BLACKROCK BROAD INVESTMENT GRADE 2009 TERM TRUST INC
Form N-CSR
January 07, 2008

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-07250

Name of Fund: BlackRock Broad Investment Grade 2009 Term Trust, Inc. (BCT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock Broad Investment Grade 2009 Term Trust, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 10/31/2007

Date of reporting period: 11/01/2006 □ 10/31/2007

Item 1 Report to Stockholders

EQUITIES FIXED INCOME REAL ESTATE LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

Closed-End Funds

ANNUAL REPORT | OCTOBER 31, 2007

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

BlackRock Core Bond Trust (BHK)

BlackRock High Yield Trust (BHY)

BlackRock Income Opportunity Trust (BNA)

BlackRock Income Trust Inc. (BKT)

BlackRock Limited Duration Income Trust (BLW)

BlackRock Preferred and Equity Advantage Trust (BTZ)

BlackRock Strategic Bond Trust (BHD)

Table of Contents	Page

A Letter to Shareholders

Dear Shareholder

The October reporting period was fairly tumultuous for financial markets, but culminated in positive performance for most major benchmarks:

Total returns as of October 31, 2007

	6-month	12-month
U.S. equities (S&P 500 Index)	+5.49 %	+14.56%
Small cap U.S. equities (Russell 2000 Index)	+2.25 %	+9.27%
International equities (MSCI Europe, Australasia, Far East Index)	+8.19 %	+24.91%
Fixed income (Lehman Brothers U.S. Aggregate Bond Index)	+2.68 %	+5.38%
Tax-exempt fixed income (Lehman Brothers Municipal Bond Index)	+1.30 %	+2.91%
High yield bonds (Lehman Brothers U.S. Corporate High Yield 2% Issuer Cap Index)	-0.07 %	+6.89%

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

Subprime mortgage woes dominated headlines for much of 2007, but intensified in the summer and fall, spawning a widespread liquidity and credit crisis with ramifications across global markets. The Federal Reserve Board (Fed) and other countries central banks stepped in to inject liquidity into the markets and bolster investor confidence. The Fed cut the federal funds rate by 0.50% in September and another 0.25% on the final day of the reporting period, bringing its target rate to 4.50%. In taking action, the central bankers, who had long deemed themselves inflation fighters, were seeking to stem the fallout from the credit crunch and forestall a wider economic unraveling. By period-end, the Fed had cited the risks between slower economic growth and faster inflation as equally balanced.

Amid the volatility throughout the past year, equity markets have displayed surprising resilience. Most recently, the credit turmoil dampened corporate merger-and-acquisition (M&A) activity, a key source of strength for equity markets. Still, market fundamentals have held firm, dividend payouts and share buybacks have continued to grow, and valuations remain attractive. These tailwinds generally have prevailed over the headwinds created by the slowing U.S. economy, troubled housing market and, recently, a more difficult corporate earnings backdrop. International markets fared even better than U.S. equities, benefiting from robust M&A activity and generally stronger economies.

In fixed income markets, mixed economic signals and the credit woes resulted in a flight to quality. At the height of the uncertainty, investors shunned bonds associated with the housing and credit markets in favor of higher-quality Treasury issues. The yield on 10-year Treasury issues, which touched 5.30% in June (its highest level in five years), fell to 4.48% by period-end, while prices correspondingly rose. The tax-exempt bond market has been challenged by a combination of record-setting supply year-to-date, economic uncertainty and concerns around the credit worthiness of bond insurers. This has brought municipal bond prices to relatively attractive levels and, as such, demand generally has remained firm.

As you navigate market volatility, we encourage you to review your investment goals with your financial professional and to make portfolio changes, as needed. For more market insight and commentary from BlackRock investment professionals, we invite you to visit www.blackrock.com/funds. As always, we thank you for entrusting BlackRock with your investment assets, and we look forward to continuing to serve you in the months and years ahead.

Sincerely,

Robert C. Doll, Jr.

Vice Chairman, BlackRock, Inc.

THIS PAGE NOT PART OF YOUR TRUSTS REPORT

Trust Summary as of October 31, 2007

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

Investment Objective

The Trust s investment objective is to manage a portfolio of fixed income securities that will return $15 per share (the initial public offering price per share) to investors on or about December 31, 2009 while providing high monthly income.

Trust Information

Symbol on American Stock Exchange:	BCT
Initial Offering Date:	June 17, 1993
Yield on Closing Market Price as of October 31, 2007 ($15.15):[1]	5.94%
Current Monthly Distribution per Share:[2]	$ 0.075
Current Annualized Distribution per Share:[2]	$ 0.900

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 A change in the distribution rate was declared on November 1, 2007. The Monthly Distribution per Common Share was decreased to $0.049. The Yield on Closing Market Price, Current Monthly Distribution and Current Annualized Distribution do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

The table below summarizes the changes in the Trust s market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	$ 15.15	$ 15.08	0.46%	$ 15.65	$ 14.82
Net Asset Value	$ 13.38	$ 13.79	(2.97)%	$ 13.81	$ 13.36

The following unaudited chart shows the portfolio composition of the Trust s long-term investments:

Portfolio Composition

Composition	10/31/07	10/31/06
Agency Multiple Class Mortgage Pass-Through Securities	31%	28%
Taxable Municipal Bonds	18	11
Non-Agency Multiple Class Mortgage Pass-Through Securities	16	
Inverse Floating Rate Mortgage Securities	15	8

Corporate Bonds	9	14
Interest Only Mortgage-Backed Securities	8	7
Mortgage Pass-Through Securities	3	2
U.S. Government and Agency Securities		30

Trust Summary as of October 31, 2007

BlackRock Core Bond Trust (BHK)

Investment Objective

The Trust s investment objective is to provide current income and capital appreciation.

Trust Information

Symbol on New York Stock Exchange:	BHK
Initial Offering Date:	November 27, 2001
Yield on Closing Market Price as of October 31, 2007 ($12.23):[1]	6.57%
Current Monthly Distribution per Share:[2]	$0.067
Current Annualized Distribution per Share:[2]	$0.804
Leverage as of October 31, 2007:[3]	22%

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

2 A change in the distribution rate was declared on December 5, 2007. The Monthly Distribution per Common Share was decreased to $0.062. The Yield on Closing Market Price, Current Monthly Distribution and Current Annualized Distribution do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

3 As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust s market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	$12.23	$12.86	(4.90)%	$13.25	$11.32
Net Asset Value	$13.63	$13.82	(1.37)%	$14.01	$13.11

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

Portfolio Composition

Composition	10/31/07	10/31/06
Corporate Bonds	42%	58%
Mortgage Pass-Through Securities	36	10

Asset-Backed Securities	4	8
Commercial Mortgage-Backed Securities	4	6
U.S. Government and Agency Securities	4	5
Non-Agency Multiple Class Mortgage Pass-Through Securities	4	2
Agency Multiple Class Mortgage Pass-Through Securities	3	8
Trust Preferred Stocks	2	
Interest Only Mortgage-Backed Securities	1	1
Interest Only Asset-Backed Securities		1
Foreign Government Bonds		1

Corporate Bond Breakdown[4]

Credit Rating	10/31/07	10/31/06
AAA/Aaa	6%	7%
AA/Aa	24	26
A	21	10
BBB/Baa	20	17
BB/Ba	7	12
B	16	23
CCC/Caa	6	5

4 Using the highest of Standard & Poor s (S&P s), Moody s Investors Service (Moody s) or Fitch Rating (Fitch s) ratings. Corporate bonds represented approximately 66.2% and 58.3% of net assets on October 31, 2007 and 2006, respectively.

Trust Summary as of October 31, 2007

BlackRock High Yield Trust (BHY)

Investment Objective

The Trust s investment objective is to generate high current income and, to a lesser extent, to seek capital appreciation.

Trust Information

Symbol on New York Stock Exchange:	BHY
Initial Offering Date:	December 23, 1998
Yield on Closing Market Price as of October 31, 2007 ($6.92):[1]	8.84%
Current Monthly Distribution per Share:[2]	$0.051
Current Annualized Distribution per Share:[2]	$0.612
Leverage as of October 31, 2007:[3]	15%

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.
3 As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust s market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	$6.92	$7.77	(10.94)%	$8.70	$5.83
Net Asset Value	$7.91	$7.85	0.76%	$8.32	$7.63

The following unaudited charts show the portfolio composition and credit quality allocations of the Trust s corporate bond investments:

Portfolio Composition[4]

Corporate Portfolio Composition	10/31/07	10/31/06
Telecommunications	15%	13%
Energy	14	16
Media	11	11
Basic Materials	10	11
Financial Institutions	10	14
Consumer Products	6	6
Technology	6	5

Automotive	4	3
Entertainment & Leisure	4	4
Industrials	4	3
Health Care	3	3
Containers & Packaging	3	3
Aerospace & Defense	3	3
Transportation	2	2
Building & Development	2	3
Real Estate	1	
Ecological Services & Equipment	1	
Commercial Services	1	

4 For Trust compliance purposes, the Trust s sector and industry classification refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classification for reporting ease.

Corporate Bond Breakdown[5]

Credit Rating	10/31/07	10/31/06
BBB/Baa	4%	3%
BB/Ba	21	26
B	51	55
CCC/Caa	21	12
C		2
Not Rated	3	2

5 Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 110.4% and 128.9% of net assets on October 31, 2007 and 2006, respectively.

Trust Summary as of October 31, 2007

BlackRock Income Opportunity Trust (BNA)

Investment Objective

The Trust s investment objective is to provide current income and capital appreciation.

Trust Information

Symbol on New York Stock Exchange:	BNA
Initial Offering Date:	December 20, 1991
Yield on Closing Market Price as of October 31, 2007 ($10.19):[1]	6.48%
Current Monthly Distribution per Share:[2]	$0.055
Current Annualized Distribution per Share:[2]	$0.660
Leverage as of October 31, 2007:[3]	22%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
2 A change in the distribution rate was declared on December 5, 2007. The Monthly Distribution per Common Share was decreased to $0.051. The Yield on Closing Market Price, Current Monthly Distribution and Current Annualized Distribution do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.
3 As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust s market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	$10.19	$10.58	(3.69)%	$10.88	$ 9.13
Net Asset Value	$11.02	$11.17	(1.34)%	$11.33	$ 10.53

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

Portfolio Composition

Composition	10/31/07	10/31/06
Corporate Bonds	38%	48%
Mortgage Pass-Through Securities	36	12
Asset-Backed Securities	7	13
Non-Agency Multiple Class Mortgage Pass-Through Securities	5	6
Agency Multiple Class Mortgage Pass-Through Securities	4	7

U.S. Government and Agency Securities	3	7
Commercial Mortgage-Backed Securities	3	4
Trust Preferred Stocks	2	
Federal Housing Administration Securities	1	1
Interest Only Mortgage-Backed Securities	1	1
Inverse Floating Rate Mortgage Securities		1

Corporate Bond Breakdown[4]

Credit Rating	10/31/07	10/31/06
AAA/Aaa	8%	9%
AA/Aa	21	17
A	20	10
BBB/Baa	22	19
BB/Ba	6	13
B	17	25
CCC/Caa	6	6
Not Rated		1

4 Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 64.0% and 52.1% of net assets on October 31, 2007 and 2006, respectively.

Trust Summary as of October 31, 2007

BlackRock Income Trust Inc. (BKT)

Investment Objective

The Trust s investment objective is to manage a portfolio of high quality securities to achieve high monthly income consistent with the preservation of capital.

Trust Information

Symbol on New York Stock Exchange:	BKT
Initial Offering Date:	July 22, 1988
Yield on Closing Market Price as of October 31, 2007 ($5.81):[1]	6.40%
Current Monthly Distribution per Share:[2]	$0.031
Current Annualized Distribution per Share:[2]	$0.372
Leverage as of October 31, 2007:[3]	8%

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 A change in the distribution rate was declared on December 5, 2007. The Monthly Distribution per Common Share was decreased to $0.024. The Yield on Closing Market Price, Current Monthly Distribution and Current Annualized Distribution do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

3 As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust s market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	$5.81	$6.07	(4.28)%	$6.33	$5.49
Net Asset Value	$6.53	$6.48	0.77%	$6.61	$6.25

The following unaudited chart shows the portfolio composition of the Trust s long-term investments:

Portfolio Composition

Composition	10/31/07	10/31/06
Mortgage Pass-Through Securities	27%	22%
Agency Multiple Class Mortgage Pass-Through Securities	26	28
Interest Only Mortgage-Backed Securities	13	10
U.S. Government and Agency Securities	10	20
Non-Agency Multiple Class Mortgage Pass-Through Securities	9	9

Principal Only Mortgage-Backed Securities	5	5
Inverse Floating Rate Mortgage Securities	4	3
Federal Housing Administration Securities	2	2
Asset-Backed Securities	2	
Commercial Mortgage-Backed Securities	1	
Corporate Bonds	1	1

Trust Summary as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW)

Investment Objective

The Trust s investment objective is to provide current income and capital appreciation.

Trust Information

Symbol on New York Stock Exchange:	BLW
Initial Offering Date:	July 30, 2003
Yield on Closing Market Price as of October 31, 2007 ($16.68):[1]	8.99%
Current Monthly Distribution per Share:[2]	$0.125
Current Annualized Distribution per Share:[2]	$1.500
Leverage as of October 31, 2007:[3]	14%

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.
3 As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the Trust s market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	$16.68	$18.85	(11.51) %	$19.89	$14.20
Net Asset Value	$18.52	$19.01	(2.58) %	$19.38	$18.08

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

Portfolio Composition

Composition	10/31/07	10/31/06
Bank Loans	42%	36%
Corporate Bonds	37	43
Mortgage Pass-Through Securities	16	14
U.S. Government and Agency Securities	3	4
Foreign Government Bonds	2	2
Non-Agency Multiple Class Mortgage Pass-Through Securities		1

Corporate Bond Breakdown[4]

Credit Rating	10/31/07	10/31/06
AA/Aa	1%	2%
A	4	1
BBB/Baa	8	9
BB/Ba	23	24
B	43	51
CCC/Caa	18	11
Not Rated	3	2

4 Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 49.1% and 64.3% of net assets on October 31, 2007 and 2006, respectively.

Trust Summary as of October 31, 2007

BlackRock Preferred and Equity Advantage Trust (BTZ)

Investment Objective

The Trust s investment objective is to seek current income, current gains and capital appreciation.

Trust Information

Symbol on New York Stock Exchange:	BTZ
Initial Offering Date:	December 27, 2006
Yield on Closing Market Price as of October 31, 2007 ($18.65):[1]	10.05%
Current Monthly Distribution per Share:[2]	$0.15625
Current Annualized Distribution per Share:[2]	$1.87500
Leverage as of October 31, 2007:[3]	33%

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.
3 As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust s market price and net asset value per share:

	10/31/2007	High	Low
Market Price	$18.65	$25.25	$15.63
Net Asset Value	$21.37	$24.35	$20.87

The following unaudited charts show the portfolio composition of the Trust s long-term investments and credit quality allocations of the Trust s preferred stock, trust preferred stock and corporate bond investments:

Portfolio Composition[4]

Composition	10/31/07
Financial Institutions	65%
Energy	8
Technology	5
Consumer Products	4
Health Care	4
Telecommunications	3
Real Estate	3
Media	2
Industrials	2
Basic Materials	1
Entertainment & Leisure	1

Automotive	1
Transportation	1

4 For Trust compliance purposes, the Trust s sector and industry classification refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classification for reporting ease.

Preferred, Trust Preferred and Corporate Bond Breakdown[5]

Credit Rating	10/31/07
AA/Aa	20%
A	42
BBB/Baa	29
BB/Ba	1
B	6
CCC/Caa	1
Not Rated	1

5 Using the higher of S&P, Moody s or Fitch ratings.

Trust Summary as of October 31, 2007

BlackRock Strategic Bond Trust (BHD)

Investment Objective

The Trust s investment objective is to seek total return through high current income and capital appreciation.

Trust Information

Symbol on New York Stock Exchange:	BHD
Initial Offering Date:	February 26, 2002
Yield on Closing Market Price as of October 31, 2007 ($11.88):[1]	7.78%
Current Monthly Distribution per Share:[2]	$0.077
Current Annualized Distribution per Share:[2]	$0.924

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.

The table below summarizes the changes in the Trust s market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	$11.88	$12.85	(7.55)%	$13.29	$10.40
Net Asset Value	$13.80	$13.83	(0.22)%	$14.19	$13.47

The following unaudited charts show the portfolio composition and credit quality allocations of the Trust s corporate bond investments:

Corporate Portfolio Composition[3]

Composition	10/31/07	10/31/06
Media	17%	14%
Telecommunications	14	12
Energy	13	13
Financial Institutions	12	18
Aerospace & Defense	8	6
Basic Materials	6	6
Consumer Products	5	7
Technology	4	5
Automotive	4	2
Health Care	4	4
Transportation	3	1
Ecological Services & Equipment	3	2
Industrials	2	3
Containers & Packaging	2	1

Entertainment & Leisure	1	3
Building & Development	1	2
Real Estate	1	1

3 For Trust compliance purposes, the Trust s sector and industry classification refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classification for reporting ease.

Corporate Bond Breakdown[4]

Credit Rating	10/31/07	10/31/06
AAA/Aaa	1%	3%
AA/Aa	4	6
A	17	12
BBB/Baa	15	13
BB/Ba	12	16
B	37	40
CCC/Caa	12	9
Not Rated	2	1

4 Using the highest of S&P s, Moody s or Fitch s rating. Corporate bonds represented approximately 84.5% and 107.6% of net assets on October 31, 2007 and 2006, respectively.

Portfolio of Investments as of October 31, 2007

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)
(Percentages shown are based on Net Assets)

	Principal Amount (000)	Description		Value
LONG-TERM INVESTMENTS 29.2%				
Mortgage Pass-Through Securities 0.9%				
		Federal National Mortgage Assoc.,		
$	314	5.50%, 1/01/17-2/01/17	$	316,169
	14	6.50%, 7/01/29		14,777
		Total Mortgage Pass-Through Securities		330,946
Agency Multiple Class Mortgage Pass-Through Securities 9.1%				
		Federal Home Loan Mortgage Corp.,		
	1,745	Ser. 1510, Class G, 7.05%, 5/15/13		1,753,683
	1,098	Ser. 1598, Class J, 6.50%, 10/15/08		1,095,825
	81	Ser. 2564, Class NC, 5.00%, 2/15/33		69,195
	668	Federal National Mortgage Assoc., Ser. 49, Class H, 7.00%, 4/25/13		689,837
		Total Agency Multiple Class Mortgage Pass-Through Securities		3,608,540
Inverse Floating Rate Mortgage Securities 4.3%				
	132[1]	Citicorp Mortgage Securities, Inc., Ser. 14, Class A-4, 6.352%, 11/25/23		131,701
		Federal Home Loan Mortgage Corp.,		
	5[1]	Ser. 1425, Class SB, 11.886%, 12/15/07		4,876
	4[1]	Ser. 1506, Class S, 9.708%, 5/15/08		4,468
	152[1]	Ser. 1515, Class S, 8.753%, 5/15/08		152,069
	10[1]	Ser. 1600, Class SC, 8.60%, 10/15/08		9,853
	144[1]	Ser. 1618, Class SA, 8.25%, 11/15/08		144,815
	7[1]	Ser. 1661, Class SB, 8.83%, 1/15/09		7,035
	21[1]	Ser. 1688, Class S, 9.566%, 12/15/13		21,408
	105[1]	Ser. 2412, Class SE, 5.519%, 2/15/09		106,281
	275[1]	Ser. 2517, Class SE, 3.522%, 10/15/09		264,534
		Federal National Mortgage Assoc.,		
	7[1]	Ser. 13, Class SJ, 8.75%, 2/25/09		7,505
	3[1]	Ser. 174, Class S, 97.223%, 9/25/22		9,514
	118[1]	Ser. 192, Class SC, 6.84%, 10/25/08		117,971
	37[1]	Ser. 214, Class SH, 5.592%, 12/25/08		36,653
	51[1]	Ser. 214, Class SK, 10.00%, 12/25/08		52,172
	618[1]	Residential Accredit Loans, Inc., Ser. QS16, Class A3, 6.435%, 10/25/17		620,297
		Total Inverse Floating Rate Mortgage Securities		1,691,152
Interest Only Mortgage-Backed Securities 2.3%				
		Federal Home Loan Mortgage Corp.,		
	1	Ser. 65, Class I, 918.03%, 8/15/20		1,058
		Ser. 141, Class H, 1,060.00%, 5/15/21		220
	1,444	Ser. 2523, Class EH, 5.50%, 4/15/20		73,865
	149	Ser. 2633, Class PI, 4.50%, 3/15/12		781
	3,531	Ser. 2739, Class PI, 5.00%, 3/15/22		94,580
	1,467	Ser. 2976, Class KI, 5.50%, 11/15/34		191,597
	1,664	Ser. 3189, Class KI, 6.00%, 1/15/35		174,439
	2,615	Ser. 3207, Class QI, 6.00%, 2/15/35		234,558

	Federal National Mortgage Assoc.,	
	Ser. 8, Class HA, 1,199.999%, 1/25/08	105
899	Ser. 13, Class IG, 5.00%, 10/25/22	21,655
35[1]	Ser. 20, Class SL, 10.12%, 9/25/08	1,260
2	Ser. 49, Class L, 444.917%, 4/25/13	16,790
4,343	Ser. 70, Class ID, 5.00%, 4/25/22	61,437
	Ser. G-21, Class L, 949.50%, 7/25/21	7,410
12,042[1]	Vendee Mortgage Trust, Ser. 1, 0.043%, 10/15/31	26,627
	Total Interest Only Mortgage-Backed Securities	906,382

Principal Amount (000)	**Description**	**Value**
Principal Only Mortgage-Backed Security 0.0%		
$ 14[2]	Salomon Brothers Mortgage Securities, Inc. VI, Ser. 3, Class A, 12.50%, 10/23/17	$ 13,246
Asset-Backed Securities 0.0%		
234[1,3,4,5]	Global Rated Eligible Asset Trust, Ser. A, Class 1, 7.33%, 9/15/07	23
568[1,3,5]	Structured Mortgage Asset Residential Trust, Ser. 2, 8.24%, 12/15/07	57
	Total Asset-Backed Securities	80
Corporate Bond 2.6%		
1,000	Morgan Stanley Group, Inc., 10.00%, 6/15/08	1,029,161
Taxable Municipal Bonds 5.2%		
500	Fresno California Pension Oblig., 7.80%, 6/01/14	544,725
500	Kern County California Pension Oblig., 6.98%, 8/15/09	518,005
500	Los Angeles County California Pension Oblig., Ser. D, 6.97%, 6/30/08	506,585
500	Orleans Parish Louisiana School Board, Ser. A, 6.60%, 2/01/08	501,925
	Total Taxable Municipal Bonds	2,071,240
Non-Agency Multiple Class Mortgage Pass-Through Securities 4.8%		
1,914[1]	JPMorgan Mortgage Trust, Ser. A7, Class 2A2, 5.83%, 1/25/37	1,910,904
	Total Long-Term Investments (cost $11,827,713)	11,561,651
SHORT-TERM INVESTMENT 70.3%		
U.S. Government and Agency Discount Notes 70.3%		
27,800[6]	Federal Home Loan Bank Disc. Notes, 4.351%, 11/01/07 (cost $27,800,000)	27,800,000
Total Investments 99.5% (cost $39,627,713[7])		$ 39,361,651
Other assets in excess of liabilities 0.5%		207,328
Net Assets 100%		$ 39,568,979

1

Variable rate security. Rate shown is interest rate as of October 31, 2007.

2 Rate shown is effective yield of the underlying collateral as of October 31, 2007.

3 Illiquid security. As of October 31, 2007, the Trust held less than 0.1% of its net assets, with a current market value of $80, in these securities.

4 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held less than 0.1% of its net assets, with a current market value of $23, in securities restricted as to resale.

5 Security is fair valued.

6 Rate shown is the yield to maturity as of the date of purchase.

7 Cost for federal income tax purposes is $39,627,713. The net unrealized depreciation on a tax basis is $266,062, consisting of $321,614 gross unrealized appreciation and $587,676 gross unrealized depreciation.

Portfolio Abbreviations

ADR	American Depositary Receipt
EUR	Euro
GBP	British Pound
LIBOR	London Interbank Offered Rate
PRIME	Prime Rate
REIT	Real Estate Investment Trust
TBA	To Be Announced
TBD	To Be Determined

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Core Bond Trust (BHK)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 158.7%		
Mortgage Pass-Through Securities 58.2%		
$ 757[1]	Citigroup Mortgage Loan Trust, Inc., Ser. 4, Class A, 5.345%, 8/25/35	$ 738,529
	Federal Home Loan Mortgage Corp.,	
75	5.00%, 8/01/33	71,842
1,428[2]	5.50%, 11/01/18	1,434,281
5,183	5.50%, 11/01/18-5/01/36	5,112,866
2,498	6.00%, 2/01/13-12/01/18	2,545,922
23	7.00%, 9/01/31	23,749
59[1]	7.379%, 5/01/32	60,118
4,000	TBA, 5.50%, 12/12/37	3,935,000
	Federal National Mortgage Assoc.,	
44	4.50%, 2/01/20	42,798
10,051	5.00%, 11/01/17-6/01/37	9,870,125
12,498[2]	5.00%, 1/01/18-5/01/37	12,026,793
2,747	5.50%, 1/01/18-7/01/34	2,719,784
43,246[2]	5.50%, 12/01/35-4/01/36	42,661,096
6,658[2]	6.00%, 2/01/36-10/01/36	6,708,610
3,159	6.00%, 8/01/29-11/01/36	3,182,236
289	7.00%, 1/01/31-7/01/32	302,834
400	TBA, 5.00%, 11/19/22	393,750
85,500	TBA, 5.50%, 11/19/22-11/13/37	84,249,051
18,900	TBA, 6.00%, 11/13/37-12/12/37	19,019,812
15,600	TBA, 6.50%, 12/12/37	15,946,133
	Government National Mortgage Assoc.,	
205	5.50%, 8/15/33	204,241
200	TBA, 6.50%, 11/20/37	205,312
760[1]	GSR Mortgage Loan Trust, Ser. AR4, Class 6A1, 5.25%, 7/25/35	739,031
	Small Business Administration,	
767	Ser. P10B, Class 1, 4.754%, 8/01/14	751,230
1,351	Ser. P10B, Class 1, 5.136%, 8/01/13	1,352,827
	Total Mortgage Pass-Through Securities	214,297,970
Federal Housing Administration Security 0.3%		
1,028	FHA Hebre Home Hospital, 6.25%, 9/01/28	1,038,331
Agency Multiple Class Mortgage Pass-Through Securities 4.0%		
	Federal Home Loan Mortgage Corp.,	
1,200	Ser. 2562, Class PG, 5.00%, 1/15/18	1,185,166
2,170	Ser. 2775, Class OE, 4.50%, 4/15/19	2,056,897
2,959	Ser. 2806, Class VC, 6.00%, 12/15/19	3,008,150
1,306	Ser. 2825, Class VP, 5.50%, 6/15/15	1,322,326
1,300	Ser. 2883, Class DR, 5.00%, 11/15/19	1,257,396
1,600	Ser. 2968, Class EG, 6.00%, 10/15/34	1,622,310
	Federal National Mortgage Assoc.,	
2,691	Ser. 5, Class PK, 5.00%, 12/25/34	2,684,529
1,663[1]	Ser. 118, Class FD, 5.273%, 12/25/33	1,651,013
	Total Agency Multiple Class Mortgage Pass-Through Securities	14,787,787

Asset-Backed Securities 6.7%		
2,300	Chase Issuance Trust, Ser. A17, Class A, 5.12%, 10/15/14	2,315,364
2,800	Chase Manhattan Auto Owner Trust, Ser. B, Class A4, 4.88%, 6/15/12	2,801,647
2,825	Citibank Credit Card Issuance Trust, Ser. A2, Class A2, 4.85%, 2/10/11	2,826,461
229[1]	Countrywide Asset-Backed Certificates, Ser. 16, Class 4AV1, 4.973%, 1/25/35	228,876
2,406	DaimlerChrysler Auto Trust, Ser. A, Class A3, 5.00%, 5/08/10	2,406,171
2,850	Ford Credit Auto Owner Trust, Ser. A, Class A4, 5.08%, 12/15/10	2,860,611
2,300	Harley-Davidson Motorcycle Trust, Ser. 2, Class A2, 4.07%, 2/15/12	2,283,930
2,500	Maryland Trust, Ser. 1, Class A, 5.55%, 12/10/65	2,371,875

Principal Amount (000)	Description	Value
Asset Backed Securities (cont d)		
$ 2,825	MBNA Credit Card Master Note Trust, Ser. A1, Class A, 4.90%, 7/15/11	$ 2,830,207
59[1]	New Century Home Equity Loan Trust, Ser. C, Class A2A, 4.953%, 1/25/36	59,262
564[1]	SLM Student Loan Trust, Ser. 5, Class A1, 5.084%, 1/25/18	564,436
471[1]	Structured Asset Investment Loan Trust, Ser. 1, Class A1, 4.953%, 1/25/36	469,358
2,725	USAA Auto Owner Trust, Ser. 1 Class A4, 5.04%, 12/15/11	2,738,565
	Total Asset-Backed Securities	24,756,763
Interest Only Asset-Backed Securities 0.2%		
	Sterling Coofs Trust,	
12,656	Ser. 1, 2.365%, 4/15/29	561,620
10,125[3]	Ser. 2, 2.081%, 3/30/30	272,114
	Total Interest Only Asset-Backed Securities	833,734
Interest Only Mortgage-Backed Securities 1.0%		
	Federal Home Loan Mortgage Corp.,	
2,104	Ser. 2579, Class HI, 5.00%, 8/15/17	242,617
5,772	Ser. 2611, Class QI, 5.50%, 9/15/32	1,047,320
	Federal National Mortgage Assoc.,	
23,975[1]	Ser. 90, Class JH, 1.828%, 11/25/34	1,341,116
4,030	Ser. 378, Class 5, 5.00%, 7/01/36	980,948
	Total Interest Only Mortgage-Backed Securities	3,612,001
Commercial Mortgage-Backed Securities 6.4%		
2,180[1]	Banc of America Commerical Mortgage, Inc., Ser. 1, Class A4, 4.871%, 11/10/42	2,163,105
2,720	Credit Suisse First Boston Mortgage Securities Corp., Ser. CP5, Class A2, 4.94%, 12/15/35	2,667,298
2,170[1]	Credit Suisse Mortgage Capital Certificates, Ser. C2, Class A3, 5.542%, 1/15/49	2,147,296
1,463[1]	General Motor Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C3, Class A2, 7.179%, 8/15/36	1,504,810
1,973	Goldman Sachs Mortgage Securities Corp. II, Ser. C1, Class A3, 6.135%, 10/18/30	1,977,721
1,435[1]	Heller Financial Commercial Mortgage Asset Co., Ser. PH1, Class A2, 6.847%, 5/15/31	1,453,914

	JPMorgan Chase Commercial Mortgage Securities Corp.,	
2,140	Ser. C1, Class A3, 5.857%, 10/12/35	2,185,265
2,180	Ser. CBX, Class A4, 4.529%, 1/12/37	2,131,593
1,652[1]	JPMorgan Commercial Mortgage Finance Corp., Ser. C10, Class A2, 7.371%, 8/15/32	1,717,907
2,082[1]	Morgan Stanley Capital Trust I, Ser. HF2, Class A2, 6.48%, 11/15/30	2,089,181
3,489[1]	Salomon Brothers Mortgage Securities VII, Ser. C1, Class A2, 7.52%, 12/18/09	3,619,954
	Total Commercial Mortgage-Backed Securities	23,658,044
Corporate Bonds 66.2%		
Aerospace & Defense 1.1%		
150[3]	Bombardier, Inc., 8.00%, 11/15/14 (Canada)	156,000
1,195	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	1,269,688
	DRS Technologies, Inc.,	
70	6.875%, 11/01/13	70,000
80	7.625%, 2/01/18	81,800
960	Northrop Grumman Corp., 7.875%, 3/01/26	1,147,117
15	Sequa Corp., 9.00%, 8/01/09	16,088
120	TransDigm, Inc., 7.75%, 7/15/14	122,100
1,125	United Technologies Corp., 4.875%, 5/01/15	1,088,382
	Total Aerospace & Defense	3,951,175
Automotive 1.0%		
265	Accuride Corp., 8.50%, 2/01/15	249,100
	AutoNation, Inc.,	
150	7.00%, 4/15/14	145,125
150[1]	7.243%, 4/15/13	146,625
600	Ford Capital BV, 9.50%, 6/01/10 (Netherlands)	604,500

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Core Bond Trust (BHK) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Automotive (cont d)		
$ 360	Lear Corp., Ser. B, 8.75%, 12/01/16	$ 345,600
250	Metaldyne Corp., 10.00%, 11/01/13	232,500
2,100	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	2,121,000
	Total Automotive	3,844,450
Basic Materials 3.3%		
500	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	367,500
995	AK Steel Corp., 7.75%, 6/15/12	1,014,900
250	American Pacific Corp., 9.00%, 2/01/15	256,250
80[1]	Bowater, Inc., 8.694%, 3/15/10	73,200
30	Chemtura Corp., 6.875%, 6/01/16	28,650
200	CPG Intl. I, Inc., 10.50%, 7/01/13	200,000
60	Domtar, Inc., 7.125%, 8/15/15 (Canada)	59,400
	Freeport-McMoRan Copper & Gold, Inc.,	
1,020	8.375%, 4/01/17	1,116,900
330[1]	8.394%, 4/01/15	340,725
66	Huntsman LLC, 12.00%, 7/15/12	71,775
	Ineos Group Holdings Plc (United Kingdom)	
285	7.875%, 2/07/16 (EUR)	379,810
1,330[3]	8.50%, 2/15/16	1,263,500
885	Innophos, Inc., 8.875%, 8/15/14	891,638
515[3]	Key Plastics LLC/Key Plastics Finance Corp., 11.75%, 3/15/13	437,750
1,705	NewPage Corp., 10.00%, 5/01/12	1,803,037
	Noranda, Inc. (Canada)	
825	6.00%, 10/15/15	830,709
1,250	6.20%, 6/15/35	1,200,827
1,430	Teck Cominco Ltd., 6.125%, 10/01/35 (Canada)	1,354,563
430	Terra Capital, Inc., Ser. B, 7.00%, 2/01/17	430,000
	Total Basic Materials	12,121,134
Building & Development 0.2%		
440	Goodman Global Holding Co., Inc., 7.875%, 12/15/12	459,800
140	Nortek, Inc., 8.50%, 9/01/14	123,900
85	North American Energy Partners, Inc., 8.75%, 12/01/11 (Canada)	85,850
	Total Building & Development	669,550
Commercial Services 0.1%		
100	FTI Consulting, Inc., 7.75%, 10/01/16	104,500
200[3]	Quebecor World, Inc., 9.75%, 1/15/15 (Canada)	195,000
	Total Commercial Services	299,500
Consumer Products 2.5%		
650[1]	Ames True Temper, Inc., 9.243%, 1/15/12	624,000
30[1]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 8.058%, 5/15/14	29,625

775	CVS Caremark Corp., 6.25%, 6/01/27	770,626
695	Federated Retail Holdings, Inc., 5.90%, 12/01/16	663,511
	General Nutrition Centers, Inc.,	
500[1]	10.009%, 3/15/14	481,250
400	10.75%, 3/15/15	389,000
850	Kimberly-Clark Corp., 6.625%, 8/01/37	935,813
1,515	Kraft Foods, Inc., 7.00%, 8/11/37	1,644,963
314	Lazy Days RV Center, Inc., 11.75%, 5/15/12	282,600
	Michaels Stores, Inc.,	
470	10.00%, 11/01/14	473,525
600[2]	11.375%, 11/01/16	598,500
1,000	Pantry, Inc. (The), 7.75%, 2/15/14	975,000
175	Quiksilver, Inc., 6.875%, 4/15/15	163,188
250	Reynolds American, Inc., 7.625%, 6/01/16	270,479
775	Rite Aid Corp., 7.50%, 3/01/17	720,750
390	Sally Holdings LLC, 10.50%, 11/15/16	388,050
	Total Consumer Products	9,410,880

Principal Amount (000)	Description	Value
Containers & Packaging 0.8%		
	Berry Plastics Holding Corp.,	
$ 270	8.875%, 9/15/14	$ 276,750
180[1]	9.569%, 9/15/14	180,450
150	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	154,500
75	Graham Packaging Co., Inc., 8.50%, 10/15/12	74,438
300[1,3]	Impress Holdings BV, 8.368%, 9/15/13 (Netherlands)	298,426
1,500	Owens Brockway, 8.25%, 5/15/13	1,560,000
545	Pregis Corp., 12.375%, 10/15/13	594,050
	Total Containers & Packaging	3,138,614
Ecological Services & Equipment 0.2%		
590	Waste Services, Inc., 9.50%, 4/15/14	590,000
Energy 9.7%		
425	Amerada Hess Corp., 7.125%, 3/15/33	469,065
2,350	Anadarko Petroleum Corp., 6.45%, 9/15/36	2,377,558
140	Berry Petroleum Co., 8.25%, 11/01/16	142,800
875	Burlington Resources Finance Co., 7.40%, 12/01/31 (Canada)	1,031,161
375	Canadian Natural Resources Ltd., 6.25%, 3/15/38 (Canada)	370,540
320	Chaparral Energy, Inc., 8.50%, 12/01/15	298,400
	Chesapeake Energy Corp.,	
150	6.375%, 6/15/15	145,500
20	6.875%, 11/15/20	19,550
500	Cleveland Electric Illuminating Co., 5.95%, 12/15/36	463,733
	Compagnie Generale de Geophysique-Veritas (France)	
55	7.50%, 5/15/15	56,100
90	7.75%, 5/15/17	92,700
235	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	225,013
125	Conoco Funding Co., 7.25%, 10/15/31 (Canada)	145,774
535	ConocoPhillips Funding Co., 5.95%, 10/15/36 (Canada)	548,451
650	ConocoPhillips Holding Co., 6.95%, 4/15/29	740,160
100	Devon Energy Corp., 7.95%, 4/15/32	122,312
725	DTE Energy Co., 6.35%, 6/01/16	750,656
115	Edison Mission Energy, 7.50%, 6/15/13	116,581
1,125[3]	EDP Finance BV, 6.00%, 2/02/18 (Netherlands)	1,122,493
	El Paso Natural Gas Co.,	

265	8.625%, 1/15/22	308,335
225	8.875%, 6/15/32	262,282
124	Elwood Energy LLC, 8.159%, 7/05/26	127,055
	EnCana Corp., (Canada)	
1,000	6.50%, 8/15/34	1,045,819
700	6.625%, 8/15/37	739,318
	Encore Acquisition Co.,	
40	6.00%, 7/15/15	36,200
60	7.25%, 12/01/17	57,450
1,500	Energy East Corp., 6.75%, 7/15/36	1,546,705
130	Exco Resources, Inc., 7.25%, 1/15/11	128,375
950	Florida Power & Light Co., 4.95%, 6/01/35	824,533
675	Florida Power Corp., 6.35%, 9/15/37	708,736
80	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	80,400
210	KCS Energy, Inc., 7.125%, 4/01/12	206,850
700	Midamerican Energy Co., 5.80%, 10/15/36	680,105
	Midamerican Energy Holdings Co.,	
800	5.95%, 5/15/37	766,990
1,525[3]	6.50%, 9/15/37	1,563,997
75	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16	80,767
155	Mirant Americas Generation LLC, 8.30%, 5/01/11	156,744
1,050[3]	Nakilat, Inc., 6.067%, 12/31/33 (Qatar)	995,715
550	Nexen, Inc., 6.40%, 5/15/37 (Canada)	547,239
	NRG Energy, Inc.,	
50	7.25%, 2/01/14	50,000
285	7.375%, 2/01/16	284,288

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Core Bond Trust (BHK) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Energy (cont d)		
$ 1,000	Ohio Edison Co., 6.875%, 7/15/36	$ 1,047,284
425	ONEOK Partners LP, 6.65%, 10/01/36	432,782
450[3]	OPTI, Inc., 8.25%, 12/15/14 (Canada)	451,125
130	Orion Power Holdings, Inc., 12.00%, 5/01/10	143,650
575	Pacificorp, 6.25%, 10/15/37	590,146
1,650	Pemex Project Funding Master Trust, 9.625%, 12/02/08	1,725,900
1,200	Public Service Co. of Colorado, 6.25%, 9/01/37	1,245,049
330	Sabine Pass LNG LP, 7.50%, 11/30/16	323,400
700	Scottish Power Plc, 5.375%, 3/15/15 (United Kingdom)	689,766
315[3]	SemGroup LP, 8.75%, 11/15/15	302,400
	Southern California Edison Co.,	
625	5.625%, 2/01/36	596,659
125	Ser. 05-E, 5.35%, 7/15/35	113,955
645	Suncor Energy, Inc., 6.50%, 6/15/38 (Canada)	675,171
320[3]	Targa Resources, Inc., 8.50%, 11/01/13	323,200
550	Trans-Canada Pipelines Ltd., 5.85%, 3/15/36 (Canada)	527,368
950	Valero Energy Corp., 6.625%, 6/15/37	978,133
2,000	Virginia Electric & Power Co., Ser. A, 6.00%, 5/15/37	1,965,206
625[3]	Weatherford Int l., Inc., 6.80%, 6/15/37	655,387
375	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	368,638
1,925	XTO Energy, Inc., 6.75%, 8/01/37	2,064,924
	Total Energy	35,656,593
Entertainment & Leisure 0.6%		
185	AMC Entertainment, Inc., 11.00%, 2/01/16	200,263
1,000	Circus & Eldorado Joint Venture, 10.125%, 3/01/12	1,040,000
150	Gaylord Entertainment Co., 6.75%, 11/15/14	145,500
335[3]	Greektown Holdings LLC, 10.75%, 12/01/13	333,325
375	Harrah s Operating Co., Inc., 5.75%, 10/01/17	276,562
260	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	261,950
40	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	39,300
	Total Entertainment & Leisure	2,296,900
Financial Institutions 23.6%		
	American Real Estate Partners LP/American Real Estate Finance Corp.,	
320	7.125%, 2/15/13	312,000
3,165	8.125%, 6/01/11	3,188,737
2,575	Bank of America Corp., 6.00%, 9/01/17	2,625,030
1,975	Bank of America NA, Ser. BKNT, 6.10%, 6/15/17	2,021,363
325	Bank One Corp., 3.70%, 1/15/08	324,161
1,400	BankBoston NA, 6.375%, 3/25/08-4/15/08	1,406,364
1,270	Bear Stearns Cos., Inc. (The), Ser. MTN, 6.95%, 8/10/12	1,321,679
350[3]	Belvoir Land LLC, Ser. A1, 5.27%, 12/15/47	310,765
1,075	Berkshire Hathaway Finance Corp., 4.75%, 5/15/12	1,059,247
181[1,3]	BMS Holdings, Inc., 12.40%, 2/15/12	173,374
1,100	Chubb Corp., 6.00%, 5/11/37	1,070,352
600	CitiFinancial, 6.25%, 1/01/08	600,878

	Citigroup, Inc.,	
3,950[4]	3.625%, 2/09/09	3,891,149
4,790[4]	4.125%, 2/22/10	4,709,978
1,020	4.25%, 7/29/09	1,007,887
1,005	5.875%, 2/22/33-5/29/37	955,122
525	6.875%, 2/15/98	534,624
3,775[3]	Depfa ACS Bank, 5.125%, 3/16/37 (Ireland)	3,570,723
	Ford Motor Credit Co. LLC,	
340	7.80%, 6/01/12	319,456
200[1]	7.993%, 1/13/12	185,155
525[3]	Fort Irwin Land LLC, Ser. A-1, 5.03%, 12/15/25	495,254
6,855[2]	General Electric Capital Corp., Ser. GMTN, 6.15%, 8/07/37	7,103,041

