, 3.55%, 7/26/16	23	23,012
Term Loan B, 3.83%, 7/26/16	327	323,984
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16	370	368,427
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16	825	825,883
International Lease Finance Corp., Term Loan B1, 6.75%, 3/17/15	35	35,058
KAR Auction Services, Inc., Term Loan B, 5.00%, 5/19/17	1,194	1,192,508
Synagro Technologies, Inc., Term Loan B, 2.25% 2.26%, 4/02/14	866	774,796
Volume Services America, Inc., Term Loan B, 10.50% 10.75%, 9/16/16	494	495,809
West Corp., Term Loan B4, 4.49% 4.50%, 7/15/16	197	196,891
		4,932,625

Communications Equipment 1.3%

Avaya, Inc.: Term Loan B1, 3.24%, 10/26/14	513	501,799
Term Loan B3, 4.99%, 10/26/17	315	305,478
CommScope, Inc., Term Loan B, 5.00%, 1/14/18	818	817,813
		1,625,090

Construction & Engineering 0.9%

BakerCorp. International, Inc., Term Loan B,		
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5.00%, 6/01/18	363	362,692
Safway Services, LLC, First Out Tranche Loan,		
9.00%, 12/16/17	750	750,000
		1,112,692
Consumer Finance 1.6%		
Springleaf Finance Corp, Term Loan, 5.50%, 5/10/17	2,135	1,946,287
Containers & Packaging 1.0%		
Berry Plastics Holding Corp., Term Loan C,		
2.25%, 4/03/15	500	486,620
Sealed Air Corp., Term Loan B, 4.75%, 10/03/18	719	725,996
		1,212,616

See Notes to Financial Statements.

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Schedule of Investments (continued)

**BlackRock Defined Opportunity Credit Trust
(BHL)****(Percentages shown are based on Net Assets)**

Floating Rate Loan Interests (b)	Par (000) Value
Diversified Consumer Services 3.3%	
Coinmach Corp., Delayed Draw Term Loan, 3.41%, 11/20/14	USD 243 \$ 223,902
Coinmach Service Corp., Term Loan, 3.41%, 11/20/14	1,021 940,249
Laureate Education, Inc., Extended Term Loan, 5.25%, 8/15/18	1,955 1,866,229
ServiceMaster Co.:	
Delayed Draw Term Loan, 2.75%, 7/24/14	108 106,332
Term Loan, 2.77% 3.03%, 7/24/14	1,081 1,067,749
	4,204,461
Diversified Financial Services 1.9%	
Reynolds Group Holdings, Inc.:	
Tranche B Term Loan, 6.50%, 2/09/18	1,217 1,228,416
Tranche C Term Loan, 5.25% 6.50%, 8/09/18	1,184 1,196,493
	2,424,909
Diversified Telecommunication Services 4.4%	
Hawaiian Telcom Communications, Inc., Term Loan B, 7.00%, 2/25/17	530 528,675
Integra Telecom Holdings, Inc., Term Loan, 9.25%, 4/15/15	813 715,110
Level 3 Financing, Inc.:	
Term Loan B2, 5.75%, 9/03/18	1,800 1,812,384
Term Loan B3, 5.75%, 8/31/18	550 553,784
Tranche A Term Loan, 2.50% 2.83%, 3/13/14	1,200 1,180,200
US Telepacific Corp., Term Loan B, 5.75%, 2/23/17	745 705,845
	5,495,998
Electronic Equipment, Instruments & Components 1.2%	
CDW LLC (FKA CDW Corp.), Extended Term Loan, 4.00%, 7/14/17	816 797,620
Sensata Technologies Finance Co. LLC, Term Loan, 4.00%, 5/11/18	700 698,787
	1,496,407

Energy Equipment & Services 3.0%

CCS Corp.:

Incremental Term Loan, 6.50%, 10/17/14	350	350,350
Term Loan B, 3.24%, 11/14/14	746	721,878
Dynegy Midwest Generation LLC, Coal Co. Term Loan, 9.25%, 8/04/16	517	513,801
Dynegy Power LLC, Gas Co. Term Loan, 9.25%, 8/04/16	581	598,832
MEG Energy Corp., Term Loan B, 4.00%, 3/16/18	1,546	1,542,956
		3,727,817

Food & Staples Retailing 2.0%

AB Acquisitions UK Topco 2 Ltd., Facility B1, 3.60%, 7/09/15	GBP 900	1,307,801
B&G Foods, Inc., Term Loan B, 4.50%, 11/30/18	USD 175	175,394
Bolthouse Farms, Inc., Term Loan (First Lien), 5.50% 5.75%, 2/11/16	215	215,615
U.S. Foodservice, Inc., Term Loan B, 2.74% 2.75%, 7/03/14	789	760,976
		2,459,786

Food Products 3.2%

Advance Pierre Foods, Term Loan (Second Lien): 7.00%, 9/30/16	948	948,000
11.25%, 9/29/17	550	550,456
Del Monte Corp., Term Loan, 4.50%, 3/08/18	1,170	1,147,571
Michaels Foods Group, Inc., Term Loan B, 4.25%, 2/23/18	126	126,084
Pinnacle Foods Finance LLC: Tranche B Term Loan, 2.76% 3.08%, 4/02/14	40	39,569
Tranche D Term Loan, 6.00% 6.50%, 4/02/14	452	454,616
Solvest Ltd. (Dole): Tranche B-2 Term Loan, 5.00% 6.00%, 7/06/18	280	281,275
Tranche C-2 Term Loan, 5.00% 6.00%, 7/06/18	521	522,367
		4,069,938

