BLACKROCK CREDIT ALLOCATION INCOME TRUST II Form N-CSR January 08, 2010

UNITEDSTATES SECURITIESANDEXCHANGECOMMISSION Washington,D.C.20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21286

Name of Fund: BlackRock Credit Allocation Income Trust II, Inc. (PSY)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock Credit Allocation Income Trust II, Inc., 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: 10/31/2009

Date of reporting period: 10/31/2009

Item 1 Report to Stockholders

EQUITIES FIXED INCOME REAL ESTATE LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

Annual Report

OCTOBER 31, 2009

BlackRock Credit Allocation Income Trust I, Inc. (PSW)

BlackRock Credit Allocation Income Trust II, Inc. (PSY)

BlackRock Credit Allocation Income Trust III (BPP)

BlackRock Credit Allocation Income Trust IV (BTZ)

BlackRock Enhanced Capital and Income Fund, Inc. (CII)

BlackRock Floating Rate Income Trust (BGT)

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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Section 19(b) Disclosure

BlackRock Credit Allocation Income Trust IV (BTZ) and BlackRock Enhanced Capital and Income Fund, Inc. (CII) (collectively, the Funds), acting pursuant to

a Securities and Exchange Commission (SEC) exemptive order and with the approval of each Fund's Board of Directors/Trustees (the Board), each have

adopted a plan, consistent with its investment objectives and policies to support a level distribution of income, capital gains and/or return of capital (Plan).

In accordance with the Plans, the Funds currently distribute the following fixed amounts per share on a monthly basis for BTZ and a quarterly basis for CII:

Exchange Symbol	Amount Per Common Share
BTZ	\$ 0.100
CII	\$ 0.485

The fixed amounts distributed per share are subject to change at the discretion of each Fund s Board. Under its Plan, each Fund will distribute all available

investment income to its shareholders, consistent with its primary investment objectives and as required by the Internal Revenue Code of 1986, as amended

(the Code). If sufficient investment income is not available on a monthly/quarterly basis, the Funds will distribute long-term capital

gains and/or return of

capital to shareholders in order to maintain a level distribution. Each monthly/quarterly distribution to shareholders is expected to be at the fixed amount

established by the Board, except for extraordinary distributions and potential distribution rate increases or decreases to enable the Funds to comply with

the distribution requirements imposed by the Code.

Shareholders should not draw any conclusions about the Funds investment performance from the amount of these distributions or from the terms of the Plan.

Each Fund s total return performance on net asset value is presented in its financial highlights table.

The Board may amend, suspend or terminate a Fund s Plan without prior notice if it deems such actions to be in the best interests of the Fund or its share-

holders. The suspension or termination of the Plan could have the effect of creating a trading discount (if the Fund s stock is trading at or above net asset

value) or widening an existing trading discount. The Funds are subject to risks that could have an adverse impact on their ability to maintain level distri-

butions. Examples of potential risks include, but are not limited to, economic downturns impacting the markets, decreased market volatility, companies sus-

pending or decreasing corporate dividend distributions and changes in the Code. Please refer to each Fund s prospectus for a more complete description

of its risks.

Please refer to Additional Information for a cumulative summary of the Section 19(a) notices for each Fund s current fiscal period. Section 19(a) notices for

the Funds, as applicable, are available on the BlackRock website www.blackrock.com.

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Dear Shareholder

Over the past 12 months, we have witnessed a seismic shift in market sentiment from fear and pessimism during the worst economic decline and crisis

of confidence in financial markets since The Great Depression to increasing optimism amid emerging signs of recovery. The period began in the midst of an

intense deterioration in global economic activity and financial markets in the final months of 2008 and the early months of 2009. The collapse of confi-

dence resulted in massive government policy intervention on a global scale in the financial system and the economy. The tide turned dramatically in March

2009, however, on the back of new US government initiatives, as well as better-than-expected economic data and upside surprises in corporate earnings.

Not surprisingly, global equity markets endured extreme volatility over the past 12 months, starting with steep declines and heightened risk aversion in the

early part of the reporting period, which eventually gave way to an impressive rally that began in March. Although there have been fits and starts along the

way and a few modest corrections, the new bull market has pushed all major US indices well into positive territory for 2009. The experience in international

markets was similar to that in the United States. In particular, emerging markets (which were less affected by the global credit crunch and are experiencing

faster economic growth rates when compared to the developed world) have posted impressive gains since the rally began.

In fixed income markets, the flight-to-safety premium in Treasury securities prevailed during the equity market downturn, which drove yields sharply lower,

but concerns about deficit spending, debt issuance, inflation and dollar weakness have kept Treasury yields range bound in recent months. As economic

and market conditions began to improve in early 2009, near-zero interest rates on risk-free assets prompted many investors to reallocate money from cash

investments into higher-yielding and riskier non-Treasury assets. The high yield sector was the greatest beneficiary of this move, having decisively outpaced

all other taxable asset classes since the start of 2009. Similarly, the municipal bond market is on pace for its best performance year ever in 2009, following

one of its worst years in 2008. Investor demand remains strong for munis, helping to create a highly favorable technical backdrop. Municipal bond mutual

funds are seeing record inflows, reflecting the renewed investor interest in the asset class.

As a result of the rebound in sentiment and global market conditions, most major benchmark indexes are now in positive territory for both the

6- and 12-month periods.

Total Returns as of October 31, 2009	6-month	1	2-month
US equities (S&P 500 Index)	20.04%		9.80%
US equilies (Sar Sub lindex)	20.04%		9.00%
Small cap US equities (Russell 2000 Index)	16.21		6.46
International equities (MSCI Europe, Australasia, Far East Index)	31.18		27.71
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index*)	(0.79)		8.12
Taxable fixed income (Barclays Capital US Aggregate Bond Index)		5.61	13.79
Tax-exempt fixed income (Barclays Capital Municipal Bond Index)		4.99	13.60
High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	27.72		48.65

* Formerly a Merrill Lynch index.

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

The market environment has visibly improved since the beginning of the year, but a great deal of uncertainty and risk remain. Through periods of market

turbulence, as ever, BlackRock s full resources are dedicated to the management of our clients assets. For additional market perspective and investment

insight, visit the most recent issue of our award-winning Shareholder® magazine at www.blackrock.com/shareholdermagazine. As always, we thank you

for entrusting BlackRock with your investments, and we look forward to continuing to serve you in the months and years ahead.

Announcement to Shareholders

On December 1, 2009, BlackRock, Inc. and Barclays Global Investors, N.A. combined to form one of the world's preeminent investment management firms.

The new company, operating under the BlackRock name, manages \$3.19 trillion in assets** and offers clients worldwide a full complement of active man-

agement, enhanced and index investment strategies and products, including individual and institutional separate accounts, mutual funds and other pooled

investment vehicles, and the industry-leading iShares platform of exchange traded funds.

** Data is as of September 30, 2009, is subject to change, and is based on a pro forma estimate of assets under management and other data at BlackRock, Inc.

and Barclays Global Investors.

THIS PAGE NOT PART OF YOUR FUND REPORT 3

Fund Summary as of October 31, 2009 BlackRock Credit Allocation Income Trust I, Inc.

Investment Objective

BlackRock Credit Allocation Income Trust I, Inc. (PSW) (formerly BlackRock Preferred and Corporate Income Strategies Fund, Inc.) (the Fundseeks to

provide shareholders with high current income and capital appreciation. The Fund seeks to achieve its objectives by investing primarily in credit-related securi-

ties, including, but not limited to, investment grade corporate bonds, high yield bonds, bank loans, preferred securities or convertible bonds or derivatives with

economic characteristics similar to these credit-related securities.

Effective November 13, 2009, BlackRock Preferred and Corporate Income Strategies Fund, Inc. was renamed BlackRock Credit Allocation Income Trust I, Inc.

The Board approved a change to the Fund s non-fundamental investment policies during the period. Please refer to page 70 in the Additional Information section.

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

Performance

For the 12 months ended October 31, 2009, the Fund returned 37.59% based on market price and 46.46% based on net asset value (NAV). For the

same period, the closed-end Lipper Income & Preferred Stock Funds category posted an average return of 39.55% on a market price basis and 40.36% on

a NAV basis. 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. Strong annual performance has been driven by the Fund s positioning to fully capture the

near-term strength anticipated in the preferred sector during 2009. The Fund benefited from an overweight allocation to institutional hybrids (preferred secu-

rities available only over-the-counter to institutional investors) as the sector continued its dramatic outperformance during 2009 relative to retail preferred

securities, which are exchange traded. This position also served as a performance detractor when the preferred sector deteriorated during the fourth quarter

of 2008. Performance benefited from participation in several additional issuer-related tenders in preferred equity exchanges, along with an overweight in

the insurance sector. A generally large position in short-term securities proved beneficial as well most notably during 2008 and into the first guarter

of 2009 as it preserved NAV better than had the Fund been fully invested. Finally, the Fund notably reduced leverage in response to rating agency

methodology changes for preferred securities requiring greater collateral due to increased volatility in the sector, which detracted from performance.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These

views are not intended to be a forecast of future events and are no guarantee of future results.

Fund		
formation		
	Symbol on New York Stock Exchange	
	(NYSE)	PSW
	Initial Offering Date	August 1, 2003
	Yield based on Closing Market Price as of October 31, 2009	
	(\$8.24) ¹	8.74%
	Current Monthly Distribution per Common	
	Share ²	\$0.06

Common Share² Leverage as of October 31, 20093

Current Annualized Distribution per

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.

Inform

² The distribution is not constant and is subject to change. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents reverse repurchase agreements and Auction Market Preferred Shares (Preferred Shares) as a percentage of total managed assets,

which is the total assets of the Fund (including any assets attributable to any borrowings and Preferred Shares) 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 10.

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

	10/31/09	10/31/08	Change	High	Low
Market Price	\$8.24	\$7.00	17.71%	\$8.52	\$3.44
Net Asset Value	\$9.31	\$7.43	25.30%	\$9.31	\$4.55

The following unaudited charts show the portfolio composition and credit quality allocations of the Fund s total investments:

Portfolio Composition			Credit Quality Allocations ⁴		
	10/31/09	10/31/08		10/31/09	10/31/08
Preferred Securities	58%	87%	AA/Aa		14%
Short-Term Securities	29	11	A/A	26%	36
Corporate Bonds	13	2	BBB/Baa	62	36
			BB/Ba	8	4
			B/B	2	
			Not Rated	2	10

\$0.72

32%

 4 Using the higher of Standard & Poor $\,$ s ($\,$ S&P $\,$ s $\,$) or Moody $\,$ s $\,$ Investor

Service (Moody s)

ratings.

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OCTOBER 31, 2009

Fund Summary as of October 31, 2009 BlackRock Credit Allocation Income Trust II, Inc.

Investment Objective

BlackRock Credit Allocation Income Trust II, Inc. (PSY) (formerly BlackRock Preferred Income Strategies Fund, Inc.) (the Fund) seeks to provide share-

holders with current income and capital appreciation. The Fund seeks to achieve its objectives by investing primarily in credit-related securities, including,

but not limited to, investment grade corporate bonds, high yield bonds, bank loans, preferred securities or convertible bonds or derivatives with economic

characteristics similar to these credit-related securities.

Effective November 13, 2009, BlackRock Preferred Income Strategies Fund, Inc. was renamed BlackRock Credit Allocation Income Trust II, Inc.

The Board approved a change to the Fund s non-fundamental investment policies during the period. Please refer to page 70 in the Additional Information section.

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

Performance

For the 12 months ended October 31, 2009, the Fund returned 29.37% based on market price and 48.36% based on NAV. For the same period, the

closed-end Lipper Income & Preferred Stock Funds category posted an average return of 39.55% on a market price basis and 40.36% on a NAV basis.

All returns reflect reinvestment of dividends. The Fund moved from a premium to a discount to NAV by year-end, which accounts for the difference between

performance based on price and performance based on NAV. Strong annual performance has been driven by the Fund s positioning to fully capture the

near-term strength anticipated in the preferred sector during 2009. The Fund benefited from an overweight allocation to institutional hybrids (preferred secu-

rities available only over-the-counter to institutional investors) as the sector continued its dramatic outperformance during 2009 relative to retail preferred

securities, which are exchange traded. This position also served as a performance detractor when the preferred sector deteriorated during the fourth quarter

of 2008. Performance benefited from participation in several additional issuer-related tenders in preferred equity exchanges, along with an overweight in

the insurance sector. A generally large position in short-term securities proved beneficial as well most notably during 2008 and into the first guarter

of 2009 as it preserved NAV better than had the Fund been fully invested. Finally, the Fund notably reduced leverage in response to rating agency

methodology changes for preferred securities requiring greater collateral due to increased volatility in the sector, which detracted from performance.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These

views are not intended to be a forecast of future events and are no guarantee of future results.

Fund		
Information		
	Symbol on NYSE	PSY
	Initial Offering Date Ma	arch 28, 2003
	Yield on Closing Market Price as of October 31, 2009 (\$8.90) ¹	10.11%
	Current Monthly Distribution per Common Share ²	\$ 0.075
	Current Annualized Distribution per Common Share ²	\$ 0.900
	Leverage as of October 31, 2009 ³	30%
	¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the	

closing market price.

Past performance does not guarantee future

results.

² The distribution is not constant and is subject to change. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents reverse repurchase agreements and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund

(including any assets attributable to any borrowings and Preferred Shares) 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 10.

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

	10/31/09	10/31/08	Change	High	Low
Market Price	\$ 8.90	\$8.10	9.88%	\$ 9.20	\$3.69
Net Asset Value	\$10.03	\$7.96	26.01%	\$10.03	\$4.60

The following unaudited charts show the portfolio composition and credit quality allocations of the Fund s total investments:

Portfolio Composition	Credit Quality Allocations ⁴				
	10/31/09	10/31/08		10/31/09	10/31/08
Preferred Securities	88%	93%	AA/Aa	1%	15%
Short-Term Securities	9	4	A/A	26	34
Corporate Bonds	3	3	BBB/Baa	56	28
			BB/Ba	14	6
			B/B	3	
			Not Rated		17
			4 Using the higher of S&P $$ s or	Moody s	
			ratings.		
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Fund Summary as of October 31, 2009 BlackRock Credit Allocation Income Trust III

Investment Objective

BlackRock Credit Allocation Income Trust III (BPP) (formerly BlackRock Preferred Opportunity Trust) (the Fundseks high current income consistent

with capital preservation. The Fund seeks to achieve its objectives by investing primarily in credit-related securities, including, but not limited to, investment

grade corporate bonds, high yield bonds, bank loans, preferred securities or convertible bonds or derivatives with economic characteristics similar to these

credit-related securities.

Effective November 13, 2009, BlackRock Preferred Opportunity Trust was renamed BlackRock Credit Allocation Income Trust III.

The Board approved a change to the Fund s non-fundamental investment policies during the period. Please refer to page 70 in the Additional Information section.

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

Performance

For the 12 months ended October 31, 2009, the Fund returned 36.42% based on market price and 47.16% based on NAV. For the same period, the

closed-end Lipper Income & Preferred Stock Funds category posted an average return of 39.55% on a market price basis and 40.36% on a NAV basis. 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. Strong annual performance has been driven by the Fund s positioning to fully capture the near-term

strength anticipated in the preferred sector during 2009. The Fund benefited from an overweight allocation to institutional hybrids (preferred securities avail-

able only over-the-counter to institutional investors) as the sector continued its dramatic outperformance during 2009 relative to retail preferred securities,

which are exchange traded. This position also served as a performance detractor when the preferred sector deteriorated during the fourth guarter of 2008.

Performance benefited from participation in several additional issuer-related tenders in preferred equity exchanges, along with an overweight in the insur-

ance sector. A generally large position in short-term securities proved beneficial as well most notably during 2008 and into the first quarter of 2009

as it preserved NAV better than had the Fund been fully invested. Finally, the Fund notably reduced leverage in response to rating agency methodology

changes for preferred securities requiring greater collateral due to increased volatility in the sector, which detracted from performance.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These

views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

Symbol on NYSE	BPP
Initial Offering Date Feb	ruary 28, 2003
Yield on Closing Market Price as of October 31, 2009 (\$9.94) ¹	8.75%
Current Monthly Distribution per Common Share ²	\$0.0725
Current Annualized Distribution per Common Share ²	\$0.8700
Leverage as of October 31, 2009 ³	29%
¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by t	he

closing market price.

Past performance does not guarantee

future results.

² The distribution is not constant and is subject to change. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents reverse repurchase agreements and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund

(including any assets attributable to any borrowings and Preferred Shares) 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 10.

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

	10/31/09	10/31/08	Change	High	Low
Market Price	\$ 9.94	\$8.51	16.80%	\$10.35	\$4.00
Net Asset Value	\$11.05	\$8.77	26.00%	\$11.13	\$5.06

The following unaudited charts show the portfolio composition and credit quality allocations of the Fund s total investments:

Portfolio Composition	Credit Quality Allocations ⁴				
	10/31/09	10/31/08		10/31/09	10/31/08
Preferred Securities	69%	90%	AA/Aa	4%	16%
Short-Term Securities	23	3	A/A	28	39
Corporate Bonds	8	7	BBB/Baa	45	24
			BB/Ba	13	5
			В	5	
			CCC/Caa	5	
			Not Rated		16
			⁴ Using the higher of S&P s or	Moody s	
			ratings.		
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Fund Summary as of October 31, 2009 BlackRock Credit Allocation Income Trust IV

Investment Objective

BlackRock Credit Allocation Income Trust IV (BTZ) (formerly BlackRock Preferred and Equity Advantage Trust) (the Funds) eks to achieve high

current income, current gains and capital appreciation. The Fund seeks to achieve its objectives by investing primarily in credit-related securities, including,

but not limited to, investment grade corporate bonds, high yield bonds, bank loans, preferred securities or convertible bonds or derivatives with economic char-

acteristics similar to these credit-related securities.

Effective November 13, 2009, BlackRock Preferred and Equity Advantage Trust was renamed BlackRock Credit Allocation Income Trust IV.

The Board approved a change to the Fund s non-fundamental investment policies during the period. Please refer to page 70 in the Additional Information section.

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

Performance

For the 12 months ended October 31, 2009, the Fund returned 38.38% based on market price and 41.06% based on NAV. For the same period, the

closed-end Lipper Income & Preferred Stock Funds category posted an average return of 39.55% on a market price basis and 40.36% on a NAV basis. 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. Strong annual performance has been driven by the Fund s positioning to fully capture the near-term

strength anticipated in the preferred sector during 2009. The Fund benefited from an overweight allocation to institutional hybrids (preferred securities avail-

able only over-the-counter to institutional investors) as the sector continued its dramatic outperformance during 2009 relative to retail preferred securities,

which are exchange traded. This position also served as a performance detractor when the preferred sector deteriorated during the fourth quarter of 2008.

Performance benefited from participation in several additional issuer-related tenders in preferred equity exchanges, along with an overweight in the insur-

ance sector. A generally large position in short-term securities proved beneficial as well most notably during 2008 and into the first guarter of 2009

as it preserved NAV better than had the Fund been fully invested. Finally, the Fund notably reduced leverage in response to rating agency methodology

changes for preferred securities requiring greater collateral due to increased volatility in the sector, which detracted from performance.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These

views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information		
	Symbol on NYSE	BTZ
	[December 27,
	Initial Offering Date	2006
	Yield on Closing Market Price as of October 31, 2009	
	(\$10.96) ¹	10.95%
	Current Monthly Distribution per Common	
	Share ²	\$ 0.10
	Current Annualized Distribution per Common	
	Share ²	\$ 1.20
	Leverage as of October 31,	
	20093	31%
	¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the	e
	closing market price.	

Past performance does not guarantee future

results.

² The distribution is not constant and is subject to change. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents reverse repurchase agreements and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund

(including any assets attributable to any borrowings and Preferred Shares) 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 10.

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

	10/31/09	10/31/08	Change	High	Low
Market Price	\$10.96	\$ 9.36	17.09%	\$11.49	\$4.56
Net Asset Value	\$12.64	\$10.59	19.36%	\$12.69	\$6.89

The following unaudited charts show the portfolio composition of the Fund s total investments and credit quality allocations of the

Fund s total investments excluding Common Stocks:

Portfolio Composition			Credit Quality Allocations ⁴		
	10/31/09	10/31/08		10/31/09	10/31/08
Preferred Securities	57%	59%	AA/Aa	4%	15%
Short-Term Securities	33	21	A/A	33	37
Corporate Bonds	4	4	BBB/Baa	53	30
Common Stocks	6	16	BB/Ba	6	2
			B/B	4	16
			4		

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

ratings.