Principal Amount (000)	Description	Value
Financial Institutions	**(cont d)**	
	Goldman Sachs Group, Inc. (The),	
$ 1,415	5.35%, 1/15/16	$ 1,377,548
4,885	5.45%, 11/01/12	4,914,139
135	6.25%, 9/01/17	140,028
925[1]	Hartford Life Global Funding Trusts, Ser. MTN, 5.864%, 9/15/09	924,002
825[3]	HBOS Treasury Services Plc, 3.75%, 9/30/08 (United Kingdom)	812,767
775	HSBC Bank NA, 5.875%, 11/01/34	716,502
300	HSBC Holdings Plc, 6.50%, 5/02/36 (United Kingdom)	296,167
799[3]	iPayment Investors LP, 11.625%, 7/15/14	822,779
240	iPayment, Inc., 9.75%, 5/15/14	230,400
1,500[3]	Irwin Land LLC, 5.40%, 12/15/47	1,378,395
3,950	JPMorgan Chase Capital XXV, Ser. Y, 6.80%, 10/01/37	3,945,643
	Lehman Brothers Holdings, Inc.,	
1,875	6.50%, 7/19/17	1,888,348
525[1]	Ser. MTN, 7.394%, 9/15/22	536,446
1,525	MetLife, Inc., 5.70%, 6/15/35	1,413,587
1,150[3]	Metropolitan Global Funding I, 4.25%, 7/30/09	1,136,666
	Momentive Performance Materials, Inc.,	
40[3]	9.75%, 12/01/14	39,000
405[3]	11.50%, 12/01/16	390,825
1,810[1,3]	Monumental Global Funding Ltd., Ser. MTN, 5.24%, 6/16/10 (Cayman Islands)	1,793,710
	Morgan Stanley,	
3,300[1]	5.493%, 1/09/12	3,246,860
525	6.25%, 8/09/26	517,443
1,700	Ser. MTN, 6.25%, 8/28/17	1,740,576
1,375	Ser. MTN, 5.55%, 4/27/17	1,338,083
850[3]	New York Life Global Funding, 3.875%, 1/15/09	843,505
350	Ohana Military Communities LLC, Ser. 04I, 6.193%, 4/01/49	357,088
	Prudential Financial, Inc.,	
500	5.90%, 3/17/36	471,162
675	Ser. MTN, 5.70%, 12/14/36	626,303
1,000[3]	Prudential Funding LLC, 6.60%, 5/15/08	1,006,033
	Rainbow National Services LLC,	
200[3]	8.75%, 9/01/12	208,000
943[3]	10.375%, 9/01/14	1,037,300
550[1]	SLM Corp., 5.384%, 1/27/14	486,399
2,170[5]	Structured Asset Receivable Trust, 5.68%, 1/21/10	2,148,367
	SunTrust Bank,	
995	4.00%, 10/15/08	985,997
1,265	4.415%, 6/15/09	1,249,858
235[3]	TIAA Global Markets, Inc., 3.875%, 1/22/08	234,326
975	Travelers Cos., Inc., Ser. MTN, 6.25%, 6/15/37	961,956
50[1]	Universal City Florida Holding Co. I/II, 9.661%, 5/01/10	51,125
2,790[2]	US Bank NA, 6.50%, 2/01/08	2,794,765
495[3]	USAA Capital Corp., 4.00%, 12/10/07	494,478

	Wells Fargo & Co.,	
1,031	3.12%, 8/15/08	1,013,318
355	4.20%, 1/15/10	349,594
1,665	4.625%, 8/09/10	1,648,918
435	4.875%, 1/12/11	432,628
540	Wells Fargo Bank NA, 5.95%, 8/26/36	532,155
605[3]	Wimar Opco LLC/Wimar Opco Finance Corp., 9.625%, 12/15/14	453,750
1,775[3]	Xstrata Finance Ltd., 5.80%, 11/15/16 (Canada)	1,760,351
	Total Financial Institutions	86,933,629

Health Care 3.5%

1,205[1,3]	Amgen, Inc., 5.585%, 11/28/08	1,202,827
1,625	AstraZeneca Plc, 6.45%, 9/15/37 (United Kingdom)	1,712,300
340	Bristol-Myers Squibb Co., 5.875%, 11/15/36	333,724
2,275[2]	Eli Lilly & Co., 5.55%, 3/15/37	2,172,348
1,125	Johnson & Johnson, 5.95%, 8/15/37	1,176,591
1,125	Schering-Plough Corp., 6.55%, 9/15/37	1,165,932

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Core Bond Trust (BHK) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Health Care (cont d)		
$ 1,020	Tenet Healthcare Corp., 6.50%, 6/01/12	$ 864,450
995	Teva Pharmaceutical Finance LLC, 6.15%, 2/01/36	979,429
870	UnitedHealth Group, Inc., 5.80%, 3/15/36	837,188
	WellPoint, Inc.,	
955	5.85%, 1/15/36	897,356
85	5.95%, 12/15/34	82,113
	Wyeth,	
925	5.95%, 4/01/37	914,805
675	6.00%, 2/15/36	668,576
	Total Health Care	13,007,639
Industrials 1.4%		
1,575	3M Co., Ser. MTN, 5.70%, 3/15/37	1,579,348
360[3]	AGY Holding Corp., 11.00%, 11/15/14	354,600
140	Hexcel Corp., 6.75%, 2/01/15	137,550
975	Honeywell Intl., Inc., 5.70%, 3/15/37	947,863
120	Park-Ohio Industries, Inc., 8.375%, 11/15/14	111,900
	RBS Global, Inc./Rexnord Corp.,	
480	9.50%, 8/01/14	495,600
505	11.75%, 8/01/16	535,300
950[3]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	912,000
	Total Industrials	5,074,161
Media 6.2%		
	Affinion Group, Inc.,	
515	10.125%, 10/15/13	536,887
180	11.50%, 10/15/15	187,650
100	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	95,750
	AOL Time Warner, Inc.,	
90	6.625%, 5/15/29	90,172
3,040	7.57%, 2/01/24	3,331,311
205	7.625%, 4/15/31	228,088
85	7.70%, 5/01/32	95,515
180[1]	Cablevision Systems Corp., Ser. B, 9.644%, 4/01/09	184,950
110	CanWest MediaWorks, Inc., 8.00%, 9/15/12 (Canada)	107,250
430	Charter Communications Holdings I LLC/Charter Communications Holdings I Capital Corp., 11.00%, 10/01/15	417,100
	Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
1,545	10.25%, 9/15/10	1,575,900
130	Ser. B, 10.25%, 9/15/10	132,275
645	CMP Susquehanna Corp., 9.875%, 5/15/14	592,594
	Comcast Corp.,	
790	6.45%, 3/15/37	796,377
2,375	6.50%, 1/15/17-11/15/35	2,464,004
25	6.95%, 8/15/37	26,753
75	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	79,969
125	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	130,625

	EchoStar DBS Corp.,	
175	5.75%, 10/01/08	174,563
290	7.00%, 10/01/13	301,962
75	7.125%, 2/01/16	78,375
620	Idearc, Inc., 8.00%, 11/15/16	621,550
600[1,3]	ION Media Networks, Inc., 8.493%, 1/15/12	601,500
485	Network Communications, Inc., 10.75%, 12/01/13	488,031
	News America Holdings, Inc.,	
985	7.625%, 11/30/28	1,092,925
825	7.70%, 10/30/25	917,857
625	8.45%, 8/01/34	755,622
560	Nexstar Finance, Inc., 7.00%, 1/15/14	537,600
	Nielsen Finance LLC/Nielsen Finance Co.,	
300[6]	9.115%, 8/01/16	216,750
965	10.00%, 8/01/14	1,015,662
865	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	865,000

Principal Amount (000)	Description	Value
Media (cont d)		
$ 70	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	$ 69,563
	TCI Communications, Inc.,	
200	7.125%, 2/15/28	212,777
620	7.875%, 8/01/13-2/15/26	705,603
70	Time Warner Cos., Inc., 6.95%, 1/15/28	72,559
1,000[3]	TL Acquisitions, Inc., 10.50%, 1/15/15	995,000
350[3]	Univision Communications, Inc., 9.75%, 3/15/15	343,000
645	Vertis, Inc., 9.75%, 4/01/09	645,000
1,205	Young Broadcasting, Inc., 10.00%, 3/01/11	1,132,700
	Total Media	22,916,769
Real Estate 0.9%		
	AvalonBay Communities, Inc.,	
350	6.625%, 9/15/11	364,056
775	8.25%, 7/15/08	792,236
	Rouse Co.,	
895	3.625%, 3/15/09	853,281
1,650	5.375%, 11/26/13	1,495,190
	Total Real Estate	3,504,763
Technology 1.9%		
	Amkor Technology, Inc.,	
80	7.75%, 5/15/13	77,400
145	9.25%, 6/01/16	148,263
250	Celestica, Inc., 7.625%, 7/01/13 (Canada)	240,000
	Freescale Semiconductor, Inc.,	
655	9.125%, 12/15/14	592,775
140[1]	9.569%, 12/15/14	128,625
3,125[2]	Intl. Business Machines Corp., 5.70%, 9/14/17	3,171,831
440	NXP BV/NXP Funding LLC, 9.50%, 10/15/15 (Netherlands)	415,800
630	Sanmina-SCI Corp., 8.125%, 3/01/16	552,825
	SunGard Data Systems, Inc.,	
105	9.125%, 8/15/13	107,100
610	10.25%, 8/15/15	635,925
945	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	933,187
	Total Technology	7,003,731
Telecommunications 8.7%		
2,875[2]	AT&T, Inc., 6.50%, 9/01/37	3,032,607

1,700[6]	BellSouth Telecommunications, 6.402%, 12/15/95	902,807
210	Cincinnati Bell, Inc., 7.25%, 7/15/13	210,525
225	Cricket Communications, Inc., 9.375%, 11/01/14	223,313
3,000[2]	Deutsche Telekom Intl. Finance BV,	
	5.75%, 3/23/16 (Netherlands)	3,007,887
	Digicel Group Ltd., (Bermuda)	
240[3]	8.875%, 1/15/15	224,112
560[3]	9.125%, 1/15/15	523,340
190[1]	Hawaiian Telcom Communications, Inc.,	
	Ser. B, 10.318%, 5/01/13	192,375
475	Intelsat Corp., 9.00%, 6/15/16	485,687
	Intelsat Ltd. (Bermuda)	
95[1]	8.886%, 1/15/15	96,425
500	9.25%, 6/15/16	518,750
200	11.25%, 6/15/16	215,000
870[1]	11.409%, 6/15/13	906,975
295	Intelsat Subsidiary Holding Co. Ltd.,	
	8.625%, 1/15/15 (Bermuda)	299,425
120[3]	MetroPCS Wireless, Inc., 9.25%, 11/01/14	119,100
770[3]	Nordic Telephone Co. Holdings A.p.S.,	
	8.875%, 5/01/16 (Denmark)	814,275
1,120[1,3]	Nortel Networks Ltd., 9.493%, 7/15/11 (Canada)	1,106,000
155	PanAmSat Corp., 9.00%, 8/15/14	158,100
	Qwest Corp.,	
200	7.875%, 9/01/11	211,000
470[1]	8.944%, 6/15/13	501,137
780	SBC Communications, Inc., 6.45%, 6/15/34	810,601
1,715	Sprint Capital Corp., 6.875%, 11/15/28	1,642,877

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Core Bond Trust (BHK) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Telecommunications (cont d)		
	Telecom Italia Capital S.A. (Luxembourg)	
$ 1,075	4.95%, 9/30/14	$ 1,028,927
1,550	6.00%, 9/30/34	1,484,579
1,975	Telefonica Emisones SAU, 7.045%, 6/20/36 (Spain)	2,169,348
725	Telefonica Europe BV, 7.75%, 9/15/10 (Netherlands)	776,297
70	Verizon Global Funding Corp., 7.75%, 12/01/30	82,465
125	Verizon Maryland, Inc., 5.125%, 6/15/33	104,256
	Verizon New Jersey, Inc.,	
230	7.85%, 11/15/29	261,440
335	Ser. A, 5.875%, 1/17/12	342,618
3,150[2]	Verizon Virginia, Inc., 4.625%, 3/15/13	3,024,873
	Vodafone Group Plc, (United Kingdom)	
1,465[1]	5.288%, 12/28/07	1,465,296
2,504	7.75%, 2/15/10	2,648,073
1,100	West Corp., 11.00%, 10/15/16	1,152,250
350[3]	Wind Acquisition Finance S.A., 10.75%, 12/01/15 (Luxembourg)	389,375
	Windstream Corp.,	
500	8.125%, 8/01/13	528,750
230	8.625%, 8/01/16	246,100
	Total Telecommunications	31,906,965
Transportation 0.5%		
115	American Airlines, Inc., Ser. 99-1, 7.324%,4/15/11	113,563
110	Britannia Bulk Plc, 11.00%, 12/01/11 (United Kingdom)	115,500
350	Canadian National Railway Co., 6.25%, 8/01/34 (Canada)	352,778
405	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	391,837
500	Navios Maritime Holdings, Inc., 9.50%, 12/15/14 (Marshall Islands)	528,750
360[3]	St. Acquisition Corp., 12.50%, 5/15/17	229,500
	Total Transportation	1,731,928
	Total Corporate Bonds	244,058,381
U.S. Government and Agency Securities 5.8%		
1,670	Aid to Israel, 5.50%, 4/26/24-9/18/33	1,753,313
1,050	Resolution Funding Corp., Zero Coupon, 7/15/18-10/15/18	623,776
1,655	Tennessee Valley Authority, Ser. C, 5.88%, 4/01/36	1,829,397
330	U.S. Treasury Bonds, 4.75%, 2/15/37	329,820
5,832[2]	U.S. Treasury Inflation Protected Bond, 2.375%, 1/15/27	5,982,762
10,450[2]	U.S. Treasury Notes, 4.75%, 8/15/17	10,680,242
	Total U.S. Government and Agency Securities	21,199,310
Foreign Government Bond 0.4%		
1,100	France, 3.75%, 4/25/17	1,522,816
Non-Agency Multiple Class Mortgage Pass-Through Securities 5.5%		
1,600		1,504,462

	Countrywide Alternative Loan Trust, Ser. 64CB, Class 1A15, 5.50%, 12/25/35		
2,755[1]	CW Capital Cobalt Ltd., Ser. C3, Class A4, 5.82%, 5/15/46		2,830,870
	First Union National Bank Commercial Mortgage,		
3,044	Ser. C3, Class A3, 6.423%, 8/15/33		3,151,030
2,265	Ser. C4, Class A2, 6.223%, 12/12/33		2,340,547
2,350	General Motor Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C4, Class A2, 4.93%,7/10/39		2,308,750
960	JPMorgan Chase Commercial Mortgage Securities Corp., Ser. LDP9, Class A3, 5.336%, 5/15/47		936,591
2,275[1]	LB-UBS Commercial Mortgage Trust, Ser. C6, Class A4, 5.858%, 7/15/40		2,304,488
925[1,7]	Merrill Lynch Mortgage Trust, Ser. C1, Class AM, 5.83%, 6/12/50		933,463
995[1]	Morgan Stanley Capital I, Ser. T27, Class A4, 5.651%, 6/11/42		999,692
2,305	Structured Asset Securities Corp., Ser. AL1, Class A2, 3.45%, 2/25/32		1,977,073
995[1]	Wachovia Bank Commercial Mortgage Trust, Ser. C33, Class A4, 5.903%, 2/15/51		1,017,710
	Total Non-Agency Multiple Class Mortgage Pass-Through Securities		20,304,676

Principal Amount (000)	Description		Value
Taxable Municipal Bond 0.3%			
$ 1,000	Illinois St. Pension, 5.10%, 6/01/33	$	948,570
Trust Preferred Stocks 3.3%			
1,950[1]	Allstate Corp., 6.50%, 5/15/57		1,890,800
545	BAC Capital Trust XI, 6.625%, 5/23/36		553,198
850[1,3,8]	Barclays Bank Plc, 7.434% (United Kingdom)		901,035
915[1,3,8]	Credit Agricole S.A., 6.637% (France)		869,590
1,550[1,8]	Credit Suisse Ltd., 5.86% (Guernsey)		1,443,920
675[1]	Lincoln National Corp., 6.05%, 4/20/67		646,921
790	Peco Energy Capital Trust IV, 5.75%, 6/15/33		672,418
605[1]	Progressive Corp., 6.70%, 6/15/37		593,676
2,200[1,8]	Royal Bank of Scotland Group Plc, Ser. MTN, 7.64% (United Kingdom)		2,280,326
1,000[1,3,8]	Societe Generale, 5.922% (France)		951,690
675[1]	Travelers Cos., Inc., 6.25%, 3/15/67		655,470
675[1,3]	ZFS Finance Trust I, 6.50%, 5/09/37		649,622
	Total Trust Preferred Stocks		12,108,666

Shares			
Common Stocks 0.0%			
1,895[9,10]	Critical Care Systems Intl., Inc.		11,826
Preferred Stocks 0.4%			
55,000	Deutsche Bank Contingent Capital Trust II, 6.55%		1,317,250
45,000[10]	Superior Essex Holding Corp., Ser. A, 9.50%		27,900

	Total Preferred Stocks	1,345,150
	Total Long-Term Investments (cost $586,479,015)	584,484,025

Principal Amount (000)	Description	Value
BORROWED BOND AGREEMENTS 21.8%		
	Lehman Brothers Inc.,	
$ 50,927[12]	4.47%, 11/08/07	$ 50,927,000
29,563[12]	4.45%, 11/08/07	29,563,000
	Total Borrowed Bond Agreements (cost $80,490,000)	80,490,000

Notional Amount (000)		
OUTSTANDING OPTIONS PURCHASED 1.0%		
3,880	EUR Put Option, strike price $1.40, expires 1/10/08	16,186
	Interest Rate Swaps,	
6,600	Trust pays 3-month LIBOR, Trust receives 5.39%, expires 3/19/12	267,762
4,900	Trust pays 3-month LIBOR, Trust receives 5.52%, expires 9/21/36	289,016
7,600	Trust pays 3-month LIBOR, Trust receives 5.79%, expires 8/16/10	392,551
7,675	Trust pays 3-month LIBOR, Trust receives 6.025%, expires 6/08/12	471,859
7,675	Trust pays 3-month LIBOR, Trust receives 6.025%, expires 6/08/12	242,300
6,600	Trust pays 5.39%, Trust receives 3-month LIBOR, expires 3/19/12	322,872
11,200	Trust pays 5.47%, Trust receives 3-month LIBOR, expires 5/08/12	480,480
11,200	Trust pays 5.47%, Trust receives 3-month LIBOR, expires 5/08/12	523,600

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Core Bond Trust (BHK) (concluded)
(Percentages shown are based on Net Assets)

Notional Amount (000)	Description	Value
OUTSTANDING OPTIONS PURCHASED (cont d)		
4,900	Trust pays 5.52%, Trust receives 3-month LIBOR, expires 9/21/36	$ 332,459
7,600	Trust pays 5.79%, Trust receives 3-month LIBOR, expires 8/16/10	204,273
	Total Outstanding Options Purchased (cost $3,247,804)	3,543,358
	Total Investments before borrowed bonds, TBA sale commitments, and outstanding options written (cost $670,216,819[11])	668,517,383

Principal Amount (000)	Description	Value
BORROWED BONDS (21.8)%		
	U.S. Treasury Notes,	
$ (50,800)	4.00%, 8/31/09	(50,835,712)
(29,600)	4.125%, 8/31/12	(29,569,927)
	Total Borrowed Bonds (proceeds $80,372,938)	(80,405,639)
TBA SALE COMMITMENTS (1.3)%		
(4,400)	Federal National Mortgage Assoc., 6.00%, 11/13/37	(4,431,627)
(200)	Government National Mortgage Assoc., 5.50%, 11/20/37	(198,750)
	Total TBA Sale Commitments (proceeds $4,627,832)	(4,630,377)

Notional Amount (000)	Description	Value
OUTSTANDING OPTIONS WRITTEN (0.4)%		
	Interest Rate Swaps,	
(5,300)	Trust pays 3-month LIBOR, Trust receives 5.135%, expires 4/21/08	(90,551)

(6,600)	Trust pays 3-month LIBOR, Trust receives 5.148%, expires 3/19/08	(107,646)
(4,500)	Trust pays 3-month LIBOR, Trust receives 5.485%, expires 10/28/19	(132,205)
(11,500)	Trust pays 3-month LIBOR, Trust receives 5.67%, expires 1/04/10	(292,905)
(6,600)	Trust pays 5.115%, Trust receives 3-month LIBOR, expires 3/19/08	(107,316)
(5,300)	Trust pays 5.135%, Trust receives 3-month LIBOR, expires 4/21/08	(90,551)
(4,500)	Trust pays 5.485%, Trust receives 3-month LIBOR, expires 10/28/19	(176,797)
(11,500)	Trust pays 5.67%, Trust receives 3-month LIBOR, expires 1/04/10	(556,370)
	Total Outstanding Options Written (premium received $2,261,545)	(1,554,341)
Total Investments net of borrowed bonds, TBA sale commitments and outstanding options written 158.0%		581,927,026
Liabilities in excess of other assets (58.0)%		(213,591,799)
Net Assets 100%		**$ 368,335,227**

1 Variable rate security. Rate shown is interest rate as of October 31, 2007.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

3 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held 9.9% of its net assets, with a current market value of $36,518,999, in securities restricted as to resale.

4 Security, or a portion thereof, pledged as collateral with a value of $4,615,550 on 134 long Eurodollar futures contracts expiring December 2007 to March 2008, 198 long U.S. Treasury Note futures contracts expiring December 2007, 1,153 long U.S. Treasury Bond futures contracts expiring December 2007, 163 short Eurodollar futures contracts expiring December 2007, 3,130 short U.S. Treasury Note futures contracts expiring December 2007 and 224 short U.S. Treasury Note futures contracts expiring December 2007. The notional value of such contracts on October 31, 2007 was $243,902,499, with an unrealized loss of $519,568.

5 Illiquid security. As of October 31, 2007, the Trust held 0.6% of its net assets, with a current market value of $2,148,367, in these securities.

6 Represents a step up bond; the interest rate shown reflects the effective yield at the time of purchase.

7 Represents an investment in an affiliate.

8 The security is a perpetual bond and has no stated maturity date.

9 Non-income producing security.

10 Security is fair valued.

11 Cost for federal income tax purposes is $671,388,702. The net unrealized depreciation on a tax basis is $2,871,319, consisting of $6,742,797 gross unrealized appreciation and $9,614,116 gross unrealized depreciation.

12 See Note 1 in the Notes to Financial Statements for details of borrowed bond agreements.

For Trust compliance purposes, the Trust s sector and industry classifications refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classifications for reporting ease. See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock High Yield Trust (BHY)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 116.2%		
Corporate Bonds 110.2%		
Aerospace & Defense 3.0%		
	AAR Corp.,	
$ 330	6.875%, 12/15/07	$ 330,000
3501	Ser. A2, 8.39%, 5/15/11	353,500
1002	Bombardier, Inc., 8.00%, 11/15/14 (Canada)	104,000
410	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	435,625
	DRS Technologies, Inc.,	
40	6.875%, 11/01/13	40,000
100	7.625%, 2/01/18	102,250
20	L-3 Communications Corp., 5.875%, 1/15/15	19,500
40	Sequa Corp., 9.00%, 8/01/09	42,900
100	TransDigm, Inc., 7.75%, 7/15/14	101,750
	Total Aerospace & Defense	1,529,525
Automotive 5.0%		
85	Accuride Corp., 8.50%, 2/01/15	79,900
1852	Allison Transmission, 11.25%, 11/01/15	182,456
60	Asbury Automotive Group, Inc., 7.625%, 3/15/17	56,100
	AutoNation, Inc.,	
90	7.00%, 4/15/14	87,075
803	7.243%, 4/15/13	78,200
520	Ford Capital BV, 9.50%, 6/01/10 (Netherlands)	523,900
125	Ford Motor Co., 8.90%, 1/15/32	110,313
	Goodyear Tire & Rubber Co. (The),	
40	7.857%, 8/15/11	41,400
156	8.625%, 12/01/11	166,140
195	Lear Corp., Ser. B, 8.75%, 12/01/16	187,200
255	Metaldyne Corp., 10.00%, 11/01/13	237,150
180	Penske Auto Group, Inc., 7.75%, 12/15/16	175,050
250	Rent-A-Center, Inc., 7.50%, 5/01/10	238,750
350	Stanadyne Corp., 10.00%, 8/15/14	355,250
	Total Automotive	2,518,884
Basic Materials 11.1%		
185	AK Steel Corp., 7.75%, 6/15/12	188,700
	Abitibi-Consolidated, Inc., (Canada)	
165	6.00%, 6/20/13	121,275
35	8.85%, 8/01/30	25,900
205	Alpha Natural Resources LLC/Alpha Natural Resources Capital Corp., 10.00%, 6/01/12	218,325
140	American Pacific Corp., 9.00%, 2/01/15	143,500
115	Bowater Finance Corp., 7.95%, 11/15/11 (Canada)	98,613
1303	Bowater, Inc., 8.694%, 3/15/10	118,950
150	CPG Intl. I, Inc., 10.50%, 7/01/13	150,000
175	Cascades, Inc., 7.25%, 2/15/13 (Canada)	169,750
120	Catalyst Paper Corp., 7.375%, 3/01/14 (Canada)	87,900
50	Chemtura Corp., 6.875%, 6/01/16	47,750
40	Domtar, Inc., 7.125%, 8/15/15 (Canada)	39,600
	Equistar Chemicals LP/Equistar Funding Corp.,	
66	10.125%, 9/01/08	68,145

57	10.625%, 5/01/11	59,565
	FMG Finance Ltd. (Australia)	
852	10.00%, 9/01/13	93,925
1202	10.625%, 9/01/16	142,200
	Freeport-McMoRan Copper & Gold, Inc.,	
550	8.375%, 4/01/17	602,250
1803	8.394%, 4/01/15	185,850
	Huntsman LLC,	
95	11.50%, 7/15/12	103,312
365	11.625%, 10/15/10	386,900
2052	Ineos Group Holdings Plc, 8.50%, 2/15/16 (United Kingdom)	194,750
545	Innophos, Inc., 8.875%, 8/15/14	549,087

Principal Amount (000)	Description	Value
Basic Materials (cont d)		
$ 702	Key Plastics LLC/Key Plastics Finance Corp., 11.75%, 3/15/13	$ 59,500
260	Lyondell Chemical Co., 10.50%, 6/01/13	280,150
2652	MacDermid, Inc., 9.50%, 4/15/17	253,075
	NewPage Corp.,	
450	10.00%, 5/01/12	475,875
210	12.00%, 5/01/13	226,800
1053	NOVA Chemicals Corp., 8.484%, 11/15/13 (Canada)	103,163
125	Russel Metals, Inc., 6.375%, 3/01/14 (Canada)	118,750
	Ryerson, Inc.,	
1002	12.00%, 11/01/15	102,750
602,3	12.574%, 11/01/14	61,200
802	Steel Dynamics, Inc., 7.375%, 11/01/12	80,000
85	Terra Capital, Inc., Ser. B, 7.00%, 2/01/17	85,000
	Total Basic Materials	5,642,510
Building & Development 1.9%		
403	Ainsworth Lumber Co. Ltd., 8.981%, 10/01/10 (Canada)	30,250
	Goodman Global Holding Co., Inc.,	
160	7.875%, 12/15/12	167,200
323	8.36%, 6/15/12	32,160
250	K. Hovnanian Enterprises, Inc., 6.25%, 1/15/15	192,500
100	Masonite Intl. Corp., 11.00%, 4/06/15 (Canada)	84,500
110	Nortek, Inc., 8.50%, 9/01/14	97,350
335	North American Energy Partners, Inc., 8.75%, 12/01/11 (Canada)	338,350
	Total Building & Development	942,310
Commercial Services 0.7%		
100	FTI Consulting, Inc., 7.75%, 10/01/16	104,500
1452	Quebecor World, Inc., 9.75%, 1/15/15 (Canada)	141,375
1002	U.S. Investigations Services, Inc., 10.50%, 11/01/15	95,250
	Total Commercial Services	341,125
Consumer Products 6.9%		
2653	Ames True Temper, Inc., 9.243%, 1/15/12	254,400
203	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 8.058%, 5/15/14	19,750
702	Bausch & Lomb, Inc., 9.875%, 11/01/15	72,100
502	Beverages & More, Inc., 9.25%, 3/01/12	51,500
130	Buffets, Inc., 12.50%, 11/01/14	84,175
	General Nutrition Centers, Inc.,	

2803	10.009%, 3/15/14	269,500
250	10.75%, 3/15/15	243,125
150	Jarden Corp., 7.50%, 5/01/17	142,500
475	Lazy Days RV Center, Inc., 11.75%, 5/15/12	427,500
	Michaels Stores, Inc.,	
260	10.00%, 11/01/14	261,950
330	11.375%, 11/01/16	329,175
20	Neiman-Marcus Group, Inc., 9.00%, 10/15/15	21,100
265	Pantry, Inc. (The), 7.75%, 2/15/14	258,375
100	Quiksilver, Inc., 6.875%, 4/15/15	93,250
120	Reynolds American, Inc., 7.625%, 6/01/16	129,830
	Rite Aid Corp.,	
400	7.50%, 3/01/17	372,000
802	9.375%, 12/15/15	73,800
	Sally Holdings LLC,	
35	9.25%, 11/15/14	35,175
270	10.50%, 11/15/16	268,650
110	Yankee Acquisition Corp., Ser. B, 9.75%, 2/15/17	101,750
	Total Consumer Products	3,509,605
Containers & Packaging 3.3%		
	Berry Plastics Holding Corp.,	
340	8.875%, 9/15/14	348,500
1003	9.569%, 9/15/14	100,250
85	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	87,550

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock High Yield Trust (BHY) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Containers & Packaging (cont d)		
$ 110	Graham Packaging Co., Inc., 8.50%, 10/15/12	$ 109,175
30	Graphic Packaging Intl. Corp., 9.50%, 8/15/13	31,500
270[2,3]	Impress Holdings BV, 8.368%, 9/15/13 (Netherlands)	268,584
310	Pregis Corp., 12.375%, 10/15/13	337,900
375	Smurfit-Stone Container Enterprises, Inc., 8.00%, 3/15/17	372,656
	Total Containers & Packaging	1,656,115
Ecological Services & Equipment 0.8%		
270	Aleris Intl., Inc., 9.00%, 12/15/14	243,675
185	Waste Services, Inc., 9.50%, 4/15/14	185,000
	Total Ecological Services & Equipment	428,675
Energy 15.9%		
130	AES Red Oak LLC, Ser. A, 8.54%, 11/30/19	139,162
80	Berry Petroleum Co., 8.25%, 11/01/16	81,600
100	Chaparral Energy, Inc., 8.50%, 12/01/15	93,250
	Chesapeake Energy Corp.,	
90	6.375%, 6/15/15	87,300
250	6.625%, 1/15/16	245,000
20	6.875%, 11/15/20	19,550
	Compagnie Generale de Geophysique-Veritas (France)	
50	7.50%, 5/15/15	51,000
80	7.75%, 5/15/17	82,400
115	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	110,113
70	Copano Energy LLC, 8.125%, 3/01/16	71,925
407[2,3]	Corral Finans AB, 6.855%, 4/15/10 (Sweden)	384,865
30	Denbury Resources, Inc., 7.50%, 12/15/15	30,450
260[1]	East Cameron Gas Co., 11.25%, 7/09/19 (Cayman Islands)	249,600
480	Elwood Energy LLC, 8.159%, 7/05/26	492,337
	Encore Acquisition Co.,	
40	6.00%, 7/15/15	36,200
30	7.25%, 12/01/17	28,725
475[2]	Energy Future Holdings, 11.25%, 11/01/17	480,937
370	Exco Resources, Inc., 7.25%, 1/15/11	365,375
190[2]	Forest Oil Corp., 7.25%, 6/15/19	190,000
65	Frontier Oil Corp., 6.625%, 10/01/11	64,675
50	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	50,250
97	Homer City Funding LLC, 8.734%, 10/01/26	107,670
5	Hornbeck Offshore Services, Inc., 6.125%, 12/01/14	4,763
440	KCS Energy, Inc., 7.125%, 4/01/12	433,400
96	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16	103,203
350	Mirant Americas Generation LLC, 8.30%, 5/01/11	353,937
30	Newfield Exploration Co., 6.625%, 9/01/14	29,475
	NRG Energy, Inc.,	
130	7.25%, 2/01/14	130,000
385	7.375%, 2/01/16	384,037
440[2]	OPTI, Inc., 8.25%, 12/15/14 (Canada)	441,100
345	Orion Power Holdings, Inc., 12.00%, 5/01/10	381,225

185	Range Resources Corp., 7.375%, 7/15/13	188,237
130	Sabine Pass LNG LP, 7.50%, 11/30/16	127,400
210[2]	SemGroup LP, 8.75%, 11/15/15	201,600
40	Sithe Independence Funding, Ser. A, 9.00%, 12/30/13	42,349
200[2]	Targa Resources, Inc., 8.50%, 11/01/13	202,000
160	Tennessee Gas Pipeline Co., 8.375%, 6/15/32	186,512
450[2]	Texas Competitive Electric Holdings Co. LLC, 10.25%, 11/01/15	452,250
400	Transcontinental Gas Pipe Line Corp., Ser. B, 8.875%, 7/15/12	449,000
495	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	486,963
	Total Energy	8,059,835

Principal Amount (000)	Description	Value
Entertainment & Leisure 4.8%		
$ 150	AMC Entertainment, Inc., 11.00%, 2/01/16	$ 162,375
125[2]	French Lick Resorts & Casino LLC/French Lick Resorts & Casino Corp., 10.75%, 4/15/14	99,375
	Gaylord Entertainment Co.,	
280	6.75%, 11/15/14	271,600
40	8.00%, 11/15/13	40,700
320[2]	Great Canadian Gaming Corp., 7.25%, 2/15/15 (Canada)	318,400
185[2]	Greektown Holdings LLC, 10.75%, 12/01/13	184,075
210	Harrah s Operating Co., Inc., 5.75%, 10/01/17	154,875
60	MGM Mirage, 6.75%, 9/01/12	59,100
200[2]	Pinnacle Entertainment, Inc., 7.50%, 6/15/15	193,000
115	Riddell Bell Holdings, Inc., 8.375%, 10/01/12	110,400
140	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	141,050
140[2]	Shingle Springs Tribal Gaming Authority, 9.375%, 6/15/15	140,700
50	Station Casinos, Inc., 6.625%, 3/15/18	39,625
60[3]	Travelport LLC, 10.246%, 9/01/14	60,300
435	Virgin River Casino, 9.00%, 1/15/12	411,075
70	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	68,775
	Total Entertainment & Leisure	2,455,425
Financial Institutions 10.6%		
500	AES Red Oak LLC, Ser. B, 9.20%, 11/30/29	568,750
300[2]	Alliant Holdings I, Inc., 11.00%, 5/01/15	288,750
	American Real Estate Partners LP/American Real Estate Finance Corp.,	
185	7.125%, 2/15/13	180,375
300	8.125%, 6/01/12	302,250
112[2,3]	BMS Holdings, Inc., 12.40%, 2/15/12	107,084
500[2]	Dow Jones CDX HY, Ser. 6-T1, 8.625%, 6/29/11	528,050
	Ford Motor Credit Co. LLC,	
500	7.80%, 6/01/12	469,787
110[3]	7.993%, 1/13/12	101,835
40	General Motors Acceptance Corp. LLC, 8.00%, 11/01/31	36,973
	Hexion U.S. Finance Corp./Hexion Nova Scotia Finance ULC,	
75	9.75%, 11/15/14	82,312
100[3]	10.058%, 11/15/14	103,500
442[2]	iPayment Investors LP, 11.625%, 7/15/14	455,155
120	iPayment, Inc., 9.75%, 5/15/14	115,200
	LVB Acquisition Merger Sub, Inc.,	
75[2]	10.00%, 10/15/17	77,063
75[2]	10.375%, 10/15/17	75,938
100[2]	11.625%, 10/15/17	101,875
	Momentive Performance Materials, Inc.,	
175[2]	9.75%, 12/01/14	170,625

40[2]	10.125%, 12/01/14	38,600
285[2]	11.50%, 12/01/16	275,025
70[2]	NSG Holdings LLC/NSG Holdings, Inc., 7.75%, 12/15/25	69,300
220[2,3]	PNA Intermediate Holding Corp., 12.36%, 2/15/13	216,150
	Rainbow National Services LLC,	
310[2]	8.75%, 9/01/12	322,400
318[2]	10.375%, 9/01/14	349,800
100[2,3]	USI Holdings Corp., 9.433%, 11/15/14	93,000
30[3]	Universal City Florida Holding Co. I/II, 9.661%, 5/01/10	30,675
300[2]	Wimar Opco LLC/Wimar Opco Finance Corp., 9.625%, 12/15/14	225,000
	Total Financial Institutions	5,385,472

Health Care 3.7%

165	Accellent, Inc., 10.50%, 12/01/13	155,512
180[3]	Angiotech Pharmaceuticals, Inc., 9.371%, 12/01/13 (Canada)	178,200
140[2]	Community Health Systems, Inc., 8.875%, 7/15/15	141,750
100	Cooper Cos., Inc. (The), 7.125%, 2/15/15	99,000
135	Norcross Safety Products LLC/Norcross Capital Corp., 9.875%, 8/15/11	140,063
150[2]	PTS Acquisition Corp., 9.50%, 4/15/15	144,750

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock High Yield Trust (BHY) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Health Care (cont d)		
	Tenet Healthcare Corp.,	
$ 615	6.50%, 6/01/12	$ 521,212
50	9.875%, 7/01/14	45,500
230	United Surgical Partners Intl., Inc., 8.875%, 5/01/17	234,600
	Universal Hospital Services, Inc.,	
50[2]	8.50%, 6/01/15	50,875
50[2,3]	8.759%, 6/01/15	50,125
115[2]	Viant Holdings, Inc., 10.125%, 7/15/17	108,100
	Total Health Care	1,869,687
Industrials 3.9%		
200[2]	AGY Holding Corp., 11.00%, 11/15/14	197,000
30[2]	Blaze Recycling & Metals LLC/Blaze Finance Corp., 10.875%, 7/15/12	30,000
	Harland Clarke Holdings Corp.,	
60	9.50%, 5/15/15	54,600
50[3]	10.308%, 5/15/15	45,000
80	Hexcel Corp., 6.75%, 2/01/15	78,600
200	Leucadia National Corp., 8.125%, 9/15/15	201,750
85	Park-Ohio Industries, Inc., 8.375%, 11/15/14	79,263
	RBS Global, Inc./Rexnord Corp.,	
85	8.875%, 9/01/16	86,062
340	9.50%, 8/01/14	351,050
280	11.75%, 8/01/16	296,800
510[2]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	489,600
55	Terex Corp., 7.375%, 1/15/14	55,275
	Total Industrials	1,965,000
Media 12.1%		
	Affinion Group, Inc.,	
215	10.125%, 10/15/13	224,137
175	11.50%, 10/15/15	182,437
35	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	33,513
80[2]	Bonten Media Acquisition Co., 9.00%, 6/01/15	73,500
290	CMP Susquehanna Corp., 9.875%, 5/15/14	266,437
45	CSC Holdings, Inc., Ser. B, 7.625%, 4/01/11	44,888
175[3]	Cablevision Systems Corp., Ser. B, 9.644%, 4/01/09	179,812
60	CanWest MediaWorks, Inc., 8.00%, 9/15/12 (Canada)	58,500
270	Charter Communications Holdings I LLC/Charter Communications Holdings I Capital Corp., 11.00%, 10/01/15	261,575
	Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
810	10.25%, 9/15/10	826,200
75	Ser. B, 10.25%, 9/15/10	76,313
50	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	53,313
125	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	130,625
	EchoStar DBS Corp.,	
200	7.00%, 10/01/13	208,250

260	7.125%, 2/01/16		271,700
1252,3	ION Media Networks, Inc., 8.493%, 1/15/12		125,313
320	Idearc, Inc., 8.00%, 11/15/16		320,800
290	Network Communications, Inc., 10.75%, 12/01/13		291,812
325	Nexstar Finance, Inc., 7.00%, 1/15/14		312,000
	Nielsen Finance LLC/Nielsen Finance Co.,		
1704	9.115%, 8/01/16		122,825
445	10.00%, 8/01/14		468,362
352	Quebecor Media, Inc., 7.75%, 3/15/16 (Canada)		33,775
	RH Donnelley Corp.,		
1002	8.875%, 10/15/17		100,000
275	Ser. A-3, 8.875%, 1/15/16		275,000
5902	TL Acquisitions, Inc., 10.50%, 1/15/15		587,050
1802	Univision Communications, Inc., 9.75%, 3/15/15		176,400
280	Vertis, Inc., 9.75%, 4/01/09		280,000
175	Young Broadcasting, Inc., 10.00%, 3/01/11		164,500
	Total Media		6,149,037

Principal Amount (000)	Description		Value
Real Estate 1.4%			
	Realogy Corp.,		
$ 2402	10.50%, 4/15/14	$	199,500
3802	11.00%, 4/15/14		309,700
2652	12.375%, 4/15/15		193,450
	Total Real Estate		702,650
Technology 6.3%			
	Amkor Technology, Inc.,		
40	7.75%, 5/15/13		38,700
235	9.25%, 6/01/16		240,288
60	Belden, Inc., 7.00%, 3/15/17		60,900
350	Celestica, Inc., 7.625%, 7/01/13 (Canada)		336,000
180	Coleman Cable, Inc., 9.875%, 10/01/12		177,300
4302	First Data Corp., 9.875%, 9/24/15		411,725
530	Freescale Semiconductor, Inc., 9.125%, 12/15/14		479,650
	NXP BV/NXP Funding LLC (Netherlands)		
1253	7.993%, 10/15/13		118,438
150	9.50%, 10/15/15		141,750
190	Sanmina-SCI Corp., 8.125%, 3/01/16		166,725
1902,3	Spansion, Inc., 8.746%, 6/01/13		180,025
	SunGard Data Systems, Inc.,		
85	9.125%, 8/15/13		86,700
465	10.25%, 8/15/15		484,762
305	Superior Essex Communications LLC/Essex Group, Inc.,		
	9.00%, 4/15/12		301,187
	Total Technology		3,224,150
Telecommunications 16.6%			
2,0005	Asia Global Crossing Ltd., 13.375%, 10/15/10 (Bermuda)		180,000
	Centennial Communications Corp.,		
455	8.125%, 2/01/14		464,100
2203	10.981%, 1/01/13		226,600
405	Cincinnati Bell, Inc., 7.25%, 7/15/13		406,012
	Cricket Communications, Inc.,		
115	9.375%, 11/01/14		114,138
2302	9.375%, 11/01/14		228,275
	Digicel Group Ltd. (Bermuda)		
1302	8.875%, 1/15/15		121,394

3942	9.125%, 1/15/15	368,276
260	Dobson Cellular Systems, Inc., 8.375%, 11/01/11	275,600
1003	Hawaiian Telcom Communications, Inc., Ser. B, 10.318%, 5/01/13	101,250
903	iPCS, Inc., 7.036%, 5/01/13	87,750
320	Intelsat Corp., 9.00%, 6/15/16	327,200
40	Intelsat Intermediate Holding Co. Ltd., 9.25%, 2/01/15 (Bermuda)	32,900
	Intelsat Ltd. (Bermuda)	
2953	8.886%, 1/15/15	299,425
150	9.25%, 6/15/16	155,625
70	11.25%, 6/15/16	75,250
3203	11.409%, 6/15/13	333,600
245	Intelsat Subsidiary Holding Co. Ltd., 8.625%, 1/15/15 (Bermuda)	248,675
5652	MetroPCS Wireless, Inc., 9.25%, 11/01/14	560,763
4452	Nordic Telephone Co. Holdings A.p.S., 8.875%, 5/01/16 (Denmark)	470,587
2452,3	Nortel Networks Ltd., 9.493%, 7/15/11 (Canada)	241,938
	PanAmSat Corp.,	
210	6.875%, 1/15/28	177,450
270	9.00%, 8/15/14	275,400
3942,3	ProtoStar I Ltd., 12.50%, 10/15/12 (Bermuda)	413,758
	Qwest Corp.,	
600	7.875%, 9/01/11	633,000
2303	8.944%, 6/15/13	245,237
	West Corp.,	
125	9.50%, 10/15/14	128,438
475	11.00%, 10/15/16	497,562

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock High Yield Trust (BHY) (concluded)

(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Telecommunications (cont d)		
$ 375[2]	Wind Acquisition Finance S.A., 10.75%, 12/01/15 (Luxembourg)	$ 417,187
	Windstream Corp.,	
200	8.125%, 8/01/13	211,500
120	8.625%, 8/01/16	128,400
	Total Telecommunications	8,447,290
Transportation 2.2%		
95	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	93,813
60	Britannia Bulk Plc, 11.00%, 12/01/11 (United Kingdom)	63,000
170	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	164,475
320	Navios Maritime Holdings, Inc., 9.50%, 12/15/14 (Marshall Islands)	338,400
350	Overseas Shipholding Group, Inc., 7.50%, 2/15/24	342,125
200[2]	St. Acquisition Corp., 12.50%, 5/15/17	127,500
	Total Transportation	1,129,313
	Total Corporate Bonds	55,956,608
Bank Loans 5.2%		
325	Affinion Group, Inc., LIBOR + 6.25%, 3/01/12	315,792
50	Rexnord Holdings, Inc., LIBOR + 6.25%, 3/02/13	46,814
50	Riverdeep Interactive Learning USA, Inc., LIBOR + 7.20%, 12/19/14	49,337
252	Rotech Healthcare, LIBOR + 6.00%, 9/26/11	244,105
430	ServiceMaster Co. (The), LIBOR + 4.50%, 6/19/08	397,212
85	Spectrum Brands, Inc., LIBOR + 4.00% , 4/15/13	83,741
750	Texas Competitive Electric Holdings Co. LLC, LIBOR + 3.50%, 10/10/14	749,785
394	Travelport Holdco, LIBOR + 7.00%, 3/22/12	379,314
400	Verso Paper Finance Holdings LLC, LIBOR + 6.25%, 2/01/13	389,000
	Total Bank Loans	2,655,100

Shares	Description	Value
Common Stocks 0.8%		
4,737[1,6]	Critical Care Systems Intl., Inc.	29,606
14,992[1,6]	Mattress Discounters Corp.	
68,358[6]	Neon Communications Group, Inc.	352,044
	Total Common Stocks	381,650

Preferred Stock 0.0%		
40,000[1]	Superior Essex Holding Corp., Ser. A, 9.50%	24,800

Units (000)		
Warrants 0.0%		
54[1,2,7]	Neon Communications, Inc., expires 12/02/12	1
[1,2,6,7]	PF. Net Communications, Inc., expires 5/15/10, strike price $0.01, 36.87243 shares for 1 warrant	
	Total Warrants	1
	Total Long-Term Investments (cost $62,270,501)	59,018,159

	Principal Amount (000)	Description		Value
SHORT-TERM INVESTMENT 1.2%				
U.S. Government and Agency Discount Notes 1.2%				
$	600[8]	Federal Home Loan Bank Disc. Notes, 4.401%, 11/01/07 (cost $600,000)	$	600,000
Total Investments 117.4% (cost $62,870,501[9])				59,618,159
Liabilities in excess of other assets (17.4)%				(8,835,903)
Net Assets 100%			**$**	**50,782,256**

1 Security is fair valued.

2 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held 30.1% of its net assets, with a current market value of $15,307,398, in securities restricted as to resale.