	Par
Floating Rate Loan Interests (b)	(000) Value

Health Care Equipment & Supplies 1.8%

Biomet, Inc., Term Loan B, 3.24% 3.57%, 3/25/15	USD 313	\$ 309,873
DJO Finance LLC, Term Loan, 3.24%, 5/20/14	465	458,692
Hupah Finance, Inc., Term Loan B, 6.25%, 1/21/19	355	354,780
Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18	349	347,188

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Immucor, Inc., Term Loan B, 7.25%, 8/17/18	823	828,492
		2,299,025

Health Care Providers & Services 4.6%

CHS/Community Health Systems, Inc.:

Non-Extended Delayed Draw Term Loan,

3.25%, 7/25/14	32	31,999
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Non-Extended Term Loan, 2.49% 4.50%, 7/25/14	639	630,085
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ConvaTec, Inc., Term Loan, 5.75%, 12/22/16	594	592,331
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DaVita, Inc., Term Loan B, 4.50%, 10/20/16	891	893,040
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Emergency Medical Services, Term Loan,

5.25%, 5/25/18	773	770,968
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Harden Healthcare LLC:

Term Loan A, 8.50%, 3/02/15	328	321,325
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Tranche A Additional Term Loan, 7.75%, 3/02/15	494	484,188
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HCA, Inc., Tranche B-3 Term Loan, 3.49%, 5/01/18	225	221,286
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Health Management Associates, Inc., Term Loan B,

4.50%, 11/16/18	270	268,245
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inVentiv Health, Inc.:

Combined Term Loan, 6.50%, 8/04/16	642	616,734
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Incremental Term Loan B-3, 6.75%, 5/15/18	347	333,600
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Medpace, Inc., Term Loan, 6.50% 7.25%, 6/16/17	547	525,360
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Vanguard Health Holding Co. II, LLC (Vanguard Health

Systems, Inc.), Term Loan B, 5.00%, 1/29/16	60	59,700
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5,748,861

Health Care Technology 1.3%

IMS Health, Inc., Term Loan B, 4.50%, 8/25/17	553	552,978
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Kinetic Concepts, Inc., Term Loan B, 7.00%, 5/04/18	695	706,294
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MedAssets, Inc., Term Loan, 5.25%, 11/16/16	399	399,422
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1,658,694

Hotels, Restaurants & Leisure 5.7%

Ameristar Casinos, Inc., Term Loan B, 4.00%, 4/13/18	570	571,540
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Boyd Gaming Corp., Incremental Term Loan,

6.00%, 12/17/15	395	395,924
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Caesars Entertainment Operating Co., Inc.:

Incremental Term Loan B4, 9.50%, 10/31/16	495	508,895
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Term Loan B1, 3.24%, 1/28/15	272	254,623
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Term Loan B3, 3.24% 3.47%, 1/28/15	2,272	2,128,487
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Dunkin Brands, Inc., Term Loan B,

4.00% 5.25%, 11/23/17	898	894,849
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Golden Living, Term Loan, 5.00%, 5/04/18	148	138,807
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OSI Restaurant Partners LLC:

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Revolver, 2.56% 2.79%, 6/14/13	4	4,378
Term Loan B, 2.56%, 6/14/14	46	44,413
Seaworld Parks & Entertainment, Inc., Term Loan B, 4.00%, 8/17/17	619	617,866
Six Flags Theme Parks, Inc., Tranche B Term Loan (First Lien), 4.25%, 12/20/18	690	686,985
Station Casinos, Inc., Term Loan B1, 3.24%, 6/17/16	475	428,293
Twin River Worldwide Holdings, Inc., Term Loan, 8.50%, 11/05/15	519	518,890
		7,193,950
Household Products 0.6%		
Prestige Brands, Inc., Term Loan, 5.25%, 1/31/19	690	692,588
Independent Power Producers & Energy Traders 1.0%		
The AES Corp., Term Loan, 4.25%, 6/01/18	993	991,508
Texas Competitive Electric Holdings Co. LLC, Extended Term Loan, 4.76%, 10/10/17	574	320,236
		1,311,744

See Notes to Financial Statements.

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Schedule of Investments (continued)

**BlackRock Defined Opportunity Credit Trust
(BHL)****(Percentages shown are based on Net Assets)**

	Par (000) Value
Floating Rate Loan Interests (b)	
Industrial Conglomerates 1.6%	
Sequa Corp.:	
Incremental Term Loan, 6.25%, 12/03/14	USD 305 \$ 306,016
Term Loan, 3.76% 3.84%, 12/03/14	1,763 1,744,049
	2,050,065
Insurance 0.7%	
CNO Financial Group, Inc., Term Loan, 6.25%, 9/30/16	817 820,345
Internet Software & Services 0.4%	
Web.com Group, Inc., Term Loan B, 7.00%, 10/27/17	545 532,463
IT Services 5.4%	
Ceridian Corp., Term Loan, 3.24%, 11/10/14	656 620,748
First Data Corp.:	
Extended Term Loan B, 4.24%, 3/23/18	3,125 2,803,749
Term Loan B-1, 2.99%, 9/24/14	408 390,334
Term Loan B-3, 2.99%, 9/24/14	149 142,569
infoGROUP, Inc., Term Loan B, 5.75%, 5/25/18	345 322,382
iPayment, Inc., Term Loan B, 5.75%, 5/08/17	494 491,279
NeuStar, Inc., Term Loan B, 5.00%, 11/08/18	409 409,997
SunGard Data Systems, Inc. (Solar Capital Corp.), Tranche B Term Loan, 3.99% 5.86%, 2/26/16	143 142,470
TransUnion LLC, Term Loan B, 4.75%, 2/12/18	1,457 1,458,471
	6,781,999
Leisure Equipment & Products 0.2%	
Eastman Kodak Co., DIP Term Loan B, 1.00%, 7/20/13	275 278,352
Machinery 1.5%	
Terex Corp.:	
Term Loan, 6.00%, 4/28/17	EUR 60 79,140
Term Loan B, 5.50%, 4/28/17	USD 604 608,025
Tomkins LLC, Term Loan B, 4.25%, 9/23/16	1,169 1,167,792
	1,854,957
Media 19.2%	
Acosta, Inc., Term Loan, 4.75%, 3/01/18	312 310,119