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Fund Summary as of October 31, 2009

BlackRock Enhanced Capital and Income Fund,

Inc.

Investment Objective

BlackRock Enhanced Capital and Income Fund, Inc. (CII) (the Funds) eks to provide investors with a combination of current income and capital

appreciation. The Fund seeks to achieve its investment objective by investing primarily in a diversified portfolio of common stocks in an attempt to

generate current income and by employing a strategy of writing (selling) call options on equity indexes in an attempt to generate gains from option

premiums primarily on the S&P 500 Index.

The Board approved a change to the Fund s option writing policy during the period. Please refer to page 70 in the Additional Information section.

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

Performance

For the 12 months ended October 31, 2009, the Fund returned 29.88% based on market price and 22.01% based on NAV. For the same period, the

benchmark S&P 500 Citigroup Value Index returned 2.98% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which

narrowed significantly during the period, accounts for the difference between performance based on price and performance based on NAV. The main con-

tributor to Fund performance relative to the S&P 500 Citigroup Value Index was the Option strategy that was implemented by the Fund. The option strategy

contributed almost 75% of the outperformance over the index. From an equity holdings standpoint, the main contributors were an underweight and stock

selection in financials, stock selection in health care and industrials, and overweights in the information technology and energy sectors. The main detractors

from performance for the one-year period included stock selection in materials and consumer staples, as well as an underweight in the consumer

discretionary sector.

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.

Fund Information		
	Symbol on NYSE	CII
	Initial Offering Date Yield on Closing Market Price as of October 31, 2009	April 30, 2004
	(\$13.76) ¹	14.10%
	Current Quarterly Distribution per share ²	\$ 0.485
	Current Annualized Distribution per share ² ¹ Yield on closing market price is calculated by dividing the current annualized by dividing the current annu	\$ 1.940

closing market price.

Past performance does not guarantee

future results.

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² The distribution is not constant and is subject to change. A portion of the distribution may be deemed a tax return of capital or net realized gain.

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

	10/31/09	10/31/08	Change	High	Low
Market Price	\$13.76	\$12.37	11.24%	\$15.70	\$ 7.92
Net Asset Value	\$14.40	\$13.78	4.50%	\$14.99	\$10.62

The following unaudited charts show the ten largest holdings and sector allocations of the Fund s long-term investments:

		Sector		
Ten Largest Holdings		Allocations		
	10/31/09		10/31/09	10/31/08
The Travelers Cos., Inc.	4%	Financials	19%	16%
		Information		
JPMorgan Chase & Co.	3	Technology	17	15
LSI Corp.	3	Health Care	13	4
		Consumer		
Chevron Corp.	3	Staples	12	23
Schering-Plough Corp.	3	Energy	11	15
Bristol-Myers Squibb Co.	3	Industrials	9	7
		Telecommunication		
Exxon Mobil Corp.	3	Services	7	6
Kimberly-Clark Corp.	3	Consumer Discretionary	6	6
Kraft Foods, Inc.	3	Materials	3	3
Time Warner, Inc.	3	Utilities	3	5
		For Fund compliance pu sector classifications refer	urposes, the l	Fund s
		to any one or more of th sub-classifications used by one or	e sector	
		more widely recognized ratings group indexes,	market inde	kes or
		and/or as defined by Fu definition may not	nd managem	ent. This
		apply for purposes of th combine sector sub-	is report, whi	ch may
		classifications for		
		reporting ease.		
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Fund Summary as of October 31, 2009 BlackRock Floating Rate Income Trust

Investment Objective

BlackRock Floating Rate Income Trust (BGT) (formerly BlackRock Global Floating Rate Income Trust) (the Fundseks to provide a high level of current

income and to seek the preservation of capital. The Fund seeks to achieve its objective by investing in a global portfolio of primarily floating and variable

rate securities.

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

Performance

For the 12 months ended October 31, 2009, the Fund returned 54.14% based on market price and 39.51% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 39.76% on a market price basis and 25.60% on a NAV basis. All returns reflect reinvestment of dividends. (The performance of the Lipper category does not necessarily correlate to that of the Fund, as the Lipper group comprises both closed-end funds that employ leverage and continuously offered closed-end funds that do not. For this reporting period, those Lipper peers that do not employ leverage were at a disadvantage given the market rally.) 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. For the first two months of the reporting period, the high yield loan market was under extreme pressure and lost 10.9%, as measured by the Credit Suisse Leveraged Loan Index. However, this brief period of

underperformance was followed by the market s strongest results ever, as the sector gained more than 40% for the period January 1, 2009 to October 31, 2009. On

average, market performance was

positive and the Fund s reduction of leverage in response to higher collateral requirements imposed by the major rating agencies had a negative effect on

absolute performance. Relative to its Lipper peers, the Fund gained from both maintaining leverage and focusing on higher-quality sectors and structures, which

benefited most during the sharp rally in 2009. Conversely, the Fund s cash position hurt performance during the period.

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.

Fund
Information

n		
	Symbol on NYSE	BGT
	Initial Offering Date	August 30, 2004
	Yield on Closing Market Price as of October 31, 2009 (\$12.58) ¹	6.44%
	Current Monthly Distribution per Common Share ²	\$0.0675
	Current Annualized Distribution per Common Share ²	\$0.8100

Leverage as of October 31, 2009³

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

Past performance does not guarantee future

results.

² The distribution is not constant and is subject to change. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents loan outstanding and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund (including any

assets attributable to any borrowings and Preferred Shares) 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 10.

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

	10/31/09	10/31/08	Change	High	Low
Market Price	\$12.58	\$ 9.63	30.63%	\$12.98	\$6.88
Net Asset Value	\$13.29	\$11.24	18.24%	\$13.35	\$8.86
The following unaudited charts show the portfolio composition of the Fund s long-term investments and credit					

quality allocations of the Fund s long-term investments excluding floating rate loan

interests:

Portfolio Composition			Credit Quality Allocations ⁴		
	10/31/09	10/31/08		10/31/09	10/31/08
Floating Rate Loan Interests	76%	79%	AAA/Aaa	16%	
Corporate Bonds	20	14	A/A	4	20%
Foreign Government					
Obligations	3	7	BBB/Baa	27	30
Other Interests	1		BB/Ba	17	16
			B/B	22	23
			CCC/Caa	6	10
			C/C	5	
			D	1	
			Not Rated	2	1
			4 Using the higher of S&P $$ s or I	Moody s ratings	
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19%

The Benefits and Risks of Leveraging

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

The Funds may utilize leverage through borrowings, the issuance of Preferred Shares or by entering into reverse repurchase agreements. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each 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 Common Shareholders will benefit from the incremental net income.

The interest earned on securities purchased with the proceeds from leverage is paid to Common Shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV of each Fund s Common Shares. However, in order to benefit Common 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 Common Shareholders will be lower than if the Funds had not used leverage.

To illustrate these concepts, assume a Fund s Common Shares capitalization is \$100 million and it borrows and/or issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term securities. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays interest expense and/or dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the securities purchased by the Fund with assets received from the borrowings and/or issuance of Preferred Shares can earn income based on long-term interest rates. In this case, the interest expense and/or dividends paid to Preferred Shareholders are significantly lower than the income earned on the Fund s long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between shortterm and long-term interest rates, the incremental net income pickup on the Common Shares will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Fund pays dividends on the higher short-term interest rates whereas the Fund s total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of a Fund s 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 and/or Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds NAV positively or negatively in addition to the impact on Fund performance from leverage from borrowings.

The use of leverage may enhance opportunities for increased income to the Funds and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes to each Fund s NAV, market price and dividend rates than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, each Fund s net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Fund s net income will be 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, such as in the case of certain restrictions imposed by ratings agencies that rate Preferred Shares issued by each Fund. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by the Common Shareholders and may reduce income on the Common Shares.

Under the Investment Company Act of 1940, BGT is permitted to borrow through a credit facility up to 33¹/ $_3$ % of its total managed assets and the Funds are permitted to issue Preferred Shares in an amount of up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Fund anticipates that the total economic leverage from Preferred Shares, reverse repurchase agreements and credit facility borrowings will not exceed 50% of its total managed assets at the time such leverage is incurred. As of October 31, 2009, the Funds had economic leverage from Preferred Shares, reverse repurchase agreements and/or credit facility borrowings as a percentage of their total managed assets as follows:

	Leverage
PSW	32%
PSY	30%
BPP	29%
BTZ	31%
BGT	19%

Percent of

Derivative Financial Instruments

The Funds may invest in various derivative instruments, including financial futures contracts, swaps, foreign currency exchange contracts and options, as specified in Note 2 of the Notes to Financial Statements, which constitute forms of economic leverage. Such 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. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the counterparty to the transaction and illiquidity of the derivative instrument. Each Fund s ability to success-

fully use a derivative instrument depends on the investment advisor s ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require the Funds to sell or purchase portfolio securities at inopportune times or at distressed values, may limit the amount of appreciation the Funds can realize on an investment or may cause the Funds to hold a security that they 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 October 31,

2009

BlackRock Credit Allocation Income Trust I, Inc. (PSW)

(Percentages shown are based on Net

			(reiteinages s	nown are b	Assets)
	Par			Par	
Corporate Bonds	(000)	Value	Capital Trusts	(000)	Value
Insurance 2.5%			Multi-Utilities 2.8%		
Oil Insurance Ltd., 7.56% (a)(b)(c) QBE Insurance Group Ltd., 9.75%,	\$ 1,000	\$ 706,200	Dominion Resources Capital Trust I,		
3/14/14 (a)	1,484	1,695,246	7.83%, 12/01/27 (f)	\$ 1,200 \$	1,202,650
		2,401,446	Dominion Resources, Inc., 7.50% (c) Puget Sound Energy, Inc. Series A, 6.97%, 6/01/67 (c)	1,051 475	1,029,980 415,587
Media 12.5%				-	- ,
COX Communications, Inc., 8.38%,					
3/01/39 (a)	10,000	11,988,640			2,648,217
Total Corporate Bonds 15.0%		14,390,086	Oil, Gas & Consumable Fuels 1.3%		
			Enterprise Products Operating LLC, 8.38%,		
			8/01/66 (c)	825	808,500
			TransCanada PipeLines Ltd., 6.35%,		
			5/15/67 (c)	500	465,397
Preferred Securities					1,273,897
			Total Capital Trusts 33.5%		32,110,050
Conital Tructo			55.570		52,110,050
Capital Trusts					
Building Products 0.7%					
C8 Capital SPV Ltd., 6.64% (a)(b)(c)	980	691,018	Preferred Stocks	Shares	
Capital Markets 5.8%			Commercial Banks 8.1%		
Ameriprise Financial, Inc., 7.52%, 6/01/66 (c)	1,900	1,615,000	First Tennessee Bank NA, 3.90%	1,176	589,838
Lehman Brothers Holdings Capital Trust	1,900	1,013,000	(a)(c)	1,170	569,656
V,			HSBC USA, Inc.:		
3.64% (b)(c)(d)(e)	1,600	160	Series D, 4.50% (c)	35,000	734,300
State Street Capital Trust III, 8.25%	,			,	- ,
(b)(c)	725	731,257	Series H, 6.50%	168,000	3,410,400
State Street Capital Trust IV, 1.30%,			Provident Financial Group, Inc.,		
6/01/67 (c)	4,740	3,180,090		42,000	1,013,250
		5,526,507	Royal Bank of Scotland Group Plc, Series M, 6.40%	5,000	51,700
			Santander Finance Preferred SA Unipersonal,		
Commercial Banks 3.3%			6.80%	72,807	1,992,000
Bank of Ireland Capital Funding II, LP, 5.57% (a)(b)(c)	429	188,760			7,791,488
Bank of Ireland Capital Funding III, LP, 6.11%	423	100,700	Diversified Financial Services		7,731,400
(a)(b)(c)	740	325,600			
Barclays Bank Plc, 5.93% (a)(b)(c)	500	390.000	Cobank ACB, 7.00% (a)	38,000	1,326,439
· · · · · · · · · · · · · · · · · · ·	910		ING Groep NV, 7.20%	35	612,942
	010	001,007		00	512,572

5 5					
First Empire Capital Trust II, 8.28%,					
6/01/27					
National City Preferred Capital Trust I,	200	040.050			
12.00% (b)(c) SMFG Preferred Capital USD 3 Ltd.,	300	343,359			
9.50% (a)(b)(c)	875	948,675			1,939,381
Santander Perpetual SA Unipersonal, 6.67%	0.0	0.0,010			.,,
(a)(b)(c)	250	228,123	Electric Utilities 3.6%		
SunTrust Preferred Capital I, 5.85%			Alabama Power Co.,		
(b)(c)	135	88,087	6.50%	25,000	750,000
			Entergy Arkansas, Inc.,		
		3,203,941		28,800	609,301
			Entergy Louisiana LLC,	~~ ~ ~ ~ ~	
			6.95%	22,650	2,119,747
Diversified Financial Services 3.0%					
Farm Credit Bank of Texas Series 1,	1 000				0 470 0 40
7.56% (b)(c)	1,000	701,550			3,479,048
JPMorgan Chase Capital XXIII, 1.44%, 5/15/77 (c)	3,085	2 172 873	Insurance 5.8%		
	0,000	2,172,070	Aspen Insurance Holdings Ltd., 7.40%		
		2,874,423		55,000	1,116,500
			Axis Capital Holdings Ltd.:		
Electric Utilities 0.5%			Series A, 7.25%	35,000	789,250
	500	420.000		-	
PPL Capital Funding, 6.70%, 3/30/67 (c)	500	430,000	Series B, 7.50% (c) Endurance Specialty Holdings Ltd. Series A,	9,000	673,875
Insurance 16.1%			7.75%	35,200	770,880
			RenaissanceRe Holding Ltd. Series D,	;	,
AXA SA, 6.38% (a)(b)(c)	3,585	3,038,287	-	110,000	2,267,100
Ace Capital Trust II, 9.70%, 4/01/30	500	552,614			5,617,605
The Allstate Corp., 6.50%, 5/15/57 (c)(f)	3,200	2,736,000			
	-,	, ,	Real Estate Investment Trusts		
Chubb Corp., 6.38%, 3/29/67 (c)(g)	500	453,750	(REITs) 7.4%		
Farmers Exchange Capital, 7.05%,					
7/15/28 (a)	500	428,271	BRE Properties, Inc. Series D, 6.75%	10,000	205,200
Genworth Financial, Inc., 6.15%,			First Industrial Realty Trust, Inc.,		
11/15/66 (c)	750	502,500	6.24% (c)	610	270,116
Great West Life & Annuity Insurance			LIDDT Droportion Truch		
Со.,			HRPT Properties Trust:		
7.15%, 5/16/46 (a)(c)	500	415,000	Series B, 8.75%	97,917	2,257,966
Liberty Mutual Group, Inc., 10.75%,	500	E2E 000	Sorias C 7 13%	125 000	0 000 500
6/15/88 (a)(c) Lincoln National Corp., 7.00%, 5/17/66	500	525,000	Series C, 7.13%	125,000	2,332,500
(c)	500	410.000	iStar Financial, Inc. Series I, 7.50%	59,500	416,500
MetLife, Inc., 6.40%, 12/15/66 (f)	500		Public Storage:	,	,
Nationwide Life Global Funding I, 6.75%,	500	+33,123	i usile otorage.		
5/15/67	500	378,967	Series F, 6.45%	10,000	212,500
Oil Casualty Insurance Ltd., 8.00%,	•	-,		,	,
9/15/34 (a)	915	576,450	Series I, 7.25%	40,000	954,000
Progressive Corp., 6.70%, 6/15/67 (c)	500	437,973	Series M, 6.63%	20,000	429,000

12/15/65 (c) 700 542,500 7,077,782 The Travelers Cos., Inc., 6.25%, 3/15/67 Wireless Telecommunication 7,077,782 (c) 500 450,000 Services 2.8% ZFS Finance (USA) Trust II, 6.45%, 12/15/65 Centaur Funding Corp., 2,720 2,729,350 ZFS Finance (USA) Trust IV, 5.88%, 1,620,000 9.08% (a) 2,720 2,729,350
(c) 500 450,000 Services 2.8% ZFS Finance (USA) Trust II, 6.45%, 12/15/65 Centaur Funding Corp., (a)(c)(h) 1,800 1,620,000 9.08% (a) 2,720 2,729,350 ZFS Finance (USA) Trust IV, 5.88%,
ZFS Finance (USA) Trust II, 6.45%, 12/15/65 Centaur Funding Corp., (a)(c)(h) 1,800 1,620,000 9.08% (a) 2,720 2,729,350 ZFS Finance (USA) Trust IV, 5.88%, ZFS Finance (USA) Trust IV, 5.88%, 2,720 2,729,350
(a)(c)(h) 1,800 1,620,000 9.08% (a) 2,720 2,729,350 ZFS Finance (USA) Trust IV, 5.88%, 2 3<
ZFS Finance (USA) Trust IV, 5.88%,
5/09/32 (a)(c) 146 118,040
ZFS Finance (USA) Trust V, 6.50%, Total Preferred Stocks
5/09/67 (a)(c) 1,097 888,570 29.7% 28,634,654
Zenith National Insurance Capital Trust
l,
8.55%, 8/01/28 (a) 1,000 955,000
15,462,047
Portfolio Abbreviations
To simplify the listings of portfolio holdings in the Mexican New
Schedules of ADR American Depositary Receipts MXN Peso
Investments, the names of many of the US
securities have been EUR Euro USD Dollar
abbreviated according to the following
list: GBP British Pound
See Notes to Financial Statements.
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Schedule of Investments (continued)

Shares

BlackRock Credit Allocation Income Trust I, Inc. (PSW)

(Percentages shown are based on Net Assets)

	Silaies						
Trust Preferreds	(000)	Value					
			For Fund compliance	e purposes, tł	ne Fund sindu	stry classificati	ons refer to any
Consumer Finance 2.2%			one				
Capital One Capital II, 7.50%,		* • • • • • • • •	or more of the industr	ry sub-classi	ications used b	y one or more	widely
6/15/66	93	\$ 2,060,649	recognized			a da Cara di bar F	
			market indexes or rat	tings group ir	idexes, and/or a	as defined by H	-und
Electric Utilities 1.3%			management.			u a la a uti i u da la la u	
PPL Energy Supply LLC,	10	1 000 010	This definition may no	ot apply for p	urposes of this	report, which r	nay combine
7.00%, 7/15/46	49	1,263,610	indus-				
			try sub-classifications	s for reporting)		
Insurance 2.0%			ease.				
ABN AMRO North America			Povoroo ropurohooo	ograamanta	outotonding oo	of Octobor 21	2000 woro
Capital Funding Trust II,			Reverse repurchase	agreements	outstanding as	of October 31,	2009 were
2.87% (a)(b)(c)	2	85,988	as follows:				
Lincoln National Capital VI							
Series F, 6.75%, 9/11/52	90	1,827,781					
						Net	_
			Inte	erest Trad	e Maturity	Closing	Face
		1,913,769					
			Counterparty F	Rate Date	e Date	Amount	Amount
Total Trust Preferreds 5.5%		5,238,028					
		-, -,-,	Barclays Bank Plc				
			0.75%	10/16/	09 11/16/09	\$4,975,252	\$ 4,972,041
Total Preferred Securities						, ,, .	+)-)-
68.7%		65,982,732					
Total Long Term							
Investments			Financial futures con	tracts purcha	sed as of Octol	oer 31, 2009 w	ere as follows:
(Cost \$94,148,823) 83.7%		80,372,818		Ex	piration	Notional	Unrealized
			Contracts Iss	ue Date	2	Value	Appreciation
				-Year		Value	, approviduori
				U.S.			
				sury Bond			
			December 2009	ISULA DOLLA		\$ 10,793,860	\$ 86,609
				-Year		φ 10,795,600	\$ 50,009
Short-Term Securities	Shares			U.S.			
BlackRock Liquidity Funds,			Trea	Isurv			
TempFund,			Bond	-	mber 2009	\$ 712,575	8,363
Institutional Class, 0.18%							
(i)(j)	33,286,296	33,286,296	Total				\$ 94,972
Total Short-Term Securities							
(Cost \$33,286,296) 34.6%		33,286,296	Credit default swaps	on single pe	mo iecuo buv	protection out	standing as of
(0031 00,200,200) 04.0%		00,200,290		Ũ			standing as of
			October 31, 2009 we	ere as follows	:		