3 Variable rate security. Rate shown is interest rate as of October 31, 2007.

4 Represents a step up bond; the interest rate shown reflects the effective yield at the time of purchase.

5 Issuer is in default and/or bankruptcy.

6 Non-income producing security.

7 Illiquid security. As of October 31, 2007, the Trust held less than 0.1% of its net assets, with a current market value of $1, in these securities.

8 Rate shown is the yield to maturity as of the date of purchase.

9 Cost for federal income tax purposes is $62,884,976. The net unrealized depreciation on a tax basis is $3,266,817, consisting of $1,051,387 gross unrealized appreciation and $4,318,204 gross unrealized depreciation.

For Trust compliance purposes, the Trust s sector and industry classifications refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classifications for reporting ease.

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Opportunity Trust (BNA)

(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 167.7%		
Mortgage Pass-Through Securities 60.2%		
$ 5,047[1]	Citigroup Mortgage Loan Trust, Inc., Ser. 4, Class A, 5.345%, 8/25/35	$ 4,923,530
	Federal Home Loan Mortgage Corp.,	
651[1]	4.207%, 1/01/35	661,712
1,455[1,2]	5.067%, 1/01/35	1,436,926
4,000	TBA, 5.50%, 12/12/37	3,935,000
	Federal National Mortgage Assoc.,	
498	5.00%, 1/01/37-4/01/37	477,395
13,179[2]	5.00%, 7/01/35	12,661,887
13,497	5.50%, 12/01/13-5/18/35	13,465,940
335[3]	5.50%, 12/01/32	331,440
6,848[2,3]	5.50%, 1/01/33	6,769,130
14,910[2]	5.50%, 7/01/16-6/01/36	14,806,796
747	6.00%, 3/01/16-1/01/37	760,348
897[2]	6.00%, 6/01/37	903,619
89	7.00%, 2/01/24-8/01/36	92,148
115,700	TBA, 5.50%, 12/01/99	114,000,598
30,300	TBA, 6.00%, 11/13/37-12/12/37	30,491,251
17,400	TBA, 6.50%, 12/12/37	17,786,071
97	Government National Mortgage Assoc., 8.00%, 4/15/24-6/15/25	103,077
5,168[1]	GSR Mortgage Loan Trust, Ser. AR4, Class 6A1, 5.25%, 7/25/35	5,025,408
	Total Mortgage Pass-Through Securities	228,632,276
Federal Housing Administration Securities 1.0%		
	General Motors Acceptance Corp. Projects,	
190	Ser. 37, 7.43%, 5/01/22	191,819
77	Ser. 44, 7.43%, 8/01/22	77,296
	Merrill Projects,	
50[4]	Ser. 29, 7.43%, 10/01/20	50,662
49[4]	Ser. 42, 7.43%, 9/01/22	49,745
1,715	Reilly Project, Ser. B-11, 7.40%, 4/01/21	1,732,569
1,710	Westmore Project, 7.25%, 4/01/21	1,726,757
	Total Federal Housing Administration Securities	3,828,848
Agency Multiple Class Mortgage Pass-Through Securities 6.5%		
	Federal Home Loan Mortgage Corp.,	
[1]	Ser. 192, Class U, 1,009.033%, 2/15/22	4
	Ser. 1057, Class J, 1,008.001%, 3/15/21	740
3,156	Ser. 2806, Class VC, 6.00%, 12/15/19	3,208,113
6,000	Ser. 2874, Class BC, 5.00%, 10/15/19	5,832,895
1,390	Ser. 2883, Class DR, 5.00%, 11/15/19	1,344,446
1,725	Ser. 2968, Class EG, 6.00%, 10/15/34	1,749,053
7,182	Ser. 3174, Class PZ, 5.00%, 1/15/36	6,420,018
	Federal National Mortgage Assoc.,	
2,858	Ser. 5, Class PK, 5.00%, 12/25/34	2,850,583
	Ser. 33, Class PV, 1,078.42%, 10/25/21	9,533
1,571[1]	Ser. 118, Class FD, 5.273%, 12/25/33	1,559,544
1,525		1,554,302

	Government National Mortgage Assoc., Ser. 65, Class VA, 6.00%, 6/20/15	
	Total Agency Multiple Class Mortgage Pass-Through Securities	24,529,231
Non-Agency Multiple Class Mortgage Pass-Through Securities 7.5%		
1,700	Countrywide Alternative Loan Trust, Ser. 64CB, Class 1A15, 5.50%, 12/25/35	1,598,490
3,025[1]	CW Capital Cobalt Ltd., Ser. C3, Class A4, 5.82%, 5/15/46	3,108,306
2,369	Donaldson, Lufkin & Jenrette Commercial Mortgage Corp., Class A 1B, 7.18%, 11/10/33	2,478,743
2,630	First Union-Lehman Brothers-Bank of America, Ser. C2, Class D, 6.778%, 11/18/35	2,786,483

Principal Amount (000)	Description	Value
Non-Agency Multiple Class Mortgage Pass-Through Securities (cont d)		
$ 2,310	GE Capital Commercial Mortgage Corp., Ser. 1A, Class A3, 6.269%, 12/10/35	$ 2,394,614
2,580	General Motor Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C4, Class A2, 4.93%, 7/10/39	2,534,713
1,065	JPMorgan Chase Commercial Mortgage Securities Corp., Ser. LDP9, Class A3, 5.336%, 5/15/47	1,039,030
2,500[1]	LB-UBS Commercial Mortgage Trust, Ser. C6, Class A4, 5.858%, 7/20/40	2,532,404
1,105[1]	Morgan Stanley Capital I, Ser. T27, Class A4, 5.651%, 6/11/42	1,110,211
7,077	Residential Funding Securities Corp., Ser. RM2, Class AI5, 8.50%, 5/25/33	7,557,206
2[1,5,6]	Summit Mortgage Trust, Ser. 1, Class B1, 6.611%, 12/28/12	2,055
1,105[1]	Wachovia Bank Commercial Mortgage Trust, Ser. C33, Class A4, 5.903%, 2/15/51	1,130,221
300[1]	Wells Fargo Mortgage Backed Securities Trust, Ser. AR4, Class 2A4, 5.774%, 4/25/36	292,254
	Total Non-Agency Multiple Class Mortgage Pass-Through Securities	28,564,730
Inverse Floating Rate Mortgage Securities 0.4%		
	Federal Home Loan Mortgage Corp.,	
7[1]	Ser. 1043, Class H, 21.938%, 2/15/21	6,728
[1]	Ser. 1148, Class E, 592.552%, 10/15/21	254
401[1]	Ser. 1611, Class JC, 10.00%, 8/15/23	415,923
	Federal National Mortgage Assoc.,	
[1]	Ser. 7, Class S, 594.704%, 3/25/21	3,020
[1]	Ser. 10, Class S, 575.455%, 5/25/21	9,122
[1]	Ser. 12, Class S, 608.135%, 5/25/21	7,929
[1]	Ser. 17, Class S, 580.114%, 6/25/21	4,623
970[1]	Ser. 23, Class PS, 9.565%, 4/25/23	997,875
[1]	Ser. 46, Class S, 1,402.625%, 5/25/21	3,397
[1]	Ser. 49, Class S, 527.80%, 12/25/21	1,620
54[1]	Ser. 87, Class S, 13.764%, 8/25/21	66,182
	Total Inverse Floating Rate Mortgage Securities	1,516,673
Asset-Backed Securities 11.6%		
1,171[1]	Ameriquest Mortgage Securities, Inc., Ser. R11, Class A1, 5.175%, 11/25/34	1,130,435
3,025		3,023,858

	Capital Auto Receivables Asset Trust, Ser. 1, Class A3, 5.03%, 10/15/09	
	Chase Issuance Trust,	
2,600	Ser. A17, Class A, 5.12%, 10/15/14	2,617,368
2,650[1]	Ser. A3, 5.081%, 7/15/11	2,642,849
3,100	Chase Manhattan Auto Owner Trust, Ser. B, Class A4, 4.88%, 6/15/12	3,101,824
3,125	Citibank Credit Card Issuance Trust, Ser. A2, Class A2, 4.85%, 2/10/11	3,126,616
251[1]	Countrywide Asset-Backed Certificates, Ser. 16, Class 4AV1, 4.973%, 1/25/35	250,395
2,683	DaimlerChrysler Auto Trust, Ser. A, Class A3, 5.00%, 5/08/10	2,682,987
2,575[1]	Discover Card Master Trust I, Ser. 1, Class A, 5.101%, 9/16/10	2,573,534
2,829	Ford Credit Auto Owner Trust, Ser. A, Class A3, 5.07%, 11/15/09	2,828,664
2,550	Harley-Davidson Motorcycle Trust, Ser. 2, Class A2, 4.07%, 2/15/12	2,532,184
2,500	Maryland Trust, Ser. 1, Class A, 5.55%, 12/10/65	2,371,875
	MBNA Credit Card Master Note Trust,	
3,075	Ser. A1, Class A, 4.90%, 7/15/11	3,080,667
4,050[1]	Ser. A4, 5.081%, 9/15/11	4,039,664
	Morgan Stanley ABS Capital I,	
1,483[1]	Ser. HE5, Class A2A, 4.943%, 8/25/36	1,470,690
1,094[1]	Ser. NC4, Class A2A, 4.903%, 6/25/36	1,088,057

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Opportunity Trust (BNA) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Asset-Backed Securities (cont d)		
$ 65[1]	New Century Home Equity Loan Trust, Ser. C, Class A2A, 4.953%, 1/25/36	$ 64,997
520[1]	Structured Asset Investment Loan Trust, Ser. 1, Class A1, 4.953%, 1/25/36	518,334
2,517	USAA Auto Owner Trust, Ser. 1, Class A3, 5.01%, 9/15/10	2,517,258
2,275	Wachovia Auto Owner Trust, Ser. A, Class A4, 5.38%, 3/20/13	2,300,691
	Total Asset-Backed Securities	43,962,947
Interest Only Asset-Backed Securities 0.2%		
24[1,5]	Morgan Stanley Capital Trust I, Ser. HF1, Class X, 2.25%, 6/15/17	1
	Sterling Coofs Trust,	
12,656	Ser. 1, 2.365%, 4/15/29	561,620
10,991[5]	Ser. 2, 2.081%, 3/30/30	295,381
	Total Interest Only Asset-Backed Securities	857,002
Interest Only Mortgage-Backed Securities 1.0%		
	Federal Home Loan Mortgage Corp.,	
	Ser. 176, Class M, 1,010.00%, 7/15/21	32
[6]	Ser. 200, Class R, 93,522.906%, 12/15/22	139
[1]	Ser. 1054, Class I, 435.32%, 3/15/21	84
	Ser. 1056, Class KD, 1,084.50%, 3/15/21	557
	Ser. 1179, Class O, 1,009.389%, 11/15/21	38
150	Ser. 1254, Class Z, 8.50%, 4/15/22	7
214	Ser. 1831, Class PG, 6.50%, 3/15/11	14,123
5,772	Ser. 2611, Class QI, 5.50%, 9/15/32	1,047,320
	Federal National Mortgage Assoc.,	
78	Ser. 5, Class H, 9.00%, 1/25/22	17,839
5	Ser. 7, Class 2, 8.50%, 4/01/17	994
	Ser. 38, Class N, 1,008.50%, 4/25/21	204
2	Ser. 46, Class H, 1,042.50%, 12/25/09	15,158
337[1]	Ser. 50, Class SI, 1.20%, 4/25/23	10,500
10	Ser. 89, Class 2, 8.00%, 6/01/18	1,821
23,975[1]	Ser. 90, Class JH, 1.828%, 11/25/34	1,341,116
3	Ser. 94, Class 2, 9.50%, 8/01/21	768
	Ser. 99, Class L, 930.00%, 8/25/21	2,800
	Ser. 123, Class M, 1,009.50%, 10/25/20	530
12[1]	Ser. 136, Class S, 15.214%, 11/25/20	15,118
	Ser. 139, Class PT, 648.35%, 10/25/21	3,532
4,383	Ser. 378, Class 19, 5.00%, 6/01/35	1,146,190
3,941[1,5]	Goldman Sachs Mortgage Securities Corp., Ser. 5, 0.97%, 2/19/25	77,590
1,176[1]	Salomon Brothers Mortgage Securities VII, Ser. 1, 0.492%, 3/25/22	116
	Total Interest Only Mortgage-Backed Securities	3,696,576

Principal Only Mortgage-Backed Securities 0.1%

82[7]	Federal Home Loan Mortgage Corp., Ser. 1739, Class B, 7.50%, 2/15/24	76,238
	Federal National Mortgage Assoc.,	
67[7]	Ser. 51, Class E, 8.00%, 2/25/23	57,780
11[7]	Ser. 70, Class A, 7.00%, 5/25/23	9,646
22[7]	Ser. 167, Class D, 8.50%, 10/25/17	20,996
20[7]	Ser. 203, Class 1, 8.00%, 2/01/23	16,792
14[7]	Ser. 228, Class 1, 7.00%, 5/01/23	11,294
	Total Principal Only Mortgage-Backed Securities	192,746
Commercial Mortgage-Backed Securities 5.0%		
2,320	Bear Stearns Commercial Mortgage Services, Ser. PWR7, Class A2, 4.945%, 2/11/41	2,287,635
2,970	Credit Suisse First Boston Mortgage Securities Corp., Ser. CP5, Class A2, 4.94%, 12/15/35	2,912,454
2,400[1]	Credit Suisse Mortgage Capital Certificates, Ser. C2, Class A3, 5.542%, 1/15/49	2,374,889

Principal Amount (000)	Description	Value
Commercial Mortgage-Backed Securities (cont d)		
$ 2,067	First Union National Bank Commercial Mortgage Trust, Ser. C2, Class A2, 7.202%, 10/15/32	$ 2,165,673
2,475	General Motors Acceptance Corp. Commercial Mortgage Securities, Inc., Ser. C3, Class A4, 4.547%, 12/10/41	2,412,505
	JPMorgan Chase Commercial Mortgage Securities Corp.,	
1,990	Ser. C1, Class A3, 5.857%, 10/12/35	2,032,092
2,380	Ser. CBX, Class A4, 4.529%, 1/12/37	2,327,152
2,530[1]	Lehman Brothers-UBS Commercial Mortgage Trust, Ser. C4, Class A3, 4.972%, 6/15/29	2,538,263
	Total Commercial Mortgage-Backed Securities	19,050,663
Collateralized Mortgage Obligation Residual Securities 0.0%		
	Collateralized Mortgage Obligation Trust,	
[6]	Ser. 40, Class R, 580.50%, 4/01/18	156
[6]	Ser. 42, Class R, 6,000.00%, 10/01/14	1,602
	Federal Home Loan Mortgage Corp.,	
[6]	Ser. 19, Class R, 9,427.22%, 3/15/20	1,373
[6]	Ser. 75, Class R, 9.50%, 1/15/21	2
[6]	Ser. 75, Class RS, 12.479%, 1/15/21	2
[6]	Ser. 173, Class R, 9.00%, 11/15/21	10
[6]	Ser. 173, Class RS, 9.029%, 11/15/21	11
6[6,8]	Painewebber CMO Trust, Ser. 88 M, Class 6, 13.80%, 9/01/18	
	Total Collateralized Mortgage Obligation Residual Securities	3,156
Corporate Bonds 64.0%		
Aerospace & Defense 0.8%		
170[5]	Bombardier, Inc., 8.00%, 11/15/14 (Canada)	176,800
1,363	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	1,448,187
	DRS Technologies, Inc.,	
80	6.875%, 11/01/13	80,000
80	7.625%, 2/01/18	81,800
15	Sequa Corp., 9.00%, 8/01/09	16,088
140	TransDigm, Inc., 7.75%, 7/15/14	142,450
1,250[2]	United Technologies Corp., 4.875%, 5/01/15	1,209,314
	Total Aerospace & Defense	3,154,639

Automotive 0.3%

305	Accuride Corp., 8.50%, 2/01/15	286,700
	AutoNation, Inc.,	
170	7.00%, 4/15/14	164,475
160[1]	7.243%, 4/15/13	156,400
410	Lear Corp., Ser. B, 8.75%, 12/01/16	393,600
295	Metaldyne Corp., 10.00%, 11/01/13	274,350
	Total Automotive	1,275,525

Basic Materials 3.2%

485	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	356,475
1,115	AK Steel Corp., 7.75%, 6/15/12	1,137,300
280	American Pacific Corp., 9.00%, 2/01/15	287,000
90[1]	Bowater, Inc., 8.694%, 3/15/10	82,350
30	Chemtura Corp., 6.875%, 6/01/16	28,650
230	CPG Intl. I, Inc., 10.50%, 7/01/13	230,000
80	Domtar, Inc., 7.125%, 8/15/15 (Canada)	79,200
171	Equistar Chemicals LP/Equistar Funding Corp., 10.625%, 5/01/11	178,695
	Freeport-McMoRan Copper & Gold, Inc.,	
1,275	8.375%, 4/01/17	1,396,125
360[1]	8.394%, 4/01/15	371,700
	Huntsman LLC,	
72	12.00%, 7/15/12	78,300
230	11.625%, 10/15/10	243,800
1,500[5]	Ineos Group Holdings Plc, 8.50%, 2/15/16 (United Kingdom)	1,425,000
975	Innophos, Inc., 8.875%, 8/15/14	982,312
565[5]	Key Plastics LLC/Key Plastics Finance Corp., 11.75%, 3/15/13	480,250

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Opportunity Trust (BNA) (continued)

(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Basic Materials (cont d)		
$ 130	Lyondell Chemical Co., 10.50%, 6/01/13	$ 140,075
575	NewPage Corp., 10.00%, 5/01/12	608,063
	Noranda, Inc., (Canada)	
600	6.00%, 10/15/15	604,152
1,550	6.20%, 6/15/35	1,489,026
1,570	Teck Cominco Ltd., 6.125%, 10/01/35 (Canada)	1,487,178
360	Terra Capital, Inc., Ser. B, 7.00%, 2/01/17	360,000
	Total Basic Materials	12,045,651
Building & Development 0.2%		
495	Goodman Global Holding Co., Inc., 7.875%, 12/15/12	517,275
160	Nortek, Inc., 8.50%, 9/01/14	141,600
85	North American Energy Partners, Inc., 8.75%, 12/01/11 (Canada)	85,850
	Total Building & Development	744,725
Commercial Services 0.1%		
125	FTI Consulting, Inc., 7.75%, 10/01/16	130,625
225[5]	Quebecor World, Inc., 9.75%, 1/15/15 (Canada)	219,375
	Total Commercial Services	350,000
Consumer Products 2.4%		
720[1]	Ames True Temper, Inc., 9.243%, 1/15/12	691,200
30[1]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 8.058%, 5/15/14	29,625
850	CVS Caremark Corp., 6.25%, 6/01/27	845,203
840	Federated Retail Holdings, Inc., 5.90%, 12/01/16	801,941
	General Nutrition Centers, Inc.,	
500[1]	10.009%, 3/15/14	481,250
450	10.75%, 3/15/15	437,625
975	Kimberly-Clark Corp., 6.625%, 8/01/37	1,073,433
1,670[2]	Kraft Foods, Inc., 7.00%, 8/11/37	1,813,260
362	Lazy Days RV Center, Inc., 11.75%, 5/15/12	325,800
	Michaels Stores, Inc.,	
530	10.00%, 11/01/14	533,975
670[2]	11.375%, 11/01/16	668,325
250	Quiksilver, Inc., 6.875%, 4/15/15	233,125
250	Reynolds American, Inc., 7.625%, 6/01/16	270,479
860	Rite Aid Corp., 7.50%, 3/01/17	799,800
190	Sally Holdings LLC, 10.50%, 11/15/16	189,050
	Total Consumer Products	9,194,091
Containers & Packaging 0.8%		
	Berry Plastics Holding Corp.,	
290	8.875%, 9/15/14	297,250
190[1]	9.569%, 9/15/14	190,475
150	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	154,500

330[1,5]	Impress Holdings BV, 8.368%, 9/15/13 (Netherlands)		328,269
1,626	Owens-Brockway Glass Container, Inc., 8.875%, 2/15/09		1,638,195
535	Pregis Corp., 12.375%, 10/15/13		583,150
	Total Containers & Packaging		3,191,839
Ecological Services & Equipment 0.8%			
2,250	Casella Waste Systems, Inc., 9.75%, 2/01/13		2,295,000
600	Waste Services, Inc., 9.50%, 4/15/14		600,000
	Total Ecological Services & Equipment		2,895,000
Energy 9.7%			
2,625	Anadarko Petroleum Corp., 6.45%, 9/15/36		2,655,783
160	Berry Petroleum Co., 8.25%, 11/01/16		163,200
950	Burlington Resources Finance Co., 7.40%, 12/01/31 (Canada)		1,119,546
500	Canadian Natural Resources Ltd., 6.25%, 3/15/38 (Canada)		494,053
380	Chaparral Energy, Inc., 8.50%, 12/01/15		354,350

Principal Amount (000)	Description		Value
Energy (cont d)			
	Chesapeake Energy Corp.,		
$ 175	6.375%, 6/15/15	$	169,750
20	6.875%, 11/15/20		19,550
1,300	Cleveland Electric Illuminating Co., 5.95%, 12/15/36		1,205,706
550	CMS Energy Corp., 6.55%, 7/17/17		533,873
	Compagnie Generale de Geophysique-Veritas (France)		
60	7.50%, 5/15/15		61,200
100	7.75%, 5/15/17		103,000
225	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)		215,438
150	Conoco Funding Co., 7.25%, 10/15/31 (Canada)		174,928
1,970[1,2]	ConocoPhillips Australia Funding Co., 5.343%, 4/09/09		1,964,845
150	ConocoPhillips Funding Co., 5.95%, 10/15/36 (Canada)		153,771
700	ConocoPhillips Holding Co., 6.95%, 4/15/29		797,096
125	Devon Energy Corp., 7.95%, 4/15/32		152,890
450	DTE Energy Co., 6.35%, 6/01/16		465,924
130	Edison Mission Energy, 7.50%, 6/15/13		131,788
1,250[5]	EDP Finance BV, 6.00%, 2/02/18 (Netherlands)		1,247,215
150	El Paso Natural Gas Co., 8.875%, 6/15/32		174,855
182	Elwood Energy LLC, 8.159%, 7/05/26		186,611
	EnCana Corp. (Canada)		
425	6.50%, 8/15/34		444,473
775	6.625%, 8/15/37		818,530
	Encore Acquisition Co.,		
50	6.00%, 7/15/15		45,250
60	7.25%, 12/01/17		57,450
1,675	Energy East Corp., 6.75%, 7/15/36		1,727,154
435	Exco Resources, Inc., 7.25%, 1/15/11		429,562
480	FirstEnergy Corp., Ser. B, 6.45%, 11/15/11		495,357
575	Florida Power & Light Co., 4.95%, 6/01/35		499,059
675	Florida Power Corp., 6.35%, 9/15/37		708,736
90	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15		90,450
255	KCS Energy, Inc., 7.125%, 4/01/12		251,175
800	Midamerican Energy Co., 5.80%, 10/15/36		777,262
	Midamerican Energy Holdings Co.,		
950	5.95%, 5/15/37		910,800
1,725[5]	6.50%, 9/15/37		1,769,112
83	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16		89,741
175	Mirant Americas Generation LLC, 8.30%, 5/01/11		176,969
1,100[5]	Nakilat, Inc., 6.067%, 12/31/33 (Qatar)		1,043,130

600	Nexen, Inc., 6.40%, 5/15/37 (Canada)	596,988
	NRG Energy, Inc.,	
50	7.25%, 2/01/14	50,000
285	7.375%, 2/01/16	284,288
350	Ohio Edison Co., 6.875%, 7/15/36	366,549
500	ONEOK Partners LP, 6.65%, 10/01/36	509,155
490[5]	OPTI, Inc., 8.25%, 12/15/14 (Canada)	491,225
140	Orion Power Holdings, Inc., 12.00%, 5/01/10	154,700
650	Pacificorp, 6.25%, 10/15/37	667,122
1,350	Public Service Co. of Colorado, 6.25%, 9/01/37	1,400,680
350	Sabine Pass LNG LP, 7.50%, 11/30/16	343,000
175	Scottish Power Plc, 5.375%, 3/15/15 (United Kingdom)	172,442
350[5]	SemGroup LP, 8.75%, 11/15/15	336,000
	Southern California Edison Co.,	
675	5.625%, 2/01/36	644,392
150	Ser. 05-E, 5.35%, 7/15/35	136,746
400	Suncor Energy, Inc., 6.50%, 6/15/38 (Canada)	418,711
360[5]	Targa Resources, Inc., 8.50%, 11/01/13	363,600
600	Trans-Canada Pipelines Ltd., 5.85%, 3/15/36 (Canada)	575,310
1,050	Valero Energy Corp., 6.625%, 6/15/37	1,081,095
2,200	Virginia Electric & Power Co., Ser. A, 6.00%, 5/15/37	2,161,727
625[5]	Weatherford Int l., Inc., 6.80%, 6/15/37	655,387
415	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	407,938
2,125	XTO Energy, Inc., 6.75%, 8/01/37	2,279,462
	Total Energy	36,976,099

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Opportunity Trust (BNA) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Entertainment & Leisure 0.9%		
$ 185	AMC Entertainment, Inc., 11.00%, 2/01/16	$ 200,262
250	Gaylord Entertainment Co., 6.75%, 11/15/14	242,500
325[5]	Greektown Holdings LLC, 10.75%, 12/01/13	323,375
185	Harrah s Operating Co., Inc., 5.75%, 10/01/17	136,437
2,000	Park Place Entertainment Corp., 8.875%, 9/15/08	2,027,500
290	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	292,175
25	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 6.625%, 12/01/14	24,563
	Total Entertainment & Leisure	3,246,812
Financial Institutions 20.9%		
350	American Real Estate Partners LP/American Real Estate Finance Corp., 7.125%, 2/15/13	341,250
	Bank of America Corp.,	
2,850[2]	6.00%, 9/01/17	2,905,373
2,4502	7.80%, 2/15/10	2,597,750
1,9752	Bank of America NA, Ser. BKNT, 6.10%, 6/15/17	2,021,363
1,400	Bear Stearns Cos., Inc. (The), Ser. MTN, 6.95%, 8/10/12	1,456,969
2,5252	Berkshire Hathaway Finance Corp., 3.375%, 10/15/08	2,491,311
2021,5	BMS Holdings, Inc., 12.40%, 2/15/12	193,771
1,415	Chubb Corp., 6.00%, 5/11/37	1,376,861
	Citigroup, Inc.,	
5,2302,3	4.125%, 2/22/10	5,142,628
1,155	5.875%, 2/22/33-5/29/37	1,097,862
1,2002	6.125%, 8/25/36	1,170,559
550	6.875%, 2/15/98	560,083
	Credit Suisse First Boston, Inc.,	
7003	6.125%, 11/15/11	723,814
1,000	7.125%, 7/15/32	1,127,028
4,1505	Depfa ACS Bank, 5.125%, 3/16/37 (Ireland)	3,925,431
	Ford Motor Credit Co. LLC,	
380	7.80%, 6/01/12	357,038
2201	7.993%, 1/13/12	203,671
	Fort Irwin Land LLC,	
7805	Ser. A, Class II, 5.30%, 12/15/35	736,086
5755	Ser. A-1, 5.03%, 12/15/25	542,420
	General Electric Capital Corp.,	
3,0002	6.75%, 3/15/32	3,347,964
7,6102	Ser. GMTN, 6.15%, 8/01/37	7,885,360
	Goldman Sachs Group, Inc. (The),	
5,390	5.45%, 11/01/12	5,422,151
1,020	6.25%, 9/01/17	1,057,991
1,000	6.60%, 1/15/12	1,047,663
1,0201	Hartford Life Global Funding Trusts, Ser. MTN, 5.864%, 9/15/09	1,018,899
1,275	HSBC Holdings Plc, 6.50%, 5/02/36 (United Kingdom)	1,258,708
8785	iPayment Investors LP, 11.625%, 7/15/14	904,475
270	iPayment, Inc., 9.75%, 5/15/14	259,200
4,375[2]	JPMorgan Chase Capital XXV, Ser. Y, 6.80%, 10/01/37	4,370,174
	Lehman Brothers Holdings, Inc.,	
1,050	6.50%, 7/19/17	1,057,475
1,500	Ser. MTN, 6.00%, 7/19/12	1,520,782
5751	Ser. MTN, 7.394%, 9/15/22	587,536

100	Ser. MTNG, 4.80%, 3/13/14	94,845
1,200	MetLife, Inc., 5.70%, 6/15/35	1,112,330
	Momentive Performance Materials, Inc.,	
505	9.75%, 12/01/14	48,750
4405	11.50%, 12/01/16	424,600
1,9901,5	Monumental Global Funding Ltd., Ser. MTN, 5.24%, 6/16/10 (Cayman Islands)	1,972,090

Principal Amount (000)	Description	Value
Financial Institutions (cont d)		
	Morgan Stanley,	
$ 3,6201,2	5.493%, 1/09/12	$ 3,561,707
2,1002	6.25%, 8/09/26	2,069,773
1,2002	Ser. MTN, 6.25%, 8/28/17	1,228,642
950	Prudential Financial, Inc., Ser. MTN, 5.70%, 12/14/36	881,463
	Rainbow National Services LLC,	
2255	8.75%, 9/01/12	234,000
1,0705	10.375%, 9/01/14	1,177,000
6001	SLM Corp., 5.384%, 1/27/14	530,617
1,050	Travelers Cos., Inc., Ser. MTN, 6.25%, 6/15/37	1,035,953
501	Universal City Florida Holding Co. I/II, 9.661%, 5/01/10	51,125
1,000	Wells Fargo & Co., 4.625%, 8/09/10	990,341
	Wells Fargo Bank NA,	
610	5.95%, 8/26/36	601,139
2,0002	7.55%, 6/21/10	2,124,152
6505	Wimar Opco LLC/Wimar Opco Finance Corp., 9.625%, 12/15/14	487,500
1,8755	Xstrata Finance Ltd., 5.80%, 11/15/16 (Canada)	1,859,526
	Total Financial Institutions	79,195,199
Health Care 3.9%		
1,3251,2,5	Amgen, Inc., 5.585%, 11/28/08	1,322,611
1,8252	AstraZeneca Plc, 6.45%, 9/15/37 (United Kingdom)	1,923,044
1,135	Bristol-Myers Squibb Co., 5.875%, 11/15/36	1,114,049
2,4952	Eli Lilly & Co., 5.55%, 3/15/37	2,382,421
1,2002	Johnson & Johnson, 5.95%, 8/15/37	1,255,031
1,250	Schering-Plough Corp., 6.55%, 9/15/37	1,295,480
1,640	Tenet Healthcare Corp., 6.50%, 6/01/12	1,389,900
1,175	Teva Pharmaceutical Finance LLC, 6.15%, 2/01/36	1,156,612
	WellPoint, Inc.,	
595	5.85%, 1/15/36	559,086
475	6.375%, 6/15/37	482,920
1,7752	Wyeth, 5.95%, 4/01/37	1,755,436
	Total Health Care	14,636,590
Industrials 1.4%		
1,700	3M Co., Ser. MTN, 5.70%, 3/15/37	1,704,694
4005	AGY Holding Corp., 11.00%, 11/15/14	394,000
150	Hexcel Corp., 6.75%, 2/01/15	147,375
915	Honeywell Intl., Inc., 5.70%, 3/15/37	889,533
165	Park-Ohio Industries, Inc., 8.375%, 11/15/14	153,862
	RBS Global, Inc./Rexnord Corp.,	
540	9.50%, 8/01/14	557,550
555	11.75%, 8/01/16	588,300
1,0505	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	1,008,000
	Total Industrials	5,443,314
Media 7.4%		
	Affinion Group, Inc.,	

540	10.125%, 10/15/13	562,950
200	11.50%, 10/15/15	208,500
125	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	119,688
	AOL Time Warner, Inc.,	
1,635	7.57%, 2/01/24	1,791,676
3,000	9.125%, 1/15/13	3,448,833
1,415	AT&T Broadband Corp., 8.375%, 3/15/13	1,596,700
1611	Cablevision Systems Corp., Ser. B, 9.644%, 4/01/09	165,427
120	CanWest MediaWorks, Inc., 8.00%, 9/15/12 (Canada)	117,000
485	Charter Communications Holdings I LLC/Charter Communications Holdings I Capital Corp., 11.00%, 10/01/15	470,450
	Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
1,320	10.25%, 9/15/10	1,346,400
180	Ser. B, 10.25%, 9/15/10	183,150

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Opportunity Trust (BNA) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Media (cont d)		
$ 690	CMP Susquehanna Corp., 9.875%, 5/15/14	$ 633,937
1,000	Comcast Cable Communications, Inc., 6.75%, 1/30/11	1,042,435
1,805	Comcast Corp., 6.95%, 8/15/37	1,931,570
85	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	90,631
140	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	146,300
	EchoStar DBS Corp.,	
180	5.75%, 10/01/08	179,550
320	7.00%, 10/01/13	333,200
75	7.125%, 2/01/16	78,375
665	Idearc, Inc., 8.00%, 11/15/16	666,662
5001,5	ION Media Networks, Inc., 8.493%, 1/15/12	501,250
535	Network Communications, Inc., 10.75%, 12/01/13	538,344
	News America Holdings, Inc.,	
145	8.15%, 10/17/36	172,776
2,475	8.45%, 8/01/34	2,992,265
660	Nexstar Finance, Inc., 7.00%, 1/15/14	633,600
	Nielsen Finance LLC/Nielsen Finance Co.,	
3307	9.115%, 8/01/16	238,425
1,100	10.00%, 8/01/14	1,157,750
950	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	950,000
70	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	69,563
1,495	TCI Communications, Inc., 8.75%, 8/01/15	1,753,387
8005	Time Warner Cable, Inc., 6.55%, 5/01/37	806,473
1,1005	TL Acquisitions, Inc., 10.50%, 1/15/15	1,094,500
3255	Univision Communications, Inc., 9.75%, 3/15/15	318,500
570	Vertis, Inc., 9.75%, 4/01/09	570,000
1,294	Young Broadcasting, Inc., 10.00%, 3/01/11	1,216,360
	Total Media	28,126,627
Real Estate 0.9%		
1,000	AvalonBay Communities, Inc., 6.625%, 9/15/11	1,040,161
	Rouse Co.,	
725	3.625%, 3/15/09	691,205
1,715	5.375%, 11/26/13	1,554,092
	Total Real Estate	3,285,458
Technology 2.1%		
	Amkor Technology, Inc.,	
90	7.75%, 5/15/13	87,075
135	9.25%, 6/01/16	138,038
555	Celestica, Inc., 7.625%, 7/01/13 (Canada)	532,800
	Freescale Semiconductor, Inc.,	
715	9.125%, 12/15/14	647,075
1601	9.569%, 12/15/14	147,000
3,4502	Intl. Business Machines Corp., 5.70%, 9/14/17	3,501,702
480	NXP BV/NXP Funding LLC, 9.50%, 10/15/15 (Netherlands)	453,600
660	Sanmina-SCI Corp., 8.125%, 3/01/16	579,150
	SunGard Data Systems, Inc.,	
95	9.125%, 8/15/13	96,900
675	10.25%, 8/15/15	703,687

950	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	938,125
	Total Technology	7,825,152
Telecommunications	**7.5%**	
4,0752	AT&T, Inc., 6.50%, 9/01/37	4,298,391
1,7009	BellSouth Telecommunications, 6.402%, 12/15/95	902,807
470	Cincinnati Bell, Inc., 7.25%, 7/15/13	471,175
255	Cricket Communications, Inc., 9.375%, 11/01/14	253,088
325	Deutsche Telekom Intl. Finance BV, 5.75%, 3/23/16 (Netherlands)	325,854
2705	Digicel Group Ltd., 8.875%, 1/15/15 (Bermuda)	252,126

Principal Amount (000)	Description	Value
Telecommunications	**(cont d)**	
$ 1701	Hawaiian Telcom Communications, Inc., Ser. B, 10.318%, 5/01/13	$ 172,125
515	Intelsat Corp., 9.00%, 6/15/16	526,588
	Intelsat Ltd. (Bermuda)	
1201	8.886%, 1/15/15	121,800
450	9.25%, 6/15/16	466,875
210	11.25%, 6/15/16	225,750
9201	11.409%, 6/15/13	959,100
300	Intelsat Subsidiary Holding Co. Ltd., 8.625%, 1/15/15 (Bermuda)	304,500
1205	MetroPCS Wireless, Inc., 9.25%, 11/01/14	119,100
9355	Nordic Telephone Co. Holdings A.p.S., 8.875%, 5/01/16 (Denmark)	988,763
1,4351,5	Nortel Networks Ltd., 9.493%, 7/15/11 (Canada)	1,417,062
160	PanAmSat Corp., 9.00%, 8/15/14	163,200
	Qwest Corp.,	
55	7.875%, 9/01/11	58,025
3751	8.944%, 6/15/13	399,844
	Sprint Capital Corp.,	
1,205	6.875%, 11/15/28	1,154,325
1,250	8.75%, 3/15/32	1,425,325
4,375	Telecom Italia Capital S.A., 4.95%, 9/30/14 (Luxembourg)	4,187,492
1,000	Telefonica Emisones SAU, 7.045%, 6/20/36 (Spain)	1,098,404
575	Verizon Global Funding Corp., 7.75%, 6/15/32	677,879
	Verizon Maryland, Inc.,	
540	5.125%, 6/15/33	450,386
1,355	Ser. A, 6.125%, 3/01/12	1,396,925
750	Verizon Virginia, Inc., 4.625%, 3/15/13	720,208
	Vodafone Group Plc (United Kingdom)	
1,6151,2	5.288%, 12/28/07	1,615,326
1,000	7.75%, 2/15/10	1,057,537
1,210	West Corp., 11.00%, 10/15/16	1,267,475
3605	Wind Acquisition Finance S.A., 10.75%, 12/01/15 (Luxembourg)	400,500
	Windstream Corp.,	
410	8.125%, 8/01/13	433,575
250	8.625%, 8/01/16	267,500
	Total Telecommunications	28,579,030
Transportation	**0.7%**	
120	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	118,500
120	Britannia Bulk Plc, 11.00%, 12/01/11 (United Kingdom)	126,000
1,000	Canadian National Railway Co., 6.375%, 10/15/11 (Canada)	1,044,565
450	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	435,375
600		634,500

	Navios Maritime Holdings, Inc., 9.50%, 12/15/14 (Marshall Islands)	
4555	St. Acquisition Corp., 12.50%, 5/15/17	290,062
	Total Transportation	2,649,002
	Total Corporate Bonds	242,814,753
U.S. Government and Agency Securities 5.7%		
	Overseas Private Investment Corp.,	
357	4.09%, 5/29/12	338,675
1,0001	4.30%, 5/29/12	1,000,255
752	4.64%, 5/29/12	761,852
425	4.68%, 5/29/12	404,472
3,221	4.87%, 5/29/12	3,295,838
3841	5.40%, 5/29/12	413,963
6,055	Resolution Funding Corp., Ser. B, Zero Coupon, 4/15/30	2,018,561
788	Small Business Administration, Ser. 20K-1, 6.95%, 11/01/16	812,396
1,800	Tennessee Valley Authority, Ser. C, 5.88%, 4/01/36	1,989,677
510	U.S. Treasury Bonds, 4.75%, 2/15/37	509,721
846	U.S. Treasury Inflation Protected Bond, 2.375%, 1/15/27	867,527
9,1152	U.S. Treasury Notes, 4.75%, 8/15/17	9,315,813
	Total U.S. Government and Agency Securities	21,728,750

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Opportunity Trust (BNA) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Trust Preferred Stocks 3.5%		
$ 2,1501,2	Allstate Corp., 6.50%, 5/15/57	$ 2,084,728
600	Bank of America, 5.30%, 3/15/17	579,691
9501,5,10	Barclays Bank Plc, 7.434% (United Kingdom)	1,007,039
1,0001,5,10	Credit Agricole S.A., 6.637% (France)	950,372
7501	Lincoln National Corp., 6.05%, 4/20/67	718,801
6651	Progressive Corp., 6.70%, 6/15/37	652,553
2,6001,10	Royal Bank of Scotland Group Plc, Ser. MTN, 7.64% (United Kingdom)	2,694,931
1,125[1,2,5,10]	Societe Generale, 5.922% (France)	1,070,652
7501	Travelers Cos., Inc., 6.25%, 3/15/67	728,300
2,0001,2,10	UBS Preferred Funding Trust I, 8.622%	2,170,314
5751,5	ZFS Finance Trust I, 6.50%, 5/09/37	553,382
	Total Trust Preferred Stocks	13,210,763
Taxable Municipal Bond 0.6%		
2,525	Illinois St. Pension, 5.10%, 6/01/33	2,395,139

Shares		
Common Stocks 0.0%		
1,8956,11	Critical Care Systems Intl., Inc.	11,844
Preferred Stock 0.4%		
60,000	Deutsche Bank Contingent Capital Trust II, 6.55%	1,437,000
	Total Long-Term Investments (cost $639,074,109)	636,433,097

Principal Amount (000)		
SHORT-TERM INVESTMENT 0.1%		
U.S. Government and Agency Discount Notes 0.1%		
$ 30012	Federal Home Loan Bank Disc. Notes, 4.401%, 11/01/07 (cost $300,000)	300,000
BORROWED BOND AGREEMENTS 22.5%		
	Lehman Brothers Inc.,	
50,92714	4.47%, 11/08/07	50,927,000
34,45714	4.45%, 11/08/07	34,456,875

	Total Borrowed Bond Agreements (cost $85,383,875)	85,383,875

Notional Amount (000)		
OUTSTANDING OPTIONS PURCHASED 1.0%		
4,285	EUR Put Option, strike price $1.40, expires 1/10/08	17,876
	Interest Rate Swaps,	
8,400	Trust pays 5.79%, Trust receives 3-month LIBOR, expires 8/16/10	225,776
8,400	Trust pays 3-month LIBOR, Trust receives 5.79%, expires 8/16/10	433,872
5,500	Trust pays 5.52%, Trust receives 3-month LIBOR, expires 9/21/36	373,168
5,500	Trust pays 3-month LIBOR, Trust receives 5.52%, expires 9/21/36	324,406
12,300	Trust pays 5.47%, Trust receives 3-month LIBOR, expires 5/08/12	575,025
12,300	Trust pays 5.47%, Trust receives 3-month LIBOR, expires 5/08/12	527,670
8,425	Trust pays 3-month LIBOR, Trust receives 6.025%, expires 6/08/12	517,969

Notional Amount (000)	Description	Value
OUTSTANDING OPTIONS PURCHASED (cont d)		
8,425	Trust pays 3-month LIBOR, Trust receives 6.025%, expires 6/08/12	$ 265,977
7,300	Trust pays 5.39%, Trust receives 3-month LIBOR, expires 3/19/12	357,114
7,300	Trust pays 3-month LIBOR, Trust receives 5.39%, expires 3/19/12	296,161
	Total Outstanding Options Purchased (cost $3,589,612)	3,915,014
	Total Investments before borrowed bonds, TBA sale commitments, and outstanding options written (cost $728,347,596[13])	726,031,986

Principal Amount (000)		
BORROWED BONDS (22.5)%		
	U.S. Treasury Notes,	
$ (50,800)	4.00%, 8/31/09	(50,835,712)
(34,500)	4.125%, 8/31/12	(34,464,948)
		(85,300,660)

	Total Borrowed Bonds (proceeds $85,264,516)	
TBA SALE COMMITMENTS (3.5)%		
	Federal National Mortgage Assoc.,	
(400)	5.00%, 12/12/37	(383,625)
(8,600)	5.50%, 11/19/22	(8,613,433)
(4,200)	6.00%, 11/13/37-12/12/37	(4,228,314)
	Total TBA Sale Commitments (proceeds $13,086,862)	(13,225,372)
INVESTMENTS SOLD SHORT (22.5)%		
	U.S. Treasury Notes,	
(50,800)	4.00%, 8/31/09	(50,835,712)
(34,500)	4.125%, 8/31/12	(34,464,948)
	Total Investments Sold Short (proceeds $85,264,516)	(85,300,660)

Notional Amount (000)		
OUTSTANDING OPTIONS WRITTEN (0.5)%		
	Interest Rate Swaps,	
(5,700)	Trust pays 5.135%, Trust receives 3-month LIBOR, expires 4/21/08	(97,385)
(5,700)	Trust pays 3-month LIBOR, Trust receives 5.135%, expires 4/21/08	(97,385)
(12,400)	Trust pays 3-month LIBOR, Trust receives 5.67%, expires 1/04/10	(315,828)
(12,400)	Trust pays 5.67%, Trust receives 3-month LIBOR, expires 1/04/10	(599,912)
(5,300)	Trust pays 5.485%, Trust receives 3-month LIBOR, expires 10/28/19	(208,227)
(5,300)	Trust pays 3-month LIBOR, Trust receives 5.485%, expires 10/28/19	(155,709)
(7,300)	Trust pays 3-month LIBOR, Trust receives 5.148%, expires 3/19/08	(119,063)
(7,300)	Trust pays 5.115%, Trust receives 3-month LIBOR, expires 3/19/08	(118,698)
	Total Outstanding Options Written (premium received $2,478,560)	(1,712,207)

Total Investments net of borrowed bonds, TBA sale commitments and outstanding options written 164.8%	$ 625,793,747
Liabilities in excess of other assets (64.8)%	(246,188,870)
Net Assets 100%	**$ 379,604,877**

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Opportunity Trust (BNA) (concluded)
(Percentages shown are based on Net Assets)

1 Variable rate security. Rate shown is interest rate as of October 31, 2007.

2 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

3 Security, or a portion thereof, pledged as collateral with a value of $2,950,914 on 147 long Eurodollar futures contracts expiring December 2007 to March 2008, 337 long U.S. Treasury Note futures contracts expiring December 2007, 1,339 long U.S. Treasury Bond futures contracts expiring December 2007, 180 short Eurodollar futures contracts expiring December 2007 and 3,750 short U.S. Treasury Note futures contracts expiring December 2007. The notional value of such contracts on October 31, 2007 was $246,676,023, with an unrealized loss of $650,550.