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Affinion Group, Inc., Term Loan B, 5.00%, 10/10/16	735	688,050
AMC Entertainment, Inc., Term Loan B3, 4.25%, 2/22/18	325	320,674
AMC Networks, Inc., Term Loan B, 4.00%, 12/31/18	796	791,025
Atlantic Broadband Finance LLC, Term Loan B, 4.00%, 3/08/16	416	413,990
Bresnan Telecommunications Co., LLC, Term Loan, 4.50% 5.25%, 12/14/17	1,436	1,430,720
Capsugel Healthcare Ltd., Term Loan, 5.25%, 8/01/18	599	601,917
Catalina Marketing Corp., Term Loan B, 2.99%, 10/01/14	633	615,290
Cengage Learning Acquisitions, Inc.:		
Term Loan, 2.49%, 7/03/14	425	394,098
Tranche 1 Incremental Term Loan, 7.50%, 7/03/14	371	359,138
Cequel Communications LLC, Term Loan B, 4.00%, 2/11/19	1,095	1,083,798
Charter Communications Operating LLC:		
Term Loan B, 7.25%, 3/06/14	12	12,302
Term Loan C, 3.83%, 9/06/16	1,046	1,038,206
Clarke American Corp., Term Facility B, 2.74% 3.08%, 6/30/14	227	207,076
Clear Channel Communications:		
Term Loan B, 3.89%, 1/28/16	1,185	972,506
Term Loan C, 3.89%, 1/28/16	160	126,800
Cumulus Media, Inc., Term Loan, 5.75%, 9/17/18	615	615,510
Gray Television, Inc., Term Loan B, 3.77%, 12/31/14	640	632,734
HMH Publishing Co. Ltd., Tranche A Term Loan, 6.51%, 6/12/14	604	373,459
Hubbard Broadcasting, Term Loan B (Second Lien), 5.25%, 4/28/17	498	497,913
Intelsat Jackson Holdings SA, Tranche B Term Loan, 5.25%, 4/02/18	2,978	2,972,438
Interactive Data Corp., Term Loan B, 4.50%, 2/12/18	1,315	1,312,104

**Par
(000) Value**

Floating Rate Loan Interests (b)

Media (concluded)

Kabel Deutschland GmbH, Term Loan F, 4.25%, 2/01/19	USD 640	\$ 636,800
Knology, Inc., Term Loan B, 4.00%, 8/18/17	246	243,670
Lavena Holding 4 GmbH (Prosiebensat.1 Media AG):		
Term Loan B, 3.81%, 3/06/15	EUR 460	533,050

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Term Loan C, 4.06%, 3/04/16		460	536,118
LIN Television Corp., Term Loan B, 5.00%, 12/21/18	USD	325	326,625
Mediacom LLC, Term Loan E, 4.50%, 10/23/17		493	487,452
Newsday LLC, Fixed Rate Term Loan:			
6.82%, 8/01/13		500	502,710
10.50%, 8/01/13		800	823,000
Nielsen Finance LLC, Class B Dollar Term Loan, 4.01%, 5/02/16		634	635,918
Sinclair Television Group, Inc.:			
Incremental Term Loan B3, 4.00%, 10/28/16		130	129,390
Tranche B Term Loan, 4.00%, 10/28/16		421	418,935
Univision Communications, Inc., Extended First Lien Term Loan, 4.49%, 3/31/17		988	917,193
UPC Broadband Holding B.V., Term Loan U, 4.72%, 12/29/17	EUR	196	256,005
UPC Financing Partnership:			
Term Loan, 4.75%, 12/29/17	USD	585	583,976
Term Loan T, 3.77%, 12/30/16		80	78,660
WC Luxco Sarl, Term Loan B3, 4.25%, 3/15/18		218	217,837
Weather Channel, Term Loan B, 4.25%, 2/13/17		962	962,960
			24,060,166
Metals & Mining 2.6%			
Novelis, Inc., Term Loan, 4.00%, 3/10/17		1,321	1,314,720
SunCoke Energy, Inc., Term Loan B, 4.00% 5.25%, 7/26/18		448	446,631
Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18		1,514	1,507,007
			3,268,358
Multi-Utilities 0.1%			
FirstLight Power Resources, Inc., Term B Advance (First Lien), 2.75%, 11/01/13		160	150,569
Multiline Retail 2.5%			
99 Cents Only Stores, Term Loan B, 6.00% 7.00%, 1/11/19		525	528,376
Dollar General Corp., Tranche B-2 Term Loan, 3.00% 3.33%, 7/07/14		316	315,720
Hema Holding BV, Second Lien Term Loan, 5.69%, 1/05/17	EUR	1,800	2,086,381
The Neiman Marcus Group, Inc., Term Loan, 4.75%, 5/16/18	USD	175	173,600
			3,104,077
Oil, Gas & Consumable Fuels 1.8%			

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EquiPower Resources Holdings LLC, Term Loan B, 5.75%, 1/26/18	699	656,731
Gibson Energy, Term Loan B, 5.75%, 6/15/18	796	796,828
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15	848	852,184 2,305,743
Paper & Forest Products 0.2%		
NewPage Corp., Term Loan, 8.00%, 3/07/13	200	201,500
Pharmaceuticals 3.9%		
Aptalis Pharma, Inc., Term Loan B, 5.50%, 2/10/17	990	981,585
Endo Pharmaceuticals Holdings, Inc., Term Loan B, 4.00%, 6/18/18	162	161,811
Pharmaceutical Product Development, Inc., Term Loan B, 6.25%, 12/05/18	830	837,262
Quintiles Transnational Corp., Term Loan B, 5.00%, 6/08/18	592	588,112
RPI Finance Trust, Term Loan Tranche 2, 4.00%, 5/09/18	498	496,624
Taminco Global Chemical Corp., New Term Loan, 6.25%, 2/15/19	290	291,192

See Notes to Financial Statements.