Total Investments	(Cost	\$127,43	85,119*)							
118.3%	•			113,659,114						
Other Assets Less	Liabil	ities								
23.6%				22,648,143		Pay			Notional	
Preferred Shares,	at									
Redemption Value	(41.9	9)%		(40,258,949)		Fixed	Counter-		Amount	Unrealized
Net Assets Applica	able to)								
Common Shares	100.0	%		\$ 96,048,308	Issuer	Rate	party	Expiration	(000)	Depreciation
* The cost a	and unre	ealized ap	opreciation (d	epreciation) of						
		inve	estments as c	of October 31,	Nordstrom,	Inc. 5.20%	Deutsche	June		
2009, as comp	uted fo	r federal i	ncome tax							
purposes, were	e as foll	lows:					Bank AG	2014	\$ 1,000	\$ (168,952)
				\$						
Aggregate cos	t			127,460,901						
Gross unrealized	ed									
appreciation				\$ 2,075,593						
Gross unrealized	ed									
depreciation				(15,877,380)						
Net unrealized										
depreciation				\$ (13,801,787)						
(a) Security exempt		egistratio	n under Rule	144A of the						
Securities Act of 19										
These sec	urities r	-		ctions exempt						
		fr	om registratio	on to qualified						
institutional inv	estors.									
(b) Security is perpe	etual in	nature ar	nd has no							
stated maturity date).									
(c) Variable rate se	ecurity.	Rate sho	wn is as of							
report date.										
(d) Non-income pro	ducing									
security.										
(e) Issuer filed for b	bankrup	otcy and/o	or is in							
default of interest pa	ayment	ts.								
(f) All or a portion of	of the se	ecurity ha	s heen nleda	ed as						
collateral in connect		-	o been pleag							
open reverse r										
agreements.	opuron	400								
-	of the e	oourity by	a baan nlada							
(g) All or a portion			as been pieug	jeu as						
collateral in connec		.11								
open swaps.										
(h) All or a portion o		-	s been pledge	ed as						
collateral in connec										
open financial	tutures									
contracts.			a a la la va al da la v	a a a affiliata af						
(i) Investments i	in comp	Dames CO								
Section 2(a)(3)	of the	Investme		r purposes of						
were as follows		nivestille	ni company /							
			N							
			Net							
Affiliate			Activity	Income						

ackRock Liquidity Inds, TempFund,			
Institutional Class BlackRock Liquidity Series, LLC	\$ 33,286,296	\$ 73,357	
Cash Sweep Series	\$(15,938,424)	\$ 56,701	
Represents the current d as of report date. Notes to Financial tements.			
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Schedule of Investments (concluded)

BlackRock Credit Allocation Income Trust I, Inc. (PSW)

Fair Value Measurements Various inputs are used in determining th		ie musti,	IIIC. (PSW)
fair value measurements valuous inputs are used in determining in		Other F	inancial
investments, which are as follows:	Valuation Inputs	Instru	ments ¹
Level 1 price quotations in active markets/exchanges for identica	1		
assets		Assets	Liabilities
and liabilities	Level 1	\$ 94,972	
Level 2 other observable inputs (including, but not limited to:			
quoted prices for	Level 2		\$ (168,952)
similar assets or liabilities in markets that are active, quoted			
prices for identical	Level 3		
or similar assets or liabilities in markets that are not active,		* • • • - - •	(100.050)
inputs other than	Total	\$ 94,972	\$ (168,952)
quoted prices that are observable for the assets or liabilities			
(such as interest	1 Other first sciel instruments and first		
rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and	¹ Other financial instruments are finar		ps. Financial
default rates) or other	futures contracts and swaps are	e valued at t	he unrealized
market-corroborated inputs)		apprecia	tion/depreci-
Level 3 unobservable inputs based on the best information			
available in the	ation on the instrument.		
circumstances, to the extent observable inputs are not available (including the	The following is a reconciliation of investmen inputs (Level 3)	ts for unobs	ervable
Fund s own assumptions used in determining the fair value of investments)	used in determining fair value:		
The inputs or methodology used for valuing securities are not			
necessarily an indica-			
			Investments
tion of the view ecceptored with investing in these eccuvities. For			in
tion of the risk associated with investing in those securities. For information about			
			Securities
the Fund s policy regarding valuation of investments and other			ocountes
significant accounting			
policies, please refer to Note 1 of the Notes to Financial			Capital
Statements.			Trusts
The following tables summarize the inputs used as of October 31,			
2009 in	Balance, as of October 31, 2008		
determining the fair valuation of the Fund s			
investments:	Accrued discounts/premiums		
	Realized gain (loss)		
Invactmente in	Change in unrealized appreciation/depreciation		
	Net purchases (sales)		
-			¢ 576 450
Assets	Net transfers in/out Level 3		\$ 576,450

Level 1		Balance, as of October 31, 2009	\$ 576,450
Long-Term Investments:			
Preferred Stocks	\$ 19,302,737		
Trust Preferreds	5,152,040		
Short-Term Securities	33,286,296		
Total Level 1	57,741,073		
Level 2			
Long-Term Investments			
Capital Trusts	31,533,600		
Corporate Bonds	14,390,086		
Preferred Stocks	9,331,917		
Trust Preferreds	85,988		
Total Level 2	55,341,591		
Level 3			
Long-Term Investments:			
Capital Trusts	576,450		
Total	\$ 113,659,114		
See Notes to Financial Statements.			
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Schedule of Investments October 31, 2009

BlackRock Credit Allocation Income Trust II, Inc. (PSY)

(Percentages shown are based on Net Assets)

	Par		(Fercentages shown are	Par	
Corporate Bonds	(000)	Value	Capital Trusts	(000)	Value
Insurance 2.6%			Insurance (concluded)		
			Principal Life Insurance Co., 8.00%, 3/01/44 (a)		
Oil Insurance Ltd., 7.56% (a)(b)(c)	\$ 5,000	\$ 3,531,000	\$	6,325	\$ 5,663,683
QBE Insurance Group Ltd., 9.75%, 3/14/14 (a)	5,967	6 816 396	Progressive Corp., 6.70%, 6/15/67 (c)(f)	2,000	1,751,894
Structured Asset Repackaged Trust,	0,007	0,010,000		2,000	1,701,004
Series 2004-1,			Reinsurance Group of America,		
0.78%, 4/21/11 (a)(c)	299	266,121	6.75%, 12/15/65 (c)	3,000	2,325,000
Total Corporate Bonds 2.6%		10,613,517	The Travelers Cos., Inc., 6.25%, 3/15/67 (c)	3,000	2,700,000
			ZFS Finance (USA) Trust IV, 5.88%, 5/09/32	070	000 440
			(a)(c) ZFS Finance (USA) Trust V, 6.50%, 5/09/67	379	306,418
			(a)(c)	4,312	3,492,720
Preferred Securities			Zenith National Insurance Capital Trust I,		
			8.55%, 8/01/28 (a)	3,750	3,581,250
					85,641,493
Capital Trusts					
			Multi-Utilities 3.8%		
Building Products					
0.7%			Dominion Resources Capital Trust I,		
C8 Capital SPV Ltd., 6.64% (a)(b)(c)	3,915	2,760,545		10,000	10,022,080
Capital Markets 5.3% Ameriprise Financial, Inc., 7.52%,			Dominion Resources, Inc., 7.50% (c)	5,449	5,340,020
6/01/66 (c)	7,600	6,460,000			15,362,100
Lehman Brothers Holdings Capital					
Trust V,					
3.64% (b)(c)(d)(e)	6,400	640	Oil, Gas & Consumable Fuels 1.4%		
State Street Capital Trust III, 8.25% (b)(c)	2,920	2.945.200	Enterprise Products Operating LLC,		
State Street Capital Trust IV, 1.30%,	,	,,	- F		
6/01/67 (c)	18,235	12,233,953	8.38%, 8/01/66 (c)	2,000	1,960,000
			TransCanada PipeLines Ltd., 6.35%, 5/15/67	4,000	3,723,180
		21,639,793	(c)	4,000	3,723,100
		21,009,790			5,683,180
Commercial Banks					0,000,100
12.0%					
ABN AMRO North America Holding, Preferred			Road & Rail 0.9%		
Capital Repackaging Trust I, 6.52%					
(a)(b)(c)	12,035	8,544,850	BNSF Funding Trust I, 6.61%, 12/15/55 (c)	3,750	3,548,437
Bank One Capital III, 8.75%, 9/01/30	2,000	2,252,786	Total Capital Trusts 49.3%		201,733,947

Bank of Ireland Capital Funding II, LP,

LP,					
5.57% (a)(b)(c)	1,715	754,600			
Bank of Ireland Capital Funding III,					
LP,					
6.11% (a)(b)(c)	2,951	1,298,440	Preferred Stocks	Shares	
Barclays Bank Plc, 5.93% (a)(b)(c)	2,500	1,950,000	Capital Markets 0.0%		
First Empire Capital Trust II, 8.28%,			Deutsche Bank Contingent Capital Trust II,		
6/01/27	3,630	2,757,751	6.55%	530	10,817
HSBC America Capital Trust I, 7.81%,					
12/15/26 (a)	2,000	1,978,198			
HSBC Capital Funding LP/Jersey Channel					
Islands,			Commercial Banks 8.3%		
10.18% (a)(b)(c)(f)	4,835	5,753,650	Barclays Bank Plc, 8.13%	225,000	5,298,750
HSBC Finance Capital Trust IX, 5.91%,					
11/30/35 (c)	7,300	5,767,000	First Tennessee Bank NA, 3.90% (a)(c)	4,650	2,332,266
Lloyds Banking Group Plc, 6.66%,					
11/21/49 (a)(c)	5,000	3,250,000	HSBC USA, Inc.:		
National City Preferred Capital Trust I,					
12.00% (b)(c)	1,100	1,258,983	Series D, 4.50% (c)(g)	131,700	2,763,066
NationsBank Capital Trust III, 0.83%,	40.470	0 007 007	0 1 1 0 500/	100.000	0 (00 000
1/15/27 (c)	13,470	8,627,037	Series H, 6.50%	120,000	2,436,000
SMFG Preferred Capital USD 3 Ltd.,	3,550	2 040 010	Brovident Einensiel Crown Inc. 775%	166 900	4 024 050
9.50% (a)(b)(c) Santander Perpetual SA	3,550	3,040,910	Provident Financial Group, Inc., 7.75% Royal Bank of Scotland Group Plc, Series M,	166,800	4,024,050
Unipersonal,			6.40%	15,000	155,100
•				10,000	100,100
6.67%, 10/29/49	1 105	1 000 555	CC Professed Capital II. 6 200/ (a)/a)	22.000	10 000 000
(a)(b)(c) SunTrust Preferred Capital I, 5.85%	1,125	1,020,000	SG Preferred Capital II, 6.30% (a)(c) Santander Finance Preferred SA Unipersonal,	23,000	13,800,000
(b)(c)	307	200,318	-	117,094	3,203,692
	007			117,001	
Diversified Financial Services		49,269,078			34,012,924
3.7%			Diversified Financial Services 1.9%		
AgFirst Farm Credit Bank, 8.39%,					
12/15/16 (c)	4,000	3,041,668	Cobank ACB, 7.00% (a)(b)	152,000	5,305,758
Farm Credit Bank of Texas, Series 1,	,	, ,		2	, ,
7.56% (b)(c)	2,500	1,753,875	ING Groep NV, 7.20%	140	2,451,769
ING Capital Funding Trust III, 8.44%					
(b)(c)	6,066	5,171,265			7,757,527
JPMorgan Chase Capital XXIII, 1.44%,					
5/15/77 (c)	7,500	5,282,513	Electric Utilities 3.4%		
		15,249,321	Alabama Power Co.:		
Electric Utilities 0.6%			5.83%	14,000	349,300
PPL Capital Funding, 6.70%, 3/30/67					
(c)	3,000	2,580,000	6.50%	145,000	4,350,000
			Entergy Arkansas, Inc., 6.45%	114,400	2,420,281
Insurance 20.9%			Entergy Louisiana LLC, 6.95%	49,850	4,665,314
AON Corp., 8.21%,			,, <u></u> ,,	2,200	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
1/01/27	2,500	2,475,000	Interstate Power & Light Co., Series B, 8.38%	80,000	2,220,000

AXA SA, 6.38%					
(a)(b)(c)	13,470	11,415,825			
Ace Capital Trust II, 9.70%, 4/01/3	0 5,000	5,526,140			14,004,895
The Allstate Corp., 6.50%, 5/15/57					
(C)	12,775	10,922,625	Insurance 12.5%		
Chubb Corp., 6.38%, 3/29/67 (c)	2,000	1,815,000	Aspen Insurance Holdings Ltd., 7.40% (c)	194,000	3,938,200
Farmers Exchange Capital, 7.05%	3				
7/15/28 (a)	2,500	2,141,357	Axis Capital Holdings Ltd.:		
GE Global Insurance Holding Corp).,				
7.75%, 6/15/30	10,000	10,207,480	Series A, 7.25%	129,300	2,915,715
Genworth Financial, Inc., 6.15%,					
11/15/66 (c)	3,000	2,010,000	Series B, 7.50% (c)	36,000	2,695,500
Liberty Mutual Group, Inc., 10.75%	o,		Endurance Specialty Holdings Ltd., Series A,		
6/15/88 (a)(c)	2,925	3,071,250	7.75%	139,200	3,048,480
Lincoln National Corp., 7.00%,					
5/17/66 (c)	3,350	2,747,000	MetLife, Inc., Series B, 6.50%	904,400	19,652,612
MetLife, Inc., 6.40%, 12/15/66	6,825	5,912,156	Prudential Plc, 6.50%	92,400	1,931,160
Nationwide Life Global Funding I, 6	6.75%,				
5/15/67	7,000	5,305,545	RenaissanceRe Holding Ltd., Series D, 6.60%	435,000	8,965,350
Oil Casualty Insurance Ltd., 8.00%	,				
9/15/34 (a)	3,605	2,271,150	Zurich RegCaPS Funding Trust, 6.58% (a)(c)	9,800	7,699,125
					50,846,142
See Notes to Financial Statements	5.				
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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust II, Inc. (PSY)

(Percentages shown are based on Net Assets)

			(Percentages shown are bas	ed on Net Assets)
			Short-Term	
Preferred Stocks	Shares	Value	Securities Share	s Value
Multi-Utilities 0.9% Pacific Gas & Electric Co., Series A,			BlackRock Liquidity Funds, TempFund,	
6.00% Real Estate Investment Trusts	140,000	\$ 3,738,000	Institutional Class, 0.18% (h)(i) 41,019,39	7 \$ 41,019,397
(REITs) 5.3% BRE Properties, Inc., Series D,			Total Short-Term Securities	
6.75% Developers Diversified Realty Corp.,	35,000	718,200	(Cost \$41,019,397) 10.0%	41,019,397
8.00% First Industrial Realty Trust, Inc.,	400,000	7,156,000	Total Investments (Cost \$524,066,199*) 107.5%	440,148,651
6.24% (c)	2,390	1,058,322	Other Assets Less Liabilities 33.8%	138,235,005
Firstar Realty LLC, 8.88% (a) Kimco Realty Corp., Series F,	4,000	3,412,500	Preferred Shares, at Redemption Value (41.3)%	(169,090,727)
6.65%	50,000	1,011,500		
			Net Assets Applicable to Common Shares	
Public Storage:			100.0%	\$ 409,292,929
			* The cost and unrealized appreciation (depreciation) of invest	ments as of October
Series F, 6.45%	40,000	850,000		31,
			2009, as computed for federal income tax purposes, were a	IS
Series I, 7.25%	160,000	3,816,000	follows:	
Series M, 6.63%	71,900	1,542,255		
Regency Centers Corp., Series D,			Aggregate	
7.25%	100,000	2,175,000	cost	\$ 525,840,523
		21,739,777	Gross unrealized appreciation	\$ 9,977,374
			Gross unrealized depreciation	(95,669,246)
Wireless Telecommunication Services 0.6%				
			Net unrealized	
Centaur Funding Corp., 9.08% (a)	2,423	2,431,329	depreciation	\$ (85,691,872)
Total Preferred Stocks 32.9%		134,541,411	(a) Security exempt from registration under Rule 144A of the Se	curities Act of
		104,041,411	These securities may be resold in transactions exempt fron qualified	n registration to
			institutional investors.	
			(b) Security is perpetual in nature and has no stated maturity	
	Shares		date.	
			(c) Variable rate security. Rate shown is as of report	
Trust Preferreds	(000)		date.	
Communications Equipment				
0.4%			(d) Non-income producing security.	
Corporate-Backed Trust Certificates, Motorola				
iviolulua				

Debenture Backed Series 2002-14,			(e) Issuer filed for b payments.	ankruptcy a	and/or is in	default of int	erest	
			(f) All or a portion o	f security h	eld as colla	teral in conn	ection with o	pen reverse
8.38%, 11/15/28	80	1,778,167	repur-					
			chase					
Consumer Finance 3.6%			agreements.					
Capital One Capital II, 7.50%, 6/15/66	668	14,799,807	(g) All or a portion of	of security r	ias been pl	edged as col	lateral in cor	nection with
0/13/00	000	14,799,007	financial futures	5				
Electric Utilities 2.3%			contracts.	-				
Georgia Power Co., Series O,			(h) Investments in co	ompanies c	onsidered	to be an affili	ate of the Fu	ind, for purposes
1.48%, 4/15/33	50	1,229,393	of					
HECO Capital Trust III, 6.50%,	50	4 4 07 00 4	$\mathbf{O}_{\mathbf{r}}$ at $\mathbf{O}_{\mathbf{r}}$	- f ile - Leve			10.10	(
3/18/34 National Rural Utilities Cooperative	50	1,167,634	Section 2(a)(3)	of the Inve	stment Cor	npany Act of	1940, were	as follows:
Finance Corp.,								
6.75%, 2/15/43	50	1,236,387					Net	
PPL Energy Supply LLC, 7.00%,		.,,						
7/15/46	233	5,970,175	Affiliate				Activity	Income
			BlackRock Liqu	idity Funds	в,			
		9,603,589	TempFund,					
Gas Utilities 3.7%			Institutional (Class		\$ 4	1,019,397	\$ 70,651
Southwest Gas Capital II, 7.70%, 9/15/43	605	14,940,766	BlackRock Liqu	uidity Sorior				
9/10/43	005	14,940,700		-	, LLO	¢/0	0 000 00 4	¢ 00 000
			Cash Sweep	Series		\$(Z	8,803,004)	\$ 80,088
Insurance 2.7% ABN AMRO North America Capital								
Funding Trust II,			(i) Represents the c	current vield	d as of repo	ort date.		
				-			try classifica	tions refer to any
2.87% (a)(b)(c)	11	477,570	one					
Lincoln National Capital VI, Series			or more of the i	ndustry sub	o-classificat	tions used by	one or mor	e widely
F,			recognized				a alafina al bu	Fund
6.75%, 9/11/52	200	4,061,735	market indexes management.	or ratings	group index	kes, and/or a	s defined by	Fund
W.R. Berkley Capital Trust II,	200	.,,	This definition r	may not app	oly for purp	oses of this r	eport, which	may combine
6.75%, 7/26/45	295	6,578,745	indus-					
			try sub-classific	ations for r	eporting			
		11,118,050	ease.					
Total Trust Preferreds 12.7%		52,240,379	follows:	nase agree	ements out	standing as c	of October 31	l, 2009 were as
		02,210,070					Net	
Total Preferred Securities 94.9%		388,515,737		Interest	Trade	Maturity	Closing	Face
Total Long-Term Investments			Counterparty	Rate	Date	Date	Amount	Amount
			Barclays Bank					
(Cost \$483,046,802) 97.5%		399,129,254	Plc	0.75%	10/16/09	11/16/09 \$	9,516,732	\$ 9,510,590
			Financial future	es contracts	purchased	as of Octob	er 31, 2009	were as follows:
					Expir	ation	Notional	Unrealized
			Contracts	Issue	Da	ate	Amount	Appreciation

U.S.