4 Represents an investment in an affiliate.

5 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held 9.0% of its net assets, with a current market value of $34,233,806, in securities restricted as to resale.

6 Security is fair valued.

7 Rate shown is effective yield of the underlying collateral as of October 31, 2007.

8 Illiquid security. As of October 31, 2007, the Trust held less than 0.1% of its net assets, with a current market value of $0, in this security.

9 Represents a step up bond; the interest rate shown reflects the effective yield at the time of purchase.

10 The security is a perpetual bond and has no stated maturity date.

11 Non-income producing security.

12 Rate shown is the yield to maturity as of the date of purchase.

13 Cost for federal income tax purposes is $729,365,583. The net unrealized depreciation on a tax basis is $3,333,597, consisting of $7,722,546 gross unrealized appreciation and $11,056,143 gross unrealized depreciation.

14 See Note 1 in the Notes to Financial Statements for details of borrowed bond agreements.

For Trust compliance purposes, the Trust s sector and industry classifications refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classifications for reporting ease.

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Trust Inc. (BKT)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 104.8%		
Mortgage Pass-Through Securities 31.2%		
	Federal Home Loan Mortgage Corp.,	
$ 7751	4.019%, 1/01/35	$ 773,674
8021	4.934%, 10/01/34	806,789
92	5.50%, 12/01/21	92,516
6092	5.50%, 1/01/22	609,749
8,4232,3	5.50%, 3/01/22	8,436,410
27[1]	6.01%, 11/01/17	27,570
14	8.00%, 11/01/15	13,954
	8.50%, 3/01/08	15
1242	9.00%, 9/01/20	132,699
100	TBA, 6.50%, 12/12/37	102,406
	Federal National Mortgage Assoc.,	
31,248	5.00%, 6/01/33-3/01/37	30,045,633
7322	5.00%, 1/01/37	702,248
44,873	5.50%, 6/01/21-6/01/37	44,632,581
3,125	5.97%, 8/01/16	3,184,788
22,939	6.00%, 10/01/36-7/01/37	23,108,362
12,645	6.50%, 7/01/36-9/01/37	12,943,071
	7.50%, 2/01/22	241
32	8.00%, 5/01/08-5/01/22	32,874
3	9.50%, 1/01/19-9/01/19	4,163
100	TBA, 5.50%, 11/13/37	98,531
1,700	TBA, 6.00%, 11/13/37	1,712,220
2,200	TBA, 6.50%, 11/13/37	2,251,564
	Government National Mortgage Assoc.,	
37	7.00%, 10/15/17	38,792
412	7.50%, 8/15/21-12/15/23	434,645
210	8.00%, 10/15/22-2/15/29	223,884
15	9.00%, 6/15/18-9/15/21	17,385
	Total Mortgage Pass-Through Securities	130,426,764
Federal Housing Administration Securities 1.8%		
	General Motors Acceptance Corp. Projects,	
2884	Ser. 51, 7.43%, 2/01/23	290,577
358	Ser. 56, 7.43%, 11/01/22	361,639
505	Merrill Projects, Ser. 54, 7.43%, 5/15/23	50,019
758	Reilly Project, Ser. 41, 8.28%, 3/01/20	765,282
	USGI Projects,	
88	Ser. 87, 7.43%, 12/01/22	88,790
329	Ser. 99,7.43%, 10/01/23	332,589
5,431	Ser. 6094, 7.43%, 6/01/21	5,485,577
	Total Federal Housing Administration Securities	7,374,473
Agency Multiple Class Mortgage Pass-Through Securities 26.3%		
	Federal Home Loan Mortgage Corp.,	
4,0761	Ser. 11, Class A9, 2.282%, 1/25/28	3,595,985
187	Ser. 19, Class F, 8.50%, 3/15/20	194,531
746	Ser. 40, Class K, 6.50%, 8/17/24	768,950
1	Ser. 192, Class U, 1,009.033%, 2/15/22	7

	Ser. 1057, Class J, 1,008.001%, 3/15/21	1,589
1,647	Ser. 1598, Class J, 6.50%, 10/15/08	1,643,738
341	Ser. 1961, Class H, 6.50%, 5/15/12	345,289
9,504	Ser. 2218, Class Z, 8.50%, 3/15/30	10,279,474
13,018	Ser. 2461, Class Z, 6.50%, 6/15/32	13,445,486
10,200	Ser. 2542, Class UC, 6.00%, 12/15/22	10,599,985
2,475	Ser. 2562, Class PG, 5.00%, 1/15/18	2,444,405
928	Ser. 2564, Class NC, 5.00%, 2/15/33	795,889
2,050	Ser. 2750, Class TC, 5.25%, 2/15/34	2,015,608
11,458	Ser. 2758, Class KV, 5.50%, 5/15/23	11,448,878
1,573	Ser. 2765, Class UA, 4.00%, 3/15/11	1,529,913
3,212	Ser. 2806, Class VC, 6.00%, 12/15/19	3,265,494
2,402	Ser. 2927, Class BZ, 5.50%, 2/15/35	2,245,710
3,946	Ser. 3061, Class BD, 7.50%, 11/15/35	4,063,969

Principal Amount (000)	Description	Value
Agency Multiple Class Mortgage Pass-Through Securities (cont d)		
	Federal National Mortgage Assoc.,	
$ 1,2211	Ser. 2, Class KP, Zero Coupon, 2/25/35	$ 1,153,297
4,006	Ser. 28, Class PB, 6.00%, 8/25/28	4,028,409
2,150	Ser. 29, Class HC, 7.50%, 7/25/30	2,288,156
2,381	Ser. 31, Class ZG, 7.50%, 5/25/34	2,841,336
7,147	Ser. 32, Class VT, 6.00%, 9/25/15	7,258,242
1	Ser. 33, Class PV, 1,078.42%, 10/25/21	20,464
501	Ser. 38, Class F, 8.325%, 4/25/21	51,981
1,663	Ser. 38, Class Z, 5.00%, 5/25/36	1,655,826
2,630	Ser. 68, Class PC, 5.50%, 7/25/35	2,657,932
12,264	Ser. 135, Class PB, 6.00%, 1/25/34	12,319,211
	Government National Mortgage Assoc.,	
1,041	Ser. 5, Class Z, 7.00%, 5/16/26	1,089,576
1,749	Ser. 33, Class PB, 6.50%, 7/20/31	1,793,424
4,030	Ser. 89, Class PE, 6.00%, 10/20/34	4,118,536
	Total Agency Multiple Class Mortgage Pass-Through Securities	109,961,290
Non-Agency Multiple Class Mortgage Pass-Through Securities 9.5%		
5,932	CWALT, Inc., Ser. 28CB, Class 1A5, 5.50%, 8/25/35	5,926,543
	JPMorgan Mortgage Trust,	
1,8681	Ser. A7, Class 2A2, 5.83%, 1/25/37	1,865,043
6,457	Ser. S1, Class 2A1, 8.00%, 1/25/35	6,827,600
1,561	MASTR Alternative Loan Trust, Ser. 7, Class 4A3, 8.00%, 11/25/18	1,634,533
7,488	MASTR Asset Securitization Trust, Ser. 12, Class 3A5, 5.25%, 10/25/14	7,358,441
5,6971	Residential Asset Securitization Trust, Ser. A8, Class A2, 5.223%, 10/25/18	5,630,061
9,908	Residential Funding Securities Corp., Ser. RM2, Class AI5, 8.50%, 5/25/33	10,580,089
141,6,7	Summit Mortgage Trust, Ser. 1, Class B1, 6.611%, 12/28/12	14,138
	Total Non-Agency Multiple Class Mortgage Pass-Through Securities	39,836,448
Inverse Floating Rate Mortgage Securities 4.3%		
	Federal Home Loan Mortgage Corp.,	
141	Ser. 1043, Class H, 21.938%, 2/15/21	14,443
1	Ser. 1148, Class E, 592.552%, 10/15/21	545
321	Ser. 1160, Class F, 18.381%, 10/15/21	31,693
961,2	Ser. 1616, Class SB, 8.50%, 11/15/08	96,046
1921	Ser. 1688, Class S, 9.566%, 12/15/13	192,669
4,3591	Ser. 2769, Class SQ, Zero Coupon, 2/15/34	2,718,727

2,1011	Ser. 2840, Class SK, 1.499%, 8/15/34	1,600,748
2,3731	Ser. 3167, Class SX, 6.953%, 6/15/36	2,277,238
	Federal National Mortgage Assoc.,	
1	Ser. 7, Class S, 594.704%, 3/25/21	6,484
11	Ser. 10, Class S, 575.455%, 5/25/21	19,584
11	Ser. 12, Class S, 608.135%, 5/25/21	17,025
11	Ser. 17, Class S, 580.114%, 6/25/21	9,925
511	Ser. 38, Class SA, 10.186%, 4/25/21	53,332
1	Ser. 46, Class S, 1,402.625%, 5/25/21	7,283
1	Ser. 49, Class S, 527.80%, 12/25/21	3,478
1141	Ser. 72, Class S, 8.75%, 5/25/08	114,584
5,8281	Ser. 73, Class DS, 4.882%, 8/25/35	5,625,111
1191	Ser. 87, Class S, 13.764%, 8/25/21	144,608
261	Ser. 93, Class S, 8.50%, 5/25/08	26,334
121	Ser. 170, Class SC, 9.00%, 9/25/08	11,829
2221	Ser. 196, Class SC, 8.423%, 10/25/08	222,978
1101	Ser. 214, Class SH, 5.592%, 12/25/08	109,958
8991	Ser. 247, Class SN, 10.00%, 12/25/23	1,002,361
	First Horizon Alternative Mortgage Securities,	
72,5271	Ser. FA7, Class 1A7, Zero Coupon, 10/25/35	736,052
179,3281	Ser. FA9, Class A2, Zero Coupon, 12/25/35	1,905,915

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Trust Inc. (BKT) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Inverse Floating Rate Mortgage Securities (cont d)		
$ 1121	Kidder Peabody Acceptance Corp., Ser. 1, Class A6, 7.573%, 8/25/23	$ 112,216
145,6571	Residential Accredit Loans, Inc., Ser. QS16, Class A2, Zero Coupon, 11/25/35	818,081
	Total Inverse Floating Rate Mortgage Securities	17,879,247
Interest Only Asset-Backed Securities 0.4%		
110,5121	Banc of America Funding Corp., Ser. 2, Class 1A19, 0.528%, 3/25/37	691,670
811,6	Morgan Stanley Capital Trust I, Ser. HF1, Class X, 2.25%, 6/15/17	4
	Sterling Coofs Trust,	
15,750	Ser. 1, 2.365%, 4/15/29	698,905
11,2446	Ser. 2, 2.081%, 3/30/30	302,195
	Total Interest Only Asset-Backed Securities	1,692,774
Interest Only Mortgage-Backed Securities 12.7%		
1,135	ABN Amro Mortgage Corp., Ser. 4, Class A2, 5.50%, 3/25/33	28,901
229,2951	Banc of America Mortgage Securities, Inc., Ser. 3, Class 1A, 0.285%, 5/25/18	1,896,595
25,8021	Commercial Mortgage Acceptance Corp., Ser. ML1, 0.705%, 11/15/17	458,311
5,7701,6	Credit Suisse First Boston Mortgage Securities Corp., Ser. C1, Class AX, 1.486%, 6/20/29	304,690
142,8571	CWALT, Inc., Ser. 79CB, Class A2, 0.078%, 1/25/36	1,827,318
	Federal Home Loan Mortgage Corp.,	
1,9721	Ser. 60, Class HS, 1.125%, 4/25/24	7,746
	Ser. 176, Class M, 1,010.00%, 7/15/21	70
7	Ser. 200, Class R, 98,513.94%, 12/15/22	300
1,735	Ser. 204, Class IO, 6.00%, 5/01/29	407,040
1	Ser. 1054, Class I, 435.32%, 3/15/21	180
	Ser. 1056, Class KD, 1,084.50%, 3/15/21	1,195
	Ser. 1179, Class O, 1,009.389%, 11/15/21	82
168	Ser. 1706, Class IA, 7.00%, 10/15/23	6,174
59	Ser. 1720, Class PK, 7.50%, 1/15/24	3,125
2,773	Ser. 1914, Class PC, 0.75%, 12/15/11	27,104
7191	Ser. 2296, Class SA, 2.659%, 3/15/16	40,402
3581	Ser. 2444, Class ST, 2.879%, 9/15/29	10,985
1,417	Ser. 2542, Class MX, 5.50%, 5/15/22	211,221
2,564	Ser. 2545, Class NI, 5.50%, 3/15/22	310,315
4901	Ser. 2559, Class IO, 0.50%, 8/15/30	4,929
4,079	Ser. 2561, Class EW, 5.00%, 9/15/16	330,514
10,535	Ser. 2611, Class QI, 5.50%, 9/15/32	1,911,501
1,084	Ser. 2633, Class PI, 4.50%, 3/15/12	5,691
16,3071	Ser. 2647, Class IV, 1.959%, 7/15/33	1,159,405
3,156	Ser. 2653, Class MI, 5.00%, 4/15/26	270,379
3,750	Ser. 2658, Class PI, 4.50%, 6/15/13	87,123
2,985	Ser. 2672, Class TQ, 5.00%, 3/15/23	61,706
3,633	Ser. 2687, Class IL, 5.00%, 9/15/18	346,465
1,352	Ser. 2687, Class IQ, 5.50%, 9/15/22	4,898

	3,237	Ser. 2693, Class IB, 4.50%, 6/15/13	72,307
	2,454	Ser. 2694, Class LI, 4.50%, 7/15/19	201,286
	4,516	Ser. 2773, Class OX, 5.00%, 2/15/18	490,886
	16,4281	Ser. 2780, Class SM, 0.909%, 4/15/34	417,281
	6,727	Ser. 2825, Class NI, 5.50%, 3/15/30	1,461,900
	10,5871	Ser. 2827, Class SR, 0.909%, 1/15/22	305,563
	17,5701	Ser. 2865, Class SR, 0.92%, 10/15/33	952,603
	11,8991	Ser. 2865, Class SV, 1.327%, 10/15/33	1,073,798
	1,733	Ser. 2949, Class IO, 5.50%, 3/15/35	206,125
	33,0271	Ser. 2990, Class WR, 1.519%, 6/15/35	1,984,065
	93,7881	Ser. 3122, Class IS, 1.609%, 3/15/36	5,412,475
	90,4191	Ser. 3225, Class EY, 1.199%, 10/15/36	4,422,749
	3,534	Ser. 3299, Class TI, 5.00%, 4/15/37	668,994

	Principal Amount (000)	Description	Value
Interest Only Mortgage-Backed Securities (cont d)			
		Federal National Mortgage Assoc.,	
$	200	Ser. 5, Class H, 9.00%, 1/25/22	$ 45,871
	11	Ser. 7, Class 2, 8.50%, 4/01/17	2,133
	3,969	Ser. 9, Class BI, 5.50%, 10/25/22	562,098
	1	Ser. 12, Class C, 1,016.897%, 2/25/22	15,735
	3,608	Ser. 13, Class IG, 5.00%, 10/25/22	86,885
	7381	Ser. 33, Class SG, 3.225%, 3/25/09	13,452
	50,1061	Ser. 36, Class SP, 1.828%, 5/25/36	3,367,058
		Ser. 38, Class N, 1,008.50%, 4/25/21	438
	837	Ser. 43, Class LC, 6.00%, 3/25/34	198,642
		Ser. 50, Class G, 1,158.628%, 12/25/21	7,002
	6741	Ser. 50, Class SI, 1.20%, 4/25/23	21,001
	3,006	Ser. 51, Class IE, 5.50%, 4/25/26	58,423
	5,340	Ser. 55, Class GI, 5.00%, 7/25/19	458,903
	12,2241	Ser. 55, Class SB, 1.278%, 7/25/35	511,975
	3,7071	Ser. 59, Class S, 4.917%, 10/25/22	569,668
	5761	Ser. 60, Class SB, 1.60%, 10/25/22	25,680
	146	Ser. 62, Class IC, 5.50%, 7/25/15	1,538
	5,630	Ser. 66, Class CI, 5.00%, 7/25/33	1,376,325
	1,9451	Ser. 68, Class SC, 3.225%, 1/25/24	103,751
	13,6931	Ser. 73, Class ST, 1.258%, 8/25/35	546,888
	4,094	Ser. 88, Class TI, 4.50%, 11/25/13	109,742
	21	Ser. 89, Class 2, 8.00%, 6/01/18	3,910
	29,8071	Ser. 90, Class JH, 1.828%, 11/25/34	1,667,334
	13,213	Ser. 90, Class M, 6.00%, 1/25/28	2,423,410
	7	Ser. 94, Class 2, 9.50%, 8/01/21	1,649
		Ser. 99, Class L, 930.00%, 8/25/21	6,013
	3,741	Ser. 122, Class IC, 5.00%, 9/25/18	368,323
		Ser. 123, Class M, 1,009.50%, 10/25/20	1,135
	251	Ser. 136, Class S, 15.214%, 11/25/20	32,457
		Ser. 139, Class PT, 648.35%, 10/25/21	7,582
	2,1861	Ser. 199, Class SB, 2.625%, 10/25/23	113,348
	633	Ser. W4, Class IO, 6.50%, 12/25/28	135,539
	89	First Boston Mortgage Securities Corp., Ser. C, Class I, 10.965%, 4/25/17	21,021
	42,0281	First Horizon Alternative Mortgage Securities, Ser. FA2, Class 1A4, 0.628%, 5/25/36	380,454
	6,3231	General Motors Acceptance Corp., Commercial Mortgage Securities, Inc., Ser. C1, Class X, 1.315%, 7/15/27	320,421
	7,8351,6	Goldman Sachs Mortgage Securities Corp., Ser. 5, 0.97%, 2/19/25	154,243
		Government National Mortgage Assoc.,	
	16,7221	Ser. 18, Class SL, 1.203%, 2/20/35	773,287
	1,650	Ser. 39, Class ID, 5.00%, 5/20/33	459,300
	1,945	Ser. 58, Class IT, 5.50%, 7/20/33	255,838
	1,717	Ser. 75, Class IJ, 5.50%, 7/20/25	10,022
	16,6291	Ser. 89, Classl SA, 0.84%, 10/16/33	592,706
	153,908	Indymac Index Mortgage Loan Trust, Ser. AR33, Class 4AX, 0.165%, 1/25/37	700,218

57	Kidder Peabody Acceptance Corp., Ser. B, Class A2, 9.50%, 4/22/18	13,028
24,598	MASTR Adjustable Rate Mortgages Trust, Ser. 3, Class 3AX, 0.977%, 4/25/34	352,827
1,311	MASTR Alternative Loan Trust, Ser. 9, Class 15X2, 6.00%, 1/25/19	245,404
1,609	Morgan Stanley Capital Trust I, Ser. 3, Class 1AX, 5.00%, 5/25/19	237,158
66,1541	Sequoia Mortgage Trust, Ser. 2, Class XA, 0.775%, 3/20/35	686,683
6,3794	Small Business Administration, Ser. 1, 1.381%, 4/01/15	63,790

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Trust Inc. (BKT) (continued)
(Percentages shown are based on Net Assets)

	Principal Amount (000)	Description		Value
Interest Only Mortgage-Backed Securities (cont d)				
		Structured Adjustable Rate Mortgage Loan Trust,		
$	14,1851	Ser. 2, Class 4AX, 5.50%, 3/25/36	$	1,346,970
	44,6551	Ser. 7, Class 3AS, 2.548%, 8/25/36		4,353,522
	5,2401	Ser. 18, Class 7AX, 5.50%, 9/25/35		751,739
	4,082	Ser. 20, Class 3AX, 5.50%, 10/25/35		755,438
	85,9071	Vendee Mortgage Trust, Ser. 2, Class 1, 0.052%, 5/15/29		215,679
		Total Interest Only Mortgage-Backed Securities		52,928,053
Principal Only Mortgage-Backed Securities 4.9%				
		Countrywide Home Loans, Inc.,		
	5,3298	Ser. 26, 4.944%, 8/25/33		4,217,491
	1,0438	Ser. J4, 5.142%, 6/25/33		745,815
	1,4278	Ser. J5, 4.911%, 7/25/33		847,321
	1,1528	Ser. J8, 4.787%, 9/25/23		882,292
		Drexel Burnham Lambert, Inc.,		
	228	Ser. K, Class 1, 11.50%, 9/23/17		22,301
	2698	Ser. V, Class 1, 11.50%, 9/01/18		240,360
		Federal Home Loan Mortgage Corp.,		
	2338	Ser. 8, Class A10, 6.737%, 11/15/28		208,620
	1538	Ser. 1418, Class M, 7.50%, 11/15/22		144,736
	5778	Ser. 1571, Class G, 7.50%, 8/15/23		538,553
	2,0448	Ser. 1691, Class B, 7.50%, 3/15/24		1,825,583
	1848	Ser. 1739, Class B, 7.50%, 2/15/24		170,847
		Federal National Mortgage Assoc.,		
	2988	Ser. 2, Class KB, 8.00%, 1/25/23		251,437
	438	Ser. 7, Class J, 10.00%, 2/25/21		36,451
	8968	Ser. 13, Class PR, 6.50%, 3/25/32		721,798
	1438	Ser. 51, Class E, 8.00%, 2/25/23		124,053
	248	Ser. 70, Class A, 7.00%, 5/25/23		20,709
	478	Ser. 167, Class D, 8.50%, 10/25/17		45,077
	438	Ser. 203, Class 1, 8.00%, 2/01/23		36,053
	308	Ser. 228, Class 1, 7.00%, 5/01/23		24,248
	1,9478	Ser. 249, Class B, 7.50%, 11/25/23		1,662,352
	2328	Ser. 273, Class 1, 7.00%, 7/01/26		186,899
	4,4228	Ser. 328, Class 1, 6.00%, 11/01/32		3,411,524
	3,5908	Ser. 338, Class 1, 5.50%, 6/01/33		2,672,048
	3368	Ser. W4, Class PO, 5.985%, 2/25/29		263,208
	3148	MASTR Asset Securitization Trust, Ser. 3, Class 4A15, 5.634%, 3/25/34		173,253
	9838	Residential Asset Securitization Trust, Ser. A15, Class 1A8, 5.713%, 2/25/36		502,836
	124,8	Structured Mortgage Asset Residential Trust, Ser. 3C, Class CX, 7.031%, 4/25/24		11,439
	9568	Washington Mutual, Ser. 9, Class CP, 5.112%, 11/25/35		721,550
		Total Principal Only Mortgage-Backed Securities		20,708,854
Collateralized Mortgage Obligation Residual Securities 0.0%				
		Collateralized Mortgage Obligation Trust,		
	7	Ser. 40, Class R, 580.50%, 4/01/18		338
	7	Ser. 42, Class R, 6,000.00%, 10/01/14		3,440
		Federal Home Loan Mortgage Corp.,		

7	Ser. 19, Class R, 9,757.652%, 3/15/20		2,952
7	Ser. 75, Class R, 9.50%, 1/15/21		5
7	Ser. 75, Class RS, 17.757%, 1/15/21		5
7	Ser. 173, Class R, 9.00%, 11/15/21		23
7	Ser. 173, Class RS, 9.103%, 11/15/21		23
134	Painewebber CMO Trust, Ser. 88 M, Class 6, 13.80%, 9/01/18		
Total Collateralized Mortgage Obligation Residual Securities			6,786
U.S. Government and Agency Securities 9.9%			
	Overseas Private Investment Corp.,		
325	4.09%, 5/29/12		307,885
9101	4.30%, 5/29/12		909,323
683	4.64%, 5/29/12		692,592
386	4.68%, 5/29/12		367,702
2,928	4.87%, 5/29/12		2,996,217
3501	5.40%, 5/29/12		376,330

Principal Amount (000)	Description		Value
U.S. Government and Agency Securities (cont d)			
$ 13,0003	Resolution Funding Corp., Ser. B, Zero Coupon, 4/15/30	$	4,333,823
	Small Business Administration,		
612	Ser. 20C-1, 7.15%, 3/01/17		634,079
616	Ser. 20E-1, 7.60%, 5/01/16		638,742
816	Ser. 20F-1, 7.55%, 6/01/16		846,061
560	Ser. 20G-1, 7.70%, 7/01/16		582,014
833	Ser. 20H-1, 7.25%, 8/01/16		862,324
1,492	Ser. 20K-1, 6.95%, 11/01/16		1,538,213
60,0003	U.S. Treasury Strip, Zero Coupon, 11/15/24		26,123,880
	Total U.S. Government and Agency Securities		41,209,185
Corporate Bond 0.6%			
2,4484	Structured Asset Receivable Trust, 5.68%, 1/21/10		2,423,798
Commercial Mortgage-Backed Securities 1.5%			
2,4201	Credit Suisse Mortgage Capital Certificates, Ser. C2, Class A3, 5.542%, 1/15/49		2,394,680
3,500	First Union Commercial Mortgage Securities, Inc., Ser. C2, Class D, 7.12%, 11/18/29		3,757,506
	Total Commercial Mortgage-Backed Securities		6,152,186
Asset-Backed Securities 1.7%			
5,8901	First Franklin Mortgage Loan Asset Backed Certificates, Ser. FF2, Class M2, 5.313%, 3/25/35		5,414,503
1,8751	Securitized Asset Backed Receivables LLC Trust, Ser. OP2, Class M1, 5.303%, 10/25/35		1,730,120
	Total Asset-Backed Securities		7,144,623
	Total Long-Term Investments (cost $444,968,496)		437,744,481
SHORT-TERM INVESTMENT 0.4%			
U.S. Government and Agency Discount Notes 0.4%			
1,6009	Federal Home Loan Bank Disc. Notes, 4.401%, 11/01/07 (cost $1,600,000)		1,600,000
BORROWED BOND AGREEMENT 8.3%			

34,72111	Lehman Brothers, Inc., 4.64%, 11/08/07 (cost $34,720,656)	34,720,656

Notional Amount (000)		
OUTSTANDING OPTIONS PURCHASED 2.2%		
	Interest Rate Swaps,	
7,300	Trust pays 3-month LIBOR, Trust receives 5.39%, expires 3/19/12	296,161
31,965	Trust pays 3-month LIBOR, Trust receives 5.495%, expires 5/08/12	1,394,313
5,500	Trust pays 3-month LIBOR, Trust receives 5.52%, expires 9/21/36	324,406
31,965	Trust pays 3-month LIBOR, Trust receives 5.725%, expires 5/24/12	1,253,348
2,800	Trust pays 3-month LIBOR, Trust receives 5.78%, expires 8/09/10	148,512
8,640	Trust pays 3-month LIBOR, Trust receives 6.025%, expires 6/08/12	531,187
8,640	Trust pays 3-month LIBOR, Trust receives 6.025%, expires 6/08/12	272,765
7,300	Trust pays 5.39%, Trust receives 3-month LIBOR, expires 3/19/12	357,116
12,400	Trust pays 5.47%, Trust receives 3-month LIBOR, expires 5/08/12	531,960
12,400	Trust pays 5.47%, Trust receives 3-month LIBOR, expires 5/08/12	579,700
31,965	Trust pays 5.495%, Trust receives 3-month LIBOR, expires 5/08/12	1,467,833
5,500	Trust pays 5.52%, Trust receives 3-month LIBOR, expires 9/21/36	373,168

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Income Trust Inc. (BKT) (concluded)
(Percentages shown are based on Net Assets)

Notional Amount (000)	Description	Value
OUTSTANDING OPTIONS PURCHASED (cont d)		
31,965	Trust pays 5.725%, Trust receives 3-month LIBOR, expires 5/24/12	$ 1,625,420
2,800	Trust pays 5.78%, Trust receives 3-month LIBOR, expires 8/09/10	77,446
	Total Outstanding Options Purchased (cost $8,039,528)	9,233,335
	Total Investments before borrowed bonds, TBA sale commitments, and outstanding options written (cost $489,328,680[10])	483,298,472

Principal Amount (000)	Description	Value
BORROWED BOND (8.5)%		
$ (34,505)	U.S. Treasury Notes, 4.75%, 5/31/12 (proceeds $34,289,344)	(35,402,682)
TBA SALE COMMITMENTS (12.1)%		
	Federal National Mortgage Assoc.,	
(19,800)	5.00%, 11/13/37	(18,989,428)
(15,900)	5.50%, 11/13/37	(15,666,460)
(16,000)	6.00%, 11/13/37	(16,115,008)
	Total TBA Sale Commitments (proceeds $49,863,740)	(50,770,896)

Contracts/ Notional Amount (000)	Description	Value
OUTSTANDING OPTIONS WRITTEN (2.7)%		
(23)	Eurodollar Future, expiring 12/17/07	(28,125)
(38)	Eurodollar Future, expiring 3/17/08 Interest Rate Swaps,	(56,437)
(5,700)	Trust pays 3-month LIBOR, Trust receives 5.135%, expires 4/21/08	(97,385)
(7,300)	Trust pays 3-month LIBOR, Trust receives 5.148%, expires 3/19/08	(119,063)
(19,500)		(1,299,480)

	Trust pays 3-month LIBOR, Trust receives 5.448%, expires 5/07/10		
(3,800)	Trust pays 3-month LIBOR, Trust receives 5.46%, expires 8/22/08		(52,272)
(5,400)	Trust pays 3-month LIBOR, Trust receives 5.485%, expires 10/28/19		(158,647)
(12,400)	Trust pays 3-month LIBOR, Trust receives 5.67%, expires 1/04/10		(315,828)
(19,495)	Trust pays 3-month LIBOR, Trust receives 5.685%, expires 5/24/10		(1,024,462)
(63,930)	Trust pays 3-month LIBOR, Trust receives 5.88%, expires 6/23/08		(3,831,325)
(7,300)	Trust pays 5.115%, Trust receives 3-month LIBOR, expires 3/19/08		(118,698)
(5,700)	Trust pays 5.135%, Trust receives 3-month LIBOR, expires 4/21/08		(97,385)
(19,500)	Trust pays 5.448%, Trust receives 3-month LIBOR, expires 5/07/10		(1,241,955)
(3,800)	Trust pays 5.46%, Trust receives 3-month LIBOR, expires 8/22/08		(131,135)
(5,400)	Trust pays 5.485%, Trust receives 3-month LIBOR, expires 10/28/19		(212,156)
(12,400)	Trust pays 5.67%, Trust receives 3-month LIBOR, expires 1/04/10		(599,912)

Notional Amount (000)	Description		Value
OUTSTANDING OPTIONS WRITTEN (cont d)			
(19,495)	Trust pays 5.685%, Trust receives 3-month LIBOR, expires 5/24/10	$	(1,567,203)
(63,930)	Trust pays 5.88%, Trust receives 3-month LIBOR, expires 6/23/08		(265,310)
	Total Outstanding Options Written (premium received $9,904,416)		(11,216,778)
Total investments net of borrowed bonds, TBA sale commitments and outstanding options written 92.4%		$	385,908,116
Other assets in excess of liabilities 7.6%			31,742,835
Net Assets 100%		**$**	**417,650,951**

1 Variable rate security. Rate shown is interest rate as of October 31, 2007.

2 Security, or a portion thereof, pledged as collateral with a value of $6,412,510 on 123 long U.S. Treasury Note futures contracts expiring December 2007, 686 short Eurodollar futures contracts expiring December 2007 to September 2009, 3,506 short U.S. Treasury Note futures contracts expiring December 2007 and 463 short U.S. Treasury Bond futures contracts expiring December 2007. The notional value of such contracts on October 31, 2007 was $756,077,952, with an unrealized loss of $4,500,487.

3 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

4 Illiquid security. As of October 31, 2007, the Trust held 0.7% of its net assets, with a current market value of $2,789,604, in these securities.

5 Represents an investment in an affiliate.

6 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held 0.2% of its net assets, with a current market value of $775,270, in securities restricted as to resale.

7 Security is fair valued.

8 Rate shown is effective yield of the underlying collateral as of October 31, 2007.

9 Rate shown is the yield to maturity as of the date of purchase.

10 Cost for federal income tax purposes is $489,476,259. The net unrealized depreciation on a tax basis is $6,177,787, consisting of $21,888,429 gross unrealized appreciation and $28,066,216 gross unrealized depreciation.

11 See Note 1 in the Notes to Financial Statements for details of borrowed bond agreements.

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 133.7%		
Corporate Bonds 49.1%		
Aerospace & Defense 1.5%		
$ 1,560[1]	AAR Corp., Ser. A2, 8.39%, 5/15/11	$ 1,575,600
745[2]	Bombardier, Inc., 8.00%, 11/15/14 (Canada)	774,800
5,236	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	5,563,250
	DRS Technologies, Inc.,	
330	6.875%, 11/01/13	330,000
310	7.625%, 2/01/18	316,975
755	Sequa Corp., 9.00%, 8/01/09	809,737
570	TransDigm, Inc., 7.75%, 7/15/14	579,975
	Total Aerospace & Defense	9,950,337
Automotive 2.4%		
850	Accuride Corp., 8.50%, 2/01/15	799,000
	AutoNation, Inc.,	
690	7.00%, 4/15/14	667,575
690[3]	7.243%, 4/15/13	674,475
7,500[4]	DaimlerChrysler NA Holding Corp., 4.05%, 6/04/08	7,439,415
500	Ford Capital BV, 9.50%, 6/01/10 (Netherlands)	503,750
1,575	Lear Corp., Ser. B, 8.75%, 12/01/16	1,512,000
1,000[4]	Metaldyne Corp., 11.00%, 11/01/13	930,000
3,500	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	3,535,000
	Total Automotive	16,061,215
Basic Materials 3.9%		
1,405	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	1,032,675
2,200	AK Steel Corp., 7.75%, 6/15/12	2,244,000
1,100	American Pacific Corp., 9.00%, 2/01/15	1,127,500
670[3]	Bowater, Inc., 8.694%, 3/15/10	613,050
120	Chemtura Corp., 6.875%, 6/01/16	114,600
750	CPG Intl. I, Inc., 10.50%, 7/01/13	750,000
	Domtar, Inc., (Canada)	
300	7.125%, 8/15/15	297,000
140	7.875%, 10/15/11	143,850
	Freeport-McMoRan Copper & Gold, Inc.,	
4,585[4]	8.375%, 4/01/17	5,020,575
750[3]	8.394%, 4/01/15	774,375
	Huntsman LLC,	
1,950[4]	11.625%, 10/15/10	2,067,000
310	12.00%, 7/15/12	337,125
	Ineos Group Holdings Plc (United Kingdom)	
1,490	7.875%, 2/07/16 (EUR)	1,985,671
2,885[2]	8.50%, 2/15/16	2,740,750
2,225	Innophos, Inc., 8.875%, 8/15/14	2,241,687
980[2]	Key Plastics LLC/Key Plastics Finance Corp., 11.75%, 3/15/13	833,000
560	Lyondell Chemical Co., 10.50%, 6/01/13	603,400
	NewPage Corp.,	
810	10.00%, 5/01/12	856,575
1,500[3,4]	11.161%, 5/01/12	1,616,250
300	12.00%, 5/01/13	324,000

500[3]	NOVA Chemicals Corp., 8.484%, 11/15/13 (Canada)	491,250
730	Terra Capital, Inc., Ser. B, 7.00%, 2/01/17	730,000
	Total Basic Materials	26,944,333
Building & Development 0.9%		
3,000[4]	DR Horton, Inc., 5.875%, 7/01/13	2,688,714
	Goodman Global Holding Co., Inc.,	
2,000	7.875%, 12/15/12	2,090,000
269[3]	8.36%, 6/15/12	270,345
665	Nortek, Inc., 8.50%, 9/01/14	588,525
270	North American Energy Partners, Inc., 8.75%, 12/01/11 (Canada)	272,700
	Total Building & Development	5,910,284

Principal Amount (000)	Description	Value
Commercial Services 0.2%		
$ 350	FTI Consulting, Inc., 7.75%, 10/01/16	$ 365,750
875[2]	Quebecor World, Inc., 9.75%, 1/15/15 (Canada)	853,125
	Total Commercial Services	1,218,875
Consumer Products 5.0%		
2,085[3]	Ames True Temper, Inc., 9.243%, 1/15/12	2,001,600
130[3]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 8.058%, 5/15/14	128,375
	General Nutrition Centers, Inc.,	
2,250	9.85%, 3/15/14	2,165,625
1,880	10.75%, 3/15/15	1,828,300
5,000[4]	Group 1 Automotive, Inc., 8.25%, 8/15/13	5,000,000
4,400[4]	JCPenney Co., Inc., 8.00%, 3/01/10	4,687,540
1,475	Lazy Days RV Center, Inc., 11.75%, 5/15/12	1,327,500
	Michaels Stores, Inc.,	
2,210	10.00%, 11/01/14	2,226,575
2,800[4]	11.375%, 11/01/16	2,793,000
73	Neiman-Marcus Group, Inc., 9.00%, 10/15/15	77,015
575	Quiksilver, Inc., 6.875%, 4/15/15	536,187
1,000[4]	Reynolds American, Inc., 7.625%, 6/01/16	1,081,917
	Rite Aid Corp.,	
3,440[4]	7.50%, 3/01/17	3,199,200
5,000[4]	8.125%, 5/01/10	5,031,250
1,790[4]	Sally Holdings LLC, 10.50%, 11/15/16	1,781,050
	Total Consumer Products	33,865,134
Containers & Packaging 1.0%		
	Berry Plastics Holding Corp.,	
1,210	8.875%, 9/15/14	1,240,250
835[3]	9.569%, 9/15/14	837,087
885	Crown Americas LLC/Crown Americas Capital Corp., 7.75%, 11/15/15	911,550
585	Graham Packaging Co., Inc., 8.50%, 10/15/12	580,613
1,370[2,3]	Impress Holdings BV, 8.368%, 9/15/13 (Netherlands)	1,362,813
2,020	Pregis Corp., 12.375%, 10/15/13	2,201,800
	Total Containers & Packaging	7,134,113
Ecological Services & Equipment 0.6%		
2,000	Casella Waste Systems, Inc., 9.75%, 2/01/13	2,040,000

2,065	Waste Services, Inc., 9.50%, 4/15/14	2,065,000
	Total Ecological Services & Equipment	4,105,000
Energy 4.9%		
5,500[2]	AES Corp., 8.75%, 5/15/13	5,816,250
550	Berry Petroleum Co., 8.25%, 11/01/16	561,000
1,210	Chaparral Energy, Inc., 8.50%, 12/01/15	1,128,325
	Chesapeake Energy Corp.,	
650	6.375%, 6/15/15	630,500
100	6.875%, 11/15/20	97,750
4,000[4]	7.50%, 9/15/13	4,110,000
	Compagnie Generale de Geophysique-Veritas (France)	
255	7.50%, 5/15/15	260,100
420	7.75%, 5/15/17	432,600
925	Compton Petroleum Finance Corp., 7.625%, 12/01/13 (Canada)	885,687
1,640[1]	East Cameron Gas Co., 11.25%, 7/09/19 (Cayman Islands)	1,574,400
590	Edison Mission Energy, 7.50%, 6/15/13	598,113
400	El Paso Natural Gas Co., 8.875%, 6/15/32	466,279
159	Elwood Energy LLC, 8.159%, 7/05/26	162,789
	Encore Acquisition Co.,	
250	6.00%, 7/15/15	226,250
200	7.25%, 12/01/17	191,500
495	Exco Resources, Inc., 7.25%, 1/15/11	488,813
380[4]	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	381,900
895	KCS Energy, Inc., 7.125%, 4/01/12	881,575
4,324[4]	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16	4,648,585
625	Mirant Americas Generation LLC, 8.30%, 5/01/11	632,031

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentages shown are based on Net Assets)

	Principal Amount (000)	Description		Value
Energy (cont d)				
		NRG Energy, Inc.,		
$	210	7.25%, 2/01/14	$	210,000
	1,185	7.375%, 2/01/16		1,182,037
	1,990[2]	OPTI, Inc., 8.25%, 12/15/14 (Canada)		1,994,975
	580	Orion Power Holdings, Inc., 12.00%, 5/01/10		640,900
	1,515	Sabine Pass LNG LP, 7.50%, 11/30/16		1,484,700
	1,240[2]	SemGroup LP, 8.75%, 11/15/15		1,190,400
	725[2]	Targa Resources, Inc., 8.50%, 11/01/13		732,250
	1,550	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13		1,523,675
		Total Energy		33,133,384
Entertainment & Leisure 0.4%				
	505	AMC Entertainment, Inc., 11.00%, 2/01/16		546,663
	1,430[2]	Greektown Holdings LLC, 10.75%, 12/01/13		1,422,850
	1,020	Harrah s Operating Co., Inc., 5.75%, 10/01/17		752,250
		Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp.,		
	100	6.625%, 12/01/14		98,250
		Total Entertainment & Leisure		2,820,013
Financial Institutions 5.2%				
		American Real Estate Partners LP/American Real Estate Finance Corp.,		
	1,480	7.125%, 2/15/13		1,443,000
	5,860[4]	8.125%, 6/01/11		5,903,950
	839[2,3]	BMS Holdings, Inc., 12.40%, 2/15/12		805,682
		Ford Motor Credit Co. LLC,		
	2,800	7.375%, 2/01/11		2,640,938
	1,665	7.80%, 6/01/12		1,564,392
	940[3]	7.993%, 1/13/12		870,229
	60[3]	9.693%, 4/15/12		60,570
	2,735[4]	General Motors Acceptance Corp., 6.875%, 8/28/12		2,465,586
	3,716[2]	iPayment Investors LP, 11.625%, 7/15/14		3,827,972
	950	iPayment, Inc., 9.75%, 5/15/14		912,000
		LVB Acquisition Merger Sub, Inc.,		
	500[2]	10.00%, 10/15/17		513,750
	500[2]	10.375%, 10/15/17		506,250
	670[2]	11.625%, 10/15/17		682,563
	2,590[2]	Momentive Performance Materials, Inc., 11.50%, 12/01/16		2,499,350
		Rainbow National Services LLC,		
	925[2]	8.75%, 9/01/12		962,000
	3,134[2]	10.375%, 9/01/14		3,447,400
	4,410[5]	Structured Asset Receivable Trust, 5.68%, 1/21/10		4,365,591
	220[3]	Universal City Florida Holding Co. I/II, 9.661%, 5/01/10		224,950
	2,780[2]	Wimar Opco LLC/Wimar Opco Finance Corp., 9.625%, 12/15/14		2,085,000
		Total Financial Institutions		35,781,173
Health Care 1.1%				
	3,000			3,112,500

	Norcross Safety Products LLC/Norcross Capital Corp., 9.875%, 8/15/11	
1,985	Tenet Healthcare Corp., 6.50%, 6/01/12	1,682,288
2,948[2]	Viant Holdings, Inc., 10.125%, 7/15/17	2,771,120
	Total Health Care	7,565,908
Industrials 1.4%		
1,700[2]	AGY Holding Corp., 11.00%, 11/15/14	1,674,500
650	Hexcel Corp., 6.75%, 2/01/15	638,625
905	Park-Ohio Industries, Inc., 8.375%, 11/15/14	843,913
	RBS Global, Inc./Rexnord Corp.,	
2,000	9.50%, 8/01/14	2,065,000
1,430	11.75%, 8/01/16	1,515,800
3,125[2]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	3,000,000
	Total Industrials	9,737,838
Media 8.6%		
	Affinion Group, Inc.,	
1,975	10.125%, 10/15/13	2,058,937
850	11.50%, 10/15/15	886,125
420	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	402,150