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Schedule of Investments (continued)

**BlackRock Defined Opportunity Credit Trust
(BHL)****(Percentages shown are based on Net Assets)**

Floating Rate Loan Interests (b)	Par (000) Value
Pharmaceuticals (concluded)	
Valeant Pharmaceuticals International, Add on Term Loan B, 3.75%, 2/08/19	USD 1,050 \$ 1,046,724
Warner Chilcott Corp.:	
Term Loan B-1, 4.25%, 3/15/18	318 316,854
Term Loan B-2, 4.25%, 3/15/18	159 158,427
	4,878,591
Professional Services 1.5%	
Booz Allen Hamilton, Inc., Tranche B Term Loan, 4.00%, 8/03/17	273 274,000
Emdeon, Inc., Term Loan B, 6.75%, 11/02/18	850 859,715
Fifth Third Processing Solutions LLC, Term Loan B (First Lien), 4.50%, 11/03/16	707 707,517
	1,841,232
Real Estate Investment Trusts (REITs) 0.7%	
iStar Financial, Inc., Term Loan A1, 5.00%, 6/28/13	847 842,917
Real Estate Management & Development 0.8%	
Realogy Corp.:	
Extended Synthetic Letter of Credit, 3.25%, 10/10/13	25 23,868
Extended Synthetic Letter of Credit, 4.53%, 10/10/16	46 42,868
Extended Term Loan, 4.77%, 10/10/16	1,060 983,229
	1,049,965
Road & Rail 0.8%	
Avis Budget Car Rental LLC, Incremental Term Loan, 6.25%, 9/21/18	484 488,504
RailAmerica, Inc., Term Loan B, 4.00%, 2/27/19	480 478,800
	967,304
Semiconductors & Semiconductor Equipment 0.8%	
Freescale Semiconductor, Inc., Extended Term Loan B, 4.52%, 12/01/16	439 427,524

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NXP B.V., Term Loan A-2, 5.50%, 3/03/17	524	520,020	947,544
Software 1.5%			
Blackboard, Inc., Term Loan B, 7.50%, 10/04/18	255	251,601	
Infor Enterprise Solutions Holdings, Inc.:			
Extended Delayed Draw Term Loan, 6.29%, 7/28/15	17	16,953	
Extended Initial Term Loan, 6.29%, 7/28/15	33	31,922	
Extended Initial Term Loan, 6.68%, 7/28/15	EUR 195	244,860	
Rovi Corp., Tranche B Term Loan, 4.00%, 2/07/18	USD 447	446,067	
Sophia, LP, Term Loan B, 6.25%, 7/19/18	525	530,470	
Vertafore, Inc., Term Loan B, 5.25%, 7/29/16	307	304,292	1,826,165
Specialty Retail 4.5%			
Academy Ltd., Term Loan, 6.00%, 8/03/18	800	799,912	
Bass Pro Group LLC, Term Loan, 5.25%, 6/13/17	60	59,743	
Burlington Coat Factory Warehouse Corp., Term Loan B, 6.25%, 2/23/17	431	430,875	
Claire s Stores, Inc., Term Loan B, 2.29% 3.30%, 5/29/14	197	186,683	
General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/02/18	835	832,528	
The Gymboree Corp., Term Loan, 5.00%, 2/23/18	300	282,075	
Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18	293	288,586	
Michaels Stores, Inc.:			
Extended Term Loan B3, 5.13%, 7/29/16	334	332,407	
Term Loan B-2, 5.13%, 7/29/16	641	637,137	
Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/24/17	943	938,672	
Toys R Us Delaware, Inc., Term Loan B1, 6.00%, 9/01/16	907	907,443	5,696,061

Par

**Floating Rate Loan
Interests (b) (000) Value**

**Wireless
Telecommunication
Services 2.4%**

Crown Castle
International Corp.,
Term Loan B,

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4.00%, 1/31/19 USD	695	\$ 691,838
Digicel International, Tranche A, 3.13%, 3/30/12	235	233,541
MetroPCS Wireless, Inc., Tranche B-2 Term Loan, 4.07% 4.13%, 11/03/16	765	758,400
Vodafone Americas Finance 2, Inc.: Term Loan, 6.88%, 8/11/15	934	934,121
Term Loan B, 6.25%, 7/11/16	413	411,469
		3,029,369
Total Floating Rate Loan Interests 111.5%		139,884,177
Total Long-Term Investments (Cost \$159,479,952) 127.8%		160,404,755
Short-Term Securities	Shares	
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.11% (f)(g)	2,243,014	2,243,014
Total Short-Term Securities (Cost \$2,243,014) 1.8%	2,243,014	
Total Investments (Cost \$161,722,966) 129.6%		\$ 162,647,769
Liabilities in Excess of Other Assets (29.6)%		(37,172,337)
Net Assets 100.0%		\$ 125,475,432

(a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.

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(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 Portfolio held 0.8% of its net assets, with a current value of \$958,994 and an original cost of \$176,777 in these securities.

(e) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
Morgan Stanley Co.	\$82,200	\$ 2,200

(f) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at August 31, 2011	Net Activity	Shares Held at February 29, 2012	Income
BlackRock Liquidity Funds, TempFund, Institutional Class	2,230,753	12,261	2,243,014	\$ 278

(g) Represents the current yield as of report date.