Treasury Bonds December 2009 \$2,969,061 \$34,845

Credit default swaps on single-name issue buy protection outstanding as of October 31, 2009 were as follows:

		Pay		I	Notional	
		Fixed	Counter-		Amount	Unrealized
	lssuer Nordstrom,	Rate	party	Expiration	(000)	Depreciation
	Inc.	5.20%	Deutsche	June		
			Bank AG	2014	\$ 2,000	\$ (337,904)
See Notes to Financial Statements.						
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chedule of Investments (concluded)	BlackRock Credit Allo	Inc. (PSY
ir Value Measurements Various inputs are used in determining the favorable value of	ir The following tables summarize the inpu 2009 in	ts used as of October 31,
investments, which are as follows:	determining the fair valuation of the Fund investments:	d s
Level 1 price quotations in active markets/exchanges for identical assets		Investmen i
and liabilities	Valuation Inputs	Securitie
Level 2 other observable inputs (including, but not limited to: quoted	I	
prices for		Asse
similar assets or liabilities in markets that are active, quoted prices		
for identical	Level 1	
or similar assets or liabilities in markets that are not active, inputs	Long-Term	
other than	Investments:	
quoted prices that are observable for the assets or liabilities (such a interest	s Preferred Stocks	\$ 84,696,96
	Freieneu Slocks	\$ 64,690,90
rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and	Trust Preferreds	51,762,80
default rates) or other market-corroborated inputs)	Short-Term Securities	41,019,39
Level 3 unobservable inputs based on the best information available		
in the	Total Level 1	177,479,17
circumstances, to the extent observable inputs are not available		
(including the	Level 2	
Fund s own assumptions used in determining the fair value of	Long-Term	
investments)	Investments:	
The inputs or methodology used for valuing securities are not	Conital Trusta	100 400 7
necessarily an indica- tion of the risk associated with investing in those securities. For	Capital Trusts	199,462,79
information about	Corporate Bonds	10,347,39
the Fund s policy regarding valuation of investments and other		
significant accounting	Preferred Stocks	36,044,44
policies, please refer to Note 1 of the Notes to Financial Statements.	Trust Preferreds	477,57
	Total Level 2	246,332,20
	Level 3	
	Long-Term	
	Investments:	
	Capital Trusts	2,271,15
	Corporate Bonds	266,12
	Preferred Stocks	13,800,00
	Total Level 3	16,337,27
	Total	A 40 4 40 00
	Total	440,148,65
		Other Financial
	Valuation Inputs	Instruments ¹

			Assets	Liabilities
	Level 1		\$ 34,845	
	Level 2			\$ (337,904)
	Level 3			
	Total		\$ 34,845	\$ (337,904)
	¹ Other financial in	struments are	financial future	s contracts and
				vaps. Financial
	futures cont	acts and swap	os are valued a	t the unrealized appreciation/
	depreciation on the	instrument.		
The following is a reconciliation of investments for unobservable inputs determining fair value:	(Level 3) used in			
		Investments	in Securities	
	Capital	Corporate	Preferred	
	Trusts	Bonds	Stocks	Total
Balance, as of October 31, 2008				
Accrued discounts/premiums				
Realized gain (loss)				
Change in unrealized appreciation/depreciation				
Net purchases (sales)				
			\$	
Net transfers in/out of Level 3	\$ 2,271,150	\$ 266,121	13,800,000 \$	\$ 16,337,271
Balance, as of October 31, 2009	\$ 2,271,150	\$ 266,121		\$ 16,337,271
See Notes to Financial Statements.				
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Schedule of Investments October 31, 2009

BlackRock Credit Allocation Income Trust III (BPP)

	Par			Par	,
Corporate Bonds	(000)	Value	Capital Trusts	(000)	Value
Commercial Banks 0.5%			Insurance 12.2%		
RESPARCS Funding LP I, 8.00%					\$
(a)(b)(c)	\$ 4,000	\$ 1,000,000	AXA SA, 6.38% (a)(d)(e)	\$ 7,150	6,059,625
Containers & Packaging 0.1% Impress Holdings BV, 3.41%, 9/15/13			The Allstate Corp., 6.50%, 5/15/57 (e)	6,350	5,429,250
(d)(e)	240	228,300	Chubb Corp., 6.38%, 3/29/67 (e)(h) Genworth Financial, Inc., 6.15%, 11/15/66	900	816,750
			(e) Liberty Mutual Group, Inc., 10.75%, 6/15/88	1,475	988,250
Hotels, Restaurants & Leisure 0.0% Greektown Holdings, LLC, 10.75%, 12/01/13	3		(d)(e)	900	945,000
(b)(c)(d)	362	72,400	Lincoln National Corp., 7.00%, 5/17/66 (e)	900	738,000
Insurance 5.2%			MetLife, Inc., 6.40%, 12/15/66 Nationwide Life Global Funding I, 6.75%,	900	779,625
Kingsway America, Inc., 7.50%, 2/01/14	9,000	7,200,000		900	682,141
QBE Insurance Group Ltd., 9.75%, 3/14/14 (d)	2,975	3,398,488	Progressive Corp., 6.70%, 6/15/67 (e)	900	788,352
			Reinsurance Group of America, 6.75%, 12/15/65 (e)	1,300	1,007,500
		10,598,488	The Travelers Cos., Inc., 6.25%, 3/15/67 (e)(h)	900	810,000
Machinery 0.2%			White Mountains Re Group Ltd., 7.51% (a)(d)(e)	2,600	2,147,808
AGY Holding Corp., 11.00%, 11/15/14	460	374,900	ZFS Finance (USA) Trust IV, 5.88%, 5/09/32 (d)(e)	190	153,613
			ZFS Finance (USA) Trust V, 6.50%, 5/09/67 (d)(e)	2,209	1,789,290
Media 1.7%					
			Zenith National Insurance Capital Trust I,		
CMP Susquehanna Corp., 4.75%,	9	180			
5/15/14 (d)	9	100		4 000	1 710 000
Comcast Holdings Corp., 2.00%,			8.55%, 8/01/28 (d)	1,800	1,719,000
11/15/29 (f)	110	3,089,285			
Local Insight Regatta Hldgs, Inc., 11.00%,		0,000,200			
12/01/17	700	343,000			24,854,204
		3,432,465	Multi-Utilities 0.4%		
			Puget Sound Energy, Inc., Series A, 6.97%, 6/01/67 (e)	925	809,301
Oil, Gas & Consumable Fuels 0.0%					
EXCO Resources, Inc., 7.25%, 1/15/11	75	74,625	Oil, Gas & Consumable Fuels 0.4% TransCanada PipeLines Ltd., 6.35%, 5/15/67 (e)	900	837,716
Dener & Ferret Dreducte 0.5%				000	

International Paper Co., 8.70%, 6/15/38	900	1,037,019	Total Capital Trusts 31.9%		65,062,367
Professional Services 0.1%					
FTI Consulting, Inc., 7.75%, 10/01/16	100	100,500			
Specialty Retail 0.0%			Preferred Stocks	Shares	
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12	2				
(b)(c)	1,182	11,820			
			Capital Markets 0.0%		
			Lehman Brothers Holdings Inc., Series D,		
Total Corporate Bonds 8.3%		16,930,517	5.67% (b)(c)	31,100	9,641
			Commercial Banks 8.6%		
			Banesto Holdings, Ltd. Series A, 10.50% (d)	30,000	669,375
Preferred Securities			Barclays Bank Plc, 8.13%	100,000	2,355,000
			First Republic Preferred Capital Corp.,	100,000	2,000,000
			7.25%	117,045	2,130,219
Capital Trusts			HSBC USA, Inc., Series H, 6.50%	330,000	6,699,000
			Royal Bank of Scotland Group Plc, Series		
			M, 6.40%	10,000	103,400
Building Products 0.7%			Santander Finance Preferred SA Unipersonal 6.80%	38,500	1,053,360
Building Froducts 0.7 %			Union Planter Preferred Funding Corp.,	38,300	1,000,000
C8 Capital SPV Ltd., 6.64% (a)(d)(e)	1,945	1,371,458	7.75% (d)	60	4,550,625
Capital Markets 3.9%					17,560,979
State Street Capital Trust III, 8.25%					
(a)(e)	1,385	1,396,952			
			Diversified Financial Services 2.3%		
State Street Capital Trust IV, 1.30%,	0.675	6 401 006		70	1 005 005
6/01/67 (e)	9,675		ING Groep NV, 7.20%	70	1,225,885
		7,887,958	JPMorgan Chase & Co., Series E, 6.15%	75,000	3,531,750
Commercial Banks 9.4% Bank of Ireland Capital Funding II, LP, 5.57%					4,757,635
(a)(d)(e)	854	375,760	Electric Utilities 0.7%		
Bank of Ireland Capital Funding III, LP, 6.11%					
(a)(d)(e)	1,471	647,240	Alabama Power Co., 6.50%	50,000	1,500,000
Barclays Bank Plc, 5.93% (a)(d)(e)	890	694,200			
CBA Capital Trust I, 5.81% (a)(d)	5,000	4,550,000	Insurance 15.9%		
FCB/NC Capital Trust I, 8.05%, 3/01/28	1,100	936,369	Arch Capital Group Ltd., Series A, 8.00%	117,414	2,841,419
			Aspen Insurance Holdings Ltd., 7.40% (e)	115,000	2,334,500
Lloyds TSB Bank Plc, 6.90% (a)	4,399	3,343,240			
			Endurance Specialty Holdings Ltd., Series		
			A, 7.75%	172,400	3,775,560
NBP Capital Trust III, 7.38% (a)	2,000	1,485,000			
			MetLife, Inc., Series B, 6.50%	314,500	6,834,085
National City Preferred Capital Trust I,	600	606 710	Partner Polite Series C 6 75%	200 400	1 694 000
12.00% (a)(e) SMFG Preferred Capital USD 3 Ltd.,	600	000,718	PartnerRe Ltd., Series C, 6.75%	209,400	4,634,022
9.50% (a)(d)(e)	1,725	1,870,245	Prudential Plc, 6.50%	62,000	1,295,800
		-			

Santander Perpetual SA Unipersonal,					
6.67%(a)(d)(e)	625	570,308	Prudential Plc, 6.50% (a)	6,000	4,875,000
SunTrust Preferred Capital I, 5.85%			RenaissanceRe Holding Ltd., Series D,		
(a)(e)	303	197,708	6.60%	210,000	4,328,100
Wells Fargo Capital XIII Series GMTN,			Zurich RegCaPS Funding Trust, 6.58%		
7.70% (a)(e)	1,700	1,581,000	(d)(e)	2,000	1,571,250
Westpac Capital Trust IV, 5.26%					
(a)(d)(e)	3,000	2,367,210			
					32,489,736
		19,304,998			
			Media 0.0%		
Diversified Financial Services 4.5%			CMP Susquemanna Radio Holdings Corp.,		
JPMorgan Chase Capital XXI, Series U,			0.00% (b)(d)(e)	2,052	
1.23%, 2/02/37 (e)(g)	7,125	4,862,898			
			Real Estate Investment Trusts (REITs) 2.3%		
JPMorgan Chase Capital XXIII, 1.44%,					
5/15/77 (e)	6,190	4,359,834	BRE Properties, Inc., Series D, 6.75%	20,000	410,400
		9,222,732	Public Storage:		
Electric Utilities 0.4%			Series F, 6.45%	20,000	425,000
PPL Capital Funding, 6.70%, 3/30/67 (e)	900	774,000	Series M, 6.63%	35,000	750,750
			SunTrust Real Estate Investment Trust,		
			9.00% (d)	30	3,027,189
					4,613,339
See Notes to Financial Statements.			Total Preferred Stocks 29.8%		60,931,330
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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust III (BPP)

	Shares			····,
			Short-Term	
Trust Preferreds	(000)	Value	Securities Shar	es Value
Capital Markets				
1.2%			BlackRock Liquidity Funds, TempFund,	
Structured Asset Trust Unit Repackagings:			Institutional Class, 0.18% (j)(k) 51,450,79	7 \$ 51,450,797
				φ στ,+σσ,7σ7
Credit Suisse First Boston (USA), Inc., Debenture			Total Short-Term Securities	
Backed, Series 2003-13, 6.25%, 7/15/32	11	\$ 250,671	(Cost \$51,450,797) 25.2%	51,450,797
Goldman Sachs Group, Inc., Debenture Backed,				
Series 2003-06, 6.00%, 2/15/33	103	2,179,215	Total Investments (Cost \$256,459,826*) 109.6%	223,807,066
			Other Assets Less Liabilities 24.9%	50,753,074
		2,429,886	Preferred Shares, at Redemption Value (34.5)%	(70,426,884)
Commercial		_,,	Net Assets Applicable to Common Shares	(**;*******
Banks 2.0%			100.0%	\$ 204,133,256
Mizuho Capital Investment 1 Ltd.,				
6.69% (a)(d)(e)	5,000	4,170,930		
Diversified Financial Services 0.1%			* The cost and unrealized appreciation (depreciation) of inves	tments as of October 31,
PPLUS Trust Certificates, Series			2009, as computed for federal income tax purposes, were a	
VAL-1 Class A,			follows:	
			Aggregate	
7.25%, 4/15/32	11	263,407	cost	\$ 257,997,371
Food Products				
1.2%			Gross unrealized appreciation	\$ 3,697,471
Corporate-Backed Trust Certificates, Kraft Foods, Inc.,			Gross unrealized depreciation	(37,887,776)
				(37,007,770)
Debenture Backed, Series 2003-11,			Net unrealized depreciation	\$ (34,190,305)
	100	0 417 000		φ (34,190,303)
5.88%, 11/01/31	100	2,417,000	(a) Security is perpetual in nature and has no stated maturity date.	
Insurance 1.1%				
Everest Re Capital Trust, 6.20%,				
3/29/34	30	597,330	(b) Non-income producing security.	
Financial Security Assurance			(c) Issuer filed for bankruptcy and/or is in default of interest	
Holdings Ltd.,			payments.	
5.60%, 7/15/03	15	193,235	(d) Security exempt from registration under Rule 144A of the Se	curities Act of 1933.
The Phoenix Cos., Inc., 7.45%,			These securities may be resold in transactions exempt from	registration to
1/15/32	79	1,423,286	qualified	
		2,213,851	institutional investors.	

			(e) Variable rate se	ecurity. Rate	e shown is	as of report	:	
Media 6.0%			date.					
Comcast Corp.:			(f) Convertible sect	urity.				
7.00%, 9/15/55	50	1,210,942	(g) All or a portion futures	of security I	held as coll	ateral in co	nnection with o	pen financial
6.63%, 5/15/56	470	10,786,500	contracts.					
Corporate-Backed Trust Certificates, News			(h) All or a portion or repur-	of security h	ield as colla	ateral in cor	nection with op	en reverse
America Debenture Backed, Series 2002-9,			chase agreements.					
8.13%, 12/01/45	7	169,606						
			(i) Warrants entitle com-	the Fund to	o purchase	a predeterr	nined number o	of shares of
		12,167,048	mon stock and	are non-ind	come produ	ucing. The p	ourchase price a	and number of
Oil, Gas & Consumable Fuels 1.8%			shares are sub date.	pject to adju	stment und	ler certain c	onditions until t	he expiration
			(j) Investments in	companies	considered	d to be an a	ffiliate of the Fu	
Nexen, Inc., 7.35%, 11/01/43 Wireless Telecommunication Services 0.7%	155	3,623,900	Section 2(a)(3)) of the Inve	estment Co	mpany Act	of 1940 were a	of s follows:
Structured Repackaged Asset-Backed Trust Securities,				, et ale ille			Net	
Sprint Capital Corp., Debenture Backed, Series			Affiliate				Activity	Income
2004-2, 6.50%,								
11/15/28	103	1,526,233						
			BlackRock Liqı TempFund,	uidity Funds	5,			
Total Trust Preferreds 14.1%		28,812,555	Institutional	l Class			\$51,450,797	\$127,321
Total Preferred Securities 75.8%		154,805,952	(k) Represents the					
			For Fund comp one	oliance purp	ooses, the F	Fund sindu	ustry classificati	ons refer to any
			or more of the recognized	industry sul	b-classifica	tions used	by one or more	widely
			market indexes management.	s or ratings	group inde	xes, and/or	as defined by F	Fund
			This definition	may not ap	ply for purp	oses of this	report, which r	nay combine
Warrants (i)	Shares		indus- try sub-classific	cations for r	eporting			
Media 0.0%			ease.		Sporting			
CMP Susquemanna Radio Holdings Corp.			Reverse repure follows:	chase agree	ements out	standing as	of October 31,	2009 were as
(expires 3/26/19)							Net	
(d)	2,345			Interest	Trade	Maturity	Closing	Face
Total Warrants			_	_	_			_
0.0%			Counterparty Barclays Bank	Rate	Date	Date	Amount	Amount
			Plc	0.75%	10/16/09	11/02/09	\$13,239,375	\$13,234,688

Investment					-			
Companies					Expir	ation N	otional	Unrealized
			Contracts	Issue	Da	ite V	/alue	Appreciation
Ultra Short Real Estate Proshares	60,000	619,800						
Total Investment Companies				30-Year				
0.3%		619,800	14	U.S.				
				Treasury	Bond Decem	nber 2009 \$ 1,	662,675	\$ 19,513
Total Long Term Investments								
(Cost \$205,009,029) 84.4%		172,356,269	Credit defaul	t swaps on s	single-name	issue buy pi	rotection out	standing as of
			October 31, 2	2009 were a	s follows:			
				Pay			Notional	
				Fixed	Counter-		Amount	Unrealized
			Issuer Nordstrom,	Rate	party	Expiration	(000)	Depreciation
			Inc.	5.20%	Deutsche	June		
					Bank AG	2014	\$1,000	\$ (168,952)
See Notes to Financial Statements.								
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Financial futures contracts purchased as of October 31, 2009 were as follows:

Schedule of Inve	estments (concluded)	BlackRock Credit Allocation	Income Trust III (BPP)			
		The following tables summarize the inputs used as of October 31, 2009				
	fair value of	in deter- mining the fair valuation of the Fund s				
investments, which are	as follows:	investments:				
Level 1 price quotation	ons in active markets/exchanges for identic	al	Investments			
assets			in			
and liabilities		Valuation Inputs	Securities			
Level 2 other observ quoted prices	able inputs (including, but not limited to:		Assets			
	liabilities in markets that are active, quoted					
prices for iden-		Level 1				
tical or similar assets	s or liabilities in markets that are not active					
inputs other		Long-Term Investments:				
	hat are observable for the assets or		* 40.007.004			
liabilities (such as	numera valatilitica, proportantata los	Preferred Stocks	\$ 46,237,891			
severities, credit	curves, volatilities, prepayment speeds, los	s Trust Preferreds	24,448,090			
	es) or other market-corroborated inputs)	Investment Companies	619,800			
Level 3 unobservable	e inputs based on the best information					
available in the		Short-Term Securities	51,450,797			
	e extent observable inputs are not available					
(including the		Total Level 1	122,756,578			
Fund s own assump investments)	otions used in determining the fair value of	Level 2				
	ogy used for valuing securities are not					
necessarily an		Long-Term Investments:				
indication of the risk as	sociated with investing in those securities.					
For information		Corporate Bonds	16,918,517			
	y regarding valuation of investments and					
other significant	and we found a black of a fills a black of the	Capital Trusts	65,062,367			
Financial Statements.	ase refer to Note 1 of the Notes to	Preferred Stocks	11,666,250			
		Trust Preferreds	4,364,165			
		Total Level 2	98,011,299			
		Level 3				
		Long-Term Investments:				
		Corporate Bonds	12,000			
		Preferred Stocks	3,027,189			
		Total Level 3	3,039,189			
		Total	\$ 223,807,066			
			Other Financial			
		Valuation Inputs	Instruments ¹			
			Assets Liabilities			

Level 1	\$ 19,513					
Level 2		\$ (168,952)				
Level 3						
Total	\$ 19,513	\$ (168,952)				
¹ Other financial instruments are financial futures contracts and swaps.						

Financial futures contracts and swaps are valued at the

unrealized

appreciation/depreciation on the

instrument.