Principal Amount (000)	Description	Value
Media (cont d)		
$ 800[3]	Cablevision Systems Corp., Ser. B, 9.644%, 4/01/09	$ 822,000
520	CanWest MediaWorks, Inc., 8.00%, 9/15/12 (Canada)	507,000
1,395	Charter Communications Holdings I LLC/Charter Communications Holdings I Capital Corp., 11.00%, 10/01/15	1,353,150
	Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
2,880	10.25%, 9/15/10	2,937,600
865	Ser. B, 10.25%, 9/15/10	880,138
2,425	CMP Susquehanna Corp., 9.875%, 5/15/14	2,227,969
6,685[4]	Comcast Cable Communications, Inc., 6.875%, 6/15/09	6,854,899
1,650	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	1,759,313
500	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	522,500
	EchoStar DBS Corp.,	
2,800	5.75%, 10/01/08	2,793,000
1,330	7.00%, 10/01/13	1,384,863
200	7.125%, 2/01/16	209,000
2,525	Idearc, Inc., 8.00%, 11/15/16	2,531,312
2,000[2,3]	ION Media Networks, Inc., 8.493%, 1/15/12	2,005,000
2,105	Network Communications, Inc., 10.75%, 12/01/13	2,118,156
2,790	Nexstar Finance, Inc., 7.00%, 1/15/14	2,678,400
	Nielsen Finance LLC/Nielsen Finance Co.,	
1,400[6]	9.115%, 8/01/16	1,011,500
4,340	10.00%, 8/01/14	4,567,850
3,465	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	3,465,000
2,000	Salem Communications Corp., 7.75%, 12/15/10	2,007,500
460	Sinclair Broadcast Group, Inc., 4.875%, 7/15/18	417,019
185	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	183,844
4,500[2]	TL Acquisitions, Inc., 10.50%, 1/15/15	4,477,500
1,465[2]	Univision Communications, Inc., 9.75%, 3/15/15	1,435,700
2,390	Vertis, Inc., 9.75%, 4/01/09	2,390,000
4,342	Young Broadcasting, Inc., 10.00%, 3/01/11	4,081,480
	Total Media	58,968,905

Real Estate 0.3%		
2,000[3]	Rouse Co., 5.375%, 11/26/13	1,812,352
Technology 2.6%		
	Amkor Technology, Inc.,	
2,063	7.75%, 5/15/13	1,995,952
600	9.25%, 6/01/16	613,500
1,965[4]	Celestica, Inc., 7.625%, 7/01/13 (Canada)	1,886,400
	Freescale Semiconductor, Inc.,	
3,015	9.125%, 12/15/14	2,728,575
600[3]	9.569%, 12/15/14	551,250
1,625	NXP BV/NXP Funding LLC, 9.50%, 10/15/15 (Netherlands)	1,535,625
1,835[4]	Sanmina-SCI Corp., 8.125%, 3/01/16	1,610,213
	SunGard Data Systems, Inc.,	
590	9.125%, 8/15/13	601,800
2,600	10.25%, 8/15/15	2,710,500
3,765	Superior Essex Communications LLC/Essex Group, Inc., 9.00%, 4/15/12	3,717,937
	Total Technology	17,951,752
Telecommunications 7.9%		
1,420	Cincinnati Bell, Inc., 7.25%, 7/15/13	1,423,550
990	Cricket Communications, Inc., 9.375%, 11/01/14	982,575
5,000[4]	Deutsche Telekom Intl. Finance BV, 8.00%, 6/15/10 (Netherlands)	5,361,380
	Digicel Group Ltd. (Bermuda)	
1,120[2]	8.875%, 1/15/15	1,045,856
2,797[2]	9.125%, 1/15/15	2,611,856
860[3]	Hawaiian Telcom Communications, Inc., Ser. B, 10.318%, 5/01/13	870,750
2,495	Intelsat Corp., 9.00%, 6/15/16	2,551,138

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Telecommunications	**(cont d)**	
	Intelsat Ltd. (Bermuda)	
$ 415[3]	8.886%, 1/15/15	$ 421,225
1,800	9.25%, 6/15/16	1,867,500
630	11.25%, 6/15/16	677,250
2,815[3]	11.409%, 6/15/13	2,934,637
1,470	Intelsat Subsidiary Holding Co. Ltd., 8.625%, 1/15/15 (Bermuda)	1,492,050
500[2]	MetroPCS Wireless, Inc., 9.25%, 11/01/14	496,250
3,850[2]	Nordic Telephone Co. Holdings A.p.S., 8.875%, 5/01/16 (Denmark)	4,071,375
3,300[2,3]	Nortel Networks Ltd., 9.493%, 7/15/11 (Canada)	3,258,750
3,517	PanAmSat Corp., 9.00%, 8/15/14	3,587,340
3,287[2,3]	ProtoStar I Ltd., 12.50%, 10/15/12 (Bermuda)	3,451,615
1,364[3]	Qwest Communications Intl., Inc., 9.058%, 2/15/09	1,370,820
	Qwest Corp.,	
1,000	7.875%, 9/01/11	1,055,000
2,500[3]	8.944%, 6/15/13	2,665,625
2,675[4]	9.125%, 3/15/12	2,929,125
3,595	West Corp., 11.00%, 10/15/16	3,765,762
1,500[2]	Wind Acquisition Finance S.A., 10.75%, 12/01/15 (Luxembourg)	1,668,750
	Windstream Corp.,	
2,340[4]	8.125%, 8/01/13	2,474,550
1,060	8.625%, 8/01/16	1,134,200
	Total Telecommunications	54,168,929
Transportation 1.2%		
520	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11	513,500
490	Britannia Bulk Plc, 11.00%, 12/01/11 (United Kingdom)	514,500
1,715	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)	1,659,263
2,150	Navios Maritime Holdings, Inc., 9.50%, 12/15/14 (Marshall Islands)	2,273,625
1,650	Overseas Shipholding Group, Inc., 8.75%, 12/01/13	1,769,625
1,900[2]	St. Acquisition Corp., 12.50%, 5/15/17	1,211,250
	Total Transportation	7,941,763
	Total Corporate Bonds	335,071,308
Bank Loans 56.5%		
Aerospace & Defense 0.3%		
1,750	DI Finance/DynCorp Intl., Loan B, LIBOR + 2.00%, 2/11/11	1,675,789
486	Wesco Aircraft Hardware Corp., First Lien Loan, LIBOR + 2.25%, 9/29/13	480,375
	Total Aerospace & Defense	2,156,164
Automotive 1.7%		
637	IAP Worldwide Services, Inc., First Lien Loan, LIBOR + 6.25%, 12/30/12	571,731

1,489	Keystone Automotive Industries, Inc., Loan B, LIBOR + 3.50%, 1/12/12		1,385,778
964	Mark IV Industries, Inc., First Lien Loan, LIBOR + 2.50%, 6/21/11		927,972
765	Metaldyne Corp., LIBOR , 1/11/14		745,875
496	Motorsport Aftermarket Group, Inc., LIBOR + 2.50%, 11/30/13		477,641
	Navistar Intl. Corp.,		
1,000	Revolver Loan, Unfunded, 0.50%, 1/19/12		980,750
2,750	LIBOR + 3.25%, 1/19/12		2,697,062
921	Rent-A-Center, Inc., Loan B, LIBOR + 1.75%, 6/30/12		899,519
	Reynolds & Reynolds Co.,		
1,870	LIBOR + 2.00%, 10/26/12		1,821,930
1,250	Second Lien Loan, LIBOR + 5.50%, 10/26/13		1,246,875
	Total Automotive		11,755,133

Principal Amount (000)	Description		Value
Basic Materials 2.6%			
$ 998	Appleton Papers, Inc., Loan B, LIBOR + 1.75%, 6/05/14	$	956,977
499	BOC Edwards, LIBOR + 2.00%, 5/31/14		466,331
	Brenntag Holdings (EUR)		
282	Loan B6, LIBOR + 2.00%, 9/15/14		390,878
218	Loan B6b, LIBOR + 2.00%, 9/15/14		302,615
1,000	Cognis Group, LIBOR, 11/17/13 (EUR)		1,391,641
786	Compass Minerals Group, Inc., LIBOR + 1.50%, 12/22/12		773,060
550	Huntsman Intl. LLC, Loan B, LIBOR + 1.75%, 4/19/14		545,102
	Ineos Group Holdings Plc,		
1,241	Loan A4, LIBOR + 2.25%, 12/16/12		1,210,496
1,682	Loan B2, LIBOR + 2.25%, 12/16/13		1,664,679
1,682	Loan C2, LIBOR + 2.75%, 12/23/14		1,664,223
	Invista BV,		
1,283	Loan B1, LIBOR + 1.50%, 4/29/11		1,259,879
680	Loan B2, LIBOR + 1.50%, 4/29/11		667,829
1,496	ISP Chemco LLC, Loan B, LIBOR + 1.75%, 6/04/14		1,459,218
1,151	John Maneely Co., Loan B, LIBOR + 3.25%, 12/08/13		1,065,305
1,562	Nalco Co., Loan B, LIBOR + 1.75%, 11/04/10		1,551,152
975	Rockwood Specialties Group, Inc., Loan E, LIBOR + 1.50%, 12/13/13		957,694
1,611	SP Newsprint, Loan B, LIBOR + 3.75%, 1/09/10		1,562,778
	Total Basic Materials		17,889,857
Building & Development-2.0%			
196	Armstrong World Industries, Inc., LIBOR + 1.75%, 10/02/13		194,045
1,238	Beacon Roofing Supply, Inc., Loan B, LIBOR + 2.00%, 9/30/13		1,175,625
	Brand Energy & Infrastructure Services, Inc.,		
498	First Lien Loan B, LIBOR + 2.25%, 2/07/14		474,698
500	Second Lien Loan, LIBOR + 6.00%, 2/07/15		477,917
2,481	Building Materials Holding Corp., PRIME + 1.75%, 3/15/14		2,238,485
1,500	Custom Building Products, Inc., Second Lien Loan, LIBOR + 5.00%, 4/29/12		1,380,000
250	Euramax Intl., Inc., Second Lien Loan, LIBOR + 8.00% , 6/29/13		212,908
1,500	Hanley Wood LLC, LIBOR + 2.25%, 3/08/14		1,233,750
	Lafarge Roofing Holdings, Inc.,		
725	Loan B1, LIBOR + 2.13%, 2/28/14 (EUR)		955,310
296	Loan B2, LIBOR + 2.13%, 2/28/14 (EUR)		390,196
278	Loan B4, LIBOR + 0.00%, 2/28/14		251,415

673	Loan C1, LIBOR, 2/28/15 (EUR)	890,852
346	Loan C2, LIBOR, 2/28/15 (EUR)	458,268
285	Loan C4, LIBOR, 2/28/15	258,886
494	Nacco Industries, Inc., Unfunded, 0.25%, 3/21/13	475,234
485	Nortek, Inc., Loan B, PRIME + 1.25%, 8/27/11	472,875
800	Rhodes Ranch, First Lien Loan, LIBOR + 3.50%, 11/21/10	724,000
1,870	United Subcontractors, Inc., First Lien Loan, LIBOR + 3.00%, 12/27/12	1,533,469
	Total Building & Development	13,797,933
Conglomerates 1.3%		
	Atlantis Plastics, Inc.,	
975	First Lien Loan, LIBOR + 4.00%, 9/22/11	809,250
250	Second Lien Loan, LIBOR + 9.00%, 3/22/12	207,500
891	Blount Intl., Loan B, PRIME, 8/09/10	870,631
1,946	Colfax Corp., Loan B, LIBOR + 2.25%, 5/30/09	1,923,989
	Invensys Plc,	
1,000	Loan A, LIBOR + 2.00%, 12/15/11	975,000
1,000	Loan B, LIBOR + 2.13%, 12/15/11 (GBP)	2,042,913
1,122	Sensus Metering Systems, Inc., Loan B1, LIBOR + 2.00%, 12/17/10	1,099,304
722	St. John Knits Intl., Inc., Loan B, LIBOR + 3.00%, 3/21/12	707,649
	Total Conglomerates	8,636,236

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Consumer Products 8.1%		
$ 1,000	Aearo Technologies, Inc., Second Lien Loan, LIBOR + 5.50%, 12/01/14	$ 965,000
985	24 Hour Fitness Worldwide, Inc., Loan B, LIBOR + 2.50%, 6/08/12	965,300
	Advance Food Co.,	
774	Loan B, PRIME + 0.75%, 3/16/14	739,064
222	TBD, Unfunded, 3/16/14	212,222
750	American Safety Razor Co., Second Lien Loan, LIBOR + 6.25%, 1/30/14	746,250
	ARAMARK Corp.,	
178	Letter of Credit, LIBOR + 2.00%, 1/26/14	173,305
2,487	Loan B, LIBOR + 2.00%, 1/26/14	2,424,837
448	Arby s Restaurant Group, Inc., Loan B, LIBOR + 2.25%, 7/25/12	438,529
390	Bare Escentuals Beauty, Inc., First Lien Loan, LIBOR + 2.25%, 2/18/12	384,738
	Berkline Bench Craft,	
94[7]	Loan B, PRIME + 2.75%, 11/03/11	54,230
1,005[7]	Second Lien Loan, TBD, 5/11/12	50,252
1,244	Brickman Group Ltd., LIBOR + 2.00%, 1/23/14	1,206,438
1,011	Burlington Coat Factory Warehouse Corp., Loan B, LIBOR + 2.25%, 5/28/13	945,381
1,090	Central Garden & Pet Co., Loan B, PRIME + 0.75%, 9/30/12	991,792
	Cenveo Corp.,	
31	Delayed Draw Loan, LIBOR + 1.75%, 6/21/13	29,806
923	Loan C, LIBOR + 1.75%, 6/21/13	896,921
435	Chiquita Brands Intl., Inc., Loan C, LIBOR + 3.00%, 6/28/12	427,253
1,245	Claire s Stores, Inc., Loan B, LIBOR + 2.75%, 5/29/14	1,169,912
993	Coinmach Corp., Loan B1, Unfunded, 1.25%, 12/19/12	985,492
2,209	Cracker Barrel, Loan B, LIBOR + 1.50%, 4/27/13	2,144,617
1,500	Culligan International Co., Second Lien Loan, LIBOR, 4/24/13 (EUR)	1,912,085
995	David s Bridal, Inc., LIBOR + 2.00%, 1/31/14	937,788
	Dole Food Co., Inc.,	
468	Letter of Credit, LIBOR, 4/12/13	453,863
1,038	LIBOR + 2.00%, 4/12/13	1,005,873
3,460	Loan C, LIBOR + 2.00%, 4/12/13	3,352,910
500	DS Waters Holdings, Inc., Loan B, LIBOR, 3/07/12	486,250
1,936	Eight O Clock Coffee, First Lien Loan, LIBOR + 2.75%, 11/14/11	1,935,747
672	FTD, Inc., LIBOR + 2.00%, 7/28/13	664,045
350	Gold Toe, Second Lien Loan, LIBOR + 6.00%, 4/30/14	343,000
1,938	JRD Holdings, Inc., LIBOR + 2.50%, 5/11/14	1,889,063
780	Language Line, Inc., Loan B1, LIBOR + 3.25%, 6/11/11	757,381
1,000[7]	Le-Natures, Inc., Loan B, LIBOR + 4.00%, 3/01/11	577,500
2,420	Michael Foods, Inc., Loan B1, LIBOR + 2.00%, 11/21/10	2,382,496
1,440	Neiman-Marcus Group, Inc., LIBOR + 1.75%, 4/06/13	1,413,836
1,330	New Page, Loan B, LIBOR + 2.25%, 5/02/11	1,313,308
1,500	Orchard Supply Hardware Stores Corp., Loan B2, LIBOR + 2.45%, 12/09/07	1,477,500
963	Oriental Trading Co., LIBOR + 2.25%, 7/31/13	924,585
	OSI Food Co.,	
75	Pre Funded Revolver, Unfunded, 0.50%, 6/14/13	72,256
922	Loan B, LIBOR + 2.25%, 6/14/14	886,522

2,910	OSI Group LLC, LIBOR + 2.00% , 9/02/11		2,829,975
1,164	Pantry, Inc. (The), Loan B, LIBOR + 1.75%, 5/15/14		1,122,291
397	PETCO Animal Supplies, Inc., LIBOR + 2.25%, 10/26/13		387,241
591	Pierre Foods, Inc., Loan B, LIBOR + 4.00%, 6/30/10		580,901
750	Pivotal Promontory LLC, Second Lien Loan, PRIME + 5.50%, 8/31/11		656,250
1,315	Prestige Brands Holdings, Inc., Loan B, LIBOR + 2.25%, 4/06/11		1,304,701
1,975	Quiznos Corp., First Lien Loan, LIBOR + 2.25%, 5/05/13		1,910,263

Principal Amount (000)	Description		Value
Consumer Products (cont d)			
	Riverdeep Interactive Learning, Inc.,		
$ 402	Bridge Loan, LIBOR + 7.20%, 12/21/07	$	400,179
995	Loan B, LIBOR + 2.75%, 12/20/13		987,318
3,650	ServiceMaster Co. (The), Bridge Loan, LIBOR + 4.50%, 6/19/08		3,371,687
	Sturm Foods, Inc.,		
1,368	LIBOR + 2.50%, 1/31/14		1,272,356
500	Second Lien Loan, LIBOR + 7.00%, 7/21/14		458,750
621[7]	Synventive Acquisition, Inc., Mezzanine Loan, LIBOR, 1/31/14		279,656
354	Warnaco, Inc., Loan B, LIBOR + 1.50%, 1/31/13		349,191
	Wastequip, Inc.,		
311	Delayed Draw Loan, LIBOR + 2.25%, 2/05/13		293,286
689	Loan B, LIBOR + 2.25%, 2/05/13		649,215
	Total Consumer Products		55,590,607
Containers & Packaging 2.0%			
	Bluegrass Container Co. LLC,		
364	Delayed Draw Second Lien Loan, LIBOR + 5.00%, 12/30/13		364,318
341	First Lien Loan, LIBOR + 2.25%, 6/30/13		337,969
1,140	Loan B, LIBOR + 2.25%, 6/30/13		1,129,527
1,136	Second Lien Loan, LIBOR + 5.00%, 12/30/13		1,138,494
	Consolidated Container Co. LLC,		
995	First Lien Loan, LIBOR + 2.25%, 3/28/14		927,837
750	Second Lien Loan, LIBOR, 9/28/14		648,750
2,456	Georgia-Pacific Corp., First Lien Loan, LIBOR + 1.75%, 12/20/12		2,396,598
4,975	Graham Packaging Co. LP, Loan B, LIBOR + 2.25%, 10/07/11		4,869,281
568	Smurfit-Stone Container Enterprises, Inc., Unfunded, 0.50%, 11/01/10		561,259
1,352	Solo Cup, Inc., LIBOR + 3.50%, 2/27/11		1,346,182
	Total Containers & Packaging		13,720,215
Ecological Services & Equipment 0.1%			
500	Envirosolutions, Inc., LIBOR + 3.50%, 7/07/12		470,000
73	Sensus Metering Systems, Inc., Loan B2, LIBOR + 2.00%, 12/17/10		71,423
	Total Ecological Services & Equipment		541,423
Energy 6.0%			
429	AES Corp., LIBOR + 1.75%, 4/30/08		425,223
	Big West Oil LLC,		
550	Delayed Draw Loan, LIBOR + 1.50%, 5/15/14		528,000
448	LIBOR + 2.25%, 5/15/14		429,600
	Coffeyville Resources LLC,		
243	Letter Of Credit, Unfunded, 0.50%, 12/29/10		240,659

793	Loan D, PRIME + 3.25%, 12/28/13	784,872
	Coleto Creek Power,	
127	Letter of Credit, LIBOR + 2.85%, 6/28/13	125,000
1,849	Loan B, LIBOR + 2.75%, 6/28/13	1,814,531
1,485	Dresser, Inc., Loan B, LIBOR + 2.50%, 5/04/14	1,452,233
	ElectricInvest Holding Co. Ltd.,	
894	LIBOR + 4.00% , 12/21/12 (EUR)	1,250,814
900	LIBOR + 4.00% , 12/21/12 (GBP)	1,808,212
2,000	Flint, Loan B9, LIBOR, 11/09/14	1,922,500
	Generac Power Systems, Inc.,	
990	First Lien Loan, PRIME + 1.50%, 11/09/13	868,372
500	Second Lien Loan, PRIME + 5.00%, 5/10/14	358,959
1,474	Key Energy Services, Inc., Loan C, LIBOR + 2.50%, 6/30/12	1,467,302
	MACH Gen LLC,	
70	Letter Of Credit, Unfunded, 0.50%, 2/22/13	67,887
675	LIBOR + 2.00%, 2/22/14	651,316
496	McJunkin Corp., Loan B, LIBOR + 3.25%, 1/31/13	493,459
493	MEG Energy Corp., Loan B, LIBOR + 2.00%, 4/03/13	481,788

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Energy (cont d)		
	Northeast Energy,	
$ 159	Letter of Credit, LIBOR + 2.50%, 11/01/13	$ 152,988
1,297	Loan B, LIBOR + 2.50%, 11/01/13	1,251,802
250	Second Lien Loan, LIBOR + 4.50%, 5/01/14	236,875
1,995	Safenet, Inc., Loan B, LIBOR, 4/12/14	1,895,250
	SandRidge Energy, Inc.,	
1,500	LIBOR, 4/01/14	1,485,000
1,500	TBD, 4/01/15	1,485,000
15,000	Texas Competitive Electric Holdings Co. LLC, TBD, 10/10/14	14,997,424
	TPF Generation Holdings LLC,	
151	Letter of Credit, LIBOR + 2.10%, 12/15/13	147,381
770	Loan B, LIBOR + 2.00%, 12/15/13	753,776
47	Revolver Loan, Unfunded, 0.50%, 12/15/13	46,201
1,477	Trinidad Energy Services Income Trust, LIBOR + 2.50%, 5/13/11	1,462,725
926	Western Refining, LIBOR + 1.75%, 5/30/14	906,567
	Wolf Hollow I LP,	
470	Loan B, LIBOR + 2.25%, 6/22/12	437,481
400	Synthetic Letter of Credit, LIBOR + 2.25%, 6/22/12	372,000
100	Synthetic Revolver Loan, LIBOR + 2.25%, 6/22/12	93,000
	Total Energy	40,894,197
Entertainment & Leisure 3.4%		
	Alpha III,	
857	Loan B1, LIBOR + 2.38%, 12/31/13	837,857
643	Loan B2, LIBOR + 2.38%, 12/31/13	628,393
1,000	Loan D, LIBOR, 6/30/14	975,833
1,692	CCM Merger, Inc., Loan B, LIBOR + 2.00%, 7/13/12	1,649,478
1,107	Cinemark, Inc., Loan B, LIBOR + 1.75%, 10/05/13	1,080,323
998	Discovery Channel, Loan B, LIBOR + 2.00%, 5/14/14	983,161
1,980	Greektown Holdings LLC, Loan B, LIBOR + 2.75%, 12/03/12	1,900,800
	Green Valley Ranch Gaming LLC,	
479	First Lien Loan, LIBOR + 2.00%, 2/16/14	467,335
1,000	Second Lien Loan, LIBOR + 3.25%, 8/16/14	947,500
490	Hit Entertainment Ltd., LIBOR + 2.00%, 3/20/12	479,593
	Las Vegas Sands LLC,	
700	Delayed Draw Loan, LIBOR + 0.75%, 5/23/14	678,731
2,294	Loan B, LIBOR + 1.75%, 5/23/14	2,224,539
4,925	Metro-Goldwyn-Mayer Studios, Inc., Loan B, LIBOR + 3.25%, 4/08/12	4,713,634
978	Penn National Gaming, Inc., Loan B, LIBOR + 1.75%, 10/03/12	969,818
3,728	Travelport LLC, LIBOR + 7.00%, 3/27/12	3,584,752
	Travelport, Inc.,	
29	Letter of Credit, LIBOR + 2.25%, 8/23/13	28,354
145	LIBOR + 2.25%, 8/23/13	141,309
495	Wembley, Inc., First Lien Loan, LIBOR + 2.50%, 8/23/11	478,872
413	Yellowstone Mountain Club, LIBOR + 2.38%, 9/30/10	387,781
	Total Entertainment & Leisure	23,158,063

Financial Institutions	**2.9%**		
984	Advantage Sales & Marketing, Inc., LIBOR + 2.00%, 3/29/13		946,694
1,489	Alix Partners, LIBOR + 2.00%, 10/12/13		1,460,836
990	Bankruptcy Management, LIBOR + 2.75%, 7/28/12		962,775
925	Billing Services Group, LIBOR + 2.50%, 5/11/12 (EUR)		1,339,908
929	BNY Convergex Group LLC, First Lien Loan, LIBOR + 3.00%, 10/02/13		913,482
432	CCC Information Services Group, Inc., Loan B, LIBOR + 2.50%, 2/10/13		426,637
1,238	Charter Mac, Loan B, LIBOR + 2.50%, 8/15/12		1,138,500
743	Conseco, Inc., LIBOR + 2.00%, 10/10/13		707,544
3,0001	Enclave, Loan B, LIBOR, 3/01/12		2,842,680

Principal Amount (000)	**Description**		**Value**
Financial Institutions	**(cont d)**		
	GS Holdings Corp.,		
$ 52	Delayed Draw Loan, LIBOR + 1.75%, 5/12/13	$	50,662
80	LIBOR + 1.75%, 5/13/11		77,718
541	LIBOR + 1.75%, 5/12/13		526,878
4,000	J.G. Wentworth LLC, First Lien Loan, LIBOR + 2.25%, 4/04/14		3,805,000
385	Jostens, Inc., Loan C, LIBOR + 2.00%, 12/21/11		381,351
998	Lucite Intl. Finance Plc, LIBOR + 9.00%, 7/07/13 (EUR)		1,394,644
801	Professional Service, Inc., Loan B, LIBOR + 2.75%, 10/31/12		785,380
496	Renfro Corp., Delayed Draw Loan, LIBOR + 3.25%, 10/05/13		485,994
1,111	Sedgewick Claims Management Services, Inc., Loan B, LIBOR + 2.25%, 1/31/13		1,091,258
741	Vertellus, First Lien Loan, LIBOR + 3.25%, 3/31/13		720,258
	Total Financial Institutions		20,058,199
Health Care 2.9%			
	Cardinal Health, Inc.,		
1,995	Loan B, LIBOR + 2.25%, 4/15/14 (EUR)		2,600,870
1,496	Unfunded, 2.25%, 4/10/14		1,346,625
859	CCS Medical, Loan B, LIBOR + 3.25%, 9/30/12		834,993
	Community Health Systems, Inc.,		
340	Delayed Draw Loan, Unfunded, 0.50%, 7/25/14		332,047
5,160	Loan B, LIBOR + 2.25%, 7/25/14		5,033,938
250	Emdeon Business Services, LLC, Second Lien Loan, LIBOR, 5/16/14		247,500
663	Eye Care Centers of America, Inc., LIBOR + 2.50%, 2/16/12		653,545
1,990	Health Management Associates, Inc., PRIME + 0.75%, 2/28/14		1,897,133
859	HealthSouth Corp., Loan B, LIBOR + 2.50%, 3/10/13		838,432
491	National Renal Institutes, Inc., Loan B, LIBOR + 2.25%, 3/31/13		477,163
	Quintiles Transnational Corp.,		
985	First Lien Loan, LIBOR + 2.00%, 3/31/13		964,993
250	Second Lien Loan, LIBOR + 4.00%, 3/31/14		247,500
975	Select Medical Corp., Loan B, LIBOR + 2.00%, 2/24/12		931,531
980	Vanguard Health Holding Co. II LLC, LIBOR + 2.25%, 9/23/11		957,508
	Warner Chilcott Corp.,		
1,722	Loan B, LIBOR + 2.00%, 1/18/12		1,692,909
515	Loan C, LIBOR + 2.00%, 1/18/12		506,661
	Total Health Care		19,563,348

Industrials 2.7%

987	Acosta, Inc., LIBOR + 2.25%, 7/28/13	964,047
983	Bolthouse Farms, Inc., First Lien Loan, LIBOR + 2.25%, 12/16/12	966,534
998	Bucyrus International, Inc., LIBOR + 1.50%, 5/04/14	985,031
	Buhrmann U.S., Inc.,	
496	Loan D, LIBOR + 2.00%, 12/31/10	490,047
2,246	Loan D1, LIBOR + 2.00%, 12/23/10	2,218,149
1,725	Drummond Co., Inc., LIBOR + 1.25%, 2/14/11	1,690,500
1,496	Harland Clarke Holdings Corp., Loan B, LIBOR + 2.50%, 6/30/14	1,406,475
1,496	Jason, Inc., LIBOR + 2.50%, 4/30/10	1,451,363
	Kion Group,	
250	Loan B, LIBOR + 2.25%, 3/15/15	245,764
250	Loan C, LIBOR + 2.50%, 3/15/16	247,014
1,500	Lincoln Industrial Corp., Second Lien Loan, LIBOR + 5.75%, 1/12/15	1,477,500
	Mivisa Envases S.A.U. (EUR)	
826	Loan B1, LIBOR, 5/03/15	1,158,797
174	Loan B2, LIBOR, 5/03/15	243,708
2,469	Oshkosh Truck Corp., Loan B, LIBOR + 1.75%, 12/06/13	2,425,804

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Industrials (cont d)		
	Standard Steel LLC,	
$ 411	Loan B, LIBOR + 2.50%, 6/30/12	$ 403,229
83	Delayed Draw Loan, Unfunded, 2.50%, 6/30/12	81,258
1,210	Thermo Fluids, Inc., Loan B, LIBOR + 3.50%, 6/27/13	1,053,089
	Trimas Corp.,	
94	Letter of Credit, LIBOR + 2.25%, 8/02/13	91,875
402	Loan B, LIBOR + 2.75%, 8/02/13	394,144
468	United Rentals NA, Inc., LIBOR + 2.00%, 2/14/11	464,919
	Total Industrials	18,459,247
Media 11.1%		
500	Affinion Group, Inc., LIBOR + 6.25%, 3/01/12	485,834
988	Atlantic Broadband Finance LLC, Loan B2, LIBOR + 2.25%, 8/10/12	971,697
1,000	Audio Visual Services Corp., Second Lien Loan, LIBOR + 5.50%, 2/28/14	950,000
3,940	Cablevision Systems Corp., LIBOR + 1.75%, 3/29/13	3,842,485
6,468	Cequel Communications II LLC, First Lien Loan, LIBOR + 2.00%, 4/04/13	6,258,115
6,000	Charter Communications Holdings LLC, LIBOR + 2.00%, 3/06/13	5,760,000
714	CMP Susquehanna Corp., Loan B, LIBOR + 2.00%, 5/05/13	689,569
	Dex Media West LLC/Dex Media Finance Co.,	
625	Loan B1, LIBOR + 1.50%, 3/09/10	617,292
2,486	Loan B2, LIBOR + 1.50%, 3/09/10	2,454,977
1,311	DirecTV Holdings LLC, Loan B, LIBOR + 1.50%, 4/13/13	1,301,047
	Gatehouse Media Operating, Inc.,	
592	Delayed Draw Loan, LIBOR + 2.00%, 8/28/14	548,031
1,000	Loan B, LIBOR + 2.00%, 8/28/14	926,250
2,000	Gray Television, Inc., Delayed Draw Loan, LIBOR + 1.50%, 12/31/14	1,924,166
2,978	Idearc, Inc., Loan B, LIBOR + 2.00%, 11/17/14	2,932,528
499	Knology, First Lien Loan, LIBOR + 2.25%, 6/30/12	481,294
1,985	Mediacom Broadband LLC, Loan D1, LIBOR + 1.75%, 1/31/15	1,919,070
1,960	Mediacom Illinois LLC, Loan C, LIBOR + 1.75%, 1/31/15	1,896,481
1,907	Mission Broadcasting, Inc., Loan B, LIBOR + 1.75%, 10/01/12	1,835,485
357	Multicultural Radio Broadcasting, Inc., LIBOR + 2.75%, 12/18/12	349,860
1,000	National CineMedia, Inc., Loan B, LIBOR + 1.75%, 2/13/15	964,219
	New Wave Communications,	
2	LIBOR + 2.75%, 6/20/13	68,950
938	Loan A, LIBOR + 3.50%, 6/30/13	924,053
235	Loan Z, LIBOR + 3.50%, 6/20/13	164,495
63	TBD, 6/20/13	62,055
1,806	Nexstar Finance, Inc., Loan B, LIBOR + 1.75%, 10/01/12	1,738,291
3,465	Nielsen Finance LLC/Nielsen Finance Co., Loan B, LIBOR + 2.00%, 8/09/13	3,368,754
	NTL Investment Holding Ltd.,	
446	Loan B1, LIBOR + 2.13%, 9/03/12 (GBP)	897,657
522	Loan B2, TBD, 9/03/12 (GBP)	1,049,219

484	Loan B4, LIBOR + 2.00%, 9/03/12		468,552
2,000	Loan C, TBD, 3/03/13 (GBP)		4,038,001
	Penton Media, Inc.,		
1,119	First Lien Loan, LIBOR + 2.25%, 2/01/13		1,059,209
1,000	Second Lien Loan, LIBOR + 5.00%, 2/01/14		932,500
	ProSieben (EUR)		
500	Loan B1, LIBOR + 2.375%, 3/04/16		676,291
500	Loan C1, LIBOR + 2.625%, 6/30/15		679,913
1,000	Loan D1, LIBOR + 3.75%, 9/02/16		1,329,044
750	Puerto Rico Cable Acquisition Co., Second Lien Loan, LIBOR + 6.25%, 1/26/12		708,750
998	RCN Corp., Loan B, LIBOR + 2.25%, 5/25/14		965,705
2,838	RH Donnelley, Inc., Loan D2, LIBOR + 1.50%, 6/30/11		2,792,642

Principal Amount (000)	Description		Value
Media (cont d)			
	Univision Communications, Inc.,		
$ 201	Delayed Draw Loan, Unfunded, 1.00%, 9/29/14	$	190,541
5,799	Loan B, LIBOR + 2.25%, 9/29/14		5,487,583
1,000	Second Lien Loan, LIBOR, 3/29/09		989,375
	UPC Broadband Holding BV,		
1,413	Loan M1, LIBOR, 12/31/14 (EUR)		1,977,718
3,500	Loan N1, LIBOR + 1.75%, 12/31/14		3,380,783
1,922	WMG Acquisition Corp., LIBOR + 2.00%, 2/28/11		1,872,243
	Yell Group Plc,		
1,000	Loan B, LIBOR + 2.00%, 2/10/13		984,063
1,500	Loan B, LIBOR + 2.00%, 2/27/13 (EUR)		2,137,176
	Total Media		76,051,963
Real Estate 0.7%			
3,000	Georgian Towers, Loan B5, LIBOR, 3/01/12		2,853,269
488	Masonite Intl. Corp., LIBOR + 2.00% , 4/06/13		456,891
1,496	Realogy Corp., LIBOR + 3.00%, 10/10/13		1,388,333
	Total Real Estate		4,698,493
Technology 2.9%			
737	Affiliated Computer Services, Inc., Loan B, LIBOR + 2.00%, 3/20/13		726,397
973	ClientLogic Corp., LIBOR + 2.50%, 1/30/14		919,920
995	CoCreate Software, Inc., LIBOR + 3.00%, 5/17/13		965,150
371	Coinstar, Inc., LIBOR + 2.25%, 7/07/11		369,173
500	Electrical Components Intl. Holdings Co., Second Lien Loan, LIBOR + 6.50%, 5/01/14		440,000
1,750	First Data Corp., Loan B1, LIBOR + 2.75% 9/24/14		1,683,579
4,000	Flextronics Intl. Ltd., Loan A, LIBOR, 10/12/14		3,970,000
	Intergraph Corp.,		
419	First Lien Loan, LIBOR + 2.00%, 5/29/14		408,747
750	Second Lien Loan, LIBOR + 6.00%, 11/15/14		744,375
989	Marvell Technology Group Ltd., Loan B, LIBOR + 2.50%, 11/09/09		967,114
694	RedPrairie Corp., Loan B, PRIME + 2.00%, 7/20/12		676,628
1,500	San Juan Cable, LIBOR + 6.50%, 10/31/13		1,434,845
1,945	Sensata Technologies BV, Loan B, LIBOR + 1.75%, 4/27/13		1,889,922
2,444	SunGard Data Systems, Inc., Loan B, LIBOR + 2.00%, 2/28/14		2,408,204
945	Verifone, Inc., LIBOR + 1.75%, 10/31/13		937,913
996	Wire Rope Corp., LIBOR + 2.25%, 2/08/14		970,961
	Total Technology		19,512,928

Telecommunications	**3.7%**	
1,990	American Cellular Corp., Loan B, LIBOR + 2.00%, 3/15/14	1,981,294
1,250	American Cellular Wireless LLC, Delayed Draw Loan, Unfunded, 0.75%, 3/15/14	1,242,187
	Cellular South, Inc.,	
500	Delayed Draw Loan, Unfunded, 1.00%, 5/29/14	490,000
1,496	Loan B, PRIME + 0.75%, 5/29/14	1,466,325
1,481	Consolidated Communications, Inc., Loan D, LIBOR + 1.75%, 10/14/11	1,471,066
500	Country Road Communications LLC, Second Lien Loan, LIBOR + 7.75%, 7/15/13	492,500
	Eircom Group Plc (EUR)	
2,000	Loan B, LIBOR + 1.88%, 9/30/14	2,835,813
2,000	Loan C, LIBOR + 2.13%, 9/30/15	2,851,831
4,000	Insight Midwest Holdings LLC, Loan B, Unfunded, 1.75%, 4/06/14	3,912,224
2,000	Iowa Telecommunications Services, Inc., Loan B, LIBOR + 1.75%, 11/23/11	1,970,000
	NG Wireless,	
140	Delayed Draw Loan, Unfunded, 0.50%, 7/31/14	138,269
610	First Lien Loan, PRIME + 2.75%, 7/31/14	600,481
1,700	NTELOS, Inc., First Lien Loan, LIBOR + 2.25%, 8/24/11	1,679,861
2,970	West Corp., Loan B2, LIBOR + 2.38%, 10/24/13	2,909,004

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Limited Duration Income Trust (BLW) (concluded)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Telecommunications	**(cont d)**	
	Wind Acquisition Finance S.A. (EUR)	
$ 693	Loan A1, LIBOR + 2.00%, 5/25/12	$ 990,929
139	Loan A2, LIBOR + 2.00%, 12/31/10	199,284
	Total Telecommunications	25,231,068
Transportation 2.2%		
	Dockwise Transport N.V.,	
1,489	Loan B1, LIBOR + 2.38%, 11/01/15	1,447,470
489	Loan C, LIBOR + 2.88%, 11/01/16	474,401
1,000	Loan C2, LIBOR + 2.88%, 11/01/16	975,625
	Hawker Beechcraft Acquisition Co.,	
78	Letter of Credit, Unfunded, 0.50%, 3/26/14	76,076
917	LIBOR + 2.00%, 3/26/14	894,585
1,750	RailAmerica, Inc., Loan B, LIBOR + 2.25%, 8/14/08	1,719,375
644	Sirva Worldwide, Inc., LIBOR + 7.25%, 12/01/10	450,378
3,977	Swift Transportation Co., Inc., LIBOR + 3.00%, 5/10/14	3,488,881
3,000	U.S. Airways, Loan B, LIBOR + 2.50%, 3/24/14	2,863,392
2,239	United Air Lines, Inc., Loan B, LIBOR + 2.00%, 2/01/14	2,142,358
	Total Transportation	14,532,541
	Total Bank Loans	386,247,615
Mortgage Pass-Through Securities 21.3%		
	Federal National Mortgage Assoc.,	
228	5.50%, 12/01/28	21,448
8,564	5.50%, 4/01/29-11/01/33	8,467,048
17,000	7.25%, 1/15/10	18,027,939
121,000	TBA, 5.00%, 11/19/22	119,109,375
	Total Mortgage Pass-Through Securities	145,625,810
Interest Only Asset-Backed Securities 0.2%		
	Sterling Coofs Trust,	
21,937	Ser. 1, 2.365%, 4/15/29	973,475
18,1142	Ser. 2, 2.081%, 3/30/30	486,826
	Total Interest Only Asset-Backed Securities	1,460,301
U.S. Government and Agency Securities 4.1%		
	U.S. Treasury Notes,	
20,4254	3.375%, 12/15/08-9/15/09	20,273,083
6,0004,8	3.875%, 5/15/09	5,992,032
1,8154	4.25%, 8/15/15	1,801,388
	Total U.S. Government and Agency Securities	28,066,503
Foreign Government Bonds 2.5%		
238	Bolivarian Republic of Venezuela, %, 12/18/07	238,029

4,871	Peru Government International Bond, 8.375%, 5/03/16		5,735,602
5,000[4]	Republic of Colombia, 9.75%, 4/23/09		5,325,000
5,093[4]	Turkey, 7.00%, 9/26/16		5,328,806
	Total Foreign Government Bonds		16,627,437

Units (000)	**Description**		**Value**
Warrants 0.0%			
29	Reliant Resources, Inc., expires 8/25/08, strike price $0.001, 1 share for 1 warrant	$	41,249

Shares			
Common Stocks 0.0%			
7,579[1,9]	Critical Care Systems Intl., Inc.		47,371
Preferred Stock 0.0%			
125,000[1]	Superior Essex Holding Corp., Ser. A, 9.50%,		77,500
	Total Long-Term Investments (cost $930,394,349)		913,265,094

Principal Amount (000)			
SHORT-TERM INVESTMENT 0.5%			
U.S. Government and Agency Discount Notes 0.5%			
$ 3,200[10]	Federal Home Loan Bank Disc. Notes, 4.351%, 11/01/07 (cost $3,200,000)		3,200,000
Total investments 134.2% (cost $933,594,349[11])		$	916,465,094
Liabilities in excess of other assets (34.2)%			(233,355,673)
Net Assets 100% $		**$**	**683,109,421**

1 Security is fair valued.

2 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held 9.8% of its net assets, with a current market value of $66,717,528, in securities restricted as to resale.

3 Variable rate security. Rate shown is interest rate as of October 31, 2007.

4 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

5 Illiquid security. As of October 31, 2007, the Trust held 0.6% of its net assets, with a current market value of $4,365,591, in these securities.

6 Represents a step up bond; the interest rate shown reflects the effective yield at the time of purchase.

7 Issuer is in default and/or bankruptcy.

8 Security, or a portion thereof, pledged as collateral with a value of $77,630 on 81 long U.S. Treasury Note futures contracts expiring December 2007. The notional value of such contracts on October 31, 2007 was $8,694,844, with an unrealized gain of $45,523.

9 Non-income producing security.

10 Rate shown is the yield to maturity as of the date of purchase.

11 Cost for federal income tax purposes is $933,721,317. The net unrealized depreciation on a tax basis is $17,256,223, consisting of $9,391,420 gross unrealized appreciation and $26,647,643 gross unrealized depreciation.

For Trust compliance purposes, the Trust s sector and industry classifications refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classifications for reporting ease.