Foreign currency exchange contracts as of February 29, 2012 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
USD 99,390	CAD 101,500	Royal Bank of Scotland Plc	4/11/12	\$ (3,101)
USD 1,181,882	GBP 771,000	UBS AG	4/11/12	(44,353)
EUR 200,000	USD 265,156	Deutsche Bank AG London	4/18/12	1,356
EUR 190,000	USD 247,648	Royal Bank of Scotland Plc	4/18/12	5,538
USD 4,093,702	EUR 3,187,000	Citibank NA	4/18/12	(153,170)
USD 455,932	EUR 350,000	Royal Bank of Scotland Plc	4/18/12	(10,464)
Total				\$ (204,194)

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust
(BHL)**

Schedule of Investments (concluded)

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.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 unadjusted 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)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. 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 February 29, 2012 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	—	\$1,199,274	\$2,409,873	\$3,609,147
Common Stocks	—	958,995	209,496	1,168,491
Corporate Bonds	—	15,742,940	—	15,742,940
Floating Rate				
Loan Interests	—	132,579,459	7,304,718	139,884,177
Short-Term				
Securities	\$2,243,014	—	—	2,243,014
Total	\$2,243,014	\$150,480,668	\$9,924,087	\$162,647,769

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments ¹				
Assets:				
Foreign currency				
exchange				

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contracts	—	\$6,894	—	\$6,894
Liabilities:				
Foreign currency exchange contracts	—	(211,088)	—	(211,088)
Total	—	\$(204,194)	—	\$(204,194)

¹ 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:

	Asset-Backed Securities	Common Stocks	Floating Rate Loan Interests	Total
Assets/Liabilities:				
Balance, as of August 31, 2011	\$ 2,378,561	\$ 106,534	\$ 10,822,191	\$ 13,307,286
Accrued discounts/premiums	20,234	—	9,960	30,194
Net realized gain (loss)	—	—	8,884	8,884
Net change in unrealized appreciation/depreciation ²	11,078	(105,493)	(86,118)	(180,533)
Purchases	—	—	515,497	515,497
Sales	—	—	(542,817)	(542,817)
Transfers in ³	—	208,455	1,773,414	1,981,869
Transfers out ³	—	—	(5,196,293)	(5,196,293)
Balance, as of February 29, 2012	\$ 2,409,873	\$ 209,496	\$ 7,304,718	\$ 9,924,087

² 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 at February 29, 2012 was \$(179,643).

³ 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 year in relation to net assets.

See Notes to Financial Statements.

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Consolidated Schedule of Investments
February 29, 2012 (Unaudited)

**BlackRock Diversified Income Strategies Fund,
Inc. (DVF)**
(Percentages shown are based on Net Assets)

Asset-Backed Securities	Par (000)	Value
ARES CLO Funds, Series 2005-10A, Class B, 0.95%, 9/18/17 (a)(b)	USD 250	\$ 231,345
Canaras Summit CLO Ltd., Series 2007-1A, Class B, 1.04%, 6/19/21 (a)(b)	365	310,356
Chatham Light CLO Ltd., Series 2005-2A, Class A2, 0.94%, 8/03/19 (a)(b)	850	728,875
Flagship CLO, Series 2006-1A, Class B, 0.91%, 9/20/19 (a)(b)	1,000	772,500
Fraser Sullivan CLO Ltd., Series 2006-2A, Class B, 0.96%, 12/20/20 (a)(b)	500	425,000
Gannett Peak CLO Ltd., Series 2006-1X, Class A2, 0.92%, 10/27/20 (b)	280	226,100
Landmark CDO Ltd., Series 2006-8A, Class B, 0.92%, 10/19/20 (a)(b)	525	439,519
MAPS CLO Fund LLC, Series 2005-1A, Class C, 1.52%, 12/21/17 (a)(b)	275	247,775
Portola CLO Ltd., Series 2007-1X, Class B1, 1.95%, 11/15/21 (b)	370	317,275
T2 Income Fund CLO Ltd., Series 2007-1A, Class B, 1.17%, 7/15/19 (a)(b)	320	277,520
Total Asset-Backed Securities 3.0%		3,976,265

Common Stocks (c)	Shares
Auto Components 0.8%	
Delphi Automotive Plc (180-day lock) (acquired 11/17/11, cost \$189,716) (d)	32,726 1,021,064
Diversified Financial Services 1.0%	
Kcad Holdings I Ltd.	144,281,996 1,320,902
Electrical Equipment 0.0%	

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Medis Technologies Ltd.	176,126	881
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc.	688	69
Metals & Mining 0.1%		
Euramax International	468	135,575
Paper & Forest Products 0.3%		
Ainsworth Lumber Co. Ltd. (a)	275,167	433,837
Software 0.0%		
Bankruptcy Management Solutions, Inc.	536	11
HMH Holdings/EduMedia	45,526	11,381
		11,392
Total Common Stocks 2.2%		2,923,720

	Par	
Corporate Bonds	(000)	
Airlines 0.4%		
American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23	USD 133	140,980
Delta Air Lines, Inc., Series 2009-1-B, 9.75%, 6/17/18	55	58,663
United Air Lines, Inc., 12.75%, 7/15/12	295	304,936
		504,579

Auto Components 0.9%		
Icahn Enterprises LP: 7.75%, 1/15/16	735	769,912
8.00%, 1/15/18 (a)	330	349,800
		1,119,712

Corporate Bonds	Par	(000) Value
------------------------	------------	--------------------

Capital Markets 0.1%		
E*Trade Financial Corp., 3.98%, 8/31/19 (a)(e)(f)	USD 83	\$ 78,539
KKR Group Finance Co., 6.38%, 9/29/20 (a)	80	85,137
		163,676