The following is a reconciliation of investments for unobservable inputs (Level 3) used in determining fair value:

		Investments in Securities	
	Corporate	Preferred	
	Bonds	Stocks	Total
Balance, as of October 31, 2008			
Accrued discounts/premiums			
Realized gain (loss)			
Change in unrealized appreciation/depreciation			
Net purchases (sales)			
Net transfers in/out of Level 3	\$ 12,000	\$ 3,027,189	\$ 3,039,189
Balance, as of October 31, 2009	\$ 12,000	\$ 3,027,189	\$ 3,039,189
See Notes to Financial Statements.			
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Schedule of Investments October 31, 2009

BlackRock Credit Allocation Income Trust IV (BTZ)

Common Stocks	Shares	Value	Common Stocks	Shares	Value
Aerospace & Defense 0.1%			Diversified Financial Services 0.3%		
Honeywell International,	4 000	A 04 000	Dauly of America Oran	00.000	Ф. БОО Б 4 4
Inc.	1,800		Bank of America Corp.	36,800	\$ 536,544
Lockheed Martin Corp. Northrop Grumman	3,800	261,402	JPMorgan Chase & Co.	21,100	881,347
Corp.	5,200	260,676	NYSE Euronext	9,100	235,235
United Technologies					
Corp.	1,800	110,610			1,653,126
		co7 000	Diversified Telecommunication Services		
		697,290		00.007	000.000
Air Freight & Logistics 0.1%			AT&T Inc.	38,887	998,229
United Parcel Service, Inc. Class B	8,800	472,384	CenturyTel, Inc.	4,339	140,844
Auto Components 0.0%			Verizon Communications, Inc.	20,900	618,431
Johnson Controls, Inc.	3,700	88,504		- ,	1,757,504
Beverages 0.2%	-,	,	Electric Utilities 0.1%		.,,
The Coca-Cola Co.	14,300	762,333	American Electric Power Co., Inc.	2,200	66,484
PepsiCo, Inc.	5,800		Duke Energy Corp.	20,200	319,564
			FirstEnergy Corp.	1,300	56,264
			Progress Energy, Inc.	5,400	202,662
Biotechnology 0.2%			The Southern Co.	8,700	271,353
Amgen, Inc. (a)	6,900	370,737			
Biogen Idec, Inc. (a)	2,500	105,325			916,327
Celgene Corp. (a)	3,500	178,675	Electrical Equipment 0.1%		
Genzyme Corp. (a)	1,700	86,020	Emerson Electric Co.	10,900	411,475
Gilead Sciences, Inc.					
(a)	7,100	302,105	Rockwell Automation, Inc.	5,400	221,130
		1,042,862			632,605
Capital Markets 0.1%			Electronic Equipment, Instruments		
Federated Investors, Inc. Class B	6,700	175,875	& Components 0.0%		
The Goldman Sachs Group, Inc.	1,360	231,431	Corning, Inc.	8,600	125,646
Morgan Stanley	3,000	96,360	Tyco Electronics Ltd.	5,200	110,500
		503,666			236,146
Chemicals 0.2%			Energy Equipment & Services 0.1%		
Air Products &					
Chemicals, Inc.	900		National Oilwell Varco, Inc. (a)	5,600	229,544
E.I. du Pont de Nemours & Co.	14,800		Schlumberger Ltd.	5,500	342,100
Monsanto Co.	2,900	194,822	Smith International, Inc.	5,418	150,241
PPG Industries, Inc.	3,900	220,077			721,885
		955,252	Food & Staples Retailing 0.2%		

Commercial Banks					
0.8%			CVS Caremark Corp.	3,400	120,020
Citizens Banking Corp. (a)	6,406,596	3 856 771	SUPERVALU, Inc.	8,300	131,721
M&T Bank Corp.	4,200		SYSCO Corp.	9,600	253,920
Regions Financial	4,200	203,970	ST3CO Colp.	9,000	255,920
Corp.	38,400	185,856	Wal-Mart Stores, Inc.	15,200	755,136
Wells Fargo & Co.	33,300	916,416	Walgreen Co.	6,400	242,112
		5,223,013			1,502,909
Commercial Services & Supplies	0.1%		Food Products 0.1%		
Avery Dennison Corp.	7,900	281,635	Kraft Foods, Inc.	12,135	333,955
Pitney Bowes, Inc.	10,800	264,600	Sara Lee Corp.	20,200	228,058
Waste Management,					
Inc.	7,700	230,076			562,013
		776,311	Health Care Equipment & Supplies 0.1%		
Communications Equipment 0.2	2%		Baxter International, Inc.	1,900	102,714
Cisco Systems, Inc. (a)	23,400	534,690	Becton Dickinson & Co.	3,400	232,424
Motorola, Inc.	34,800	298,236	Boston Scientific Corp. (a)	5,900	47,908
QUALCOMM, Inc.	8,900	368,549	Covidien Plc	5,200	219,024
		1,201,475	Medtronic, Inc.	2,000	71,400
Computers & Peripherals 0.4%					673,470
Apple, Inc. (a)	6,000	1,131,000	Health Care Providers & Services 0.1%		
Dell, Inc. (a)	14,900	215,901	Aetna, Inc.	2,400	62,472
EMC Corp. (a)	13,900	228,933	Express Scripts, Inc. (a)	3,400	271,728
Hewlett-Packard Co.	8,800	417,648	Medco Health Solutions, Inc. (a)	4,300	241,316
International Business Machines Co	orp. 5,800	699,538	UnitedHealth Group, Inc.	2,400	62,280
		2,693,020	WellPoint, Inc. (a)	4,500	210,420
Distributors 0.0%					848,216
Genuine Parts Co.	7,300	255,427	Hotels, Restaurants & Leisure 0.1%		
			McDonald s Corp.	8,700	509,907
			Starwood Hotels & Resorts Worldwide, Inc.	12,300	357,438
					867,345
See Notes to Financial Statements.					
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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust IV (BTZ)

Common Stocks	Shares	Value	Common Stocks	Shares	Value
Household Durables 0.2%			Multiline Retail 0.1%		
Black & Decker Corp.	5,700	\$ 269,154	Macy's, Inc.	18,400	\$ 323,288
Fortune Brands, Inc.	6,400	249,280	Oil, Gas & Consumable Fuels 0.9%		
KB Home	15,100	214,118	Anadarko Petroleum Corp.	5,000	304,650
Whirlpool Corp.	5,800	415,222	Apache Corp.	1,800	169,416
		1,147,774	Chevron Corp.	13,400	1,025,636
Household Products 0.2%			ConocoPhillips	13,000	652,340
Clorox Co.	4,200	248,766	Exxon Mobil Corp.	27,800	1,992,426
The Procter & Gamble Co.	17,400	1,009,200	Hess Corp.	3,700	202,538
			Massey Energy Co.	5,400	157,086
		1,257,966	Occidental Petroleum Corp.	1,700	128,996
IT Services 0.1%			Peabody Energy Corp.	5,500	217,745
Automatic Data Processing, Inc.	6,700	266,660	Southwestern Energy Co. (a)	5,500	239,690
Cognizant Technology Solutions Corp. (a)	3,400	131,410	Spectra Energy Corp.	14,700	281,064
MasterCard, Inc. Class A	409	89,579	XTO Energy, Inc.	6,900	286,764
Paychex, Inc.	9,700	275,577			5,658,351
		763,226	Paper & Forest Products 0.1%		
Industrial Conglomerates 0.2%			MeadWestvaco Corp.	15,300	349,299
3M Co.	6,900	507,633	Weyerhaeuser Co.	5,600	203,504
General Electric Co.	43,400	618,884			552,803
Textron, Inc.	23,400	416,052			
			Pharmaceuticals 0.6%		
		1,542,569	Abbott Laboratories	10,400	525,928
Insurance 0.3%			Bristol-Myers Squibb Co.	17,800	388,040
Aflac, Inc.	10,600	439,794	Eli Lilly & Co.	9,900	336,699
The Allstate Corp.	8,700	257,259	Johnson & Johnson	17,900	1,056,995
Cincinnati Financial Corp.	8,500	215,560	Merck & Co., Inc.	16,000	494,880
Lincoln National Corp.	13,000	309,790	Pfizer, Inc. (b)	31,504	536,513
MetLife, Inc.	10,600	360,718	Schering-Plough Corp.	13,000	366,600
Principal Financial Group, Inc.	9,200	230,368			3,705,655
		1,813,489	Real Estate Investment Trusts (REITs) 0.1%		
Internet & Catalog Retail 0.0%			AvalonBay Communities, Inc.	4,200	288,876
Amazon.com, Inc. (a)	810	96,236	Boston Properties, Inc.	4,300	261,311
Internet Software & Services 0.2%			Public Storage	1,200	88,320
eBay, Inc. (a)	14,300	318,461	Vornado Realty Trust	4,978	296,490

Google, Inc. Class A (a)	1,160	621,899			934,997
Yahoo! Inc. (a)	9,600	152,640	Road & Rail 0.0%		
Leieure Fruirment & Braducte - 0.02/		1,093,000	Norfolk Southern Corp. Semiconductors & Semiconductor	5,900	275,058
Leisure Equipment & Products 0.0%	11 000	010 500	Equipment 0.2%	E 200	62 440
Mattel, Inc.	11,600	219,588	Applied Materials, Inc.	5,200	63,440
Life Sciences Tools & Services 0.0%	0.000	447.000	Intel Corp.	40,700	777,777
Thermo Fisher Scientific, Inc. (a)	2,600	117,000	Linear Technology Corp.	7,900	204,452
Marking 0.400			Microchip Technology, Inc.	8,900	213,244
Machinery 0.1%	0 500		National Semiconductor Corp.	9,500	122,930
Caterpillar, Inc.	8,500		Texas Instruments, Inc.	9,300	218,085
Cummins, Inc.	4,200	180,852			
Deere & Co.	2,800	127,540			1,599,928
		776,402	Software 0.3%		
			Autodesk, Inc. (a)	7,700	191,961
Media 0.0%			Microsoft Corp.	46,100	1,278,353
Comcast Corp. Class A	6,900	100,050	Oracle Corp. (b)	21,000	443,100
The DIRECTV Group, Inc. (a)	6,400	168,320			
					1,913,414
		268,370			
			Specialty Retail 0.2%		
Metals & Mining 0.1%			Home Depot, Inc.	18,100	454,129
Alcoa, Inc. (b)	24,500	304,290	Limited Brands, Inc.	16,100	283,360
Nucor Corp.	5,400	215,190	Staples, Inc.	12,300	266,910
		519,480			1,004,399
Multi-Utilities 0.2%			Textiles, Apparel & Luxury Goods 0.0%		
Consolidated Edison, Inc.	5,400	219,672	VF Corp.	2,900	206,016
Dominion Resources, Inc.	2,200	74,998			
Integrys Energy Group, Inc.	5,500	190,300	Thrifts & Mortgage Finance 0.0%		
Public Service Enterprise Group, Inc.	7,900	235,420	Hudson City Bancorp, Inc.	19,000	249,660
TECO Energy, Inc.	8,900	127,626			
Xcel Energy, Inc.	10,400	196,144			
		1,044,160			
See Notes to Financial Statements.					
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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust IV (BTZ)

				Par	
Common Stocks	Shares	Value	Capital Trusts	(000)	Value
Tobacco 0.2%			Commercial Banks (concluded)		
			Commonwealth Bank of Australia, 6.02%		\$
Altria Group, Inc. (b)	20,500	\$ 371,255	(d)(e)(g)	\$ 20,000	16,400,000
Philip Morris International, Inc.	16,600	786.176	HSBC Capital Funding LP/Jersey Channel Islands,		
· · · · · · · · · · · · · · · · · · ·	,	1,157,431	10.18% (d)(e)(g)	7,000	8,330,000
		.,,	Lloyds Banking Group Plc, 6.66% (d)(e)(g)	10,000	6,500,000
			SMFG Preferred Capital USD 1 Ltd., 6.08%	. 0,000	0,000,000
Total Common Stocks 8.2%		53,634,533	(d)(e)(g)	10,000	8,637,700
			SMFG Preferred Capital USD 3 Ltd., 9.50%		
			(d)(e)(g)	3,850	4,174,170
			Santander Perpetual SA Unipersonal, 6.67%, (d)(e)(g)	1,300	1,186,241
			Shinsei Finance II (Cayman) Ltd., 7.16%	1,000	1,100,211
	Par		(d)(e)(g)	1,005	588,240
Corporate Bonds	(000)		Standard Chartered Bank, 7.014% (d)(e)(g)	5,000	4,550,000
Capital Markets 0.0%			Wells Fargo & Co. Series K, 7.98% (d)(e)	12,985	12,157,206
			Wells Fargo Capital XIII Series GMTN,		
Lehman Brothers Holdings, Inc. (a)(c):			7.70% (d)(e)	3,900	3,627,000
3.95%, 11/10/09	\$ 105	16,537			96,798,182
4.38%, 11/30/10	325	51,187	Diversified Financial Services 3.6%		
		67,724	JPMorgan Chase Capital XXI Series U,		
Computers & Peripherals 0.8%			1.23%, 2/02/37 (d)	12,875	8,787,342
later d'and Davie of Marking Orm			JPMorgan Chase Capital XXIII, 1.44%, 5/15/77	00.005	44 570 040
International Business Machines Corp.,	4 0 0 0	5 404 050	(d)(f)	20,695	14,576,213
8.00%, 10/15/38	4,000	5,461,952			23,363,555
Diversified Financial Services 1.2%			Electric Utilities 0.5%		
ING Groep NV, 5.78% (d)(e)(f)	10,000	7,300,000	PPL Capital Funding, 6.70%, 3/30/67 (d)	3,900	3,354,000
Stan IV Ltd., 2.74%, 7/20/11 (d)	283	240,550	Insurance 9.7%		
		7,540,550	AXA SA, 6.46% (d)(e)(g)	12,000	9,885,000
Insurance 0.9%			The Allstate Corp., 6.50%, 5/15/57 (d)	8,675	7,417,125
QBE Insurance Group Ltd., 9.75%, 3/14/14	4,973	E 690 000	Chubb Corp. 6.28% $2/20/67$ (d)(f)	4 000	2 620 000
(g)	4,973	3,000,902	Chubb Corp., 6.38%, 3/29/67 (d)(f) Liberty Mutual Group, Inc., 10.75%, 6/15/88	4,000	3,630,000
			(d)(g)	4,000	4,200,000
Metals & Mining					
0.0%			Lincoln National Corp., 7.00%, 5/17/66 (d)	4,255	3,489,100
Aleris International, Inc., 10.00%, 12/15/16	5,000	43,750	MetLife, Inc., 6.40%, 12/15/66	4,550	3,941,437
(a)(c)	5,000	43,750	Nationwide Life Global Funding I, 6.75%,	4,000	0,341,407
Multi-Utilities 1.5%			5/15/67	4,000	3,031,740
Dominion Resources, Inc., 8.88%, 1/15/19	8,000	10,098,472	Progressive Corp., 6.70%, 6/15/67 (d)(f)	4,000	3,503,788
			,		