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Preferred and Equity Advantage Trust (BTZ)
(Percentages shown are based on Net Assets)

Shares	Description		Value
LONG-TERM INVESTMENTS 144.4%			
Common Stocks 40.4%			
Aerospace & Defense 0.6%			
1,900	L-3 Communications Holdings, Inc.	$	208,316
28,300	Lockheed Martin Corp.		3,114,132
40,300	Northrop Grumman Corp.		3,369,886
	Total Aerospace & Defense		6,692,334
Automotive 0.3%			
264,5001	Ford Motor Co.		2,346,115
1,900	General Motors Corp.		74,461
11,200	Genuine Parts Co.		549,584
3,800	PACCAR, Inc.		211,128
	Total Automotive		3,181,288
Basic Materials 1.7%			
23,300	Allegheny Technologies, Inc.		2,380,561
2,400	BASF AG (ADR)		333,408
72,200	Dow Chemical Co. (The)		3,251,888
71,500	E.I. du Pont de Nemours & Co.		3,539,965
74,200	Intl. Paper Co.		2,742,432
33,900	MeadWestvaco Corp.		1,140,396
21,000	Monsanto Co.		2,050,230
30,000	Nucor Corp.		1,860,600
13,700	PPG Industries, Inc.		1,023,938
14,100	Weyerhauser Co.		1,070,331
	Total Basic Materials		19,393,749
Building & Development 0.1%			
9,300	D.R. Horton, Inc.		118,017
2,600	KB Home		71,864
16,000	Masco Corp.		385,280
	Total Building & Development		575,161
Consumer Products 5.7%			
93,100	Altria Group, Inc.		6,789,783
4,8001	Amazon.com, Inc.		427,920
76,2001	Amgen, Inc.		4,427,982
45,000	Anheuser-Busch Cos., Inc.		2,307,600
10,300	Black & Decker Corp.		926,073
8,300	Clorox Co.		519,331
14,3001	Coach, Inc.		522,808
68,100	Coca-Cola Co. (The)		4,205,856
49,506	CVS Caremark Corp.		2,067,866
26,400	Eastman Kodak Co.		756,624
21,800	Fortune Brands, Inc.		1,826,186
6,700	Gap, Inc.		126,630
112,500	Home Depot, Inc.		3,544,875
6,900	JCPenney Co., Inc.		388,056
10,6001	Kohl s Corp.		582,682
54,446	Kraft Foods, Inc.		1,819,041

17,200	Loews Corp.	844,348
12,600	Ltd. Brands, Inc., Class A	277,326
1,600	Macy s, Inc.	51,248
17,400	Newell Rubbermaid, Inc.	507,384
1,400	Nordstrom, Inc.	55,216
1,500	OfficeMax, Inc.	47,475
60,300	PepsiCo, Inc.	4,445,316
128,000	Procter & Gamble Co.	8,898,560
19,700	Reynolds American, Inc.	1,269,271
140,100	Sara Lee Corp.	2,317,254
10,1001	Sears Holdings Corp.	1,361,379
75,9001	Starbucks Corp.	2,025,012
1,000	Universal Corp.	48,740
53,100	UST, Inc.	2,831,292
4,700	VF Corp.	409,511
115,100	Wal-Mart Stores, Inc.	5,203,671
37,900	Walgreen Co.	1,502,735
	Total Consumer Products	63,335,051

Shares	Description	Value
Energy 5.3%		
13,500	American Electric Power, Inc.	$ 650,835
15,500	Anadarko Petroleum Corp.	914,810
11,100	Apache Corp.	1,152,291
2,900	BP Plc (ADR)	226,171
10,700	Baker Hughes, Inc.	927,904
15,800	Chesapeake Energy Corp.	623,784
100,400	Chevron Corp.	9,187,604
55,900	ConocoPhillips	4,749,264
35,700	Consolidated Edison, Inc.	1,681,113
27,600	DTE Energy Co.	1,368,960
14,900	Devon Energy Corp.	1,391,660
78,400	Duke Energy Corp.	1,502,928
22,800	Exelon Corp.	1,887,384
155,900	Exxon Mobil Corp.	14,341,241
24,500	Great Plains Energy, Inc.	731,080
14,000	Hess Corp.	1,002,540
13,8001	National Oilwell Varco, Inc.	1,010,712
1,500	Nicor, Inc.	64,905
24,000	NiSource, Inc.	490,800
21,000	Sasol Ltd. (ADR)	1,068,060
25,400	Schlumberger Ltd.	2,452,878
49,918	Smith Intl., Inc.	3,297,084
44,700	Southern Co.	1,638,702
24,400	Spectra Energy Corp.	633,912
15,1001	Transocean, Inc.	1,802,487
21,200	Valero Energy Corp.	1,493,116
13,0001	Weatherford Intl. Ltd.	843,830
2,300	Williams Cos., Inc.	83,927
14,800	XTO Energy, Inc.	982,424
	Total Energy	58,202,406
Entertainment & Leisure 0.3%		
12,500	Brunswick Corp.	278,875
31,900	Carnival Corp.	1,530,562
50,000	Regal Entertainment Group	1,128,500
	Total Entertainment & Leisure	2,937,937
Financial Institutions 7.5%		
11,700	American Capital Strategies Ltd.	507,897

47,7002	American Intl. Group, Inc.	3,010,824
18,300	Arthur J. Gallagher & Co.	486,963
71,400	BB&T Corp.	2,639,658
205,400	Bank of America Corp.	9,916,712
37,452	Bank of New York Mellon Corp.	1,829,530
1,800	CME Group, Inc.	1,199,250
31,600	Charles Schwab Corp. (The)	734,384
16,800	Cigna Corp.	881,832
246,300	Citigroup, Inc.	10,319,970
33,800	Comerica, Inc.	1,577,784
37,750	Discover Financial Services	728,575
84,9001	E*Trade Financial Corp.	945,786
37,400	Fannie Mae	2,133,296
5,400	Franklin Resources, Inc.	700,272
22,900	Freddie Mac	1,196,067
23,800	Goldman Sachs Group, Inc. (The)	5,900,496
20,700	HSBC Holdings Plc (ADR)	2,060,064
21,400	Hartford Financial Services Group, Inc.	2,076,442
85,300	JPMorgan Chase & Co.	4,009,100
13,300	KeyCorp	378,385
24,200	Legg Mason, Inc.	2,007,148
26,600	Lehman Brothers Holdings, Inc.	1,684,844
40,800	Lincoln National Corp.	2,544,696
259,600	MCG Capital Corp.	3,636,996
54,900	Marsh & McLennan Cos., Inc.	1,421,361
28,600	MetLife, Inc.	1,969,110
19,500	National City Corp.	472,875
54,700	Progressive Corp.	1,011,950
15,300	Prudential Financial, Inc.	1,479,816

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Preferred and Equity Advantage Trust (BTZ) (continued)
(Percentages shown are based on Net Assets)

Shares	Description	Value
Financial Institutions (cont d)		
23,900	Regions Financial Corp.	$ 648,168
19,100	Safeco Corp.	1,105,890
25,900	Travelers Cos., Inc.	1,352,239
75,100	U.S. Bancorp	2,490,316
64,900	Wachovia Corp.	2,967,877
48,600	Washington Mutual, Inc.	1,354,968
81,300	Wells Fargo & Co.	2,765,013
25,700	Western Union Co. (The)	566,428
8,900	XL Capital Ltd., Class A Bermuda	640,355
	Total Financial Institutions	83,353,337
Health Care 4.7%		
52,200	Abbott Laboratories	2,851,164
11,900	Allergan, Inc.	804,202
9,600[1]	Biogen Idec, Inc.	714,624
32,600[1]	Boston Scientific Corp.	452,162
153,200	Bristol-Myers Squibb Co.	4,594,468
13,200[1]	Celgene Corp.	871,200
50,100[1]	Charles River Laboratories Intl., Inc.	2,905,800
32,500	Covidien Ltd. Bermuda	1,352,000
64,900	Eli Lilly & Co.	3,514,335
10,100[1]	Genzyme Corp.	767,297
31,200[1]	Gilead Sciences, Inc.	1,441,128
106,600	Johnson & Johnson	6,947,122
11,400	McKesson Corp.	753,540
10,800[1]	Medco Health Solutions, Inc.	1,019,304
107,500	Merck & Co., Inc.	6,262,950
367,900[2]	Pfizer, Inc.	9,054,019
11,100	Quest Diagnostics, Inc.	590,298
11,500	Stryker Corp.	816,500
16,300[1]	Thermo Fisher Scientific, Inc.	958,603
47,400	UnitedHealth Group, Inc.	2,329,710
23,700[1]	WellPoint, Inc.	1,877,751
19,500[1]	Zimmer Holdings, Inc.	1,355,055
	Total Health Care	52,233,232
Industrials 3.1%		
43,500	3M Co.	3,756,660
44,800	Caterpillar, Inc.	3,342,528
3,500	Cummins, Inc.	419,860
9,200	Danaher Corp.	788,164
45,400	Emerson Electric Co.	2,373,058
14,500	Fluor Corp.	2,291,000
383,400	General Electric Co.	15,780,744
38,000	Illinois Tool Works, Inc.	2,175,880
22,800	Johnson Controls, Inc.	996,816
20,300	Leggett & Platt, Inc.	394,429
5,300	Precision Castparts Corp.	793,993
15,900	Rockwell Automation, Inc.	1,095,192
3,300	Tyco Intl. Ltd.	135,861

	Total Industrials	34,344,185
Media 1.1%		
75,100	CBS Corp., Class B	2,155,370
2,987	Citadel Broadcasting Corp.	13,144
129,450[1]	Comcast Corp., Class A	2,724,923
55,700[1]	DIRECTV Group, Inc.	1,474,936
34,300	New York Times Co. (The)	670,908
77,300	News Corp., Class A	1,675,091
28,200[1]	Viacom, Inc.	1,164,378
64,900	Walt Disney Co. (The)	2,247,487
	Total Media	12,126,237
Real Estate 0.5%		
4,000	Boston Properties, Inc. (REIT)	433,360
9,900	Equity Residential (REIT)	413,622
15,600	First Industrial Realty Trust, Inc. (REIT)	635,700
51,500	Hospitality Properties Trust (REIT)	2,039,400
Shares	**Description**	**Value**
Real Estate (cont d)		
6,000	Plum Creek Timber Co., Inc. (REIT)	$ 268,020
39,600	Starwood Hotels & Resorts Worldwide, Inc.	2,251,656
	Total Real Estate	6,041,758
Technology 6.2%		
19,700[1]	Adobe Systems, Inc.	943,630
12,900[1]	Agilent Technologies, Inc.	475,365
59,500	Analog Devices, Inc.	1,990,870
31,300[1]	Apple, Inc.	5,945,435
52,300[1]	AutoDesk, Inc.	2,557,470
18,000[1]	Broadcom Corp.	585,900
27,200[1]	Cognizant Technology Solutions Corp.	1,127,712
82,700[1]	Dell, Inc.	2,530,620
70,000[1]	EMC Corp.	1,777,300
92,800[1]	eBay, Inc.	3,350,080
16,500[1]	Electronic Arts, Inc.	1,008,480
7,300[1]	Google, Inc.	5,161,100
37,800	Hewlett-Packard Co.	1,953,504
182,900	Intel Corp.	4,920,010
22,000	Intl. Business Machines Corp.	2,554,640
39,100[1]	Lam Research Corp.	1,962,820
69,800	Linear Technology Corp.	2,304,796
7,500[1]	MEMC Electronic Materials, Inc.	549,150
287,000	Microsoft Corp.	10,564,470
94,050[1]	Nvidia Corp.	3,327,489
131,500[1]	Oracle Corp.	2,915,355
51,900	Paychex, Inc.	2,168,382
17,200	Pitney Bowes, Inc.	688,688
44,900[1]	SanDisk Corp.	1,993,560
115,800[1]	Sanmina-SCI Corp.	255,918
252,400[1]	Sun Microsystems, Inc.	1,441,204
34,900[1]	Symantec Corp.	655,422
32,500	Tyco Electronics Ltd.	1,159,275
36,300[1]	Xerox Corp.	633,072
4,300	Xilinx, Inc.	104,920
42,000[1]	Yahoo!, Inc.	1,306,200
	Total Technology	68,912,837
Telecommunications 2.6%		
175,987	AT&T, Inc.	7,354,497

40,610	Chunghwa Telecom Co. Ltd. (ADR)	779,712
209,600[1]	Cisco Systems, Inc.	6,929,376
64,000	Citizens Communications Co.	842,240
52,500	Corning, Inc.	1,274,175
17,200[1]	Juniper Networks, Inc.	619,200
123,900	Qualcomm, Inc.	5,294,247
98,400	Verizon Communications, Inc.	4,533,288
93,412	Windstream Corp.	1,256,391
	Total Telecommunications	28,883,126
Transportation 0.7%		
16,000	General Maritime Corp.	450,880
51,645	Nordic American Tanker Shipping	1,998,145
87,700	Ship Finance Intl. Ltd.	2,401,226
37,900	United Parcel Service, Inc., Class B	2,846,290
	Total Transportation	7,696,541
	Total Common Stocks	447,909,179
Preferred Stocks 18.9%		
Energy 2.7%		
100,000	Alabama Power Co., 6.50%	2,525,000
40,000	Entergy Louisiana LLC, 6.95%	4,156,478
785,000	Interstate Power & Light Co., Ser. B, 8.375%	23,672,695
	Total Energy	30,354,173

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Preferred and Equity Advantage Trust (BTZ) (continued)
(Percentages shown are based on Net Assets)

Shares	Description		Value
Financial Institutions 14.7%			
400,000	ACE Ltd., Ser. C, 7.80%	$	10,237,520
400,000	Aegon N.V., 6.50%		9,137,520
	Arch Capital Group Ltd.,		
100,000	8.00%		2,500,000
160,000	Ser. B, 7.875%		3,947,200
655,000[3]	Aspen Insurance Holdings Ltd., 7.401%		15,621,750
180,000[3]	Axis Capital Holdings Ltd., Ser. B, 7.50%		18,331,884
320,000	Bank of America Corp., 6.625%		8,210,016
10,000[4]	Centaur Funding Corp., Ser. B, 9.08%		11,312,500
150,000[4]	CoBank ACB, 7.00%		7,478,700
389,000	Endurance Specialty Holdings Ltd., 7.75%		9,907,363
316,000	Federal Home Loan Mortgage Corp., Ser. Y, 6.55%		8,137,000
200,000	ING Groep N.V., 6.125%		4,387,500
265,600	PartnerRE Ltd., Ser. C, 6.75%		6,241,600
285,000	RenaissanceRe Holdings Ltd., Ser. D, 6.60%		6,093,300
50[3]	Roslyn Real Estate Asset Corp., Ser. D, 8.881%		5,026,562
67,200	Royal Bank of Scotland Group Plc, Ser. L, 5.75%		1,414,560
	Santander Finance Preferred S.A. Unipersonal,		
522,000[4]	6.50%		12,267,000
670,000[4]	7.05%		15,703,125
277,900	XL Capital Ltd., Ser. B, 7.625%		6,964,869
	Total Financial Institutions		162,919,969
Real Estate 1.5%			
300,000	CBL & Associates Properties, Inc., Ser. C, 7.75% (REIT)		7,206,000
55,000	iStar Financial, Inc., Ser. I, 7.50% (REIT)		1,182,500
372,500	Public Storage, Inc., Ser. M, 6.625% (REIT)		8,229,941
	Total Real Estate		16,618,441
	Total Preferred Stocks		209,892,583

	Principal Amount (000)		
Trust Preferred Stocks 71.6%			
Building & Development 0.3%			
$	3,160[3,4,5]	C8 Capital SPV Ltd., 6.64% (British Virgin Islands)	3,080,905
Energy 2.6%			
	4,500[3]	Enterprise Products Operating LP, 8.375%, 8/01/66	4,684,248
	120,000	Nexen, Inc., 7.35%, 11/01/43	2,970,000
	5,900[3]	PPL Capital Funding, Inc., Ser. A, 6.70%, 3/30/67	5,693,022
	288,000	PPL Energy Supply LLC, 7.00%, 7/15/46	7,209,014
	1,575[3]	Puget Sound Energy, Inc., Ser. A, 6.974%, 6/01/67	1,482,497

7,325[3]	Trans-Canada Pipelines Ltd., 6.35%, 5/15/67 (Canada)	7,086,945
	Total Energy	29,125,726
Financial Institutions 64.8%		
2,375[3,5]	Abbey National Capital Trust I, 8.963%	2,897,982
17,000	Ace Capital Trust II, 9.70%, 4/01/30	21,717,840
	Allstate Corp.,	
8,725[3]	6.125%, 5/15/37	8,531,916
10,675[3]	6.50%, 5/15/57	10,350,918
11,150	American Intl. Group, Inc., Ser. A1, 6.25%, 3/15/37	10,376,268
18,273	AON Corp., 8.205%, 1/01/27	19,846,561
5,000	Astoria Capital Trust I, Ser. B, 9.75%, 11/01/29	5,612,955
	AXA S.A. (France)	
17,000[3,4,5]	6.463%	15,807,178
3,225[3,4,5]	6.379%	2,937,188
	Barclays Bank Plc (United Kingdom)	
15,000[3,4,5]	6.86%	14,704,647
4,275[3,4,5]	7.434%	4,531,675
15,300[3]	BB&T Capital Trust IV, 6.82%, 6/12/57	14,904,311
170,731	Berkley W.R. Capital Trust II, 6.75%, 7/26/45	3,996,181
23,200,[2,3,4,5]	BNP Paribas, 7.195% (France)	23,075,834
6,685[3,4,5]	BOI Capital Funding No. 2 LP, 5.571% (Ireland)	6,145,521

Principal Amount (000)	Description	Value
Financial Institutions (cont d)		
$ 30,000[3,4,5,6]	BOI Capital Funding No. 3, 6.107% (Ireland)	$ 27,601,950
7,700[5]	BTA Finance Luxembourg SA, 8.25% (Kazakhstan)	5,736,500
5,000[3,4,5]	C10 Capital SPV Ltd., 6.722% (British Virgin Islands)	4,818,500
5,000	Capital One Capital III, 7.686%, 8/15/36	4,846,285
15,300[3]	Chubb Corp., 6.375%, 3/29/37	15,061,029
210,000	Citizens Funding Trust I, 7.50%, 9/15/66	4,882,500
20,000[3,4,5]	Commonwealth Bank of Australia, 6.024% (Australia)	19,269,300
27,970[3,4,5]	Credit Agricole S.A., 6.637% (France)	26,581,905
7,000[3,5]	Credit Suisse Ltd., 5.86% (Guernsey)	6,520,927
7,200[4]	Dresdner Funding Trust I, 8.151%, 6/30/31	7,877,347
12,025[3]	Everest Reinsurance Holdings, Inc., 6.60%, 5/15/37	11,244,133
2,025[3,5]	Goldman Sachs Capital II, 5.793%	1,888,537
25,000[3,4,5]	HBOS Plc, 6.657% (United Kingdom)	22,216,250
7,000[3,4,5]	HSBC Capital Funding LP, Ser. 2, 10.176% (Jersey Channel Islands)	9,205,357
3,250[3]	Huntington Capital III, 6.65%, 5/15/37	3,049,846
3,867[4]	HVB Funding Trust I, 8.741%, 6/30/31	4,485,782
25,100[3,4,5,6]	ICICI Bank Ltd., 7.25% (India)	23,306,103
10,000[3,5]	ING Groep N.V., 5.775% (Netherlands)	9,658,830
12,875[3]	JPMorgan Chase Capital XXI, Ser. U, 5.844%, 2/02/37	11,422,430
13,945[3]	JPMorgan Chase Capital XXIII, 6.558%, 5/15/47	12,289,296
5,000[5]	Kazkommerts Finance 2 BV, 9.25% (Netherlands)	4,548,875
785,000	KeyCorp Capital IX, 6.75%, 12/15/66	18,494,600
5,000[3,5]	Lehman Brothers Holdings Capital Trust V, Ser. MTN, 5.857%	4,666,875
11,600[3,4]	Liberty Mutual Group, Inc., Ser. B, 7.00%, 3/15/37	10,903,907
4,225[3]	Lincoln National Corp., 6.05%, 4/20/67	4,049,244
13,000[3,4,5]	Lloyds TSB Group Plc, 6.267% (United Kingdom)	12,026,547
10,000[3,4]	Mangrove Bay Pass-Through Trust, 6.102%, 7/15/33	9,334,000
21,000[3,4,5]	Mizuho Capital Investment 1 Ltd., 6.686% (Cayman Islands)	19,899,180
298,100	National City Capital Trust II, 6.625%, 11/15/36	6,390,519
8,025	Nationwide Financial Services, 6.75%, 5/15/37	7,719,721
19,675[3]	Progressive Corp., 6.70%, 6/15/37, 6/15/37	19,306,743
7,105[3,4,5]	QBE Capital Funding II LP, 6.797% (Jersey Channel Islands)	6,948,676
7,780[5]	RBS Capital Trust, Ser. B, 6.80% (United Kingdom)	7,604,950
16,825[3,4,5]		16,895,800

	Resona Preferred Global Securities Ltd., 7.191% (Cayman Islands)	
	Royal Bank of Scotland Group Plc, (United Kingdom)	
4,675[3,4,5]	6.99%	4,756,813
3,130[3,5]	7.648%	3,341,369
6,100[3,5]	Ser. MTN, 7.64%	6,322,723
7,000[3,4,5]	Shinsei Finance II, 7.16% (Cayman Islands)	6,345,941
10,000[3,4,5]	SMFG Preferred Capital 1 Ltd., 6.078% (Cayman Islands)	9,354,100
17,850[3,4,5]	Societe Generale, 5.922% (France)	16,987,666
85,000	Sovereign Capital Trust V, 7.75%, 5/22/36	2,127,661
28,305[3,6]	State Street Capital Trust IV, 6.694%, 6/15/37	25,559,273
11,300[3,4,5]	Standard Chartered Plc, 7.014% (United Kingdom)	11,307,119
27,475[3,4,5,6]	Swiss Re Capital I LP, 6.854%	27,711,477
19,100[3]	Travelers Cos., Inc., 6.25%, 3/15/37	18,547,380
95,700	Wachovia Capital Trust IX, 6.375%, 6/01/67	2,177,175
3,225[3]	Webster Capital Trust IV, 7.65%, 6/15/37	3,198,942
4,400[3,4,5]	White Mountains RE Group Ltd., 7.506% (Bermuda)	4,151,206
7,150[3,4]	Woori Bank, 6.208%, 5/02/37 (South Korea)	6,665,087
10,000[3,5]	XL Capital Ltd., Ser. E, 6.50% (Cayman Islands)	9,287,300
15,220[3,4]	ZFS Finance Trust I, 6.50%, 5/09/37	14,647,774
	Total Financial Institutions	718,678,425
Media 1.6%		
780,000	Comcast Corp., 6.625%, 5/15/56	18,119,400
Real Estate 1.6%		
13,000[4,5]	Sovereign Real Estate Investment Corp. (REIT), 12.00%	18,122,000
Telecommunications 0.6%		
270,000	AT&T, Inc., 6.375%, 2/15/56	6,504,300
	Total Trust Preferred Stocks	793,630,756

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Preferred and Equity Advantage Trust (BTZ) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Corporate Bonds 12.6%		
Automotive 0.4%		
$ 5,000	Lear Corp., Ser. B, 8.75%, 12/01/16	$ 4,800,000
Basic Materials 0.2%		
2,350[4]	Ineos Group Holdings Plc, 8.50%, 2/15/16 (United Kingdom)	2,232,500
Commercial Services 0.4%		
5,000[4]	Quebecor World, Inc., 9.75%, 1/15/15 (Canada)	4,875,000
Consumer Products 0.4%		
5,000[6]	Michaels Stores, Inc., 11.375%, 11/01/16	4,987,500
Ecological Services & Equipment 0.4%		
5,000	Aleris Intl., Inc., 10.00%, 12/15/16	4,400,000
Energy 1.0%		
6,250	CMS Energy Corp., 6.55%, 7/17/17	6,066,737
5,000[3]	Southern Union Co., 7.20%, 11/01/66	4,991,065
	Total Energy	11,057,802
Entertainment & Leisure 0.6%		
2,500	AMC Entertainment, Inc., 11.00%, 2/01/16	2,706,250
1,760	Harrah s Operating Co., Inc., 5.75%, 10/01/17	1,298,000
3,000	Station Casinos, Inc., 6.875%, 3/01/16	2,482,500
	Total Entertainment & Leisure	6,486,750
Financial Institutions 6.2%		
	Bear Stearns Cos., Inc. (The),	
3,050	6.40%, 10/02/17	3,040,106
3,000	Ser. MTN, 6.95%, 8/10/12	3,122,076
3,095[3]	CIT Group, Inc., 5.734%, 11/23/07	3,089,899
6,500[3,4]	ICICI Bank Ltd., 6.375%, 4/30/22 (India)	6,018,539
18,400	JPMorgan Chase Capital XXV, Ser. Y, 6.80%, 10/01/37	18,379,705
	Lehman Brothers Holdings, Inc.,	
6,375	6.875%, 7/17/37	6,316,669
1,075[3]	Ser. MTN, 7.394%, 9/15/22	1,098,436
3,750[3]	Lincoln National Corp., 7.00%, 5/17/66	3,851,715
4,550	MetLife, Inc., 6.40%, 12/15/36	4,310,242
5,000[4]	Momentive Performance Materials, Inc., 9.75%, 12/01/14	4,875,000
15,000[3]	Reinsurance Group of America, Inc., 6.75%, 12/15/65	14,263,755
	Total Financial Institutions	68,366,142
Health Care 0.4%		
4,500	Tenet Healthcare Corp., 9.875%, 7/01/14	4,095,000

Industrials 0.0%			
283	Stan IV Ltd., 7.137%, 7/17/11		274,510
Media 0.5%			
5,000	Cablevision Systems Corp., Ser. B, 8.00%, 4/15/12		4,887,500
1,000	Nexstar Finance, Inc., 7.00%, 1/15/14		960,000
	Total Media		5,847,500
Technology 1.3%			
4,410	Freescale Semiconductor, Inc., 9.125%, 12/15/14		3,991,050
5,000	NXP BV/NXP Funding LLC, 9.50%, 10/15/15 (Netherlands)		4,725,000
5,000	SunGard Data Systems, Inc., 10.25%, 8/15/15		5,212,500
	Total Technology		13,928,550
Telecommunications 0.8%			
	Intelsat Ltd. (Bermuda)		
3,325[3]	8.886%, 1/15/15		3,374,875
5,000	11.25%, 6/15/16		5,375,000
	Total Telecommunications		8,749,875
	Total Corporate Bonds		140,101,129
U.S. Government and Agency Securities 0.9%			
5,595	U.S. Treasury Bonds, 4.75%, 2/15/37		5,589,753
4,340	U.S. Treasury Notes, 4.75%, 8/15/17		4,435,614
	Total U.S. Government and Agency Securities		10,025,367
	Total Long-Term Investments (cost $1,649,080,855)		1,601,559,014

Shares	**Description**		**Value**
SHORT-TERM INVESTMENTS 2.8%			
Money Market Fund 2.6%			
28,300[7]	SSgA Tax Free Money Mkt. Fund - Class A, 4.757%	$	28,300,000

Principal Amount (000)		
U.S. Government and Agency Discount Notes 0.2%		
$ 2,100[8]	Federal Home Loan Bank Disc. Notes, 4.401%, 11/01/07	2,099,743
	Total Short-Term Investments (cost $30,399,743)	30,399,743
BORROWED BOND AGREEMENTS 1.2%		
	Lehman Brothers, Inc.,	
3,947[10]	4.53%, 11/08/07	3,946,555
4,530[10]	4.11%, 11/08/07	4,530,094
5,356[10]	4.25%, 11/02/07	5,355,637

	Total Borrowed Bond Agreements ($13,832,286)	13,832,286
	Total Investments before borrowed bonds, investments sold short and outstanding call options written (cost $1,693,312,884[9])	1,645,791,043
BORROWED BONDS (1.2)%		
(3,855)	U.S. Treasury Bonds, 4.75%, 2/15/37	(3,851,383)
(9,695)	U.S. Treasury Notes, 4.75, 8/15/17	(9,908,592)
	Total Borrowed Bonds (proceeds $13,843,782)	(13,759,975)
INVESTMENTS SOLD SHORT (0.0)%		
(465)[3,4,5]	Barclays Bank Plc, 5.926% (United Kingdom) (proceeds $441,536)	(440,135)

Contracts (000)		
OUTSTANDING CALL OPTIONS WRITTEN (0.4)%		
(48)	S&P 500 Index, strike price $1,550, expires 11/17/07	(983,250)
(30)	S&P 500 Index, strike price $1,550, expires 12/22/07	(1,200,650)
(108)	S&P 500 Index, strike price $1,575, expires 11/17/07	(772,200)
(31)	S&P 500 Index, strike price $1,575, expires 12/22/07	(706,000)
(30)	S&P 500 Index, strike price $1,600, expires 12/22/07	(468,000)
	Total Outstanding Options Written (premium received $5,426,127)	(4,130,100)

Total Investments net of borrowed bonds, investments sold short and outstanding call options written 146.8%	$ 1,627,460,833
Liabilities in excess of other assets (5.1)%	(56,649,879)
Preferred shares at redemption value, including dividends payable (41.7)%	(462,276,473)
Net Assets Applicable to Common Shareholders 100%	**$ 1,108,534,481**

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Preferred and Equity Advantage Trust (BTZ) (concluded)

(Percentages shown are based on Net Assets)

1 Non-income producing security.

2 Security, or a portion thereof, pledged as collateral with a value of $24,670,394 on 70 long S&P 500 Index futures contracts expiring December 2007 and 5,470 short U.S. Treasury Note futures contracts expiring December 2007. The notional value of such contracts on October 31, 2007 was $574,574,719, with an unrealized loss of $5,812,349.

3 Variable rate security. Rate shown is interest rate as of October 31, 2007.

4 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held 43.0% of its net assets, with a current market value of $476,024,964, in securities restricted as to resale.

5 The security is a perpetual bond and has no stated maturity date.

6 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

7 Represents current yield as of October 31, 2007.

8 Rate shown is the yield to maturity as of the date of purchase.

9 Cost for federal income tax purposes is $1,671,302,709. The net unrealized depreciation on a tax basis is $47,639,949, consisting of $35,071,886 gross unrealized appreciation and $82,702,835 gross unrealized depreciation.

10 See Note 1 in the Notes to Financial Statements for details of borrowed bond agreements.

For Trust compliance purposes, the Trust s sector and industry classifications refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classifications for reporting ease.

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Strategic Bond Trust (BHD)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 89.3%		
Corporate Bonds 84.5%		
Aerospace & Defense 6.8%		
$ 250[1]	AAR Corp., Ser. A2, 8.39%, 5/15/11	$ 252,500
120[2]	Bombardier, Inc., 8.00%, 11/15/14 (Canada)	124,800
1,064	DI Finance/DynCorp Intl., Ser. B, 9.50%, 2/15/13	1,130,500
	DRS Technologies, Inc.,	
50	6.875%, 11/01/13	50,000
80	7.625%, 2/01/18	81,800
2,000	Lockheed Martin Corp., Ser. B, 6.15%, 9/01/36	2,057,416
1,000	Northrop Grumman Corp., 7.125%, 2/15/11	1,061,478
650	Raytheon Co., 4.85%, 1/15/11	643,928
50	Sequa Corp., 9.00%, 8/01/09	53,625
90	TransDigm, Inc., 7.75%, 7/15/14	91,575
1,000	United Technologies Corp., 6.35%, 3/01/11	1,042,565
	Total Aerospace & Defense	6,590,187
Automotive 3.7%		
110	Accuride Corp., 8.50%, 2/01/15	103,400
45[2]	Ashtead Capital, Inc., 9.00%, 8/15/16	43,650
	AutoNation, Inc.,	
110	7.00%, 4/15/14	106,425
110[3]	7.243%, 4/15/13	107,525
1,000	DaimlerChrysler NA Holding Corp., 7.30%, 1/15/12	1,074,229
350	Ford Capital BV, 9.50%, 6/01/10 (Netherlands)	352,625
275	Lear Corp., Ser. B, 8.75%, 12/01/16	264,000
200	Metaldyne Corp., 10.00%, 11/01/13	186,000
1,400	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	1,414,000
	Total Automotive	3,651,854
Basic Materials 5.1%		
320	AK Steel Corp., 7.75%, 6/15/12	326,400
220	Abitibi-Consolidated, Inc., 6.00%, 6/20/13 (Canada)	161,700
180	American Pacific Corp., 9.00%, 2/01/15	184,500
60[3]	Bowater, Inc., 8.694%, 3/15/10	54,900
150	CPG Intl. I, Inc., 10.50%, 7/01/13	150,000
20	Chemtura Corp., 6.875%, 6/01/16	19,100
40	Domtar, Inc., 7.125%, 8/15/15 (Canada)	39,600
130[2]	FMG Finance Ltd., 10.625%, 9/01/16 (Australia)	154,050
	Freeport-McMoRan Copper & Gold, Inc.,	
690	8.375%, 4/01/17	755,550
240[3]	8.394%, 4/01/15	247,800
	Huntsman LLC,	
99	11.50%, 7/15/12	107,663
50	11.625%, 10/15/10	53,000
595[2]	Ineos Group Holdings Plc, 8.50%, 2/15/16 (United Kingdom)	565,250
980	Innophos, Inc., 8.875%, 8/15/14	987,350
135[2]	Key Plastics LLC/Key Plastics Finance Corp.,	
	11.75%, 3/15/13	114,750
130	Lyondell Chemical Co., 10.50%, 6/01/13	140,075
530	NewPage Corp., 10.00%, 5/01/12	560,475

155[3]	NOVA Chemicals Corp., 8.484%, 11/15/13 (Canada)		152,287
170	Terra Capital, Inc., Ser. B, 7.00%, 2/01/17		170,000
	Total Basic Materials		4,944,450
Building & Development 0.7%			
465	Goodman Global Holding Co., Inc., 7.875%, 12/15/12		485,925
115	Nortek, Inc., 8.50%, 9/01/14		101,775
125	North American Energy Partners, Inc.,		
	8.75%, 12/01/11 (Canada)		126,250
	Total Building & Development		713,950
Commercial Services 0.1%			
120[2]	Quebecor World, Inc., 9.75%, 1/15/15 (Canada)		117,000
Conglomerates 0.4%			
325	Honeywell Intl., Inc., 7.50%, 3/01/10		344,254

Principal Amount (000)	Description		Value
Consumer Products 3.8%			
$ 350[3]	Ames True Temper, Inc., 9.243%, 1/15/12	$	336,000
20[3]	Avis Budget Car Rental LLC/Avis Budget Finance, Inc.,		
	8.058%, 5/15/14		19,750
60[2]	Beverages & More, Inc., 9.25%, 3/01/12		61,800
	General Nutrition Centers, Inc.,		
360[3]	10.194%, 3/15/14		346,500
290	10.75%, 3/15/15		282,025
362	Lazy Days RV Center, Inc., 11.75%, 5/15/12		325,800
	Michaels Stores, Inc.,		
340	10.00%, 11/01/14		342,550
430[4]	11.375%, 11/01/16		428,925
500	Pantry, Inc. (The), 7.75%, 2/15/14		487,500
100	Quiksilver, Inc., 6.875%, 4/15/15		93,250
200	Reynolds American, Inc., 7.625%, 6/01/16		216,383
525	Rite Aid Corp., 7.50%, 3/01/17		488,250
270	Sally Holdings LLC, 10.50%, 11/15/16		268,650
	Total Consumer Products		3,697,383
Containers & Packaging 1.6%			
	Berry Plastics Holding Corp.,		
190	8.875%, 9/15/14		194,750
130[3]	9.569%, 9/15/14		130,325
250	Crown Americas LLC/Crown Americas Capital Corp.,		
	7.75%, 11/15/15		257,500
55	Graham Packaging Co., Inc., 8.50%, 10/15/12		54,588
260[2,3]	Impress Holdings BV, 8.368%, 9/15/13 (Netherlands)		258,636
565	Pregis Corp., 12.375%, 10/15/13		615,850
	Total Containers & Packaging		1,511,649
Ecological Services & Equipment 2.1%			
1,500	Casella Waste Systems, Inc., 9.75%, 2/01/13		1,530,000
550	Waste Services, Inc., 9.50%, 4/15/14		550,000
	Total Ecological Services & Equipment		2,080,000
Energy 11.0%			

100	Berry Petroleum Co., 8.25%, 11/01/16	102,000
250	Chaparral Energy, Inc., 8.50%, 12/01/15	233,125
	Chesapeake Energy Corp.,	
130	6.375%, 6/15/15	126,100
20	6.875%, 11/15/20	19,550
	Compagnie Generale de Geophysique-Veritas (France)	
65	7.50%, 5/15/15	66,300
70	7.75%, 5/15/17	72,100
255	Compton Petroleum Finance Corp.,	
	7.625%, 12/01/13 (Canada)	244,163
1,000	ConocoPhillips Holding Co., 6.95%, 4/15/29	1,138,708
738[2,3]	Corral Finans AB, 6.855%, 4/15/10 (Sweden)	697,569
250	DTE Energy Co., 7.05%, 6/01/11	263,126
1,000	Dominion Resources, Inc., 5.70%, 9/17/12	1,012,104
125	Edison Mission Energy, 7.50%, 6/15/13	126,719
175	El Paso Natural Gas Co., 8.375%, 6/15/32	203,997
31	Elwood Energy LLC, 8.159%, 7/05/26	31,764
	Encore Acquisition Co.,	
30	6.00%, 7/15/15	27,150
40	7.25%, 12/01/17	38,300
275	Exco Resources, Inc., 7.25%, 1/15/11	271,562
1,075	FirstEnergy Corp., Ser. C, 7.375%, 11/15/31	1,173,577
360[2]	Forest Oil Corp., 7.25%, 6/15/19	360,000
60	Grant Prideco, Inc., Ser. B, 6.125%, 8/15/15	60,300
225	KCS Energy, Inc., 7.125%, 4/01/12	221,625
426	Midwest Generation LLC, Ser. B, 8.56%, 1/02/16	457,680
185	Mirant Americas Generation LLC, 8.30%, 5/01/11	187,081
	NRG Energy, Inc.,	
50	7.25%, 2/01/14	50,000
285	7.375%, 2/01/16	284,287
250	Occidental Petroleum Corp., 6.75%, 1/15/12	264,973
320[2]	OPTI, Inc., 8.25%, 12/15/14 (Canada)	320,800
140	Orion Power Holdings, Inc., 12.00%, 5/01/10	154,700

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Strategic Bond Trust (BHD) (continued)
(Percentages shown are based on Net Assets)

Principal Amount (000)	Description	Value
Energy (cont d)		
$ 1,000	Progress Energy, Inc., 7.75%, 3/01/31	$ 1,174,755
305	Sabine Pass LNG LP, 7.50%, 11/30/16	298,900
275[2]	SemGroup LP, 8.75%, 11/15/15	264,000
400[2]	Targa Resources, Inc., 8.50%, 11/01/13	404,000
330	Whiting Petroleum Corp., 7.25%, 5/01/12-5/01/13	324,375
25	Williams Cos., Inc., 7.125%, 9/01/11	25,938
	Total Energy	10,701,328
Entertainment & Leisure 0.8%		
200	AMC Entertainment, Inc., 11.00%, 2/01/16	216,500
225[2]	Greektown Holdings LLC, 10.75%, 12/01/13	223,875
85	Harrah s Operating Co., Inc., 5.75%, 10/01/17	62,688
190	Seneca Gaming Corp., Ser. B, 7.25%, 5/01/12	191,425
115	Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp.,	
	6.625%, 12/01/14	112,987
	Total Entertainment & Leisure	807,475
Financial Institutions 10.2%		
102	AES Ironwood LLC, 8.857%, 11/30/25	110,975
	American Real Estate Partners LP/American Real Estate Finance Corp.,	
230	7.125%, 2/15/13	224,250
860	8.125%, 6/01/12	866,450
106[2,3]	BMS Holdings, Inc., 12.40%, 2/15/12	101,985
	Ford Motor Credit Co. LLC,	
1,600[3]	6.813%, 1/15/10	1,524,146
150[3]	7.993%, 1/13/12	138,866
250	7.80%, 6/01/12	234,894
1,500	HSBC Bank, Inc., 3.875%, 9/15/09	1,469,899
572[2]	iPayment Investors LP, 11.625%, 7/15/14	589,367
175	iPayment, Inc., 9.75%, 5/15/14	168,000
325	MetLife, Inc., 6.125%, 12/01/11	336,267
	Momentive Performance Materials, Inc.,	
30[2]	9.75%, 12/01/14	29,250
445[2]	11.50%, 12/01/16	429,425
	Rainbow National Services LLC,	
210[2]	8.75%, 9/01/12	218,400
1,455[2]	10.375%, 9/01/14	1,600,500
570[5]	Structured Asset Receivable Trust, 1.649%, 1/21/10	564,635
1,000[2]	TIAA Global Markets, Inc., 3.875%, 1/22/08	997,133
50[3]	Universal City Florida Holding Co. I/II, 9.661%, 5/01/10	51,125
425[2]	Wimar Opco LLC/Wimar Opco Finance Corp.,	
	9.625%, 12/15/14	318,750
	Total Financial Institutions	9,974,317
Health Care 3.4%		
1,000	Merck & Co., Inc., 4.375%, 2/15/13	969,871
320	Tenet Healthcare Corp., 6.50%, 6/01/12	271,200
1,000	WellPoint, Inc., 5.95%, 12/15/34	966,030
1,000	Wyeth, 6.50%, 2/01/34	1,055,966

	Total Health Care	3,263,067
Industrials 1.7%		
260[2]	AGY Holding Corp., 11.00%, 11/15/14	256,100
100	Hexcel Corp., 6.75%, 2/01/15	98,250
300	Park-Ohio Industries, Inc., 8.375%, 11/15/14	279,750
	RBS Global, Inc./Rexnord Corp.,	
350	9.50%, 8/01/14	361,375
225	11.75%, 8/01/16	238,500
470[1]	Sunstate Equipment Co. LLC, 10.50%, 4/01/13	451,200
	Total Industrials	1,685,175
Media 14.4%		
400	Adelphia Communications Corp., 10.50%, 12/31/49	66,000
	Affinion Group, Inc.,	
435	10.125%, 10/15/13	453,487
220	11.50%, 10/15/15	229,350
125	American Media Operations, Inc., Ser. B, 10.25%, 5/01/09	119,688

Principal Amount (000)	Description	Value
Media (cont d)		
$ 1,000	AOL Time Warner, Inc., 7.70%, 5/01/32	$ 1,123,704
120[3]	Cablevision Systems Corp., Ser. B, 9.644%, 4/01/09	123,300
80	CanWest MediaWorks, Inc., 8.00%, 9/15/12 (Canada)	78,000
215	Charter Communications Holdings I LLC/Charter Communications Holdings I Capital Corp., 11.00%, 10/01/15	208,550
	Charter Communications Holdings II LLC/Charter Communications Holdings II Capital Corp.,	
605	10.25%, 9/15/10	617,100
105	Ser. B, 10.25%, 9/15/10	106,838
500	CMP Susquehanna Corp., 9.875%, 5/15/14	459,375
1,000	Comcast Cable Communications, Inc., 6.875%, 6/15/09	1,025,415
50	Dex Media West LLC/Dex Media Finance Co., Ser. B, 9.875%, 8/15/13	53,313
100	DirecTV Holdings LLC/DirecTV Financing Co., 8.375%, 3/15/13	104,500
	EchoStar DBS Corp.,	
550	5.75%, 10/01/08	548,625
210	7.00%, 10/01/13	218,662
45	7.125%, 2/01/16	47,025
500[2,3]	ION Media Networks, Inc., 8.493%, 1/15/12	501,250
485	Idearc, Inc., 8.00%, 11/15/16	486,212
405	Network Communications, Inc., 10.75%, 12/01/13	407,531
1,500	News America, Inc., 6.20%, 12/15/34	1,454,229
560	Nexstar Finance, Inc., 7.00%, 1/15/14	537,600
	Nielsen Finance LLC/Nielsen Finance Co.,	
220[6]	9.115%, 8/01/16	158,950
710	10.00%, 8/01/14	747,275
945	RH Donnelley Corp., Ser. A-3, 8.875%, 1/15/16	945,000
70	Sinclair Broadcast Group, Inc., 4.875%, 7/15/18	63,459
80	Sirius Satellite Radio, Inc., 9.625%, 8/01/13	79,500
1,000	TCI Communications, Inc., 7.875%, 2/15/26	1,138,691
750[2]	TL Acquisitions, Inc., 10.50%, 1/15/15	746,250
275[2]	Univision Communications, Inc., 9.75%, 3/15/15	269,500
445	Vertis, Inc., 9.75%, 4/01/09	445,000
85	Viacom, Inc., 6.625%, 5/15/11	88,370
370	Young Broadcasting, Inc., 10.00%, 3/01/11	347,800
	Total Media	13,999,549
Real Estate 0.5%		

500	ERP Operating LP, 6.95%, 3/02/11	521,745
Technology 3.8%		
	Amkor Technology, Inc.,	
50	7.75%, 5/15/13	48,375
90	9.25%, 6/01/16	92,025
565	Celestica, Inc., 7.625%, 7/01/13 (Canada)	542,400
	Freescale Semiconductor, Inc.,	
540	9.125%, 12/15/14	488,700
100[3]	9.569%, 12/15/14	91,875
340	NXP BV/NXP Funding LLC, 9.50%, 10/15/15 (Netherlands)	321,300
345	Sanmina-SCI Corp., 8.125%, 3/01/16	302,738
	SunGard Data Systems, Inc.,	
140	9.125%, 8/15/13	142,800
610	10.25%, 8/15/15	635,925
1,010	Superior Essex Communications LLC/Essex Group, Inc.,	
	9.00%, 4/15/12	997,375
	Total Technology	3,663,513
Telecommunications 12.2%		
190	Cincinnati Bell, Inc., 7.25%, 7/15/13	190,475
140	Cricket Communications, Inc., 9.375%, 11/01/14	138,950
	Digicel Group Ltd. (Bermuda)	
170[2]	8.875%, 1/15/15	158,746
540[2]	9.125%, 1/15/15	503,957
130[3]	Hawaiian Telcom Communications, Inc., Ser. B,	
	10.318%, 5/01/13	131,625
355	Intelsat Corp., 9.00%, 6/15/16	362,987

See Notes to Financial Statements.