Chemicals 0.6%		
CF Industries, Inc., 6.88%, 5/01/18	445	523,987
Ineos Finance Plc, 8.38%, 2/15/19 (a)	115	122,188
Lyondell Chemical Co., 11.00%, 5/01/18	137	150,463

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LyondellBasell Industries NV, 6.00%, 11/15/21 (a)	40	43,900	
			840,538
Commercial Banks 0.2%			
CIT Group, Inc.:			
7.00%, 5/01/16	27	26,628	
7.00%, 5/02/16 (a)	130	130,162	
7.00%, 5/02/17 (a)	140	140,175	
Glitnir Banki HF, 6.38%, 9/25/12 (c)(f)(g)	365		
			296,965
Commercial Services & Supplies 0.3%			
ARAMARK Corp., 4.05%, 2/01/15 (b)	65	64,756	
AWAS Aviation Capital Ltd., 7.00%, 10/17/16 (a)	343	358,034	
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a)	14	13,300	
			436,090
Consumer Finance 0.3%			
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)	350	374,500	
Containers & Packaging 0.4%			
Graphic Packaging International, Inc., 9.50%, 6/15/17	105	116,812	
Smurfit Kappa Acquisitions (a):			
7.25%, 11/15/17	EUR 160	228,090	
7.75%, 11/15/19	135	193,800	
			538,702
Diversified Financial Services 1.5%			
Ally Financial, Inc.:			
7.50%, 12/31/13	USD 20	21,300	
2.73%, 12/01/14 (b)	750	701,949	
7.50%, 9/15/20	160	176,200	
8.00%, 11/01/31	70	78,137	
8.00%, 11/01/31	80	86,804	
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16	66	70,373	
Reynolds Group Issuer, Inc. (a):			
8.75%, 10/15/16	300	319,500	
8.75%, 10/15/16	EUR 200	283,114	
6.88%, 2/15/21	USD 195	206,700	
			1,944,077
Diversified Telecommunication Services 0.1%			
ITC Deltacom, Inc., 10.50%, 4/01/16	180	187,650	
Health Care Providers & Services 0.5%			
HCA, Inc., 6.50%, 2/15/20	420	450,450	
Tenet Healthcare Corp., 6.25%, 11/01/18 (a)	195	207,919	
			658,369

Health Care Technology 0.6%

IMS Health, Inc., 12.50%, 3/01/18 (a) 700 833,000

Hotels, Restaurants & Leisure 1.1%

Little Traverse Bay Bands of Odawa Indians,
9.00%, 8/31/20 (a) 192 168,960

MGM Resorts International:

10.38%, 5/15/14 390 443,625

11.13%, 11/15/17 390 443,625

See Notes to Financial Statements.

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Consolidated Schedule of Investments (continued)

**BlackRock Diversified Income
Strategies Fund, Inc. (DVF)**
(Percentages shown are based on Net
Assets)

	Par (000) Value	
Corporate Bonds		
Hotels, Restaurants & Leisure (concluded)		
Travelport LLC:		
5.15%, 9/01/14 (b)	USD 665	\$ 340,812
9.88%, 9/01/14	145	83,013
Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (c)(g)	120	
		1,480,035
Household Durables 0.4%		
Beazer Homes USA, Inc., 12.00%, 10/15/17	500	545,000
Independent Power Producers & Energy Traders 1.9%		
Calpine Corp., 7.25%, 10/15/17 (a)	575	609,500
Energy Future Holdings Corp., 10.00%, 1/15/20	370	400,062
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20	1,355	1,471,869
		2,481,431
Industrial Conglomerates 0.6%		
Sequa Corp., 13.50%, 12/01/15 (a)	722	770,275
Machinery 0.1%		
UR Financing Escrow Corp., 5.75%, 7/15/18 (a)(h)	85	87,338
Media 2.6%		
AMC Networks, Inc., 7.75%, 7/15/21 (a)	110	122,650
CCH II LLC, 13.50%, 11/30/16	500	575,000
Checkout Holding Corp., 10.68%, 11/15/15 (a)(e)	325	146,250
Clear Channel Worldwide Holdings, Inc., Series B, 9.25%, 12/15/17	884	972,400
CSC Holdings LLC, 8.50%, 4/15/14	180	199,800
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (a)	300	330,000
Unitymedia Hessen GmbH & Co. KG, 8.13%, 12/01/17 (a)	1,000	1,085,000
		3,431,100
Metals & Mining 0.0%		

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Term Loan (First Lien), 4.00%, 2/14/17	891	890,216
Wesco Aircraft Hardware Corp., Term Loan B, 4.25%, 4/07/17	337	336,469
		2,139,626
Airlines 0.8%		
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17	1,063	1,037,421
Auto Components 2.6%		
Allison Transmission, Inc., Term Loan B, 2.75%, 8/07/14	1,467	1,450,330
Autoparts Holdings, Ltd., First Lien Term Loan, 6.50%, 7/28/17	698	699,996
Federal-Mogul Corp.:		
Term Loan B, 2.19% 2.20%, 12/29/14	313	299,323
Term Loan C, 2.19% 2.20%, 12/28/15	160	152,716
Schaeffler AG, Term Loan C2, 6.00%, 1/27/17	480	481,402
UCI International, Inc., Term Loan, 5.50%, 7/26/17	347	347,366
		3,431,133
Biotechnology 0.7%		
Grifols Inc., Term Loan B, 4.50%, 6/1/17	918	916,374
Building Products 2.9%		
Armstrong World Industries, Inc., Term Loan B, 4.00%, 3/09/18	571	568,370
CPG International, Inc., Term Loan B, 6.00%, 2/18/17	842	795,217
Goodman Global Holdings, Inc., Initial Term Loan (First Lien), 5.75%, 10/28/16	2,094	2,104,554
Momentive Performance Materials, Inc. (Blitz 06-103 GmbH), Tranche B-2B Term Loan, 4.08%, 5/05/15	EUR 315	397,326
		3,865,467
Capital Markets 1.7%		
American Capital Ltd., Term Loan B, 7.50%, 12/31/13	USD 70	70,154
HarbourVest Partners, Term Loan (First Lien), 6.25%, 12/16/16	838	838,853
Nuveen Investments, Inc.:		
(First Lien), Term Loan, 3.30% 3.58%, 11/13/14	438	435,132
Extended Term Loan, 5.74% 5.83%, 5/12/17	862	859,685
Incremental Term Loan, 7.25%, 5/13/17	85	85,595
		2,289,419
Chemicals 4.7%		
American Rock Salt Holdings LLC, Term Loan B, 5.50%, 4/25/17	605	562,615
Ashland, Inc., Term Loan B, 3.75%, 8/23/18	419	420,333