(b) 3.100 3.571.933 Swiss Re Capital LP, 6.854% (d)(e)(g) 3.000 2.310.000 (c) Total Corporate Bonds 5.0% 32.465.303 (d)(e)(g) 4.000 3.683.4752 Total Corporate Bonds 5.0% 32.465.303 (d)(e)(g) 4.400 3.634.752 Companies Shares 275 Finance (USA) Trust V, 6.50%, 50907 63.460.338 Investment Companies Shares 63.450.338 UitraShort Real Estate ProShares 150.000 1.549.000 60.167 (d) 4.500 4.410.000 Total Investment Companies 0.2% 1.549.000 60.167 (d) 4.500 4.410.000 TarasChardt Pipelines ILd., 6.35%, 61.95% Fuget Sound Energy, Inc. Series A, 6.97%, 10.1575 1.377.999 Total Investment Companies 0.2% 1.549.000 0.1G.63 & Consumable Fuels 1.2% Entroprise Products Operating LLC. 8.38%, 801.616 (d) 4.500 4.410.000 3.723.180 Preferred Securities Real Estate Investment Torsts (RETs) 3.723.180 Preferred Securities 5.3166 2.2.306,446 23.2306,446	Paper & Forest Products 0.6% International Paper Co., 8.70%, 6/15/38			Reinsurance Group of America, 6.75%, 12/15/65 (d)(f)	15,000	11,625,000
House the second s 5.0% 32,465.0% 4,000 3,600,000 Yihite Mountains Re Group LLd, 7.506% 4,400 3,634,752 ZFS Finance (USA) Trust IV, 5.88%, 50932 699 444,286 (d)(q) 275 Finance (USA) Trust IV, 5.88%, 50932 699 444,286 Companies Shares 275 Finance (USA) Trust IV, 5.80%, 500367 63,450.338 Companies Shares 150,000 1,549,500 61,017 (3) 1,547 63,450.338 UltraShort Real Estate ProShares 150,000 1,549,500 61,636 & Consumable Fuels 1.2% 1,547,900 1,547,900 Total Investment Companies 0.2% 1,549,500 61,636 & Consumable Fuels 1.2% 4,410,000 Prefered Securities 1 549,500 61,636 & Consumable Fuels 1.2% 4,510,000 Prefered Securities 1 549,500 61,636 & Consumable Fuels 1.2% 4,510,000 Prefered Securities 1 549,500 1,569,500 4,510,000 Sourceign Real Estate Investment Touts (RETS) 22,306,410 3,500,200 22,306,410 Sourologn Real Estate Investment Corp. <td< td=""><td>·</td><td>3,100</td><td>3,571,953</td><td></td><td>3,000</td><td>2,310,000</td></td<>	·	3,100	3,571,953		3,000	2,310,000
Total Corporate Bonds 5.0% 32,485,303 (0/0)(q) 4,400 3,634,752 ZFS Finance (USA) Trust IV, 5.88%, 5009/32 (d)(g) 440.28 Companies Shares 2FS Finance (USA) Trust IV, 5.88%, 5009/67 (d)(g) 3,331 2,688,110 Companies Shares Investment 5.8 Investment 1,549,500 601/F7 (d) 1,579 1,377,99 Total Investment Companies 0.2% Fuget Sound Energy, Inc. Series A, 6.97%, UITrash Companies 1,549,500 601/F7 (d) 1,579 1,377,99 Total Investment Companies 0.2% Fuget Sound Energy, Inc. Series A, 6.97%, S1000 1,579,900 3,131 2,698,110 Copial Investment Companies 0.2% Fuget Sound Energy, Inc. Series A, 6.97%, S1000 1,675 1,377,999 Total Investment Companies 0.2% Fuget Sound Energy, Inc. Series A, 6.97%, S1000 1,373,180 Capital Trusts G(G) 5,1567 (d)((f) 1,690 3,723,180 Capital Trusts G(G) 1,200% (g) 1,200% (g) 1,0000 1,0500,000 Build Trusts G,5600 3,542				(d)(f)	4,000	3,600,000
(i)(g) 275 Finance (USA) Trust V, 6.50%, 5/09/67 3.331 2.698,110 Investment Shares 83,450,338 Investment Shares Puget Sound Energy, Inc. Series A, 6.97%, Fuget Sound Energy, Inc. Series A, 6.97%	Total Corporate Bonds 5.0%		32,465,303	(d)(e)(g)	4,400	3,634,752
investment (d)(g) 3.331 2.698,110 investment 63,450,338 Companies Shares Puget Sound Energy, Inc. Series A, 6.97%, Source A, 6.97%, Puget Sound Energy, Inc. Series A, 6.97%, Puget Sound Energy, Inc. Series A, 6.97%, Source A, 6.97%, Sour				(d)(g)	599	484,286
Investment Companies Shares Multi-Utilities 0.2% Nume UltraShort Real Estate ProShares 150,000 1,549,500 601/67 (d) 1,575 1,377,999 Total Investment Companies 0.2% 1,549,500 601/67 (d) 6.35%, 801/66 (d) 4,500 4,410,000 Preferred Securities TransCanada PipeLines Ltd., 6.35%, 801/66 (d) 4,500 4,410,000 Preferred Securities TransCanada PipeLines Ltd., 6.35%, 801/66 (d) 4,000 3,723,180 Capital Trusts (000) 12.0% (g) 10,000 10,500,000 Building Products 12.0% (g) 10,000 10,500,000 10,500,000 0.9% Santa 2228,179 232,306,400 232,306,400 Cio Capital SPV Ltd., 6.64% (d)(e)(g) \$,510 2228,179 232,306,400 232,306,400 Cio Capital SPV Ltd., 6.64% (d)(e)(g) \$,516 2228,179 232,306,400 3,542,750 3,542,750 5,770,329 1,540,400 3,542,750 1,550,100 3,542,750 1,550,100 1,550,100 1,550,100 1,510,100 1,550,100 1,550,100					3,331	2,698,110
CompaniesSharesUttrashort Real Estate ProShares150.001.549.00Nuti-Utilities 0.2% Puper Source Energy, Inc. Series A, 6.97%, A Puper Source Energy, Inc. Series A, 6.97%, A Puper Source Energy, Inc. Series A, 6.97%, A Source Energy, Inc. Series A, 6.97%, A 						63,450,338
Multi-Utilities 0.2% Puget Sound Energy, Inc. Series A, 6.97%, 1,549,500 1,549,500 6001/67 (d) 1,575 1,377,999 Total Investment Companies 0.2% 1,549,500 Oil, Gas & Consumable Fuels 1.2% Enterprise Products 0.2%, 8/01/66 (d) 4,500 4,410,000 Preferred Securities Real Estate Investment Trusts (REITs) 1.6% 4,500 4,410,000 Preferred Securities Total Capital Trusts (REITs) 1.6% 4,500 4,410,000 Operating LLC, 8.38%, 8/01/66 (d) Tartisc Ende Understein Studie, 6.35%, 5/15/67 (d)(1) 4,000 3,723,180 Preferred Securities Tartisc Ende Investment Trusts (REITs) 1.6% Sovereign Real Estate Investment Corp., 1.600 10,000 10,500,000 Building Products 0.9% Total Capital Trusts 35.5% 232,306,446 C8 Capital Trust LL, 6,64% (d)(e)(g) \$3,160 2,228,179 Sovereign Edats Estate Investment Corp., 5,770,929 Capital Markets 3.0% 2,545 866,250 Commercial Banks 4,8% Sovereign Edats 5,5% 1,848,503 State Street Capital Trust III, 8,25% (d)(e) 1,550 860,260 Colsp		Sharaa				
UltraShor Real Estate ProShares 150.00 Puget Sound Energy, Inc. Series A, 6.97%, 80/167 (d) 1,575 1,377,999 Total Investment Companies 0.2% 1,549.500 Olf, Gas & Consumable Fuels 1.2%, 80/166 (d) 4,500 4,410,000 TransCanada PipeLines Lid, 6.35%, 80/166 (d) TransCanada PipeLines Lid, 6.35%, 80/166 (d) 4,000 3,723,180 Preferred Securities Real Estate Investment Trusts (REITs) 8,03,180 3,723,180 Capital Trusts (000) 12.00% (g) 10,000 0,0500,000 Building Products 0,9% 7041 Capital Trusts 35.5% 232,306,446 Capital Trusts 5,070,9 7041 Capital Trusts 35.5% 232,306,446 Capital SPV Lid, 6,64% (d)(e)(g) \$3,160 2,228,17 232,306,446 Capital Markets 3.0% C 777,760 10,000 10,500,000 Capital Markets 3.0% 1,550 977,760 19,848,650 10,800 14,87,000 State Street Capital Trust IV, 1,30%, State Street Capital Trust IV, 5,82%, 61/277 1,555,82 1,555,82 1,557,8	Companies	Shares				
UltraShort Real Estate ProShares 150,000 1,549,500 600/r67 (d) 1,549 4,500 4,410,000 3,723,180 34,500 4,410,000 3,723,180 34,500 4,510 4,510 4,510 4,513,180 800 1,545 1,545 5/15/67 (d)(f) 4,000 3,723,180 31,31,180 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 800 1,550 <						
Automatical Enterprise Products Operating LLC, 8.38%, 8/01/66 (d) 4,410,000 TransCanada PipeLines LLd, 6.35%, 5/15/67 (d)(f) 4,000 3,723,180 Preferred Securities Real Estate Investment Trusts (REITs) 1,8% Sovereign Real Estate Investment Corp., 0.9% 1,6% 1,6% Capital Trusts (000) 1,200% (g) 10,000 10,500,000 Building Products 0.9% 2,228,170 Total Capital Trusts 35.5% 232,306,446 C8 Capital SPV Ltd., 6,64% (d)(e)(g) \$ 3,160 2,228,170 232,306,446 C9 Capital SPV Ltd., 6,64% (d)(e)(g) \$ 3,160 2,228,170 232,306,446 C10 Capital SPV Ltd., 6,64% (d)(e)(g) \$ 3,160 2,228,170 232,306,446 C10 Capital SPV Ltd., 6,64% (d)(e)(g) \$ 3,160 2,228,170 232,306,446 Capital Markets 3.0% Preferred Stocks Shares 5 Credit Suisse Guernsey Ltd., 5,86% (d)(e) 1,700 1,755,01 HSBC USA, Inc. Series H, 6,50% 977,766 1,948,650 State Street Capital Trust IV, 1,30%, 25,245 16,936,97 6,00% 149,801 11,487,944	UltraShort Real Estate ProShares	150,000	1,549,500		1,575	1,377,999
8/01/66 (d) 4,500 4,410,000 TransCanada PipeLines Ltd., 6.35%, 5/15/67 (d)(f) 6.305%, 5/15/67 (d)(f) 3,723,180 Preferred Securities Real Estate Investment Trusts (REITs) 8,133,180 Par 1.6% Sovereign Real Estate Investment Corp., 12.00% (g) 10,000 10,500,000 Og% Total Capital Trusts 35.5% 232,306,446 232,306,446 C8 Capital SPV Ltd., 6.64% (d)(e)(g) \$ 3,160 2,228,179 232,306,446 C9 Capital SPV Ltd., 6.72% (d)(e)(g) \$ 5,000 3,542,750 5,770,929 5 Capital Markets 3.0% 2,228,179 5,770,929 5 5 Capital SPV Ltd., 6.72% (d)(e)(g) 5,000 3,542,750 5 5 Capital Markets 3.0% Commercial Banks 4.8% 5 Capital SPV Ltd., 5.88% (d)(e) 1,050 866,250 Commercial Banks 4.8% 5 State Street Capital Trust III, 8,25% (d)(e) 1,750,16 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 State Street Capital Trust IV, 1.30%, 19,558,263 10.50% 155,10	Total Investment Companies 0.2%		1,549,500	Oil, Gas & Consumable Fuels 1.2%		
TransCanada PipeLines Lid., 6.35%, 5/15/67 (d)(f) 4,000 3,723,180 Preferred Securities Real Estate Investment Trusts (REITs) 8,133,180 Par I.6% Sovereign Real Estate Investment Corp., 12.00% (g) 10,000 10,500,000 Building Products 0,0% 12.00% (g) 10,000 10,500,000 O.9% Total Capital Trusts 35.5% 232,306,446 C8 Capital SPV Ltd., 6.64% (d)(e)(g) \$3,160 2,228,179 232,306,446 C4 Capital SPV Ltd., 6.72% (d)(e)(g) 5,000 3,542,750 5,770,293 Capital Markets 3.0% 2,527,002 5,770,293 5,770,293 Credit Suisse Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 Commercial Banks 4.8% State Street Capital Trust III, 8.25% (d)(e) 1,740 1,755,161 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,615 601/67 (d) 1,300 25,245 16,936,997 640% 15,000 155,100 State Street Capital Trust III, 8.25% (d)(e) 1,400 1,550,616 State Alexe 149,881 11,487,944 601/67 (d) 1,30% 25,245 16,936,997 640% 15,000 155,100				Enterprise Products Operating LLC, 8.38%,		
S/15/67 (d)(f) 4,000 3,723,180 Preferred Securities Real Estate Investment Trusts (REITs) 4,000 3,723,180 Par Real Estate Investment Trusts (REITs) 1,6% 500vereign Real Estate Investment Corp., 10,000 10,500,000 Building Products 0,0% Total Capital Trusts 35.5% 232,306,446 C3 Capital SPV Ltd., 6.64% (d)(e)(g) \$ 3,160 2,228,179 232,306,445 C4 Capital SPV Ltd., 6.72% (d)(e)(g) \$ 3,160 2,228,179 232,306,445 Capital Markets 3.0% State Street Capital Trust IN, 8.25% (d)(e) 3,542,750 Preferred Stocks Share Capital Markets 3.0% State Street Capital Trust IN, 8.25% (d)(e) 1,755 Preferred Stocks Share State Street Capital Trust IN, 8.25% (d)(e) 1,750 1,855,016 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 Goti/67 (d) 1,825,03 1,050,16 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 State Street Capital Trust IN, 1.30%, 6/12/77 1,955,828 10,50% 6,40% 14,980 1,427,944 Baa					4,500	4,410,000
Preferred Securities 8,133,180 Par 1.6% Sovereign Real Estate Investment Trusts (REITs) 1.6% Capital Trusts (000) 12.00% (g) 10,000 10,500,000 Building Products 0.9% Total Capital Trusts 35.5% 232,306,446 C8 Capital SPV Ltd., 6.64% (d)(e)(g) \$ 3,160 2,228,179 C10 Capital SPV Ltd., 6.72% (d)(e)(g) \$ 5,000 3,542,750 Capital SPV Ltd., 6.72% (d)(e)(g) \$ 5,000 3,542,750 Credit Suisse Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 Commercial Banks 4.8% Shares State Street Capital Trust III, 8.25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 State Street Capital Trust IV, 1.30%, 601/67 (d) 25,245 16,936,997 6.40% 15,000 155,100 Santander Finance Preferred SA Unipersonal, (19,016 19,558,263 10.00% 10,50,00 155,100 Santander Financial Services 2.0% 11,487,944 149,881 11,487,944					4.000	3.723.180
Real Estate Investment Trusts (REITs) Par 1.6% Capital Trusts (000) 10.000 </td <td>Preferred Securities</td> <td></td> <td></td> <td></td> <td>,</td> <td></td>	Preferred Securities				,	
Capital Trusts (000) Sovereign Real Estate Investment Corp., 12.00% (g) 10,000 10,500,000 Building Products 0.9% Total Capital Trusts 35.5% 232,306,446 C8 Capital SPV Ltd., 6.64% (d)(e)(g) \$ 3,160 2.228,179				Real Estate Investment Trusts (REITs)		
Capital Trusts (000) 12.00% (g) 10.000 10.000 10.000 Building Products Total Capital Trusts 35.5% 232,306,446 0.9% Total Capital Trusts 35.5% 232,306,446 C8 Capital SPV Ltd., 6.64% (d)(e)(g) \$ 3,160 2,228,179 C10 Capital SPV Ltd., 6.72% (d)(e)(g) \$ 3,000 3,542,750 Example Capital Markets 3.0% Preferred Stocks Shares Capital Size Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 Commercial Banks 4.8% State Street Capital Trust II, 8.25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group PIc Series M, Royal Bank of Scotland Group PIc Series M, 19,058,263 10,000 155,100 State Street Capital Trust IV, 1.30%, 6/01/67 (d) 25,245 16,936,997 6.40% Royal Bank of Scotland Group PIc Series M, Royal Bank of Scotland Group PIc Series M, 19,558,263 11,487,944 Commercial Banks 14.8% 13,559,625 Diversified Financial Services 2.0% 31,491,694 Baak of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,9		Par				
Building Products 0.9% Total Capital Trusts 35.5% 232,306,446 C8 Capital SPV Ltd., 6.64% (d)(e)(g) \$ 3,160 2,228,179 C10 Capital SPV Ltd., 6.72% (d)(e)(g) 5,000 3,542,750 Capital Markets 3.0% Preferred Stocks Shares Credit Suisse Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 Commercial Banks 4.8% State Street Capital Trust III, 8,25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 State Street Capital Trust IV, 1.30%, 60/1/67 (d) 25,245 16,936,997 6.40% 15,000 155,100 Santander Finance Preferred SA Unipersonal, 19,558,263 10,50% 419,881 11,487,944 BB&T Capital Trust IV, 6.82%, 6/12/77 (d)(f) 15,300 13,559,625 Diversified Financial Services 2.0% Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,35,945 Bank of Ireland Capital Funding III, LP, 6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV: 5,35,945	Canital Trusts	(000)			10.000	10 500 000
0.9% Total Capital Trusts 35.5% 232,306,446 C8 Capital SPV Ltd., 6.64% (d)(e)(g) \$3,160 2,228,179 C10 Capital SPV Ltd., 6.72% (d)(e)(g) 5,000 3,542,750 5,770,929 5,770,929 Capital Markets 3.0% 986,250 Credit Suisse Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 State Street Capital Trust III, 8.25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 State Street Capital Trust IV, 1.30%, 6,40% 25,245 16,936,997 6.40% 15,000 155,100 Source Commercial Banks 25,245 16,936,997 6.40% 11,487,944 B8AT Capital Trust IV, 6.82%, 6/12/77 19,558,263 10.50% 419,881 11,487,944 BBAT Capital Trust IV, 6.82%, 6/12/77 15,300 13,559,625 Diversified Financial Services 2.0% 31,491,694 Bank of Ireland Capital Funding II, LP, 5,57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 625,680 Cobank ACB, 7.00% (g) 150,000<	•	(000)		12.00 % (g)	10,000	10,300,000
C10 Capital SPV Ltd., 6.72% (d)(e)(g) 5,000 3,542,750				Total Canital Trusts 35.5%		232,306,446
Capital Markets 3.0% Preferred Stocks Shares Credit Suisse Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 Commercial Banks 4.8% State Street Capital Trust III, 8.25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 State Street Capital Trust IV, 1.30%, 6/01/67 (d) 25,245 16,936,997 6.40% 15,000 155,100 Santander Finance Preferred SA Unipersonal, 19,558,263 10.50% 419,881 11,487,944 Commercial Banks 13,559,625 Diversified Financial Services 2.0% 31,491,694 BB&T Capital Trust IV, 6.82%, 6/12/77 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6,11% (d)(e)(g) 9,153 4,027,320 ING Groep NV:						, ,
Capital Markets 3.0% Preferred Stocks Shares Credit Suisse Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 Commercial Banks 4.8% State Street Capital Trust III, 8.25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group PIc Series M, Board Arbeit Street Capital Trust IV, 1.30%, 6/01/67 (d) 977,766 19,848,650 6/01/67 (d) 25,245 16,936,997 6.40% Santander Finance Preferred SA Unipersonal 19,558,263 15,500 155,100 Commercial Banks 19,558,263 10,50% 419,881 11,487,944 BB&T Capital Trust IV, 6.82%, 6/12/77 (d)(f) 15,300 13,559,625 Diversified Financial Services 2.0% 31,491,694 Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV: 5,235,945	C8 Capital SPV Ltd., 6.64% (d)(e)(g)	\$ 3,160	2,228,179			
Credit Suisse Guernsey Ltd., 5.86% (d)(e) 1,050 866,250 Commercial Banks 4.8% State Street Capital Trust III, 8.25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% 977,766 19,848,650 State Street Capital Trust IV, 1.30%, 6/01/67 (d) 25,245 16,936,997 6.40% 15,000 155,100 Source Capital Trust IV, 1.30%, 19,558,263 10.50% 419,881 11,487,944 Commercial Banks 19,558,263 10.50% 419,881 11,487,944 Source Capital Trust IV, 6.82%, 6/12/77 15,300 13,559,625 Diversified Financial Services 2.0% 31,491,694 Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6,11% (d)(e)(g) 9,153 4,027,320 ING Groep NV: 5,235,945						
State Street Capital Trust III, 8.25% (d)(e) 1,740 1,755,016 HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group PIc Series M, Boyal Bank of Scotland Group PIc Series M, Santander Finance Preferred SA Unipersonal, 19,558,263 15,000 155,100 Commercial Banks 19,558,263 10.50% 419,881 11,487,944 BB&T Capital Trust IV, 6.82%, 6/12/77 (d)(f) 15,300 13,559,625 Diversified Financial Services 2.0% 31,491,694 Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV: 150,000 5,235,945			3,542,750			
State Street Capital Trust IV, 1.30%, Bank of Scotland Group PIc Series M, 15,000 155,100 6/01/67 (d) 25,245 16,936,997 6.40% 15,000 155,100 Santander Finance Preferred SA Unipersonal, 19,558,263 10.50% 419,881 11,487,944 Commercial Banks 14.8% 5.57% 31,491,694 31,491,694 BB&T Capital Trust IV, 6.82%, 6/12/77 15,300 13,559,625 Diversified Financial Services 2.0% 31,491,694 Bank of Ireland Capital Funding II, LP, 15,57% (d)(e)(g) 14,22 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6,11% (d)(e)(g) 9,153 4,027,320 ING Groep NV: 5,235,945	C10 Capital SPV Ltd., 6.72% (d)(e)(g)		3,542,750		Shares	
Santander Finance Preferred SA Unipersonal, 19,558,263 10.50% 419,881 11,487,944 Commercial Banks 11,48% 51,491,694 51,491,694 BB&T Capital Trust IV, 6.82%, 6/12/77 15,300 13,559,625 Diversified Financial Services 2.0% 51,491,694 Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV:	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0%	5,000	3,542,750 5,770,929	Preferred Stocks	Shares	
Commercial Banks 31,491,694 14.8% 31,491,694 BB&T Capital Trust IV, 6.82%, 6/12/77 15,300 13,559,625 Diversified Financial Services 2.0% (d)(f) 15,300 13,559,625 Diversified Financial Services 2.0% 5,57% (d)(e)(g) Bank of Ireland Capital Funding II, LP, 5,57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6,11% (d)(e)(g) 9,153 4,027,320 ING Groep NV:	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e)	5,000	3,542,750 5,770,929 866,250	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50%		
14.8% 31,491,694 BB&T Capital Trust IV, 6.82%, 6/12/77 15,300 13,559,625 Diversified Financial Services 2.0% Bank of Ireland Capital Funding II, LP, 15,57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 9,153 4,027,320 ING Groep NV: 150,000 5,235,945	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%,	5,000 1,050 1,740	3,542,750 5,770,929 866,250 1,755,016	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40%	977,766	19,848,650
BB&T Capital Trust IV, 6.82%, 6/12/77 (d)(f) 15,300 13,559,625 Diversified Financial Services 2.0% Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV:	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%, 6/01/67 (d)	5,000 1,050 1,740	3,542,750 5,770,929 866,250 1,755,016 16,936,997	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40% Santander Finance Preferred SA Unipersonal,	977,766 15,000	19,848,650 155,100
(d)(f) 15,300 13,559,625 Diversified Financial Services 2.0% Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV:	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%, 6/01/67 (d) Commercial Banks	5,000 1,050 1,740	3,542,750 5,770,929 866,250 1,755,016 16,936,997	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40% Santander Finance Preferred SA Unipersonal,	977,766 15,000	19,848,650 155,100 11,487,944
5.57% (d)(e)(g) 1,422 625,680 Cobank ACB, 7.00% (g) 150,000 5,235,945 Bank of Ireland Capital Funding III, LP, 6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV:	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%, 6/01/67 (d) Commercial Banks 14.8%	5,000 1,050 1,740	3,542,750 5,770,929 866,250 1,755,016 16,936,997	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40% Santander Finance Preferred SA Unipersonal,	977,766 15,000	19,848,650 155,100 11,487,944
Bank of Ireland Capital Funding III, LP,6.11% (d)(e)(g)9,1534,027,320ING Groep NV:	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%, 6/01/67 (d) Commercial Banks 14.8% BB&T Capital Trust IV, 6.82%, 6/12/77	5,000 1,050 1,740 25,245	3,542,750 5,770,929 866,250 1,755,016 16,936,997 19,558,263	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40% Santander Finance Preferred SA Unipersonal, 10.50%	977,766 15,000	19,848,650 155,100 11,487,944
6.11% (d)(e)(g) 9,153 4,027,320 ING Groep NV:	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%, 6/01/67 (d) Commercial Banks 14.8% BB&T Capital Trust IV, 6.82%, 6/12/77 (d)(f) Bank of Ireland Capital Funding II, LP,	5,000 1,050 1,740 25,245 15,300	3,542,750 5,770,929 866,250 1,755,016 16,936,997 19,558,263 13,559,625	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40% Santander Finance Preferred SA Unipersonal, 10.50%	977,766 15,000	19,848,650 155,100 11,487,944 31,491,694
	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%, 6/01/67 (d) Commercial Banks 14.8% BB&T Capital Trust IV, 6.82%, 6/12/77 (d)(f) Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g)	5,000 1,050 1,740 25,245 15,300	3,542,750 5,770,929 866,250 1,755,016 16,936,997 19,558,263 13,559,625	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40% Santander Finance Preferred SA Unipersonal, 10.50%	977,766 15,000 419,881	19,848,650 155,100 11,487,944 31,491,694
	C10 Capital SPV Ltd., 6.72% (d)(e)(g) Capital Markets 3.0% Credit Suisse Guernsey Ltd., 5.86% (d)(e) State Street Capital Trust III, 8.25% (d)(e) State Street Capital Trust IV, 1.30%, 6/01/67 (d) Commercial Banks 14.8% BB&T Capital Trust IV, 6.82%, 6/12/77 (d)(f) Bank of Ireland Capital Funding II, LP, 5.57% (d)(e)(g) Bank of Ireland Capital Funding III, LP,	5,000 1,050 1,740 25,245 15,300 1,422	3,542,750 5,770,929 866,250 1,755,016 16,936,997 19,558,263 13,559,625 625,680	Preferred Stocks Commercial Banks 4.8% HSBC USA, Inc. Series H, 6.50% Royal Bank of Scotland Group Plc Series M, 6.40% Santander Finance Preferred SA Unipersonal, 10.50% Diversified Financial Services 2.0% Cobank ACB, 7.00% (g)	977,766 15,000 419,881	19,848,650 155,100 11,487,944 31,491,694

Barclays Bank Plc, (d)(e)(g):							
5.93%		4,000	3,120,000	7.05%		5,800	99,470
6.86%		11,500	9,315,000	7.20%		213,000	3,730,192
				7.38%		40,000	703,193
							12,898,800
See Notes to Financial Stateme	nts.						
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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust IV (BTZ)