Portfolio of Investments as of October 31, 2007

BlackRock Strategic Bond Trust (BHD) (concluded)
(Percentages shown are based on Net Assets)

	Principal Amount (000)	Description		Value
Telecommunications (cont d)				
		Intelsat Ltd. (Bermuda)		
$	85[3]	8.886%, 1/15/15	$	86,275
	300	9.25%, 6/15/16		311,250
	170	11.25%, 6/15/16		182,750
	730[3]	11.409%, 6/15/13		761,025
	240	Intelsat Subsidiary Holding Co. Ltd., 8.625%, 1/15/15 (Bermuda)		243,600
	90[2]	MetroPCS Wireless, Inc., 9.25%, 11/01/14		89,325
	500[2]	Nordic Telephone Co. Holdings A.p.S., 8.875%, 5/01/16 (Denmark)		528,750
	410[2,3]	Nortel Networks Ltd., 9.493%, 7/15/11 (Canada)		404,875
	125	PanAmSat Corp., 9.00%, 8/15/14		127,500
		Qwest Corp.,		
	200	7.875%, 9/01/11		211,000
	340[3]	8.944%, 6/15/13		362,525
	1,500	SBC Communications, Inc., 6.45%, 6/15/34		1,558,848
	1,000	Telecom Italia Capital S.A., 4.95%, 9/30/14 (Luxembourg)		957,141
	2,000	Verizon New England, Inc., 6.50%, 9/15/11		2,078,264
	1,000	Vodafone Group Plc, 7.75%, 2/15/10 (United Kingdom)		1,057,537
	590	West Corp., 11.00%, 10/15/16		618,025
	250[2]	Wind Acquisition Finance S.A., 10.75%, 12/01/15 (Luxembourg)		278,125
		Windstream Corp.,		
	360	8.125%, 8/01/13		380,700
	170	8.625%, 8/01/16		181,900
		Total Telecommunications		11,906,155
Transportation 2.2%				
	125	American Airlines, Inc., Ser. 99-1, 7.324%, 4/15/11		123,438
	80	Britannia Bulk Plc, 11.00%, 12/01/11 (United Kingdom)		84,000
	500	Canadian National Railway Co., 6.90%, 7/15/28 (Canada)		542,396
	475	CHC Helicopter Corp., 7.375%, 5/01/14 (Canada)		459,562
	425	Navios Maritime Holdings, Inc., 9.50%, 12/15/14 (Marshall Islands)		449,438
	300	Overseas Shipholding Group, Inc., 8.25%, 3/15/13		309,750
	240[2]	St. Acquisition Corp., 12.50%, 5/15/17		153,000
		Total Transportation		2,121,584
		Total Corporate Bonds		82,294,635
U.S. Government and Agency Securities 3.9%				
		U.S. Treasury Bonds,		
	130	4.75%, 2/15/37		129,929
	410	5.375%, 2/15/31		444,210
		U.S. Treasury Notes,		
	810	4.125%, 8/15/10		813,924
	1,075	4.25%, 8/15/13-8/15/15		1,077,249
	550	4.875%, 8/15/16		567,359
	710	4.75%, 5/15/14		729,691
		Total U.S. Government and Agency Securities		3,762,362

Shares	Description		Value
Trust Preferred Stock 0.7%			
650[2,3,7]	Barclays Bank Plc, 8.55% (United Kingdom)		699,144
Common Stocks 0.2%			
396,568[1,8]	Adelphia Recovery Trust	$	29,742
947[1,8]	Critical Care Systems Intl., Inc.		5,919
6,388[8]	Time Warner Cable, Inc.		182,633
	Total Common Stocks		218,294
Preferred Stock 0.0%			
50,000[1]	Superior Essex Holding Corp., Ser. A, 9.50%		31,000
	Total Long-Term Investments (cost $87,726,069)		87,005,435

Principal Amount (000)			
SHORT-TERM INVESTMENT 9.3%			
U.S. Government and Agency Discount Notes 9.3%			
$ 9,000[9]	Federal Home Loan Bank Disc. Notes, 4.401%, 11/01/07 (cost $9,000,000)		9,000,000
Total investments 98.6% (cost $96,726,069[10])		$	96,005,435
Other assets in excess of liabilities 1.4%			1,404,288
Net Assets 100%		**$**	**97,409,723**

1 Security is fair valued.

2 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2007, the Trust held 13.4% of its net assets, with a current market value of $13,035,212, in securities restricted as to resale.

3 Variable rate security. Rate shown is interest rate as of October 31, 2007.

4 Entire or partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4 in the Notes to Financial Statements for details of open reverse repurchase agreements.

5 Illiquid security. As of October 31, 2007, the Trust held 0.6% of its net assets, with a current market value of $564,635, in these securities.

6 Represents a step up bond; the interest rate shown reflects the effective yield at the time of purchase.

7 The security is a perpetual bond and has no stated maturity date.

8 Non-income producing security.

9 Rate shown is the yield to maturity as of the date of purchase.

10 Cost for federal income tax purposes is $96,796,459. The net unrealized depreciation on a tax basis is $791,024, consisting of $1,347,299 gross unrealized appreciation and $2,138,323 gross unrealized depreciation.

For Trust compliance purposes, the Trust s sector and industry classifications refer to any one or more of the Standard Industry Codes as defined by the SEC. This definition may not apply for purposes of this report, which may combine sector and industry sub-classifications for reporting ease.

See Notes to Financial Statements.

Statements of Assets and Liabilities

October 31, 2007		BlackRock Broad Investment Grade 2009 Term Trust Inc.[1] (BCT)	BlackRock Core Bond Trust (BHK)	BlackRock High Yield Trust (BHY)	BlackRock Income Opportunity Trust (BNA)	BlackRock Income Trust Inc. (BKT)
Assets						
Investments at value, unaffiliated[2]	$	39,361,651	$ 667,583,920	$ 59,618,159	$ 725,931,579	$ 483,248,453
Investments at value, affiliated[3]			933,463		100,407	50,019
Investments in affiliates		21,616	83,837	31,411	156,215	187,780
Cash		179,354	184,465	63,169	23,022	210,894
Foreign currency at value[4]			17,962			
Receivable from investments sold			79,414,032	298,143	118,755,429	298,981,807
Variation margin receivable			285,126		196,616	2,503,972
Unrealized gain on foreign currency exchange contracts			21,131			
Interest receivable		191,706	5,893,932	1,376,913	6,113,470	3,266,783
Unrealized appreciation on interest rate swaps			5,366,013		6,167,813	19,676,308
Other assets			1,126	1,105	1,684	2,960
		39,754,327	759,785,007	61,388,900	857,446,235	808,128,976
Liabilities						
Reverse repurchase agreements			103,353,692		105,261,512	33,895,363
Payable for investments purchased			194,609,753	1,124,884	264,757,861	252,599,751
Variation margin payable						
Unrealized loss on foreign currency exchange contracts						
Loans payable				9,250,000		
Borrowed bonds at value[5]			80,405,639		85,300,660	35,402,682
Investments sold short at value						
Outstanding options written at value[6]			1,554,341		1,712,207	11,216,778
TBA sale commitments[7]			4,630,377		13,225,372	50,770,896
Unrealized depreciation on interest rate swaps			4,709,585		5,365,027	960,832
Unrealized depreciation on credit default swaps			462		98	
Interest payable			982,884	46,037	1,321,187	1,030,721
Deferred income liability						
Interest rate floors at value						3,683,965
Cash received as collateral			600,000		200,000	
Dividends payable		6,990	58,217	3,833	51,466	86,657
Investment advisory fees payable		18,502	217,707	54,216	192,939	230,091
Administration fees payable		5,046		5,163	32,156	53,098
Deferred Trustees fees		21,616	83,837	31,411	156,215	187,780
Payable to affiliates			11,894	316	9,053	14,467
Trustees fees		8,518	7,882	1,667	7,560	6,507
Other accrued expenses		124,676	223,510	89,117	248,045	338,437
		185,348	391,449,780	10,606,644	477,841,358	390,478,025
Preferred Shares at Redemption Value						
$0.001 par value per share and $25,000 liquidation value per share, including dividends payable[8]						
Net Assets Applicable to Common Shareholders	$	39,568,979	$ 368,335,227	$ 50,782,256	$ 379,604,877	$ 417,650,951

Composition of Net Assets Applicable to Common Shareholders					
Par value[9]	$ 29,571	$ 27,019	$ 6,419	$ 344,497	$ 639,425
Paid-in capital in excess of par	38,164,047	380,862,247	90,440,587	402,495,300	480,038,780
Cost of shares held in treasury[10]				(17,377,850)	
Undistributed (distributions in excess of) net investment income	4,863,653	(1,696,051)	116,650	768,824	(6,313,294)
Accumulated net realized gain (loss)	(3,222,230)	(9,982,656)	(36,529,058)	(5,053,727)	(62,361,817)
Net unrealized appreciation (depreciation)	(266,062)	(875,332)	(3,252,342)	(1,572,167)	5,647,857
Net assets applicable to common shareholders, October 31, 2007	$ 39,568,979	$ 368,335,227	$ 50,782,256	$ 379,604,877	$ 417,650,951
Net asset value[11]	$ 13.38	$ 13.63	$ 7.91	$ 11.02	$ 6.53
[1] Consolidated Statement of Assets and Liabilities					
[2] Investments at cost, unaffiliated	$ 39,627,713	$ 669,290,048	$ 62,870,501	$ 728,241,712	$ 489,276,096
[3] Investments at cost, affiliated	$	$ 926,771	$	$ 105,884	$ 52,584
[4] Foreign currency at cost	$	$ 17,603	$	$	$
[5] Proceeds received	$	$ 80,372,938	$	$ 85,264,516	$ 34,289,344
[6] Premiums received	$	$ 2,261,545	$	$ 2,478,560	$ 9,904,416
[7] Proceeds for TBA sale commitments	$	$ 4,627,832	$	$ 13,086,862	$ 49,863,740
[8] Preferred shares outstanding					
[9] Par value per share	$ 0.010	$ 0.001	$ 0.001	$ 0.010	$ 0.010
[10] Shares held in treasury				1,757,400	
[11] Common shares outstanding	2,957,093	27,018,774	6,418,859	34,449,693	63,942,536

See Notes to Financial Statements.

October 31, 2007	BlackRock Limited Duration Income Trust (BLW)	BlackRock Preferred and Equity Advantage Trust (BTZ)	BlackRock Strategic Bond Trust (BHD)
Assets			
Investments at value, unaffiliated[2]	$ 916,465,094	$ 1,645,791,043	$ 96,005,435
Investments at value, affiliated[3]			
Investments in affiliates	77,688		16,994
Cash	459,217	2,433,274	25,014
Foreign currency at value[4]	131,351		
Receivable from investments sold	7,605,343	17,269,931	381,617
Variation margin receivable		3,860,541	
Unrealized gain on foreign currency exchange contracts			
Interest receivable	14,216,297	18,988,818	1,752,232
Unrealized appreciation on interest rate swaps			
Other assets	1,796	1,756	1,101
	938,956,786	1,688,345,363	98,182,393
Liabilities			
Reverse repurchase agreements	109,286,907	88,290,625	413,123
Payable for investments purchased	140,394,085	7,757,330	152,692
Variation margin payable	39,234		
Unrealized loss on foreign currency exchange contracts	922,551		
Loans payable			
Borrowed bonds at value[5]		13,759,975	
Investments sold short at value		440,135	
Outstanding options written at value[6]		4,130,100	
TBA sale commitments[7]			
Unrealized depreciation on interest rate swaps			
Unrealized depreciation on credit default swaps	313,338		
Interest payable	3,774,842	245,379	
Deferred income liability	65,081		
Interest rate floors at value			
Cash received as collateral			
Dividends payable	260,642	1,522,131	20,589
Investment advisory fees payable	371,728	929,772	49,601
Administration fees payable			
Deferred Trustees fees	77,688		16,994
Payable to affiliates	22,039	25,990	6,950
Trustees fees	10,448	11,625	4,714
Other accrued expenses	308,782	421,347	108,007
	255,847,365	117,534,409	772,670
Preferred Shares at Redemption Value			
$0.001 par value per share and $25,000 liquidation value per share, including dividends payable[8]		462,276,473	
Net Assets Applicable to Common Shareholders	$ 683,109,421	$ 1,108,534,481	$ 97,409,723
Composition of Net Assets Applicable to Common Shareholders			
Par value[9]	$ 36,890	$ 51,828	$ 7,058
Paid-in capital in excess of par	701,305,214	1,206,156,456	98,443,594
Cost of shares held in treasury[10]			
Undistributed (distributions in excess of) net investment income	800,386	(276,473)	197,208
Accumulated net realized gain (loss)	(172,492)	(45,444,375)	(517,503)

Net unrealized appreciation (depreciation)		(18,860,577)		(51,952,955)		(720,634)
Net assets applicable to common shareholders, October 31, 2007	$	683,109,421	$	1,108,534,481	$	97,409,723
Net asset value[11]	$	18.52	$	21.39	$	13.80
[1] Consolidated Statement of Assets and Liabilities						
[2] Investments at cost, unaffiliated	$	933,594,349	$	1,693,312,884	$	96,726,069
[3] Investments at cost, affiliated	$		$		$	
[4] Foreign currency at cost	$	130,848	$		$	
[5] Proceeds received	$		$	14,285,318	$	
[6] Premiums received	$		$	5,426,127	$	
[7] Proceeds for TBA sale commitments	$		$		$	
[8] Preferred shares outstanding				18,480		
[9] Par value per share	$	0.001	$	0.001	$	0.001
[10] Shares held in treasury						
[11] Common shares outstanding		36,889,650		51,828,157		7,058,402

Statements of Operations

For the year ended October 31, 2007	BlackRock Broad Investment Grade 2009 Term Trust Inc.[1] (BCT)	BlackRock Core Bond Trust (BHK)	BlackRock High Yield Trust (BHY)	BlackRock Income Opportunity Trust (BNA)	BlackRock Income Trust Inc. (BKT)
Investment Income					
Interest income	$ 2,158,502	$ 25,484,417	$ 6,149,702	$ 28,944,530	$ 30,455,219
Dividend income		32,154	12,606	29,926	
Foreign taxes withheld				(2,097)	
Income from affiliates	334	4,101	853	6,247	8,557
Affiliated income		52,860		63,456	3,731
Total investment income	2,158,836	25,573,532	6,163,161	29,042,062	30,467,507
Expenses					
Investment advisory	221,437	2,263,497	727,265	2,268,956	2,680,534
Administration	60,392		69,263	378,159	618,585
Transfer agent	9,182	14,489	14,192	21,836	66,456
Custodian	63,355	249,091	113,949	231,868	268,396
Reports to shareholders	30,278	102,521	33,297	118,718	155,712
Directors/Trustees	10,093	35,499	5,698	35,718	36,317
Registration	932	11,073	10,987	15,345	25,782
Independent accountants	43,608	75,556	44,407	75,692	75,973
Legal	8,402	63,123	47,523	56,054	53,381
Officers fees	973	8,848	1,217	9,108	10,206
Insurance	2,087	20,151	3,620	22,254	25,791
Organization					
Auction agent					
Deferred Trustees fees	334	4,101	853	6,247	8,557
Miscellaneous	16,158	42,697	16,125	44,253	48,243
Total expenses excluding interest expense and excise tax	467,231	2,890,646	1,088,396	3,284,208	4,073,933
Interest expense		2,986,285	1,050,907	4,308,893	7,442,611
Excise tax	283,057				
Total expenses	750,288	5,876,931	2,139,303	7,593,101	11,516,544
Less advisory fees waived					
Less fees paid indirectly		(9,486)	(8,027)	(12,757)	(22,750)
Net expenses	750,288	5,867,445	2,131,276	7,580,344	11,493,794
Net investment income	1,408,548	19,706,087	4,031,885	21,461,718	18,973,713
Realized and Unrealized Gain (Loss)					
Net realized gain on:					
Investments	16,829	2,932,807	(2,479,994)	2,379,781	5,100,250

Foreign currency		(243,679)		1,864	
Futures and swaps		(2,641,007)	5,700	(561,310)	(14,906,137)
Interest rate floors		3,316		3,654	3,623
Options written		472,353	23,138	505,900	66,100
Short sales		(181,836)	1,000	(216,750)	(631,861)
	16,829	341,954	(2,450,156)	2,113,139	(10,368,025)
Net change in unrealized appreciation on:					
Investments	23,668	1,396,645	2,730,808	34,707	9,813,510
Foreign currency		84,610			
Futures and swaps		(4,729,198)		(5,924,500)	14,400,816
Interest rate floors					(993,376)
Options written		(224,655)		(232,716)	(2,301,793)
Short sales and borrowed bonds		(35,246)		39,033	(2,547,439)
	23,668	(3,507,844)	2,730,808	(6,083,476)	18,371,718
Net gain (loss)	40,497	(3,165,890)	280,652	(3,970,337)	8,003,693
Dividends from Net Investment Income to Preferred Shareholders					
Net Increase (Decrease) in Net Assets Applicable to Common Shareholders Resulting from Operations	$ 1,449,045	$ 16,540,197	$ 4,312,537	$ 17,491,381	$ 26,977,406

1 Consolidated Statement of Operations.
2 Commencement of investment of operations for Preferred and Equity Advantage Trust was December 27, 2006. This information includes the initial investment by BlackRock Funding, Inc.

See Notes to Financial Statements.

For the year ended October 31, 2007	BlackRock Limited Duration Income Trust (BLW)	BlackRock Preferred and Equity Advantage Trust[2] (BTZ)	BlackRock Strategic Bond Trust (BHD)
Investment Income			
Interest income	$ 70,129,223	$ 59,961,405	$ 7,972,023
Dividend income	25,138	23,665,646	6,407
Foreign taxes withheld		(72,205)	
Income from affiliates	4,008		629
Affiliated income			
Total investment income	70,158,369	83,554,846	7,979,059
Expenses			
Investment advisory	4,890,429	9,017,835	791,363
Administration			
Transfer agent	13,687	12,720	13,605
Custodian	458,823	194,874	99,288
Reports to shareholders	192,757	140,899	31,092
Directors/Trustees	42,093	42,388	10,395
Registration	16,509	14,642	10,969
Independent accountants	52,443	53,616	40,196
Legal	82,107	56,724	16,601
Officers fees	16,420	27,170	2,349
Insurance	47,141	55,998	5,517
Organization		15,000	
Auction agent		766,268	
Deferred Trustees fees	4,008		629
Miscellaneous	67,545	73,222	14,377
Total expenses excluding interest expense and excise tax	5,883,962	10,471,356	1,036,381
Interest expense	9,171,719	8,445,410	389,572
Excise tax		14,538	
Total expenses	15,055,681	18,931,304	1,425,953
Less advisory fees waived			(176,670)
Less fees paid indirectly	(116,925)	(150,583)	(5,761)
Net expenses	14,938,756	18,780,721	1,243,522
Net investment income	55,219,613	64,774,125	6,735,537
Realized and Unrealized Gain (Loss)			
Net realized gain on:			
Investments	5,056,888	(1,920,106)	999,009
Foreign currency	(2,379,054)		
Futures and swaps	442,248	(29,263,030)	
Interest rate floors			
Options written		(18,088,249)	

Short sales		3,748,880	
	3,120,082	(45,522,505)	999,009
Net change in unrealized appreciation on:			
Investments	(19,529,245)	(47,521,841)	(1,416,472)
Foreign currency	(918,619)		
Futures and swaps	(773,728)	(5,812,349)	
Interest rate floors			
Options written		1,296,027	
Short sales and borrowed bonds		85,208	
	(21,221,592)	(51,952,955)	(1,416,472)
Net gain (loss)	(18,101,510)	(97,475,460)	(417,463)
Dividends from Net Investment Income to Preferred Shareholders		(16,313,570)	
Net Increase (Decrease) in Net Assets Applicable to Common Shareholders Resulting from Operations	$ 37,118,103	$ (49,014,905)	$ 6,318,074

Statements of Cash Flows

For the Year Ended October 31, 2007	BlackRock Core Bond Trust (BHK)	BlackRock High Yield Trust (BHY)	BlackRock Income Opportunity Trust (BNA)
Cash Flows Provided by (Used for) Operating Activities			
Net increase (decrease) in net assets resulting from operations, excluding dividends to preferred shareholders	$ 16,540,197	$ 4,312,537	$ 17,491,381
Adjustments to Reconcile Net Increase (Decrease) in Net Assets Resulting from Operations to Net Cash from Operating Activities			
Purchases of long-term investments	(1,941,701,638)	(45,730,396)	(2,429,447,517)
Proceeds from sales of long-term investments	1,733,431,910	53,761,581	2,211,685,787
Net proceeds (purchases) of short-term investments	889,872	1,609,785	4,896,196
Decrease (Increase) in borrowed bond agreements	(80,490,000)		(85,383,875)
Amortization of premium and discount on investments	2,145,093	(52,354)	1,397,029
Net realized loss (gain) on investments	(2,931,258)	2,479,994	(2,379,781)
Decrease (Increase) in unrealized appreciation/depreciation on investments	(1,396,645)	(2,730,808)	(34,707)
Net effect of exchange rates on foreign currency	243,678		(1,864)
Increase in investments sold short and borrowed bonds	80,405,639		85,300,660
Increase (Decrease) in outstanding options written	(573,431)		(610,347)
Increase (Decrease) in TBA sale commitments	4,630,377		(12,762,315)
Decrease in interest rate floor			
Decrease (Increase) in unrealized appreciation (depreciation) on swaps	1,779,656		2,004,890
Decrease (Increase) in credit default swaps	(44,465)		(49,874)
Increase in investments in affiliates	(4,101)	(852)	(6,247)
Decrease (Increase) in receivable for investments sold	(79,018,214)	(76,424)	(92,217,031)
Decrease in unrealized gain on foreign currency exchange contracts	62,356		
Decrease (Increase) in variation margin receivable	348,212		613,478
Decrease (Increase) in interest receivable	(541,245)	187,539	(563,244)
Decrease (Increase) in other assets	21,210	2,902	27,891
Increase (Decrease) in payable for investments purchased	183,643,965	1,064,252	251,167,512
Decrease in payable for dollar rolls			
Increase in unrealized loss on foreign currency exchange contracts			
Increase in variation margin payable			
Increase (Decrease) in interest payable	300,147	(40,863)	444,016
Increase in deferred income			
Increase (Decrease) in investment advisory fee payable	70,571	9,609	(1,049)
Increase (Decrease) in cash with brokers as collateral			(400,000)
Increase (Decrease) in administration fee payable		3,006	(33,664)
Increase in Deferred Directors/Trustees fees	4,101	852	6,247
Increase (Decrease) in payable to affiliates	(5,945)	(664)	3,248
Increase (Decrease) in Officers & Trustees fees	7,882	1,667	7,560
Increase in accrued expenses	44,363	11,260	77,837
Total adjustments	(98,677,910)	10,500,086	(66,259,164)
Net cash provided by (used for) operating activities	$ (82,137,713)	$ 14,812,623	$ (48,767,783)
Cash flows provided by (used for) financing activities:			
Capital contributions			
Increase (Decrease) in reverse repurchase agreements	99,442,604		70,935,354
Draws on loan		3,000,000	
Payments on loan		(14,000,000)	
Increase in preferred shares at redemption value including dividends payable			
Cash dividends paid	(21,664,877)	(3,911,685)	(22,685,337)

Distributions to Preferred Shareholders

Net cash provided by (used for) financing activities:	$	77,777,727	$	(14,911,685)	$	48,250,017
Net increase (decrease) in cash		(4,359,986)		(99,062)		(517,766)
Cash and foreign currency at beginning of year		4,562,413		162,231		540,788
Cash and foreign currency at end of year	$	202,427	$	63,169	$	23,022
Cash paid during the period for interest	$	2,686,138	$	1,091,770	$	3,864,877
Non cash financing activities not included herein consist of reinvestment of dividends of	$		$	12,289	$	

[1] Commencement of investment of operations for Preferred and Equity Advantage Trust was December 27, 2006. This information includes the initial investment by BlackRock Funding, Inc.

See Notes to Financial Statements.

For the Year Ended October 31, 2007	BlackRock Income Trust Inc. (BKT)	BlackRock Limited Duration Income Trust (BLW)	BlackRock Preferred and Equity Advantage Trust (BTZ)[1]
Cash Flows Provided by (Used for) Operating Activities			
Net increase (decrease) in net assets resulting from operations, excluding dividends to preferred shareholders	$ 26,977,406	$ 37,118,103	$ (32,701,335)
Adjustments to Reconcile Net Increase (Decrease) in Net Assets Resulting from Operations to Net Cash from Operating Activities			
Purchases of long-term investments	(2,648,040,603)	(2,075,694,027)	(3,036,455,711)
Proceeds from sales of long-term investments	2,705,505,681	2,184,331,730	1,384,949,447
Net proceeds (purchases) of short-term investments	(453,891)	(3,048,518)	(29,250,052)
Decrease (Increase) in borrowed bond agreements	25,681,719		(13,832,286)
Amortization of premium and discount on investments	12,697,538	2,200,638	(644,388)
Net realized loss (gain) on investments	(5,100,250)	(5,056,888)	1,920,106
Decrease (Increase) in unrealized appreciation/depreciation on investments	(9,813,510)	19,529,245	47,521,841
Net effect of exchange rates on foreign currency		2,379,053	
Increase in investments sold short and borrowed bonds	(25,665,758)		14,200,110
Increase (Decrease) in outstanding options written	8,893,649		4,130,100
Increase (Decrease) in TBA sale commitments	34,189,494		
Decrease in interest rate floor	1,789,109		
Decrease (Increase) in unrealized appreciation (depreciation) on swaps			
Decrease (Increase) in credit default swaps	(17,631,968)	313,338	
Increase in investments in affiliates	(8,558)	(4,008)	
Decrease (Increase) in receivable for investments sold	(282,517,813)	(4,213,569)	(17,269,931)
Decrease in unrealized gain on foreign currency exchange contracts			
Decrease (Increase) in variation margin receivable	(2,503,972)		(3,860,541)
Decrease (Increase) in interest receivable	1,027,688	1,254,444	(18,988,818)
Decrease (Increase) in other assets	24,976	56,737	(1,756)
Increase (Decrease) in payable for investments purchased	252,599,751	828,336	7,757,330
Decrease in payable for dollar rolls	(15,527,433)		
Increase in unrealized loss on foreign currency exchange contracts		885,571	
Increase in variation margin payable	(1,068,671)	2,254	
Increase (Decrease) in interest payable	(572,515)	3,099,604	245,379
Increase in deferred income		65,081	
Increase (Decrease) in investment advisory fee payable	2,351	(51,146)	929,772
Increase (Decrease) in cash with brokers as collateral			
Increase (Decrease) in administration fee payable	(43,151)		
Increase in Deferred Directors/Trustees fees	8,558	4,008	
Increase (Decrease) in payable to affiliates	(33,285)	3,531	25,990
Increase (Decrease) in Officers & Trustees fees	6,507	10,448	11,625
Increase in accrued expenses	174,675	83,711	421,347
Total adjustments	33,620,318	126,979,573	(1,658,190,436)
Net cash provided by (used for) operating activities	60,597,724	$ 164,097,676	$ (1,690,891,771)
Cash flows provided by (used for) financing activities:			
Capital contributions			1,228,660,977
Increase (Decrease) in reverse repurchase agreements	(36,795,262)	(110,712,624)	88,290,625
Draws on loan			
Payments on loan			
Increase in preferred shares at redemption value including dividends payable			462,276,473
Cash dividends paid	(23,699,970)	(52,954,140)	(69,589,460)
Distributions to Preferred Shareholders			(16,313,570)

Net cash provided by (used for) financing activities:		(60,495,232)	$	(163,666,764)	$	1,693,325,045
Net increase (decrease) in cash		102,492		430,912		2,433,274
Cash and foreign currency at beginning of year		108,402		159,656		
Cash and foreign currency at end of year		210,894	$	590,568	$	2,433,274
Cash paid during the period for interest		7,917,798	$	6,072,115	$	8,163,917
Non cash financing activities not included herein consist of reinvestment of dividends of	$		$	2,057,525	$	1,748,836

Statements of Changes in Net Assets
For the years ended October 31, 2007 and 2006

	BlackRock Broad Investment Grade 2009 Term Trust Inc.[1] (BCT)		BlackRock Core Bond Trust (BHK)	
Net Increase (Decrease) in Net Assets	**2007**	**2006**	**2007**	**2006**
Operations				
Net investment income	$ 1,408,548	$ 1,918,798	$ 19,706,087	$ 17,700,447
Net realized gain (loss)	16,829	(493,395)	341,954	(8,285,073)
Net change in unrealized appreciation/depreciation	23,668	341,005	(3,507,844)	11,551,542
Net increase in net assets resulting from operations	1,449,045	1,766,408	16,540,197	20,966,916
Dividends and Distributions to Common Shareholders from:				
Net investment income	(2,661,384)	(4,191,834)	(16,495,698)	(25,048,230)
Net realized gains		(69,260)		(7,914,351)
Tax return of capital			(5,227,396)	
Total dividends and distributions	(2,661,384)	(4,261,094)	(21,723,094)	(32,962,581)
Capital Share Transactions:				
Reinvestment of common dividends				
Total increase (decrease)	(1,212,339)	(2,494,686)	(5,182,897)	(11,995,665)
Net Assets				
Beginning of year	40,781,318	43,276,004	373,518,124	385,513,789
End of year	$ 39,568,979	$ 40,781,318	$ 368,335,227	$ 373,518,124
End of year undistributed (distribution in excess of) net investment income	$ 4,863,653	$ 5,833,604	$ (1,696,051)	$ (5,693,238)

1 Consolidated Statement of Changes in Net Assets.

	BlackRock Limited Duration Income Trust (BLW)		BlackRock Preferred and Equity Advantage Trust[1] (BTZ)
Net Increase (Decrease) in Net Assets Applicable to Common Shareholders	**2007**	**2006**	**2007**
Operations:			
Net investment income	$ 55,219,613	$ 49,596,055	$ 64,774,125

Net realized gain (loss)	3,120,082	(1,589,905)	(45,522,505)
Net change in unrealized appreciation/depreciation	(21,221,592)	2,473,132	(51,952,955)
Dividends from net investment income to Preferred Shareholders:			(16,313,570)
Net increase (decrease) in net assets applicable to common shareholders resulting from operations	37,118,103	50,479,282	(49,014,905)
Dividends and Distributions to Common Shareholders from:			
Net investment income	(51,967,739)	(55,725,066)	(48,688,436)
Net realized gains	(2,229,742)		
Tax return of capital distributions	(1,074,826)	(760,960)	(24,171,991)
Total dividends and distributions	(55,272,307)	(56,486,026)	(72,860,427)
Capital Share Transactions:			
Net from the issuance of common shares			1,115,290,352
Net proceeds from the underwriters over-allotment exercised			113,370,625
Reinvestment of common dividends	2,057,525	251,427	1,748,836
	2,057,525	251,427	1,230,409,813
Total increase (decrease)	(16,096,679)	(5,755,317)	1,108,534,481
Net Assets Applicable to Common Shareholders			
Beginning of period	699,206,100	704,961,417	
End of period	$ 683,109,421	$ 699,206,100	$ 1,108,534,481
End of period undistributed (distribution in excess of) net investment income	$ 800,386	$ (36,700)	$ (276,473)

[1] Commencement of investment operations for Preferred and Equity Advantage Trust was December 27, 2006. This information includes the initial investment by BlackRock Funding, Inc.

See Notes to Financial Statements.

Net Increase (Decrease) in Net Assets	BlackRock High Yield Trust (BHY) 2007	BlackRock High Yield Trust (BHY) 2006	BlackRock Income Opportunity Trust (BNA) 2007	BlackRock Income Opportunity Trust (BNA) 2006	BlackRock Income Trust Inc. (BKT) 2007	BlackRock Income Trust Inc. (BKT) 2006
Operations						
Net investment income	$ 4,031,885	$ 4,211,671	$ 21,461,718	$ 19,514,794	$ 18,973,713	$ 20,352,044
Net realized gain (loss)	(2,450,156)	(2,067,969)	2,113,139	(7,330,378)	(10,368,025)	1,937,674
Net change in unrealized appreciation/depreciation	2,730,808	4,444,627	(6,083,476)	7,965,246	18,371,718	1,267,311
Net increase in net assets resulting from operations	4,312,537	6,588,329	17,491,381	20,149,662	26,977,406	23,557,029
Dividends and Distributions to Common Shareholders from:						
Net investment income	(3,927,807)	(4,175,232)	(20,862,233)	(22,238,524)	(18,808,452)	(21,910,288)
Net realized gains				(8,976,694)		
Tax return of capital			(1,874,570)	(2,162,198)	(4,978,175)	(5,576,693)
Total dividends and distributions	(3,927,807)	(4,175,232)	(22,736,803)	(33,377,416)	(23,786,627)	(27,486,981)
Capital Share Transactions:						
Reinvestment of common dividends	12,289	48,307				
Total increase (decrease)	397,019	2,461,404	(5,245,422)	(13,227,754)	3,190,779	(3,929,952)
Net Assets						
Beginning of year	50,385,237	47,923,833	384,850,299	398,078,053	414,460,172	418,390,124
End of year	$ 50,782,256	$ 50,385,237	$ 379,604,877	$ 384,850,299	$ 417,650,951	$ 414,460,172
End of year undistributed (distribution in excess of) net investment income	$ 116,650	$ 10,204	$ 768,824	$ (900,730)	$ (6,313,294)	$ (519,359)

Net Increase (Decrease) in Net Assets Applicable to Common Shareholders	BlackRock Strategic Bond Trust (BHD) 2007	BlackRock Strategic Bond Trust (BHD) 2006
Operations:		
Net investment income	$ 6,735,537	$ 6,965,538
Net realized gain (loss)	999,009	(759,640)

Net change in unrealized appreciation/depreciation		(1,416,472)		2,082,388
Dividends from net investment income to Preferred Shareholders:				
Net increase (decrease) in net assets applicable to common shareholders resulting from operations		6,318,074		8,288,286
Dividends and Distributions to Common Shareholders from:				
Net investment income		(6,521,963)		(6,969,104)
Net realized gains				
Tax return of capital distributions				(251,641)
Total dividends and distributions		(6,521,963)		(7,220,745)
Capital Share Transactions:				
Net from the issuance of common shares				
Net proceeds from the underwriters over-allotment exercised				
Reinvestment of common dividends				
Total increase (decrease)		(203,889)		1,067,541
Net Assets Applicable to Common Shareholders				
Beginning of period		97,613,612		96,546,071
End of period	$	97,409,723	$	97,613,612
End of period undistributed (distribution in excess of) net investment income	$	197,208	$	(16,366)

See Notes to Financial Statements.

Financial Highlights

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

	Year Ended October 31,				
	2007	**2006**	**2005**	**2004**	**2003**
Per Share Operating Performance					
Net asset value, beginning of year	$ 13.79	$ 14.63	$ 15.98	$ 16.02	$ 17.33
Investment operations:					
Net investment income	0.48	0.65	0.80	0.61	1.28
Net realized and unrealized gain (loss)	0.01	(0.05)	(0.87)	0.25	(1.40)
Net increase (decrease) from investment operations	0.49	0.60	(0.07)	0.86	(0.12)
Dividends and distributions from:					
Net investment income	(0.90)	(1.42)	(1.03)	(0.90)	(1.19)
Net realized gains		(0.02)	(0.25)		
Total dividends and distributions	(0.90)	(1.44)	(1.28)	(0.90)	(1.19)
Net asset value, end of year	$ 13.38	$ 13.79	$ 14.63	$ 15.98	$ 16.02
Market price, end of year	$ 15.15	$ 15.08	$ 15.86	$ 15.80	$ 15.85
Total Investment Returns[1]					
At net asset value	2.95%	3.53%	(0.82)%	5.52%	(0.61)%
At market value	6.60%	4.44%	8.74%	5.45%	5.32%
Ratios to Average Net Assets					
Total expenses	1.86%	1.14%	2.37%	2.48%	2.43%
Net expenses	1.86%	1.14%	2.37%	2.48%	2.43%
Net expenses excluding excise tax	1.16%	1.14%	1.19%	1.11%	1.18%
Net investment income	3.50%	4.50%	5.23%	3.83%	7.54%
Supplemental Data					
Average net assets (000)	$ 40,261	$ 42,625	$ 45,264	$ 47,191	$ 49,882
Portfolio turnover	10%	8%	116%	20%	39%
Net assets, end of year (000)	$ 39,569	$ 40,781	$ 43,276	$ 47,255	$ 47,381
Reverse repurchase agreements outstanding, end of year (000)	$	$	$	$ 19,263	$ 19,953
Asset coverage, end of year[2]	$	$	$	$ 3,453	$ 3,375
Reverse repurchase agreements average daily balance (000)	$	$	$ 7,865	$ 22,055	$ 19,409
Reverse repurchase agreements weighted average interest rate	%	%	2.32%	1.20%	1.21%

1 Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

2 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Financial Highlights

BlackRock Core Bond Trust (BHK)

	Year Ended October 31,				
	2007	**2006**	**2005**	**2004**	**2003**
Per Share Operating Performance					
Net asset value, beginning of year	$ 13.82	$ 14.27	$ 15.22	$ 14.75	$ 14.33
Investment operations:					
Net investment income	0.74	0.66	0.78	0.92	0.83
Net realized and unrealized gain (loss)	(0.13)	0.11	(0.37)	0.66	0.77
Net increase from investment operations	0.61	0.77	0.41	1.58	1.60
Dividends and distributions from:					
Net investment income	(0.61)	(0.93)	(1.01)	(0.86)	(1.00)
Net realized gains		(0.29)	(0.35)	(0.25)	(0.18)
Tax return of capital	(0.19)				
Total dividends and distributions	(0.80)	(1.22)	(1.36)	(1.11)	(1.18)
Net asset value, end of year	$ 13.63	$ 13.82	$ 14.27	$ 15.22	$ 14.75
Market price, end of year	$ 12.23	$ 12.86	$ 13.69	$ 14.02	$ 13.57
Total Investment Returns[1]					
At net asset value	5.04%	6.20%	3.18%	11.79%	11.76%
At market value	1.29%	3.07%	7.46%	11.93%	6.62%
Ratios to Average Net Assets					
Total expenses	1.60%	1.08%	1.50%	1.32%	1.05%
Net expenses	1.60%	1.08%	1.50%	1.32%	1.05%
Net expenses excluding interest expense	0.78%	0.77%	0.85%	0.92%	0.87%
Net investment income	5.36%	4.78%	5.20%	6.20%	5.58%
Supplemental Data					
Average net assets (000)	$ 367,577	$ 370,219	$ 402,783	$ 401,212	$ 401,049
Portfolio turnover	122%	88%	220%	398%	161%
Net assets, end of year (000)	$ 368,335	$ 373,518	$ 385,514	$ 411,163	$ 398,540
Reverse repurchase agreements outstanding, end of year (000)	$ 103,354	$ 3,911	$ 86,876	$ 102,474	$ 91,668
Asset coverage, end of year[2]	$ 4,564	$ 96,502	$ 5,438	$ 5,012	$ 5,348
Reverse repurchase agreements average daily balance (000)	$ 44,786	$ 25,340	$ 91,130	$ 145,094	$ 67,591
Reverse repurchase agreements weighted average interest rate	5.24%	4.54%	2.86%	1.11%	1.05%

[1] Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

[2] Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Financial Highlights

BlackRock High Yield Trust (BHY)

	Year Ended October 31,				
	2007	2006	2005	2004	2003
Per Share Operating Performance					
Net asset value, beginning of year	$ 7.85	$ 7.48	$ 7.95	$ 6.96	$ 6.13
Investment operations:					
Net investment income	0.63	0.66	0.68	0.92	1.06
Net realized and unrealized gain (loss)	0.04	0.36	(0.36)	1.02	0.89
Net increase from investment operations	0.67	1.02	0.32	1.94	1.95
Dividends and distributions from:					
Net investment income	(0.61)	(0.65)	(0.79)	(0.92)	(1.07)
Tax return of capital				(0.03)	(0.05)
Total dividends and distributions	(0.61)	(0.65)	(0.79)	(0.95)	(1.12)
Net asset value, end of year	$ 7.91	$ 7.85	$ 7.48	$ 7.95	$ 6.96
Market price, end of year	$ 6.92	$ 7.77	$ 7.36	$ 9.30	$ 10.25
Total Investment Returns[1]					
At net asset value	9.03%	14.25%	2.85%	26.24%	27.75%
At market value	(3.63) %	14.93%	(13.49) %	0.28%	32.87%
Ratios to Average Net Assets					
Total expenses	4.16%	4.50%	3.52%	2.69%	3.07%
Net expenses	4.14%	4.49%	3.51%	2.68%	3.07%
Net expenses excluding interest expense	2.10%	2.19%	2.10%	1.96%	2.22%
Net investment income	7.84%	8.74%	8.71%	12.16%	16.37%
Supplemental Data					
Average net assets (000)	$ 51,435	$ 48,176	$ 50,104	$ 48,186	$ 41,326
Portfolio turnover	69%	85%	102%	156%	30%
Net assets, end of year (000)	$ 50,782	$ 50,385	$ 47,924	$ 50,914	$ 44,438
Loan outstanding, end of year (000)	$ 9,250	$ 20,250	$ 20,750	$ 19,250	$ 19,250
Asset coverage, end of year[2]	$ 6,490	$ 3,488	$ 3,310	$ 3,645	$ 3,308
Loan average daily balance (000)	$ 17,710	$ 20,621	$ 20,425	$ 19,250	$ 19,250
Loan weighted average interest rate	5.28%	4.75%	2.87%	1.80%	1.96%

[1] Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

[2] Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Financial Highlights

BlackRock Income Opportunity Trust (BNA)

	Year Ended October 31,				
	2007	2006	2005	2004	2003
Per Share Operating Performance					
Net asset value, beginning of year	$ 11.17	$ 11.56	$ 12.38	$ 11.93	$ 11.83
Investment operations:					
Net investment income	0.62	0.57	0.72	0.76	0.84
Net realized and unrealized gain (loss)	(0.11)	0.01	(0.45)	0.53	0.31
Net increase from investment operations	0.51	0.58	0.27	1.29	1.15
Dividends and distributions from:					
Net investment income	(0.61)	(0.65)	(0.81)	(0.84)	(0.81)
Net realized gains		(0.26)	(0.28)		(0.24)
Tax return of capital	(0.05)	(0.06)			
Total dividends and distributions	(0.66)	(0.97)	(1.09)	(0.84)	(1.05)
Net asset value, end of year	$ 11.02	$ 11.17	$ 11.56	$ 12.38	$ 11.93
Market price, end of year	$ 10.19	$ 10.58	$ 10.90	$ 11.38	$ 10.95
Total Investment Returns[1]					
At net asset value	5.11%	5.76%	2.95%	11.90%	10.92%
At market value	2.62%	6.27%	5.53%	12.04%	14.71%
Ratios to Average Net Assets					
Total expenses	2.01%	1.61%	1.72%	1.11%	1.29%
Net expenses	2.00%	1.61%	1.72%	1.11%	1.29%
Net expenses excluding interest expense	0.87%	0.89%	0.87%	0.84%	0.89%
Net investment income	5.68%	5.11%	5.97%	6.29%	6.99%
Supplemental Data					
Average net assets (000)	$ 378,159	$ 381,726	$ 413,777	$ 415,131	$ 413,543
Portfolio turnover	196%	131%	396%	300%	46%
Net assets, end of year (000)	$ 379,605	$ 384,850	$ 398,078	$ 426,643	$ 410,981
Reverse repurchase agreements outstanding, end of year (000)	$ 105,262	$ 34,326	$ 120,179	$ 94,644	$ 103,378
Asset coverage, end of year[2]	$ 4,606	$ 12,212	$ 4,312	$ 5,508	$ 4,976
Reverse repurchase agreements average daily balance (000)	$ 68,241	$ 59,691	$ 122,457	$ 97,264	$ 136,172
Reverse repurchase agreements weighted average interest rate	5.27%	4.59%	2.87%	1.14%	1.22%

1 Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

2 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Financial Highlights

BlackRock Income Trust Inc. (BKT)

	Year Ended October 31,				
	2007	**2006**	**2005**	**2004**	**2003**
Per Share Operating Performance					
Net asset value, beginning of year	$ 6.48	$ 6.54	$ 6.95	$ 7.21	$ 8.13
Investment operations:					
Net investment income	0.30	0.32	0.44	0.51	0.61
Net realized and unrealized gain (loss)	0.12	0.05	(0.30)	(0.16)	(0.52)
Net increase from investment operations	0.42	0.37	0.14	0.35	0.09
Dividends and distributions from:					
Net investment income	(0.29)	(0.34)	(0.48)	(0.61)	(1.01)
Tax return of capital	(0.08)	(0.09)	(0.07)		
Total dividends and distributions	(0.37)	(0.43)	(0.55)	(0.61)	(1.01)
Net asset value, end of year	$ 6.53	$ 6.48	$ 6.54	$ 6.95	$ 7.21
Market price, end of year	$ 5.81	$ 6.07	$ 5.90	$ 7.50	$ 7.71
Total Investment Returns[1]					
At net asset value	7.06%	6.06%	2.12%	5.01%	1.20%
At market value	1.69%	10.18%	(14.63)%	5.97%	15.41%
Ratios to Average Net Assets					
Total expenses	2.77%	2.85%	2.80%	1.37%	1.36%
Net expenses	2.76%	2.84%	2.79%	1.37%	1.36%
Net expenses excluding interest expense	0.98%	1.00%	0.99%	0.97%	1.02%
Net investment income	4.60%	4.92%	6.54%	7.13%	8.18%
Supplemental Data					
Average net assets (000)	$ 412,390	$ 413,597	$ 430,035	$ 447,984	$ 472,676
Portfolio turnover	250%	80%	60%	120%	64%
Net assets, end of year (000)	$ 417,651	$ 414,460	$ 418,390	$ 442,635	$ 457,301
Reverse repurchase agreements outstanding, end of year (000)	$ 33,895	$ 70,691	$ 149,558	$ 223,736	$ 121,767
Asset coverage, end of year[2]	$ 13,322	$ 6,863	$ 3,798	$ 2,978	$ 4,756
Reverse repurchase agreements average daily balance (000)	$ 93,325	$ 104,393	$ 180,553	$ 158,278	$ 135,804
Reverse repurchase agreements weighted average interest rate	5.21%	4.54%	2.81%	1.12%	1.17%

[1] Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

[2] Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Financial Highlights

BlackRock Limited Duration Income Trust (BLW)

	Year Ended October 31,				For the Period July 30, 2003[1] through October 31, 2003
	2007	**2006**	**2005**	**2004**	
Per Share Operating Performance					
Net asset value, beginning of year	$ 19.01	$ 19.17	$ 20.13	$ 19.74	$ 19.10[2]
Investment operations:					
Net investment income	1.50	1.35	1.46	1.46	0.33
Net realized and unrealized gain (loss)	(0.49)	0.03	(0.94)	0.43	0.60
Net increase from investment operations	1.01	1.38	0.52	1.89	0.93
Dividends and distributions from:					
Net investment income	(1.41)	(1.52)	(1.33)	(1.49)	(0.25)
Net realized gains	(0.06)		(0.15)	(0.01)	
Tax return of capital	(0.03)	(0.02)			
Total dividends and distributions	(1.50)	(1.54)	(1.48)	(1.50)	(0.25)
Capital charges with respect to issuance of Common shares					(0.04)
Net asset value, end of year	$ 18.52	$ 19.01	$ 19.17	$ 20.13	$ 19.74
Market price, end of year	$ 16.68	$ 18.85	$ 17.48	$ 19.95	$ 18.80
Total Investment Returns[3]					
At net asset value	5.66%	7.85%	2.93%	10.17%	4.71%
At market value	(4.03)%	17.31%	(5.30)%	14.64%	(4.77)%
Ratios to Average Net Assets					
Total expenses	2.16%	2.20%	1.71%	1.26%	0.82%[4]
Net expenses	2.14%	2.19%	1.71%	1.25%	0.82%[4]
Net expenses excluding interest expense	0.83%	0.91%	0.92%	0.90%	0.79%[4]
Net investment income	7.92%	7.10%	7.42%	7.34%	6.87%[4]
Supplemental Data					
Average net assets (000)	$ 696,946	$ 698,382	$ 722,668	$ 730,369	$ 686,655
Portfolio turnover	65%	132%	70%	215%	127%
Net assets, end of year (000)	$ 683,109	$ 699,206	$ 704,961	$ 739,225	$ 724,747
Reverse repurchase agreements outstanding, end of year (000)	$ 109,287	$ 220,000	$ 176,010	$ 159,416	$ 118,993

Asset coverage, end of year[5]	$ 7,251	$ 4,178	$ 5,005	$ 5,637	$ 7,091
Reverse repurchase agreements average daily balance (000)	$ 172,040	$ 179,366	$ 186,660	$ 195,845	$ 26,591
Reverse repurchase agreements weighted average interest rate	5.28%	4.96%	3.08%	1.32%	0.76%

1 Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

2 Net asset value, beginning of period, reflects a deduction of $0.90 per share sales charge from the initial offering price of $20.00 per share.