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Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16	700	702,191
Gentek, Inc., Term Loan B, 5.00% 5.75%, 10/06/15	518	514,752
MDI Holdings LLC, Tranche C Term Loan, 2.76%, 4/11/14	EUR 219	283,687
Nexeo Solutions LLC, Term Loan B, 5.00%, 9/08/17	USD 596	586,317
PolyOne Corp., Term Loan, 5.00%, 12/20/17	195	195,293
PQ Corp., Original Term Loan (First Lien), 3.50%, 7/30/14	697	679,573
Styron Sarl LLC, Term Loan B, 6.00% 6.75%, 8/02/17	541	487,487
Tronox Worldwide LLC: Delayed Draw Term Loan, 1.00%, 2/09/18	185	185,150
Term Loan B, 4.25%, 2/08/18	680	678,882
Univar, Inc., Term Loan B, 5.00%, 6/30/17	988	979,784
		6,276,064

See Notes to Financial Statements.

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Consolidated Schedule of Investments (continued)

**BlackRock Diversified Income
Strategies Fund, Inc. (DVF)**
(Percentages shown are based on Net
Assets)

	Par (000)	Value
Floating Rate Loan Interests (b)		
Commercial Services & Supplies 3.6%		
Altegrity, Inc., Tranche D Term Loan, 7.75%, 2/20/15	USD 790	\$ 789,091
ARAMARK Corp.:		
Letter of Credit, 3.55%, 7/26/16	17	16,503
Extended Term Loan B, 3.83%, 7/26/16	234	231,786
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16	413	411,650
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16	925	925,990
International Lease Finance Corp., Term Loan B1, 6.75%, 3/17/15	40	40,067
KAR Auction Services, Inc., Term Loan B, 5.00%, 5/19/17	1,244	1,242,195
Synagro Technologies, Inc., Term Loan B, 2.25% 2.26%, 4/02/14	636	568,892
Volume Services America, Inc., Term Loan B, 10.50% 10.75%, 9/16/16	494	495,809
		4,721,983
Communications Equipment 1.2%		
Avaya, Inc.:		
Term Loan B1, 3.24%, 10/24/14	548	535,749
Term Loan B3, 4.99%, 10/26/17	330	320,024
CommScope, Inc., Term Loan B, 5.00%, 1/14/18	768	768,024
		1,623,797
Construction & Engineering 0.9%		
BakerCorp. International, Inc., Term Loan B, 5.00%, 6/01/18	433	432,176
Safeway Services, LLC, First Out Tranche Loan, 9.00%, 12/16/17	800	800,000
		1,232,176
Consumer Finance 1.6%		
Springleaf Finance Corp., Term Loan, 5.50%, 5/10/17	2,270	2,069,355
Containers & Packaging 0.6%		

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Sealed Air Corp., Term Loan B, 4.75%, 10/03/18	763	770,749
Diversified Consumer Services 3.1%		
Coinmach Service Corp., Term Loan B, 3.41%, 11/20/14	1,336	1,230,110
Laureate Education, Inc., Extended Term Loan, 5.25%, 8/15/18	1,903	1,816,711
ServiceMaster Co.:		
Delayed Draw Term Loan, 2.75%, 7/24/14	103	101,514
Term Loan, 2.77% 3.03%, 7/24/14	1,032	1,019,372
		4,167,707

Diversified Financial Services 1.5%

Reynolds Group Holdings, Inc.:		
Tranche B Term Loan, 6.50%, 2/09/18	565	569,629
Tranche C Term Loan, 5.25% 6.50%, 8/09/18	1,382	1,395,908
		1,965,537

Diversified Telecommunication Services 4.6%

Hawaiian Telcom Communications, Inc., Term Loan B, 9.00%, 2/25/17	1,105	1,102,238
Integra Telecom Holdings, Inc., Term Loan B, 9.25%, 4/15/15	813	715,110
Level 3 Financing, Inc.:		
Term Loan B2, 5.75%, 9/03/18	1,700	1,711,696
Term Loan B3, 5.75%, 8/31/18	750	755,160
Tranche A Term Loan, 2.51% 2.83%, 3/13/14	1,175	1,155,612
US Telepacific Corp., Term Loan B, 5.75%, 2/23/17	745	705,845
		6,145,661

**Par
(000) Value**

Floating Rate Loan Interests (b)

Electronic Equipment, Instruments & Components 1.2%

CDW LLC (FKA CDW Corp.), Extended Term Loan, 4.00%, 7/14/17	USD 851	\$ 831,620
Flextronics International Ltd., Delayed Draw:		
Term Loan A-2, 2.52%, 10/01/14	24	23,590
Term Loan A-3, 2.49%, 10/01/14	20	20,220
Sensata Technologies Finance Co., LLC, Term Loan, 4.00%, 5/11/18	740	738,453
		1,613,883