			(Percentages shown are based o	n Net Assets)
Preferred Stocks	Shares	Value	Short-Term Securities Shares	Value
Diversified Telecommunication				
Services 0.1%			BlackRock Liquidity Funds, TempFund,	
AT&T, Inc., 6.38%	30,000	\$ 778,580	267,832,781 Institutional Class, 0.18% (h)(i) \$	267,832,781
	00,000	ų <i>11</i> 0,000	Total Short-Term	
Electric Utilities 4.4%			Securities	
Alabama Power Co., 6.50%	100,000	3,000,000	(Cost \$267,832,781) 40.9%	267,832,781
			Total Investments Before Outstanding Options	
Entergy Louisiana LLC, 6.95%	40,000	3,743,482	Written	
Interstate Power & Light Co. Series B, 8.38%	785,000	21 792 750	(Cost \$905,234,626*) 125.7%	823,053,616
D, 0.00 /6	785,000			023,033,010
		28,527,232		
Insurance 9.1%				
Aegon NV, 6.50%	400,000	6,496,000		
Arch Capital Group Ltd.:			Options Written Contracts	
Series A, 8.00%	100,000	2,420,000	Exchange-Traded Call Options	
Series B, 7.88%	160,000		S&P 500 Listed Option:	
Aspen Insurance Holdings Ltd.,	100,000	3,700,000	Sar 500 Listed Option.	
7.40% (d)	655,000	13,296,500	expiring 11/21/09 at USD 1,090 234	(113,490)
Axis Capital Holdings Ltd. Series B,				
7.50% (d)	180,000	13,477,500	expiring 11/21/09 at USD 1,095 21	(7,770)
Endurance Specialty Holdings Ltd.	260.000	0 001 100	expiring 11/21/09 at USD 1,110 145	(44.050)
Series A, 7.75%	369,000	8,081,100	expiring 11/21/09 at USD 1,110 145	(44,950)
PartnerRe Ltd. Series C, 6.75% RenaissanceRe Holding Ltd. Series	265,600	5,877,728	Total Options	
D, 6.60%	285,000	5,873,850	-	
			(Premiums Received \$828,039) (0.0)%	(166,210)
		59,311,478		(, -,
			Total Investments 125.7%	822,887,406
Real Estate Investment Trusts				022,007,400
(REITs) 0.4%			Other Assets Less Liabilities 9.6%	63,155,825
BRE Properties, Inc. Series D,				
6.75%	30,000	615,600	Preferred Shares, at Redemption Value (35.3)%	(231,044,104)
iStar Financial, Inc. Series I, 7.50%	55,000	385,000		
Dublic Storage			Net Assets Applicable to Common Shares	¢ cc4 000 107
Public Storage:			100.0% * The cost and unrealized appreciation (depreciation) of investment	\$ 654,999,127 s as of October
Series F, 6.45%	30,000	637,500		31,
Series M, 6.63%	55,000	1,179,750	2009, as computed for federal income tax purposes, were as follo	
·		. ,	Aggregate	
		2,817,850		\$ 918,380,664
			Gross unrealized appreciation	\$ 26,032,998

Wireless Telecommunication

Services	1.5%
Services	1.5 /0

Centaur Funding Corp., 9.08% (g)	10,000	10,034,375	Gross unrealized depreciation	(121,360,046)
	10,000			
Total Preferred Stocks 22.3%		145,860,009	Net unrealized depreciation	\$ (95,327,048)
			(a) Non-income producing security.	
	Shares		(b) All or a portion of the security has beer	pledged as collateral in connection with
Trust Preferreds	(000)		open financial futures contracts.	
			(c) Issuer filed for bankruptcy and/or is in	default of interest
Capital Markets 0.0%			payments.	
Credit Suisse Guernsey Ltd., 7.90%	10	044.050	(d) Veriable rate eccurity. Date about is a	a of vonove data
(e)	10	244,950	(d) Variable rate security. Rate shown is a	
Commercial Banks 3.4%			(e) Security is perpetual in nature and has	s no stated maturity date.
Kazkommerts Finance 2 BV, 9.20% (d)(e)	500	315,000		
Mizuho Capital Investment 1 Ltd.,		0.0,000		
6.686% (d)(e)(g)	21,000	17,517,906	(f) All or a portion of the security has been	n pledged as collateral for open reverse
National City Preferred Trust I, 12%				
(d)(e)	3,713	4,249,640	repurchase agreements.	
			(g) Security exempt from registration und	er Rule 144A of the Securities Act of
		22,082,546		
			These securities may be resold in tran qualified	sactions exempt from registration to
Electric Utilities 119/				
Electric Utilities 1.1% PPL Energy Supply LLC, 7.00%,			institutional investors.	
7/15/46	288	7,366,797		
			(h) Investments in companies considered	to be an affiliate of the Fund, for purposes
			of	
Insurance 1.9%			Section 2(a)(3) of the Investment Com	pany Act of 1940, were as follows:
AON Corp., 8.21%, 1/01/27	4,000	3,960,000		
Ace Capital Trust II, 9.70%, 4/01/30				
(f)	4,000	4,420,912		Net
W.R. Berkley Capital Trust II, 6.75%, 7/26/45	171	3,807,443	Affiliate	Activity Income
0.7578, 7720/45	171	3,007,443	BlackRock Liquidity Funds,	Activity Income
		12,188,355	TempFund,	
Media 6.8%			Institutional Class	\$267,832,781 \$479,886
Comcast Corp., 6.63%, 5/15/56	1,950	44,717,395		
	2		(i) Represents the current yield as of repo	ut date.
Oil, Gas & Consumable Fuels				und s industry classifications refer to any
0.4%			one	
Nexen, Inc., 7.35%, 11/01/43	120	2,805,001		
			or more of the industry sub-classificati recognized	ons used by one or more widely
			market indexes or ratings group index	es, and/or as defined by Fund
Total Trust Preferreds 13.6%		89,405,044	management.	
Total Preferred Securities 71.4%		467,571,499	This definition may not apply for purpo	ses of this report, which may combine
Total Long-Term Investments			industry sub-classifications for reportin	ig ease.

			Reverse repurc	hase agre	ements out	standing as	of October 31, 2	009 were as
(Cost \$637,401,845)	84.8%	555,220,835	follows:					
				Interest	Trade	Maturity	Net Closing	Face
			Counterparty	Rate	Date	Date	Amount	Amount
			Barclays					
			Bank Plc	0.75%	10/16/09	11/16/0	9 \$61,616,136	\$61,576,368
See Notes to Financial S	tatements.							
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Schedule of Investments (concluded)

BlackRock Credit Allocation Income Trust IV (BTZ)

Financial futures contracts purchased as of October 31, 2009 were as follows:

follows:	lures contra	cts purchased as o	i October 31, 20	iog were as			Financial
					Valuation Inputs	Instru	iments ¹
				Unrealized			
		Expiration	Notional	Appreciation		Assets	Liabilities
Contracts	Issue	Date	Value	(Depreciation)	Level 1	\$ 982,873	\$ (311,644)
422	10-Year US						(675.900)
422	Treasury	,			Level 2		(675,809)
	Bond	December					
	2009		\$49,119,100	\$ 934,090	Level 3		
25	30-Year				Total	¢ 000 070	<u> </u>
35	US Treasury				Total	\$ 982,873	\$ (987,453)
	Bond	December 2009	\$ 4,156,686	48,783			
	S&P				¹ Other financial instruments are	e financial futu	res contracts
161	EMINI	December 2009	\$ 8,461,085	(145,434)			and options.
					Financial futures contracts		•
Total				\$ 837,439		unrealized	appreciation/
					depreciation on the instrument an	d options are s	hown at
					market value.		
	lt swaps on	single-name issue	buy protection	n oustanding as			
of					The following is a reconciliation of inv	ootmonto for u	nahaanyahla
October 31.	2009 were	as follows:			The following is a reconciliation of inversion inputs (Level 3)	estments for u	nobservable
					used in determining fair value:		
	Pay		Notional				
	Tay		Notional				Investments
	Fixed	Counter-	Amount	Unrealized			in
Issuer	Rate	party Ex	piration (000)	Depreciation			Securities
							Corporate
Nordstrom,	Inc. 5.20%	Deutsche June					Bonds
		Bank AG 20	14 \$4,000	\$ (675,809)			
					Balance, as of October 31, 2008		\$ 268,850
Fair Value N	leasuremen	ts Various inputs	are used in det	ermining the fair			
value of					Accrued discounts/premiums		
investments	, which are	as follows:			Realized gain (loss)		
					Change in unrealized		
	-	ons in active marke	ts/exchanges to	r identical assets	appreciation/depreciation ²		(28,300)
and liabilt	iies				Net purchases (sales)		
					Net transfers in/out of Level 3		
Level 2 o	ther observa	able inputs (includi	ng, but not limite	d to: quoted price	2S		
for							
simila	r assets or l	iabilities in markets	s that are active,	-	Balance, as of October 31, 2009		\$ 240,550
				identical	Datance, as of October 31, 2009		φ 240,000

or similar assets or liabilities in markets the	at are not active, inputs other	
than		
		² Included in the related net change in unrealized appreciation/depreciation in
quoted prices that are observable for the a interest	assets or liabilities (such as	
rates, yield curves, volatilities, prepaymer	nt speeds, loss severities, credit risks and	the Statements of Operations.
default rates) or other market-corroborated inputs)	ł	
Level 3 unobservable inputs based on the the	best information available in	
circumstances, to the extent observable in (including the	puts are not available	
Fund s own assumptions used in determini investments)	ning the fair value of	
The inputs or methodology used for valuing s an indica-	securities are not necessarily	
tion of the risk associated with investing in th about	ose securities. For information	
the Fund s policy regarding valuation of inve accounting	estments and other significant	
policies, please refer to Note 1 of the Notes t Statements.	o Financial	
The following tables summarize the inputs us	sed as of October 31, 2009 in	
determining the fair valuation of the Fund si	investments:	
	Investments in	
Valuation Inputs	Securities	
	Assets	
Level 1		
Long-Term Investments:		
Common Stocks	\$53,634,533	
Investment		
Companies	1,549,500	
Preferred Stocks	113,368,707	
Trust Preferreds	58,941,586	
Short-Term Securities	267,832,781	
Total Level		
1	495,327,107	
Level 2		
Corporate Bonds	32,224,753	
Capital Trusts	232,306,446	
Preferred Stocks	32,491,302	
Trust Preferreds	30,463,458	

Total Level 2		327,485,959	
Level 3			
Corporate Bonds		240,550	
Total		\$ 823,053,616	
See Notes to Financia	l Statements.		
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Schedule of Investments October 31, 2009

BlackRock Enhanced Capital and Income Fund, Inc. (CII)

			(Percentages show		
Common Stocks	Shares	Value	Common Stocks	Shares	Value
Aerospace & Defense 5.2%			Machinery 1.5%		
Honeywell International, Inc.	337,600	\$ 12,116,464	Deere & Co.	207,286	\$ 9,441,877
Northrop Grumman Corp.	192,800	9,665,064	Media 5.3%		
Raytheon Co.	226,000	10,233,280	Time Warner, Inc.	538,272	16,212,753
		32,014,808	Viacom, Inc. Class B (a)	418,424	11,544,318
Capital Markets 5.9%			Walt Disney Co.	189,947	5,198,849
The Bank of New York Mellon Corp.	483,198	12,882,059			32,955,920
Invesco Ltd.	584,300	12,357,945	Metals & Mining 1.4%		
Morgan Stanley	353,613	11,358,050	Nucor Corp.	218,800	8,719,180
		36,598,054	Multi-Utilities 1.4%		
Chemicals 1.8%			Dominion Resources, Inc.	256,500	8,744,085
E.I. du Pont de Nemours & Co.	353,100	11,235,642	Oil, Gas & Consumable Fuels 8.1%		
Commercial Banks 1.4%			Anadarko Petroleum Corp.	84,117	5,125,249
Wells Fargo & Co.	316,600	8,712,832	Chevron Corp.	256,400	19,624,856
Communications Equipment 1.0%			Exxon Mobil Corp.	247,100	17,709,657
Nokia Oyj ADR	503,900	6,354,179	Peabody Energy Corp.	199,100	7,882,369
Computers & Peripherals 4.5%					50,342,131
Hewlett-Packard Co.	286,092	13,577,926	Pharmaceuticals 10.8%		
International Business Machines Corp.	117,353	14,153,945	Bristol-Myers Squibb Co.	859,200	18,730,560
		27,731,871	Eli Lilly & Co.	263,500	8,961,635
			Johnson & Johnson	143,454	8,470,959
Diversified Financial Services 3.4%			Pfizer, Inc.	681,599	11,607,622
JPMorgan Chase & Co.	501,939	20,965,992	Schering-Plough Corp.	676,900	19,088,580
Diversified Telecommunication Services 6.3%					66,859,356
AT&T Inc.	450 400	11 700 700			00,009,000
Qwest Communications International	459,400	11,792,798			
Inc.	3,573,701	12,829,587	Semiconductors & Semiconductor		
Verizon Communications, Inc.	494,300	14,626,337	Equipment 10.0%		
			Analog Devices, Inc.	500,100	12,817,563
		39,248,722	Intel Corp.	501,078	9,575,601
Electric Utilities 2.5%			LSI Corp. (a)	3,895,920	19,947,110
FPL Group, Inc.	152,044	7,465,360	Maxim Integrated Products, Inc.	655,500	10,927,185
The Southern Co.	261,029	8,141,495	Micron Technology, Inc. (a)	1,233,100	8,372,749
		15,606,855			61,640,208
Electrical Equipment 0.9%			Software 1.0%		
Emerson Electric Co.	143,000	5,398,250	Microsoft Corp.	215,414	5,973,430
Energy Equipment & Services 2.1%			Specialty Retail 1.0%		

Halliburton Co.	441,089	12,884,210	Home Depot, Inc.	242,200	6,076,798
Food & Staples Retailing 1.1%			Total Long-Term Investments		
Walgreen Co.	180,400	6,824,532	(Cost \$664,851,097) 97.7%		604,104,432
Food Products 7.3%					
General Mills, Inc.	209,371	13,801,736			
Kraft Foods, Inc.	594,200	16,352,384			
Unilever NV ADR	481,632	14,877,612	Short-Term Securities		
		45,031,732	Money Market Funds 4.0%		
Health Care Equipment & Supplies 1.3%			BlackRock Liquidity Funds, TempFund,		
Covidien Plc	193,800	8,162,856	Institutional Class, 0.18% (b)(c)	24,567,455	24,567,455
Household Products 3.4%				Par	
Clorox Co.	54,557	3,231,411		(000)	
Kimberly-Clark Corp.	287,700	17,595,732	Time Deposits 0.0%		
			Brown Brothers Harriman & Co., 0.03%,		
		20,827,143	11/02/09	\$ 217	217,283
Industrial Conglomerates 1.3%			Total Short-Term Securities		
Tyco International Ltd.	230,500	7,733,275	(Cost \$24,784,738) 4.0%		24,784,738
Insurance 7.8%			Total Investments Before Outstanding Options Written		
ACE Ltd.	185,500	9 527 280	(Cost \$689,635,835*) 101.7%		628,889,170
MetLife, Inc.	257,825	8,773,785	(0031 \$000,000,000) 101.175		020,000,170
Prudential Financial, Inc.	118,300	5,350,709			
The Travelers Cos., Inc.	489,430	24,368,720			
	400,400	48,020,494			
See Notes to Financial Statements.		+0,020,+ 3 4			
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Schedule of Investments (continued)

BlackRock Enhanced Capital and Income Fund, Inc. (CII)

Options Written	Contracts	Value	Options Written	Contracts	Value
Evolution Traded Call Options Written			Exchange-Traded Call Options Written		
Exchange-Traded Call Options Written			(concluded) Ravtheon Co.:		
ACE Ltd.:	100	¢ (0.000)	,	000	<u>ቀ (70,000)</u>
expiring 11/21/09 at USD 55	100	\$ (2,000)		900	\$ (72,000)
expiring 12/19/09 at USD 55	550	(39,875)		395	(25,675)
AT&T Inc., expiring 1/16/10 at USD 27	250	(13,500)	Schering-Plough Corp.:	0.000	(100.050)
Anadarko Petroleum Corp.:	405	(140.750)	expiring 12/19/09 at USD 29	2,300	(109,250)
expiring 11/21/09 at USD 60	425	(148,750)		1,425	(32,063)
expiring 12/19/09 at USD 70 Analog Devices, Inc., expiring 12/19/09 at	40	(5,000)	Time Warner, Inc.:		
USD 30	100	(1,750)	expiring 12/19/09 at USD 32	2,700	(209,250)
The Bank of New York Mellon Corp.:			expiring 1/16/10 at USD 33	250	(20,000)
expiring 12/19/09 at USD 30	1,500	(75,000)	The Travelers Cos., Inc.:		
expiring 12/19/09 at USD 31	190	(5,700)	expiring 11/21/09 at USD 50	1,000	(137,500)
Bristol-Myers Squibb Co.:			expiring 12/19/09 at USD 50	465	(95,325)
expiring 11/21/09 at USD 23	430	(5,375)	expiring 12/19/09 at USD 55	250	(11,250)
		<i>(</i>)	Tyco International Ltd., expiring 12/19/09 at		<i></i>
expiring 12/19/09 at USD 23	2,470	(75,335)	USD 36 Unilever NV ADR, expiring 12/19/09 at	820	(45,100)
Clorox Co., expiring 1/16/10 at USD 60 Covidien Plc, expiring 11/21/09 at USD	410	(79,950)	USD 30	1,700	(289,000)
42.50	100	(12,750)	Verizon Communications, Inc.:		
Deere & Co., expiring 12/19/09 at USD 49	1,550	(251,875)	expiring 11/21/09 at USD 29	1,250	(126,250)
Dominion Resources, Inc.,			expiring 12/19/09 at USD 30	1,250	(95,624)
expiring 11/21/09 at USD 35	630	(15,750)	expiring 12/19/09 at USD 31	250	(9,750)
expiring 1/16/10 at USD 35	400	(27,000)	Viacom, Inc. Class B:		
Eli Lilly & Co.:			expiring 11/21/09 at USD 30	1,060	(31,800)
expiring 11/21/09 at USD 35	130	(3,250)	expiring 12/19/09 at USD 30 Walgreen Co., expiring 12/19/09 at USD	1,035	(72,450)
expiring 12/19/09 at USD 35	800	(44,000)	41	630	(20,474)
Francisco Flactuia Ca			Walt Disney Co., expiring 12/19/09 at USD	400	(10,000)
Emerson Electric Co.:			31 Total Exchange-Traded Call Options	400	(10,000)
expiring 11/21/09 at USD 41	210	(3,675)	Written		(4,359,940)
expiring 12/19/09 at USD 41	290	(13,050)	Over-the-Counter Call Options Written		
Exxon Mobil Corp., expiring 11/21/09 at					
USD 75	1,850	(70,300)	AT&T Inc.:		
FPL Group, Inc., expiring 11/21/09 at USD 55	470	(3,525)	expiring 12/15/09 at USD 26.60, Broker UBS AG	2,000	(73,008)
General Mills, Inc.:			expiring 12/18/09 at USD 27, Broker Morgan		

expiring 11/21/09 at USD 65	515	(90,125)	Stanley Capitial Services, Inc.	270	(6,589)
expiring 12/19/09 at USD 65	815	(207,825)	Analog Devices, Inc., expiring 11/30/09 at USD 28.39,		
Halliburton Co., expiring 11/21/09 at USD 32	2,400	(74,400)	Broker Citibank NA Bristol-Myers Squibb Co., expiring	1,650	(27,042)
Hewlett-Packard Co.:			11/13/09		
expiring 12/19/09 at USD 48	790	(144,175)	at USD 23.20, Broker Credit Suisse International	1,825	(6,209)
expiring 12/19/09 at USD 50	285	(28,500)	Chevron Corp.:		
expiring 1/16/10 at USD 50	600	(85,500)	expiring 11/30/09 at USD 79.18, Broker UBS AG	1,170	(134,217)
Home Depot, Inc., expiring 12/19/09 at USD 28	1,815	(43,560)	expiring 12/23/09 at USD 79.45, Broker UBS AG Covidien Plc, expiring 11/13/09 at USD	750	(125,320)
Honeywell International, Inc.,			42.39,		
expiring 12/19/09 at USD 39	1,000	(45,000)	Broker Credit Suisse International Dominion Resources, Inc., expiring	580	(41,089)
expiring 12/19/09 at USD 40	160	(4,800)	12/11/09		
Intel Corp., expiring 12/19/09 at USD 21	2,750	(63,250)		900	(22,723)
International Business Machines Corp.,			E.I. du Pont de Nemours & Co., expiring 12/23/09		
expiring 12/19/09 at USD 125	645	(153,188)	at USD 34.87, Broker UBS AG FPL Group, Inc., expiring 11/17/09 at USD	2,655	(148,622)
Invesco Ltd., expiring 12/19/09 at USD 25 JPMorgan Chase & Co., expiring 12/19/09	280	(7,700)	55.96,		
at USD 48	2,000	(125,000)	Broker Credit Suisse International General Mills, Inc., expiring 11/20/09 at	450	(438)
Kimberly-Clark Corp.:			USD 65.50,		
expiring 11/21/09 at USD 60	710	(136,675)	Broker UBS AG Honeywell International, Inc., expiring	240	(30,762)
expiring 11/24/09 at USD 59	730	(182,418)	11/20/09 at USD 38.50, Broker Credit Suisse		
expiring 1/16/10 at USD 65 Kraft Foods, Inc., expiring 12/19/09 at	100	(6,000)		640	(10,045)
USD 28	1,485	(111,375)			
Maxim Integrated Products, Inc., expiring 11/21/09			Broker Morgan Stanley Capital Services, Inc.	1,470	(132,869)
at USD 20	300	(3,000)	Johnson & Johnson:		
			expiring 12/15/09 at USD 60.96, Broker		
MetLife, Inc., expiring 11/21/09 at USD 39 Microsoft Corp., expiring 12/19/09 at USD	900	(24,750)	Morgan		
27	535	(78,378)	Stanley Capital Services, Inc.	245	(11,574)
Micron Technology, Inc., expiring 12/19/09 at USD 9 Morgan Stanley, expiring 12/19/09 at USD	3,700	(27,750)	expiring 12/23/09 at USD 61.98, Broker Credit		
35	1,240	(127,100)	Suisse International	585	(25,053)
Nokia Oyj ADR:				245	(15,384)

			expiring 1/04/10 at USD 62, Broker		
			Bank of America		
			Kraft Foods, Inc., expiring 12/07/09 at USD		
expiring 11/21/09 at USD 14	750	(5,625)	26.85,		
expiring 12/19/09 at USD 14	1,000	(27,500)	Broker Goldman Sachs Bank USA	1,770	(193,797)
Nucor Corp., expiring 11/21/09 at USD 48	650	(6,500)			
Peabody Energy Corp., expiring 11/21/09					
at USD 42	700	(70,000)			
Pfizer, Inc., expiring 12/19/09 at USD 18	5,110	(153,300)			
Prudential Financial, Inc.:					
expiring 11/21/09 at USD 55	355	(8,875)			
expiring 12/19/09 at USD 55	100	(7,500)			
See Notes to Financial Statements.					
			OCTOBER		
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Schedule of Investments (concluded)

BlackRock Enhanced Capital and Income Fund, Inc.
(CII)
(Percentages shown are based on Net Assets)

			(Percentages shown are based on Net Assets)
Options Written	Contracts	Value	
Over-the-Counter Call Options Written (concluded)			Fair Value Measurements Various inputs are used in determining the fair value of
LSI Corp.:			investments, which are as follows:
expiring 11/13/09 at USD 5.63, Broker Morgan			Level 1 price quotations in active markets/exchanges for identical assets
Stanley Capital Services, Inc.	2,000	\$ (7,826)	
Stanley Capital Services, Inc.	2,000	φ (7,020)	
			and liabilities
expiring 12/23/09 at USD 5.93, Broker Morgan			
			Level 2 other observable inputs (including, but not limited to:
Stanley Capital Services, Inc.	9,600	(94,118)	quoted prices
expiring 1/08/10 at USD 5.56,			for similar assets or liabilities in markets that are active, quoted
Broker Morgan			prices for identi-
		<i></i>	cal or similar assets or liabilities in markets that are not active,
Stanley Capital Services, Inc.	2,000	(49,728)	inputs other than
Maxim Integrated Products, Inc.:			quoted prices that are observable for the assets or liabilities (such as interest
expiring 12/23/09 at USD 19.06,			rates, yield curves, volatilities, prepayment speeds, loss
Broker Morgan			severities, credit risks
			and default rates) or other
Stanley Capital Services, Inc.	1,292	(16,127)	market-corroborated inputs)
expiring 1/08/10 at USD 19.25,			Level 3 unobservable inputs based on the best information
Broker Morgan			available in the
Stanley Capital Services, Inc.	2,000	(41,582)	circumstances, to the extent observable inputs are not available (including the
Microsoft Corp., expiring 11/06/09 at	2,000	(41,362)	Fund s own assumptions used in determining the fair value of
USD 25,			investments)
Broker Deutshe Bank AG	1,080	(294,840)	,
	1,000	(201,010)	The inputs or methodology used for valuing securities are not
			necessarily an indica-
Northrop Grumman Corp., expiring			
12/23/09			
			tion of the risk associated with investing in those securities. For
			information about
at USD 51.94, Broker Citibank NA	1,445	(166,533)	
			the Fund s policy regarding valuation of investments and other significant accounting
Qwest Communications International			significant accounting
Inc.,			
			policies, please refer to Note 1 of the Notes to
			Financial Statements.
expiring 1/06/10 at USD 3.66, Broker			
o			

Credit

Suisse International The Southern Co., expiring 12/23/09 at USD 32.76,	12,500	(217,713)	The following tables summarize the inputs u 2009 in deter- mining the fair valuation of the Fund s investments:	sed as of October 31,
Broker Citibank NA Walt Disney Co., expiring 11/09/09 at USD 28.50,	1,950	(56,560)		Investments in
Broker Morgan Stanley Capital				
Services, Inc.	640	(14,400)	Valuation Inputs	Securities
Wells Fargo & Co.,				Assets
expiring 11/20/09 at USD 30.75, Broke	r Deutsche		Level 1	
Bank AG	1,390	(31,570)	Long-Term Investments ¹	\$604,104,432
expiring 12/23/09 at USD 31.50,				
Broker Credit			Short-Term Securities	24,567,455
Suisse International	350	(21,468)		
			Total Level 1	628,671,887
Total Over-the-Counter Call Options Written		(2,017,206)		
Whiteh		(2,017,200)	Level 2 Short-Term Securities	217,283
Total Options Written			Lever 2 Short-renn Securities	217,205
(Premiums Received \$9,193,459)				
(1.0)%		(6,377,146)	Level 3	
Total Investments, Net of Outstanding	Options			
Written 100.7%		622,512,024	Total	\$628,889,170
Liabilities in Excess of Other Assets			See above Schedule of Investments for a values in each industry	or
(0.7)%		(4,050,310)	I values in each industry.	
Net Assets 100.0%		\$618,461,714		
* The cost and unrealized appreciation (dopropiotion) of	investmente se		Other Financial
The cost and unrealized appreciation (• •	of October 31,	Valuation Inputs	Instruments ²
2009, as computed for federal incom			·	
follows:				Liabilities
Aggregate cost		\$ 715,152,338	Level 1	\$ (4,359,940)
Gross unrealized appreciation		\$ 6,130,287	Level 2	(2,017,206)
Gross unrealized depreciation		(92,393,455)	Level 3	
Net unrealized depreciation		\$ (86,263,168)	Total	\$ (6,377,146)
			Other financial instruments are option	
(a) Non-income producing security.			² market value.	
(b) Investments in companies considered	ed to be an affilia	ate of the Fund,		
	f	for purposes of		
Section 2(a)(3) of the Investment Co	mpany Act of 19	40, were as		
follows:	N -			
	Net			
Affiliate	Activity	Income		
BlackRock Liquidity Funds, TempFund,				
тетрі ини,				

Institutional Class	\$24,567,455	\$ 25,743						
BlackRock Liquidity Series, LLC								
Cash Sweep Series	\$(2,450,990)	\$117,920						
(c) Represents the current yield as of report date.								
For Fund compliance purposes, the Fund s industry classifications refer to any one								
or more of the industry sub-classifications used by one or more widely recognized								
market indexes or ratings group indexes, and/or as defined by Fund management.								
This definition may not apply for purposes of this report, which may combine industry								
sub-classifications for reporting								
ease.								
See Notes to Financial Statements.								
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Schedule of Investments October 31,

2009

BlackRock Floating Rate Income Trust (BGT)

(Percentages shown are based on Net Assets)

Par

Common Stocks		Shares	Value	Corporate Bonds	(000)	Value
Chemicals 0.0%				Energy Equipment & Services 0.0%		
British Vita Holding				Compagnie Generale de		
Co. (a)(b)		166	\$ 977	Geophysique-Veritas:		
Commercial Services & Supplies					100 70	¢ 00 475
0.0%				7.50%, 5/15/15	USD 70	. ,
Sirva (b)		554	5,540	7.75%, 5/15/17	50	49,500
Construction & Engineering 0.0%						118,975
USI United			~~ ~~ ~			
Subcontractors (b)		7,639	99,305	Food & Staples Retailing 0.1%		
Metals & Mining 0.0%				Duane Reade, Inc., 11.75%, 8/01/15 (a)	240	255,600
Euramax International				(a)	240	233,000
(b)		1,135	12,203	Food Products 0.2%		
()			,	Smithfield Foods, Inc., 10.00%, 7/15/14		
Paper & Forest Products 0.1%				(a)	700	735,000
Ainsworth Lumber				Health Care Equipment & Supplies		
Co. Ltd. (b)		55,855	90,850	0.2%		
Ainsworth Lumber Co. Ltd. (a)(b)		62,685	102,419	DJO Finance LLC, 10.88%, 11/15/14	635	661,987
				Health Care Providers & Services		
			193,269	0.4%		
Total Common Stocks 0.1%			311,294	DaVita, Inc., 6.63%, 3/15/13	1,070	1,053,950
				Tenet Healthcare Corp. (a):		
				9.00%, 5/01/15	95	100,462
				10.00%, 5/01/18	35	38,587
		Par				
Corporate Bonds		(000)				1,192,999
Air Freight & Logistics 0.0%				Hotels, Restaurants & Leisure 0.1%		
Park-Ohio Industries, Inc., 8.38%,				American Real Estate Partners LP,		
11/15/14	USD	125	98,125	7.13%, 2/15/13	140	137,550
				Greektown Holdings, LLC, 10.75%,		
				12/01/13 (a)(b)(d)	122	24,400
Auto Components						
0.0% Delphi International Holdings						
Unsecured,						161,950
12.00%, 10/06/14		39	27 002	Household Durables 0.5%		,
The Goodyear Tire & Rubber Co.,		33	57,592	Beazer Homes USA, Inc., 12.00%,		
5.01%, 12/01/09 (c)		60	60.000	10/15/17 (a)	1,500	1,575,000
			2-,- 30	Berkline/BenchCraft, LLC, 4.50%,	.,500	,,
Lear Corp., 8.75%, 12/01/16 (b)(d)		30	20,400	11/03/12 (b)(d)(e)	400	
			118,392			1,575,000
			-,->			, -,

Building Products					
0.0%			IT Services 0.2%		
CPG International I, Inc., 10.50%,			SunGard Data Systems, Inc., 4.88%,		
7/01/13	90	76,500	1/15/14	763	686,700
Capital Markets			Independent Power Producers & Energy		
0.6%			Traders 1.6%		
E*Trade Financial					
Corp. (a):			AES Ironwood LLC, 8.86%, 11/30/25	82	78,071
12.50%, 11/30/17 (e)	138	153,180	Calpine Construction Finance Co. LP,		
3.34%, 8/31/19 (f)(g)	439	629,416	8.00%, 6/01/16 (a)	2,580	2,618,700
Marsico Parent Co., LLC, 10.63%,					
1/15/16 (a)	1,501	915,610	NRG Energy, Inc., 7.25%, 2/01/14	2,200	2,183,500
Marsico Parent Holdco, LLC, 12.50%,					
7/15/16 (a)(e)	645	145,226			4,880,271
Marsico Parent Superholdco, LLC,					
14.50%, 1/15/18					
(a)(e)	445	100,213	Machinery 0.1%		
			Sunstate Equipment Co. LLC, 10.50%,		
			4/01/13 (a)	210	161,700
			Synventive Molding Solutions		
		1,943,645	Sub-Series A,		
Chemicals 0.3%			14.00%, 1/14/11 (e)	986	246,504
American Pacific Corp., 9.00%,					
2/01/15	125	116,250			408,204
Ames True Temper, Inc., 4.28%,					
1/15/12 (c)	1,100	968,000			
			Media 1.0%		
		1,084,250	Affinion Group, Inc., 10.13%, 10/15/13	50	51,250
Commercial Banks					
4.1%			CSC Holdings, Inc., 8.50%, 4/15/14 (a)	550	580,937
SNS Bank NV Series EMTN, 2.88%,			Charter Communications Holdings II,		
1/30/12 EUR	8,500	12,711,922	LLC (b)(d):		
Commercial Services & Supplies					
0.3%			10.25%, 9/15/10	260	314,600
DI Finance Series B, 9.50%, 2/15/13 USD	307	313,140	Series B, 10.25%, 9/15/10	45	54,225
The Geo Group, Inc., 7.75%, 10/15/17			Charter Communications Operating,		
(a)	675	685,125	LLC,		
			10.00%, 4/30/12 (a)(b)(d)	210	213,150
		998,265	EchoStar DBS Corp.:		
Containers & Packaging 0.1%			7.00%, 10/01/13	158	158,000
Berry Plastics Corp., 4.17%, 9/15/14					
(c)	300	236,250	7.13%, 2/01/16	230	230,000
Impress Holdings BV, 3.41%, 9/15/13			Local Insight Regatta Holdings, Inc.,		
(a)(c)	150	142,687	11.00%, 12/01/17	770	377,300
		378,937	Nielsen Finance LLC, 10.00%, 8/01/14	400	412,000
			Rainbow National Services LLC, 8.75%,		
			9/01/12 (a)	750	761,250
Diversified Financial Services					

Diversified Financial Services

FCE Bank Plc, 7.13%, 1/16/12 Diversified Telecommunication	EUR	200	282,556				3,152,712
Services 1.8% PAETEC Holding Corp., 8.88%, 6/30/17 (a)	USD	700	693,000	Metals & Mining 0.2% Foundation PA Coal Co., 7.25%, 8/01/14		505	506,894
Qwest Corp., 8.38%, 5/01/16 (a) Telefonica Emisiones SAU, 5.43%,		1,840	1,899,800	Oil, Gas & Consumable Fuels 5.4%	,		
2/03/14	EUR	2,000	3,164,192	Gazprom OAO, 9.63%, 3/01/13 Repsol International Finance BV,		11,530	12,770,628
			5,756,992	6.50%, 3/27/14	EUR	1,500	2,444,048
				SandRidge Energy, Inc., 3.91%, 4/01/1	4		
				(c)	USD	1,400	1,239,308
				Whiting Petroleum Corp., 7.25%,			
				5/01/13		300	300,375
							16,754,359
See Notes to Financial Statements.							
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Schedule of Investments (continued)

BlackRock Floating Rate Income Trust (BGT)

		Par		(1.0100114300-0101		Par	,
Corporate Bonds		(000)	Value	Floating Rate Loan Interests (c)		(000)	Value
Paper & Forest Products 2.4%				Beverages (concluded)			
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(e)	USD	482 \$	275,858	Le-Nature s, Inc., Tranche B Term Loan,			
						1,000	
NewPage Corp.:				9.50%, 3/01/11 (b)(d)	USD	\$	390,000
6.53%, 5/01/12 (c)		1,500	960,000	Orangina SA:			
11.38%, 12/31/14 (a)		5,470	5,456,325	Term Loan B2, 2.61%, 12/31/13	EUR	559	801,916
Verso Paper Holdings LLC Series B, 4.03%, 8/01/14 (c)		1,215	795,825	Term Loan C2, 3.61%, 12/31/14		534	765,047
4.03 %, 0/01/14 (C)		1,210	7,488,008	Terri Loan 02, 3.0176, 12/31/14		504	4,443,353
Pharmaceuticals 0.5%			7,400,000	Building Products 1.9%			4,443,333
Angiotech Pharmaceuticals, Inc., 4.11%				Building Materials Corp. of America, Term			
12/01/13 (c)	,	1,750	1,452,500				
Real Estate Investment Trusts (REITs)						
1.4%				Advance, 3.00%, 2/22/14	USD	2,679	2,460,208
Rouse Co. LP, 5.38%, 11/26/13 (b)(d)		4,835	4,254,800	Custom Building Products, Inc., Loan (Second Lien),			
		4,000	4,204,000	10.75%, 4/20/12		1,500	1,421,250
Specialty Retail 0.1%				Goodman Global Holdings Term Loan B,		1,000	1,421,200
General Nutrition Centers, Inc., 5.18%,							
3/15/14 (c)(e)		500	446,250	6.25%, 2/13/14		900	900,675
Lazy Days R.V. Center, Inc., 11.75%,				Momentive Performance Materials (Blitz			
5/15/12 (b)(d)		375	3,750	06-103			
			450.000	GMBH), Tranche B-1 Term Loan, 2.50%,		1 010	1 007 050
Textiles, Apparel & Luxury Goods			450,000	12/04/13 United Subcontractors, Inc., First Lien		1,218	1,007,952
0.6%				Term Loan,			
Levi Strauss & Co., 8.63%, 4/01/13	EUR	1,300	1,894,012	1.79%, 6/30/15		179	152,293
Tobacco 1.4%							5,942,378
Imperial Tobacco Finance Plc, 4.38%,							
11/22/13		1,500	2,238,020	Capital Markets 0.4%			
Reynolds American, Inc., 7.63%, 6/01/16	USD	2,000	2 154 312	Marsico Parent Co., LLC, Term Loan,			
0,01,10	OOD	2,000		5.00% 5.06%, 12/15/14		458	309,239
			4,392,332	Nuveen Investments, Inc., First Lien Term		430	309,239
				Loan,			
Wireless Telecommunication Service	s						
1.3%				3.28%, 11/13/14		1,174	1,009,334
Cricket Communications, Inc., 7.75%, 5/15/16 (a)		3,000	2,992,500				
iPCS, Inc., 2.41%, 5/01/13 (c)		1,155	1,010,625				1,318,573
, -,		,		Chemicals 8.0%			,,
			.,			1,071	1,085,440
						1,071	1,000,440

Total Corporate Bonds 25.0%		78,475,012	Ashland Inc., Term B Borrowing, 7.65%, 5/13/14 Brenntag AG, Second Lien Term Loan,			
			4.25%, 7/17/15		1,000	937,500
			Brenntag Holding GmbH & Co. KG:			
			Acquisition Facility 1, 2.25% 2.99%,			
			1/20/14		384	363,650
Floating Rate Loan Interests (c)			Acquisition Facility 2, 3.21%, 1/20/14	EUR	443	616,722
Aerospace & Defense 1.1%			Facility B2, 2.25%, 1/20/14	USD	1,572	1,489,371
Avio SpA, Dollar Mezzanine Term Loan,			Facility B6A and B6B, 3.02%, 1/20/14	EUR	489	689,643
4.24%, 12/13/16	1,062	806,784	Cognis GmbH:			
Hawker Beechcraft Acquisition Co. LLC:			Facility A, 2.77%, 11/17/13		803	1,068,996
Credit Linked Deposit, 0.18%,						
3/26/14	163	127,717	Facility B (French), 2.77%, 11/16/13		197	261,795
Term Loan, 2.24% 2.28%, 3/26/14	2,750	2 158 412	ElectricInvest Holding Co. Ltd. (Viridian Group Plc),			
IAP Worldwide Services, Inc., Term	2,700	2,100,412				
Loan (First-Lien),			Junior Term Facility:			
9.25%, 12/30/12 (e)	232	193,722	4.93%, 12/20/12		1,787	2,025,325
			5.01%, 12/21/12	GBP	1,800	2,274,779
		3,286,635	Huish Detergents Inc.:			
Airlines 0.3%			Loan (Second Lien), 4.50%, 10/26/14	USD	750	710,625
US Airways Group, Inc., Loan, 2.78%,			Tranche B Term Loan, 2.00%,			
3/21/14	1,460	965,425	4/26/14		1,725	1,650,055
Auto Components 2.7%			Ineos US Finance LLC, Term A4 Facility,			
Allison Transmission, Inc., Term Loan,			7.00%, 12/14/12		1,236	1,091,535
3.00% 3.04%, 8/07/14	5,778	5 166 397	Matrix Acquisition Corp. (MacDermid, Inc.) Tranche C	,		
Dana Holding Corp., Term Advance,	5,776	5,100,597				
7.25%, 1/31/15	2,874	2,532,390	Term Loan, 2.64%, 12/15/13	EUR	1,616	1,839,021
Dayco Products LLC (Mark IV						
Industries, Inc.):						