Energy Equipment & Services 2.9%

CCS Corp.:

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Incremental Term Loan, 6.50%, 10/17/14	370	370,370
Term Loan B, 3.24%, 11/14/14	796	770,516
Dynegy Midwest Generation LLC., Coal Co. Term Loan, 9.25%, 8/04/16	484	481,730
Dynegy Power LLC., Gas Co. Term Loan, 9.25%, 8/04/16	613	632,101
MEG Energy Corp., Term Loan B, 4.00%, 3/16/18	1,596	1,592,728
		3,847,445

Food & Staples Retailing 1.8%

AB Acquisitions UK Topco 2 Ltd., Facility B1, 3.60%, 7/09/15	GBP 750	1,089,834
B&G Foods, Inc., Term Loan B, 4.50%, 11/30/18	USD 185	185,416
Bolthouse Farms, Inc., Term Loan (First Lien), 5.50%, 2/11/16	245	245,122
U.S. Foodservice, Inc., Term Loan B, 2.74% 2.75%, 7/03/14	834	805,262
		2,325,634

Food Products 3.1%

Advance Pierre Foods:		
Term Loan (First Lien), 5.50%, 9/30/16	919	918,536
Term Loan (Second Lien), 11.25%, 9/29/17	550	550,456
Del Monte Corp., Term Loan, 4.50%, 3/08/18	1,235	1,210,716
Michaels Foods Group, Inc., Term Loan B, 4.25%, 2/23/18	107	106,843
Pinnacle Foods Finance LLC:		
Tranche B Term Loan, 2.76% 3.08%, 4/02/14	45	44,515
Tranche D Term Loan, 6.00% 6.50%, 4/02/14	494	496,950
Solvest, Ltd. (Dole):		
Tranche B-2 Term Loan, 5.00%, 7/06/18	266	267,241
Tranche C-2 Term Loan, 5.00% 6.00%, 7/06/18	495	496,306
		4,091,563

Health Care Equipment & Supplies 1.7%

Biomet, Inc., Term Loan B, 3.24% 3.57%, 3/25/15	194	191,826
DJO Finance LLC, Term Loan B, 3.24%, 5/20/14	488	481,261
Hupah Finance, Inc., Term Loan B, 6.25%, 1/21/19	380	379,764
Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18	369	367,063
Immucor, Inc., Term Loan B, 7.25%, 8/17/18	873	878,704
		2,298,618

Health Care Providers & Services 4.3%

CHS/Community Health Systems, Inc.:		
Delayed Draw Term Loan, 3.25%, 7/25/14	28	27,718
Non-Extended Term Loan, 2.49% 4.50%, 7/25/14	545	537,660

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ConvaTec, Inc., Term Loan, 5.75%, 12/22/16	594	592,331
DaVita, Inc., Term Loan B, 4.50%, 10/20/16	792	793,814
Emergency Medical Services, Term Loan, 5.25%, 5/25/18	813	810,117
Harden Healthcare LLC:		
Term Loan A, 8.50%, 3/02/15	328	321,325
Tranche A Additional Term Loan, 7.75%, 3/02/15	523	512,432
HCA, Inc.:		
Tranche B-1 Term Loan, 3.49%, 5/01/18	104	101,827
Tranche B-2 Term Loan, 3.83%, 3/31/17	57	55,951
Health Management Associates, Inc., Term Loan B, 4.50%, 11/16/18	275	273,212

See Notes to Financial Statements.

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Consolidated Schedule of Investments (continued)

**BlackRock Diversified Income
Strategies Fund, Inc. (DVF)**
(Percentages shown are based on Net
Assets)

	Par	
Floating Rate Loan Interests (b)	(000)	Value
Health Care Providers & Services (concluded)		
inVentiv Health, Inc.:		
Combined Term Loan B, 6.50%, 8/04/16	USD 579	\$ 556,606
Incremental Term Loan B-3, 6.75%, 5/15/18	496	476,400
Medpace, Inc., Term Loan, 6.50% 7.25%, 6/16/17	597	573,120
Vanguard Health Holding Co. II, LLC (Vanguard Health Systems, Inc.), Term Loan B, 5.00%, 1/29/16	65	64,675
		5,697,188
Health Care Technology 1.3%		
IMS Health, Inc., Term Loan B, 4.50%, 8/25/17	583	583,711
Kinetic Concepts, Inc., Term Loan B, 7.00%, 5/04/18	765	777,431
MedAssets, Inc., Term Loan, 5.25%, 11/16/16	395	394,666
		1,755,808
Hotels, Restaurants & Leisure 5.6%		
Ameristar Casinos, Inc., Term Loan B, 4.00%, 4/13/18	595	596,341
Boyd Gaming Corp., Incremental Term Loan, 6.00%, 12/17/15	425	425,995
Caesars Entertainment Operating Co., Inc.:		
Incremental Term Loan B4, 9.50%, 10/31/16	637	655,050
Term Loan B-3, 3.24%, 1/28/15	103	96,899
Term Loan B-3, 3.24% 3.47%, 1/28/15	2,556	2,395,108
Dunkin' Brands, Inc., Term Loan B, 4.00% 5.25%, 11/23/17	917	914,582
Golden Living, Term Loan, 5.00%, 5/04/18	153	143,500
OSI Restaurant Partners LLC:		
Revolver, 2.56% 2.79%, 6/14/13	4	4,378
Term Loan B, 2.56%, 6/14/14	46	44,412
SeaWorld Parks & Entertainment, Inc., Term Loan B, 4.00%, 8/17/17	657	656,133
Six Flags Theme Parks, Inc., Tranche B Term Loan (First Lien), 4.25%, 12/20/18	735	731,788
Station Casinos, Inc., Term Loan B1, 3.24%, 6/17/16	500	450,835