3 Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

4 Annualized.

5 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Financial Highlights

BlackRock Preferred and Equity Advantage Trust (BTZ)

		For the Period December 27, 2006[1] through October 31, 2007
Per Common Share Operating Performance		
Net asset value, beginning of period	$	23.88[2]
Investment operations:		
Net investment income		1.25
Net realized and unrealized gain (loss)		(1.86)
Dividends to preferred shareholders from net investment income		(0.31)
Net increase (decrease) from investment operations		(0.92)
Dividends and distributions to common shareholders from:		
Net investment income		(0.93)
Tax return of capital		(0.47)
Total dividends and distributions		(1.40)
Capital charges with respect to issuance of:		
Common shares		(0.04)
Preferred shares		(0.13)
Total capital charges		(0.17)
Net asset value, end of period	$	21.39
Market price, end of period	$	18.65
Total Investment Returns[3]		
At net asset value		(4.42)%
At market value		(20.34)%
Ratios to Average Net Assets of Common Shareholders4,5		
Total expenses		1.90%
Net expenses		1.88%
Net expenses excluding interest expense and excise tax		1.04%
Net investment income available to common shareholders		4.86%
Preferred share dividends		1.64%
Supplemental Data		
Average net assets of common shareholders (000)	$	1,177,716

Portfolio turnover		35%
Net assets applicable to common shareholders, end of period (000)	$	1,108,534
Reverse repurchase agreements outstanding, end of period (000)	$	88,291
Asset coverage per preferred share, end of period[3]	$	89,737
Reverse repurchase agreements average daily balance (000)	$	96,468
Reverse repurchase agreements weighted average interest rate		5.32%

1 Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

2 Net asset value, beginning of period, reflects a deduction of $1.125 per share sales charge from the initial offering price of $25.00 per share.

3 Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

4 Annualized.

5 Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of the common shareholders.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Financial Highlights

BlackRock Strategic Bond Trust (BHD)

	Year Ended October 31,				
	2007	**2006**	**2005**	**2004**	**2003**
Per Share Operating Performance					
Net asset value, beginning of year	$ 13.83	$ 13.68	$ 15.10	$ 15.07	$ 12.63
Investment operations:					
Net investment income	0.95	0.99	1.10	1.39	1.59
Net realized and unrealized gain (loss)	(0.06)	0.18	(1.13)	0.25	2.34
Net increase (decrease) from investment operations	0.89	1.17	(0.03)	1.64	3.93
Dividends and distributions from:					
Net investment income	(0.92)	(0.98)	(1.12)	(1.61)	(1.49)
Tax return of capital		(0.04)	(0.27)		
Total dividends and distributions	(0.92)	(1.02)	(1.39)	(1.61)	(1.49)
Net asset value, end of year	$ 13.80	$ 13.83	$ 13.68	$ 15.10	$ 15.07
Market price, end of year	$ 11.88	$ 12.85	$ 12.45	$ 16.70	$ 15.27
Total Investment Returns[1]					
At net asset value	7.26%	9.58%	(0.49)%	11.35%	32.55%
At market value	(0.62)%	11.87%	(18.11)%	21.54%	37.36%
Ratios to Average Net Assets					
Total expenses	1.45%	2.25%	2.14%	1.49%	2.01%
Net expenses	1.27%	2.00%	1.87%	1.23%	1.71%
Net expenses excluding interest expense	0.87%	0.94%	0.92%	0.89%	1.01%
Net investment income	6.86%	7.26%	7.58%	9.23%	11.32%
Supplemental Data					
Average net assets (000)	$ 98,130	$ 96,003	$ 101,990	$ 106,330	$ 98,498
Portfolio turnover	34%	56%	51%	31%	32%
Net assets, end of year (000)	$ 97,410	$ 97,614	$ 96,546	$ 106,433	$ 106,045
Reverse repurchase agreements outstanding, end of year (000)	$ 413	$ 14,951	$ 31,883	$ 13,188	$ 45,872
Asset coverage, end of year[2]	$ 236,789	$ 7,529	$ 4,028	$ 9,071	$ 3,312
Reverse repurchase agreements average daily balance (000)	$ 7,240	$ 21,104	$ 30,406	$ 27,562	$ 46,036
Reverse repurchase agreements weighted average interest rate	5.34%	4.81%	3.20%	1.33%	1.51%

[1] Total investment return at market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns excludes the effects of brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

[2] Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust s common shares.

See Notes to Financial Statements.

Notes to Financial Statements

Note 1. Organization & Accounting Policies

BlackRock Broad Investment Grade 2009 Term Trust Inc. (Broad Investment Grade), BlackRock Core Bond Trust (Core Bond), BlackRock High Yield Trust (High Yield), BlackRock Income Opportunity Trust (Income Opportunity), BlackRock Income Trust Inc. (Income Trust), BlackRock Limited Duration Income Trust (Limited Duration) and BlackRock Strategic Bond Trust (Strategic Bond) are registered as diversified, closed-end management investment companies under the Investment Company Act of 1940, as amended (the 1940 Act). BlackRock Preferred and Equity Advantage Trust (Preferred and Equity) is registered as a non-diversified, closed-end management investment company under the 1940 Act. Broad Investment Grade, Income Opportunity and Income Trust are organized as Maryland corporations. Core Bond, High Yield, Limited Duration and Strategic Bond are organized as Delaware statutory trusts. Broad Investment Grade, Core Bond, High Yield, Income Opportunity, Income Trust, Limited Duration, Preferred and Equity and Strategic Bond are individually referred to as a Trust and collectively as the Trusts .

Preferred and Equity was organized on October 26, 2006 and had no transactions until November 21, 2006 when the Trust sold 4,817 common shares for $115,006 to BlackRock Funding, Inc. Investment operations for Preferred and Equity commenced on December 27, 2006. The Trust incurred organization costs which were deferred from the organization date until the commencement of operations.

On December 3, 1999, Broad Investment Grade transferred a substantial portion of its total assets to a 100% owned registered investment company subsidiary called BCT Subsidiary, Inc. The financial statements and these notes to the financial statements for Broad Investment Grade are consolidated and include the operations of both Broad Investment Grade and its wholly owned subsidiary after elimination of all intercompany transactions and balances.

The following is a summary of significant accounting policies followed by the Trusts.

Investments Valuation: The Trusts value most of their investments on the basis of current market quotations provided by dealers or pricing services selected under the supervision of each Trust s Board (the Board) of Directors or Trustees, as appropriate (the Trustees). In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, market transactions in comparable investments, various relationships observed in the market between investments, and calculated yield measures based on valuation technology commonly employed in the market for such investments. Effective September 4, 2007, exchange-traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade and previously were valued at the last sales price as of the close of options trading on applicable exchanges. Swap quotations are provided by dealers selected under supervision of the Board. A futures contract is valued at the last sale price as of the close of the commodities exchange on which it trades. Short-term securities may be valued at amortized cost.

Bank loans (loan interests) are valued in accordance with guidelines established by the Board. Loan interests are valued at the average between the last available bid prices from one or more brokers or dealers as obtained from Loan Pricing Corporation (LPC). If no reliable price quotes are available, LPC values such interests through the use of pricing matrixes. If the pricing service does not provide a value for the loan interests, BlackRock Advisors, LLC (the Manager), an indirect, wholly owned subsidiary of BlackRock, Inc., will value the loan interests at fair value under methods approved by the Funds Board.

Investments or other assets for which such current market quotations are not readily available are valued at fair value (Fair Value Assets) as determined in good faith under procedures established by, and under the general supervision and responsibility of, each Trust s Board. The investment advisor and/or sub-advisor will submit its recommendations regarding the valuation and/or valuation methodologies for Fair Value Assets to a valuation committee. The valuation committee may accept, modify or reject any recommendations. The pricing of all Fair Value Assets shall be subsequently reported to the Board.

When determining the price for a Fair Value Asset, the investment advisor and/or sub-advisor shall seek to determine the price that the Trust might reasonably expect to receive from the current sale of that asset in an arm s-length transaction. Fair value determinations shall be based upon all available factors that the Manager deems relevant.

In September 2006, Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* (FAS 157), was issued and is effective for fiscal years beginning after November 15, 2007. FAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. At this time, management is evaluating the implication of FAS 157 and its impact on the Trusts financial statements, if any, has not been determined.

In addition, in February 2007, Statement of Financial Accounting Standards No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (FAS 159), was issued and is effective for fiscial years beginning after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provisions of FAS 157. FAS 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. FAS 159 also establishes presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar types of assets and liabilities. At this time, management is evaluating the implications of FAS 159 and its impact on the Trusts financial statements, if any, has not been determind.

Investment Transactions and Investment Income: Investment transactions are recorded on trade date. The cost of investments sold and the related gain or loss is determined by use of the specific identification method, generally first-in, first-out, for both financial reporting and federal income tax purposes. Each Trust records interest income on an accrual basis and amortizes premium and/or accretes discount on securities purchased using the interest method. Dividend income is recorded on the ex-dividend date.

Notes to Financial Statements (continued)

Each trust may from time to time purchase in the secondary market certain mortgage pass-through securities packaged or master serviced by affiliates or mortgage-related securities containing loans or mortgages originated by Merrill Lynch & Co., Inc. (Merrill Lynch) and The PNC Financial Services Group, Inc. (PNC), both principal owners of BlackRock, Inc., or their affiliates, including Midland Loan Services, Inc. It is possible under certain circumstances, that Merrill Lynch Mortgage Investors, Inc. and PNC Mortgage Securities Corp. or their affiliates, including Midland Loan Services, Inc., could have interest that are conflict with the holders of these mortgage-backed securities, and such holders could have rights against Merrill Lynch Mortgage Investors, Inc. and PNC Mortgage Securitites Corp. or their affiliates, including Midland Loan Services, Inc.

Reverse Repurchase Agreements: The Trusts may enter into reverse repurchase agreements with qualified third-party broker-dealers as determined by and under the direction of the Trusts Board. Interest on the value of reverse repurchase agreements issued and outstanding is based upon competitive market rates at the time of issuance. At the time a Trust enters into a reverse repurchase agreement, it will establish and maintain a segregated account with the lender, containing liquid investment grade securities having a value not less than the repurchase price, including accrued interest of the reverse repurchase agreement.

Dollar Rolls: The Trusts may enter into dollar rolls in which a Trust sells securities for delivery in the current month and simultaneously contracts to repurchase substantially similar (same type, coupon and maturity) securities on a specified future date. During the roll period the Trusts forgo principal and interest paid on the securities. The Trusts will be compensated by the interest earned on the cash proceeds of the initial sale and/or by the lower repurchase price at the future date.

Loan Payable: High Yield has a $32 million committed credit facility (the facility). Under the terms of the facility, the Trust borrows at the London Interbank Offered Rate (LIBOR) plus facility and administrative fees. In addition, the Trust pays a liquidity fee on the unused portion of the facility. The Trust may borrow up to $33^1/_3$% of its total assets up to the committed amount. In accordance with the terms of the facility, the Trust has pledged its portfolio assets as collateral for the borrowing.

Bank Loans: In the process of buying, selling and holding bank loans, a Trust may receive and/or pay certain fees. These fees are included in the purchase price and may include facility fees, commitment fees, amendment fees, commissions and prepayment penalty fees. These fees are amortized as premium and/or accreted as discount over the term of the loan. When a Trust buys a bank loan it may receive a facility fee and when it sells a bank loan it may pay a facility fee. On an ongoing basis, a Trust may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a bank loan. In certain circumstances, a Trust may receive a prepayment penalty fee upon the prepayment of a bank loan by a borrower. Other fees recieved by a Trust may include covenant waiver fees and covenant modification fees.

A Trust may invest in multiple series or tranches of an issuer. A different series or tranche may have varying terms and carry different associated risks.

Option Writing/Purchasing: When a Trust writes or purchases an option, an amount equal to the premium received or paid by the Trust is recorded as a liability or an asset and is subsequently adjusted to the current market value of the option written or purchased. Premiums received or paid from writing or purchasing options which expire unexercised are treated by the Trust on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on effecting a closing purchase or sale transaction, including brokerage commissions, is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is added to the cost of the purchase or the proceeds from the sale in determining whether a Trust has realized a gain or a loss on investment transactions. A Trust, as writer of an option, has no control over whether the underlying securities may be sold (call) or purchased (put) and as a result bears the market risk of an unfavorable change in the price of the security underlying the written option.

Option writing and purchasing may be used by the Trusts as an attempt to manage the duration of positions, or collections of positions, so that changes in interest rates do not adversely affect the targeted duration of the portfolio unexpectedly. Duration is a measure of the price sensitivity of a security or a portfolio to relative changes in interest rates. For instance, a duration of one means that a portfolio s or a security s price would be expected to change by approximately one percent with a one percent change in interest rates, while a duration of five would imply that the price would move approximately five percent in relation to a one percent change in interest rates.

A call option gives the purchaser of the option the right (but not obligation) to buy, and obligates the writer to sell (when the option is exercised), the underlying position at the exercise price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying position at the exercise price at any time or at a specified time during the option period. The main risk that is associated with purchasing options is that the option expires without being exercised. In this case, the option expires worthless and the premium paid for the option is considered the loss. The risk associated with writing call options is that a Trust may forgo the opportunity for a profit if the market value of the underlying position increases and the option is exercised. The risk in writing put options is that a Trust may incur a loss if the market value of the underlying position decreases and the option is exercised. In addition, the Trust risks not being able to enter into a closing transaction for the written option as the result of an illiquid market.

Stripped Mortgage-Backed Securities: Stripped mortgage-backed securities are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. In certain cases, one class will receive all of the interest (the interest-only or IO class), while the other class will receive all of the principal (the principal-only or PO class). The yield to maturity on IOs is sensitive to the rate of principal repayments (including prepayments) on the related underlying mortgage assets, and principal payments may have a material effect on yield to maturity. If the underlying mortgage assets experience greater than anticipated prepayments of principal, a Trust may not fully recoup its initial

Notes to Financial Statements (continued)

investment in IOs. Such securities will be considered liquid only if so determined in accordance with guidelines established by the Trustees.

Inverse Floating Rate Securities: The Trusts may invest in inverse floating rate securities that pay interest at a rate that varies inversely with interest rates. As interest rates rise, inverse floating rates decline. The market value of such securities is more volatile than comparable fixed rate securities.

Credit Default Swaps: Credit default swaps are agreements in which one party pays fixed periodic payments to a counterparty in consideration for a guarantee from the counterparty to make a specific payment should a negative credit event take place. Risks arise from the possible inability of the counterparties to meet the terms of their contracts.

During the term of the swap, changes in the value of the swap are recognized as unrealized gains or losses by marking-to-market to reflect the market value of the swap. When the swap is terminated, a Trust will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract, if any.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the swap. However, the Trusts closely monitor swaps and do not anticipate non-performance by any counterparty.

Total Return Swaps: Total return swaps are agreements in which one party commits to pay interest in exchange for a market-linked return. To the extent the total return of the security or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Trust will receive a payment from or make a payment to the counterparty.

During the term of the swap, changes in the value of the swap are recognized as unrealized gains or losses by marking-to-market to reflect the market value of the swap. When the swap is terminated, a Trust will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract, if any.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the swap. However, the Trusts closely monitor swaps and do not anticipate non-performance by any counterparty.

Interest Rate Swaps: In an interest rate swap, one investor pays a floating rate of interest on a notional principal amount and receives a fixed rate of interest on the same notional principal amount for a specified period of time. Alternatively, an investor may pay a fixed rate and receive a floating rate. Interest rate swaps are efficient as asset/liability management tools. In more complex swaps, the notional principal amount may decline (or amortize) over time.

During the term of the swap, changes in the value of the swap are recognized as unrealized gains or losses by marking-to-market to reflect the market value of the swap. When the swap is terminated, a Trust will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract, if any.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the swap. However, the Trusts closely monitor swaps and do not anticipate non-performance by any counterparty.

Swap Options: Swap options are similar to options on securities except that instead of selling or purchasing the right to buy or sell a security, the writer or purchaser of the swap option is granting or buying the right to enter into a previously agreed upon interest rate swap agreement at any time before the expiration of the option. Premiums received or paid from writing or purchasing options are recorded as liabilities or assets and are subsequently adjusted to the current market value of the option written or purchased. Premiums received or paid from writing or purchasing options which expire unexercised are treated by a Trust on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on effecting a closing purchase or sale transaction, including brokerage commission, is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is added to the cost of the purchase or the proceeds from the sale in determining whether a Trust has realized a gain or loss on investment transactions.

The main risk that is associated with purchasing swap options is that the swap option expires without being exercised. In this case, the option expires worthless and the premium paid for the swap option is considered the loss. The main risk that is associated with the writing of a swap option is the market risk of an unfavorable change in the value of the interest rate swap underlying the written swap option.

Swap options may be used by the Trusts to manage the duration of the Trusts portfolios in a manner similar to more generic options described above.

Interest Rate Floors: Interest rate floors are similar to interest rate swaps, except that one party agrees to pay a fee, while the other party pays the deficiency, if any, of a floating rate under a specified fixed or floating rate.

Interest rate floors are used by the Trusts to both manage the duration of the portfolios and their exposure to changes in short-term interest rates. Selling interest rate floors reduces a portfolio s duration, making it less sensitive to changes in interest rates from a market value perspective. The Trusts leverage provides extra income in a period of falling rates. Selling floors reduces some of that extra income by partially monetizing it as an up front payment which the Trusts receive.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the interest rate floor. However, the Trusts do not anticipate non-performance by any counterparty.

Transaction fees paid or received by the Trusts are recognized as assets or liabilities and amortized or accreted into interest expense or income over the life of the interest rate floor. The asset or liability is subsequently adjusted to the current market value of the interest rate floor purchased or sold. Changes in the value of the interest rate floor are recognized as unrealized gains and losses.

Financial Futures Contracts: A futures contract is an agreement between two parties to buy and sell a financial instrument for a set price on a future date. Initial margin deposits are made upon entering into futures contracts and can be either cash or securities. During the period the futures contract is open, changes in the value of the contract are recognized as unrealized gains or losses by marking-to-market on a daily basis to reflect the market value of the contract at the end of each day s trading. Variation margin pay-

Notes to Financial Statements (continued)

ments are made or received, depending upon whether unrealized gains or losses are incurred. When the contract is closed, a Trust records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust s basis in the contract.

Financial futures contracts, when used by the Trusts, help in maintaining a targeted duration. Futures contracts can be sold to effectively shorten an otherwise longer duration portfolio. In the same sense, futures contracts can be purchased to lengthen a portfolio that is shorter than its duration target. Thus, by buying or selling futures contracts, the Trusts attempt to manage the duration of positions so that changes in interest rates do not change the duration of the portfolio unexpectedly.

Forward Currency Contracts: The Trusts enter into forward currency contracts primarily to facilitate settlement of purchases and sales of foreign securities and to help manage the overall exposure to foreign currency. A forward contract is a commitment to purchase or sell a foreign currency at a future date (usually the security transaction settlement date) at a negotiated forward rate. In the event that a security fails to settle within the normal settlement period, the forward currency contract is renegotiated at a new rate. The gain or loss arising from the difference between the settlement value of the original and renegotiated forward contracts is isolated and is included in net realized gains (losses) from foreign currency transactions. Risks may arise as a result of the potential inability of the counterparties to meet the terms of their contract.

Forward currency contracts, when used by the Trusts, help to manage the overall exposure to the foreign currency backing some of the investments held by the Trusts. Forward currency contracts are not meant to be used to eliminate all of the exposure to the foreign currency, rather they allow the Trusts to limit their exposure to foreign currency within a narrow band to the objectives of the Trusts.

Foreign Currency Translation: Foreign currency amounts are translated into United States dollars on the following basis:

(i) market value of investment securities, assets and liabilities at the current rate of exchange.

(ii) purchases and sales of investment securities, income and expenses at the rates of exchange prevailing on the respective dates of such transactions.

For fixed income securities, the Trusts isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of securities held at period end. Similarly, the Trusts isolate the effect of changes in foreign exchange rates from the fluctuations arising from changes in the market prices of portfolio securities sold during the period.

Net realized and unrealized foreign exchange gains and losses includes realized foreign exchange gains and losses from sales and maturities of foreign portfolio securities, sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of interest and discount recorded on the Trusts books and the U.S. dollar equivalent amounts actually received or paid, and changes in unrealized foreign exchange gains and losses in the value of portfolio securities and other assets and liabilities arising as a result of changes in the exchange rate.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of domestic origin, including unanticipated movements in the value of the foreign currency relative to the U.S. dollar.

Short Sales/Borrowed Bonds: The Trusts engage in short selling of securities as a method of managing potential price declines in similar securities owned by the Trust. When a Trust engages in short selling, it may enter into a borrowed bond agreement to borrow the security sold short and deliver it to the broker-dealer with which it engaged in the short sale. A gain, limited to the price at which a Trust sold the security short or pursuant to the borrowed bond agreement, or a loss, unlimited as to dollar amount, will be recognized upon the termination of a short sale or borrowed bond agreement if the market price is greater or less than the proceeds originally received.

Borrowed Bond Agreements: In a borrowed bond agreement, each Trust borrows securities from a third party, with the commitment that they will be returned to the lender on an agreed-upon date. Borrowed bond agreements are primarily entered into to settle short positions. In a borrowed bond agreement, the Trust s prime broker or third party broker takes possession of cash as collateral. The Trusts receive interest income on the cash collateral relating to the borrowed bond agreement and are obligated to pay the prime broker or third party broker payments received on such borrowed securities. The cash collateral approximates the principal amount of the bonds borrowed transaction. To the extent that the bonds borrowed transactions exceed one business day, the value of the collateral with any counter-party is marked-to-market on a daily basis to ensure the adequacy of the collateral. If the lender defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the lender of the security, realization of the collateral by the Trust may be delayed or limited.

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

TBA Purchase Commitments: The Trusts may enter into to be announced (TBA) commitments to purchase or sell securities for a fixed price at a future date. TBA commitments are considered securities in themselves, and involve a risk of loss if the value of the security to be purchased or sold

Notes to Financial Statements (continued)

declines or increases prior to settlement date, which is in addition to the risk of decline in the value of the Trusts other assets. Unsettled TBA commitments are valued at the current market value of the underlying securities, according to the procedures described under Investments Valuation .

Mortgage Dollar Rolls: The Trusts may enter into mortgage dollar rolls (principally using TBA commitments) in which the Trusts sell mortgage securities for delivery in the current month and simultaneously contract to repurchase similar, but not identical, securities at an agreed upon price on a fixed date. The Trusts receive compensation, in either fee or drop , as consideration for entering into the commitment to repurchase. A Trust must maintain liquid securities having a value not less than the repurchase price (including accrued interest) for such dollar rolls. The market value of the securities that a Trust is required to purchase may decline below the agreed upon repurchase price of those securities. In a fee roll, the compensation received is recorded as deferred income and amortized to income over the roll period. In a drop roll, the compensation is paid via a lower price for the security upon its repurchase. The counterparty receives all principal and interest payments, including prepayments, made in respect of a security subject to such a contract while it is the holder. Mortgage dollar rolls may be renewed with a new purchase and repurchase price and a cash settlement made on settlement date without physical delivery of the securities subject to the contract. A Trust engages in dollar rolls for the purpose of enhancing its yield, principally by earning a negotiated fee.

Financing Transactions: The Trusts may enter into financing transactions consisting of sales by a Trust of securities together with a commitment to repurchase similar securities at a future date. The difference between the selling price and the future purchase price is an adjustment to interest income. If the counterparty to whom the Trust sells the security becomes insolvent, a Trust s right to repurchase the security may be restricted. The value of the security may change over the term of the financing transaction.

Segregation: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (the Commission) require that each Trust segregate assets in connection with certain investments (e.g., when issued securities, reverse repurchase agreements, swaps or futures contracts), each Trust will, consistent with certain interpretive letters issued by the SEC, designate on its books and records cash or other liquid debt securities having a market value at least equal to the amount that would otherwise be required to be physically segregated.

Federal Income Taxes: It is each Trust s intention to continue to be treated as a regulated investment company under the Internal Revenue Code and to distribute sufficient amounts of their taxable income to shareholders. Therefore, no federal income tax provisions have been recorded.

In July 2006, the Financial Accounting Standards Board issued Interpretation No. 48 (FIN 48), Accounting for Uncertainty in Income Taxes an interpretation of FAS Statement No. 109. FIN 48 prescribes the minimum recognition threshold a tax position must meet in connection with accounting for uncertainties in income tax positions taken or expected to be taken by an entity, including mutual funds, before being measured and recognized in the financial statements. Adoption of FIN 48 is required for the last net asset value calculation in the first required financial statement reporting period for fiscal years beginning after December 15, 2006. The impact on the Trusts , excluding Preferred and Equity, financial statements, if any, from FIN 48 is currently being assessed.

Effective October 31, 2007, Preferred and Equity implemented Financial Accounting Standards Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes an interpretation of FASB Statement No. 109 (FIN 48). FIN 48 prescribes the minimum recognition threshold a tax position must meet in connection with accounting for uncertainties in income tax positions taken or expected to be taken by an entity, including investment companies, before being measured and recognized in the financial statements. Management has evaluated the application of FIN 48 to Preferred and Equity and has determined that the adoption of FIN 48 does not have a material impact on the financial statements. Preferred and Equity will file its first Federal and state tax returns in 2008 for the period ended October 31, 2007.

Dividends and Distributions: Each Trust declares and pays dividends and distributions to common shareholders monthly from net investment income, net realized short-term capital gains and other sources, if necessary. Net long-term capital gains, if any, in excess of loss carryforwards may be distributed in accordance with the 1940 Act. If the total dividends and distributions made in any tax year exceeds net investment income and accumulated realized captial gains, a portion of the total distribution may be treated as a tax-free return of capital. Dividends and distributions are recorded on the ex-dividend date. Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America. Dividends and distributions to preferred shareholders are accrued and determined as described in Note 7.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities including investment valuations at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and such differences may be material.

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by each Trust s Board, non-interested Trustees (Independent Trustees) defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of the other BlackRock Closed-End Funds selected by the Independent Trustees. These amounts are shown on the Statement of Assets and Liabilities as Investments in Affiliates . This has approximately the same economic effect for the Independent Trustees as if the Independent Trustees had invested the deferred amounts directly in such Trusts.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of the Trust.

Notes to Financial Statements (continued)

Each Trust may, however, elect to invest in common shares of those Trusts selected by the Independent Trustees in order to match its deferred compensation obligations.

Other: Expenses that are directly related to one of the Trusts are charged directly to that Trust. Other operating expenses are generally prorated to the Trusts on the basis of relative net assets of all the BlackRock Closed-End Funds.

Note 2. Agreements and Other Transactions with Affiliates and Related Parties

Each Trust has an Investment Management Agreement with the Manager. BlackRock Financial Management, Inc. (BFM), a wholly owned subsidiary of BlackRock, Inc., serves as sub-advisor to Core Bond, Limited Duration, Preferred and Equity and Strategic Bond. BlackRock Investment Management, LLC (BIM), a wholly owned subsidiary of BlackRock, Inc., also serves as sub-advisor to Preferred and Equity. Merrill Lynch and PNC are principal owners of BlackRock, Inc.

Broad Investment Grade, High Yield, Income Opportunity and Income Trust each have an Administration Agreement with the Advisor. The Investment Management Agreement for Core Bond, Limited Duration, Preferred and Equity and Strategic Bond covers both investment advisory and administration services.

Each Trust s investment advisory fee paid to the Advisor is computed weekly and payable monthly based on an annual rate, 0.55% for Broad Investment Grade, 0.60% for Income Opportunity and 0.65% for Income Trust, of each Trust s average net assets and 0.55% for Core Bond and Limited Duration, 0.65% for Preferred and Equity, 1.05% for High Yield and 0.75% for Strategic Bond, of each Trust s average managed assets. Net assets means the total assets of the Trust minus the sum of accrued liabilities. Managed assets means the total assets of a Trust (including any assets attributable to any borrowing that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage). The Advisor has voluntarily agreed to waive a portion of the investment advisory fees or other expenses on Strategic Bond as a percentage of its average weekly managed assets as follows: 0.20% for the first five years of the Trust s operations from 2002 through February 28, 2007, 0.15% through February 28, 2008, 0.10% through February 28, 2009 and 0.05% through February 28, 2010.

The Advisor pays BFM fees for its sub-advisory services.

The administration fee paid to the Advisor is computed weekly and payable monthly based on an annual rate, 0.15% for Broad Investment Grade, 0.10% for Income Opportunity, and 0.15% for Income Trust, of each Trust s average net assets and 0.10% for High Yield of the Trust s average managed assets.

Pursuant to the advisory agreements, the Advisor provides continuous supervision of the investment portfolio and pays the compensation of officers of each Trust who are affiliated persons of the Advisor, as well as occupancy and certain clerical and accounting costs of each Trust. Each Trust bears all other costs and expenses, which include reimbursements to the Advisor for cost of employees that provide pricing and secondary market support to each Trust. These expenses are generally pro-rated to the Trusts on the basis of relative net assets of all the BlackRock Closed-End Funds. For the year ended October 31, 2007, the Trusts reimbursed the Advisor the following amounts, which are included in miscellaneous expenses in the Statements of Operations:

Trust	**Amount**
Broad Investment Grade	$ 2,929
Core Bond	22,028
High Yield	2,530
Income Opportunity	22,733
Income Trust	26,282
Limited Duration	40,812
Preferred and Equity	25,990
Strategic Bond	5,617

Pursuant to the terms of their custody agreements, each Trust may receive earnings credits from its custodian for positive cash balances maintained, which are used to offset custody fees. These credits are shown on the Statements of Operations as fees paid indirectly.

During the year ended October 31, 2007, Merrill Lynch, through its affiliated broker dealer Merrill Lynch, Pierce, Fenner & Smith, Inc., earned commissions on transactions of securities as follows:

Trust	Commission Amount
Core Bond	$ 104,454
High Yield	8
Income Opportunity	110,446
Income Trust	66,166
Limited Duration	1,603
Preferred and Equity	757,239
Strategic Bond	28

Notes to Financial Statements (continued)

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

Trust	Portfolio Company	Beginning Principal Amount	Purchases	Sales	Ending Principal Amount	Interest Income	Market Value of Affiliates at October 31, 2007
Core Bond	Merrill Lynch Mortgage Investors, Inc., Ser. HE2, Class A2A	$ 1,509,548	$	$ 1,509,548	$	$ 45,271	$
	Merrill Lynch Mortgage Trust, Ser. C1, Class AM		925,000		925,000	7,589	933,463
Income Opportunity	Merrill Lynch Mortgage Investors, Inc., Ser. HE2, Class A2A	1,651,471		1,651,471		49,245	
	Merrill Projects, Ser. 29	152,326		102,166	50,160	10,465	50,662
	Merrill Projects, Ser. 42	51,398		2,145	49,253	3,746	49,745
Income Trust	Merrill Projects, Ser. 54	51,249		1,726	49,523	3,731	50,019

Certain officers and/or directors of the Trusts are officers and/or directors of BlackRock, Inc. or its affiliates.

Note 3. Portfolio Securities

Purchases and sales of investment securities, other than short-term investments, dollar rolls and U.S. government securities, for the year ended October 31, 2007 were as follows:

Trust	Purchases	Sales
Broad Investment Grade	$ 3,771,896	$ 4,504,593
Core Bond	722,652,874	440,021,114
High Yield	45,730,396	53,761,581
Income Opportunity	1,000,463,875	694,999,046
Income Trust	1,181,095,299	1,209,086,090
Limited Duration	654,114,184	991,030,609
Preferred and Equity	2,424,297,184	773,130,150
Strategic Bond	34,511,252	56,088,950

Purchases and sales of U.S. government securities for the year ended October 31, 2007, aggregated as follows:

Trust	Purchases	Sales

Broad Investment Grade	$	$ 5,655,469
Core Bond	188,022,696	260,028,377
Income Opportunity	213,262,623	298,489,442
Income Trust	132,824,013	163,361,268
Limited Duration		10,000,000
Preferred and Equity	479,869,532	487,606,224
Strategic Bond	172,822	933,000

Notes to Financial Statements (continued)

Details of open forward currency contracts at October 31, 2007 were as follows:

Trust	Foreign Currency	Settlement Date	Contract to Receive	Value at Settlement Date	Value at Unrealized October 31, 2007	Appreciation (Depreciation)
Core Bond	**Bought:**					
	Japanese Yen	1/15/08	$ 793,358,661	$ 6,876,169	$ 6,937,915	$ 61,746
	Sold:					
	Euro	1/23/08	1,233,067	1,747,256	1,787,871	(40,615)
						$ 21,131
Limited Duration	**Sold:**					
	Euro	1/23/08	$ 20,975,550	$ 29,722,354	$ 30,413,254	$ (690,900)
	British Pounds	1/23/08	5,195,000	10,540,239	10,771,890	(231,651)
						$ (922,551)

Income Trust held interest rate floors at October 31, 2007. Under the agreement, Income Trust pays the excess, if any, of a fixed rate over a floating rate. Income Trust received a transaction fee for the floor. Transaction fees are amortized through the termination of the agreement. Details of the interest rate floor held at October 31, 2007 were as follows:

Notional Amount (000)	Variable Rate	Counter Party	Floating Rate	Effective Date	Termination Date	Amortized Cost	Value at October 31, 2007	Unrealized Appreciation (Depreciation)
$ 145,000	4.80%	Goldman Sachs	3-month LIBOR	12/25/05	03/25/11	$ (1,603,115)	$ (953,577)	$ 649,538
96,000	4.95	JPMorgan	3-month LIBOR	03/27/06	03/25/11	(1,243,216)	(443,318)	799,898
70,000	5.50	Union Bank of Switzerland	3-month LIBOR	12/15/06	03/15/10	(916,771)	(1,244,600)	(327,829)
39,000	5.50	Citibank	3-month LIBOR	06/15/07	09/15/11	(716,795)	(1,042,470)	(325,675)
						$ (4,479,897)	$ (3,683,965)	$ 795,932

Details of open interest rate swaps at October 31, 2007 were as follows:

Trust	Notional Amount (000)	Fixed Rate	Counter Party	Floating Rate	Effective Date	Termination Date	Unrealized Appreciation (Depreciation)
Core Bond	$ 41,200	4.510%[(a)]	Citibank	3-month LIBOR	10/29/04	10/29/14	$ 1,063,372
	2,800	4.500(a)	JPMorgan	3-month LIBOR	05/26/05	05/26/15	62,565
	4,800	4.372(b)	Union Bank of Switzerland	3-month LIBOR	06/30/05	06/30/15	(139,248)
	6,200	4.725(b)	Morgan Stanley	3-month LIBOR	08/02/05	08/02/15	(121,184)
	4,600	5.000[(b)]	Deutsche Bank		11/07/05	11/07/10	98,394

			3-month LIBOR			
5,000	4.870(b)	Goldman Sachs	3-month LIBOR	01/25/06	01/25/16	5,336
4,800	5.723(b)	JPMorgan	3-month LIBOR	07/14/06	07/14/16	296,976
25,100	5.496(b)	Bank of America	3-month LIBOR	07/28/06	07/28/11	1,016,550
3,000	5.025(b)	Deutsche Bank	3-month LIBOR	11/21/06	11/21/11	66,000
2,200	4.950(b)	Union Bank of Switzerland	3-month LIBOR	11/29/06	11/29/11	41,734
8,300	5.002(a)	Union Bank of Switzerland	3-month LIBOR	01/08/07	01/08/12	(178,865)
8,545	5.411(b)	JPMorgan	3-month LIBOR	02/05/07	08/15/22	147,914
11,300	5.295(b)	Union Bank of Switzerland	3-month LIBOR	02/08/07	02/08/17	187,806
13,500	4.922(a)	Lehman Brothers	3-month LIBOR	03/22/07	03/22/11	(98,145)
700	5.250(b)	Goldman Sachs	3-month LIBOR	04/12/07	04/12/17	8,291
1,400	5.411(b)	Goldman Sachs	3-month LIBOR	04/30/07	04/30/27	18,746
1,600	5.545(a)	Deutsche Bank	3-month LIBOR	06/07/07	06/07/17	(77,360)
1,200	5.740(a)	Deutsche Bank	3-month LIBOR	06/13/07	06/13/17	(76,656)
900	5.850(a)	Deutsche Bank	3-month LIBOR	06/14/07	06/14/17	(65,367)
4,600	5.683(a)	Lehman Brothers	3-month LIBOR	06/29/07	06/29/17	(278,070)
6,500	5.643(a)	Citibank	3-month LIBOR	07/05/07	07/05/17	(369,720)
12,300	5.775(a)	Deutsche Bank	3-month LIBOR	07/09/07	07/09/17	(828,528)
42,000	5.589(a)	Goldman Sachs	3-month LIBOR	07/16/07	07/16/12	(1,940,683)
19,500	5.105(b)	Goldman Sachs	3-month LIBOR	08/20/07	08/20/12	226,522
82,500	5.076(b)	Citibank	3-month LIBOR	08/21/07	08/21/12	884,400
49,300	5.057(b)	Bank of America	3-month LIBOR	08/22/07	08/22/12	485,112
27,800	4.771(b)	Lehman Brothers	3-month LIBOR	08/23/07	08/23/09	42,812
40,200	4.880(b)	Lehman Brothers	3-month LIBOR	08/24/07	08/24/09	143,514
40,000	5.076(b)	Morgan Stanley	3-month LIBOR	08/28/07	08/28/12	416,828
30,000	4.903(b)	Barclays	3-month LIBOR	09/07/07	09/07/12	54,879

Notes to Financial Statements (continued)

Trust	Notional Amount (000)	Fixed Rate	Counter Party	Floating Rate	Effective Date	Termination Date	Unrealized Appreciation (Depreciation)
Core Bond	$ 12,500	5.040%[(a)]	Deutsche Bank	3-month LIBOR	09/12/07	09/12/17	$ 67,500
(cont d)	50,000	4.624(b)	Credit Suisse International	3-month LIBOR	09/20/07	09/20/09	(52,500)
	8,000	5.365%[(a)]	Bank of America	3-month LIBOR	09/21/07	09/21/27	(55,120)
	10,900	5.155(a)	Citibank	3-month LIBOR	09/21/07	09/21/17	(51,666)
	5,100	5.261(a)	Morgan Stanley	3-month LIBOR	09/28/07	09/28/17	(61,132)
	13,800	5.308(a)	Barclays	3-month LIBOR	10/15/07	10/15/17	(226,458)
	5,400	5.307(a)	Deutsche Bank	3-month LIBOR	10/18/07	10/18/17	(88,884)
	9,400	4.856(b)	Deutsche Bank	3-month LIBOR	10/19/07	10/19/12	14,194
	9,500	5.005(b)	JPMorgan	3-month LIBOR	10/22/07	10/22/14	16,569
							$ 656,428
Income	27,500	4.399%[(a)]	Deutsche Bank	3-month LIBOR	10/25/04	10/25/14	896,225
Opportunity	13,800	4.510(a)	Citibank	3-month LIBOR	10/29/04	10/29/14	356,178
Trust	3,000	4.500(a)	JPMorgan	3-month LIBOR	05/26/05	05/26/15	67,034
	5,200	4.372(b)	Union Bank of Switzerland	3-month LIBOR	06/30/05	06/30/15	(150,852)
	8,000	4.670(b)	Goldman Sachs	3-month LIBOR	09/20/05	09/20/15	(191,440)
	5,000	5.000(b)	Deutsche Bank	3-month LIBOR	11/07/05	11/07/10	106,950
	5,200	5.723(b)	JPMorgan	3-month LIBOR	07/14/06	07/14/16	321,724
	27,900	5.496(b)	Bank of America	3-month LIBOR	07/28/06	07/28/11	1,129,608
	3,200	5.025(b)	Deutsche Bank	3-month LIBOR	11/21/06	11/21/11	70,400
	3,100	4.950(b)	Union Bank of Switzerland	3-month LIBOR	11/29/06	11/29/11	58,807
	10,000	4.897(b)	JPMorgan	3-month LIBOR	12/12/06	12/12/11	163,300
	12,000	5.002(a)	Union Bank of Switzerland	3-month LIBOR	01/08/07	01/08/12	(258,600)
	12,000	5.295(b)	Union Bank of Switzerland	3-month LIBOR	02/08/07	02/08/17	199,440
	14,800	4.922(a)	Lehman Brothers	3-month LIBOR	03/22/07	03/22/11	(107,596)
	5,000	5.071(a)	Union Bank of Switzerland	3-month LIBOR	03/26/07	03/26/17	950
	800	5.250(b)	Goldman Sachs	3-month LIBOR	04/12/07	04/12/17	9,475
	1,550	5.411(b)	Goldman Sachs	3-month LIBOR	04/30/07	04/30/27	20,755
	1,800	5.545%[(a)]	Deutsche Bank		06/07/07	06/07/17	(87,030)

				3-month LIBOR			
	1,400	5.740(a)	Deutsche Bank	3-month LIBOR	06/13/07	06/13/17	(89,432)
	1,000	5.850(a)	Deutsche Bank	3-month LIBOR	06/14/07	06/14/17	(72,630)
	5,100	5.683(a)	Lehman Brothers	3-month LIBOR	06/29/07	06/29/17	(308,295)
	7,200	5.643(a)	Citibank	3-month LIBOR	07/05/07	07/05/17	(409,536)
	13,600	5.775(a)	Deutsche Bank	3-month LIBOR	07/09/07	07/09/17	(916,096)
	46,800	5.589(a)	Goldman Sachs	3-month LIBOR	07/16/07	07/16/12	(2,184,663)
	9,405	5.411(b)	JPMorgan	3-month LIBOR	08/15/07	08/15/22	162,801
	21,600	5.105(b)	Goldman Sachs	3-month LIBOR	08/20/07	08/20/12	250,916
	91,000	5.076(b)	Citibank	3-month LIBOR	08/21/07	08/21/12	975,520
	54,600	5.057(b)	Bank of America	3-month LIBOR	08/22/07	08/22/12	537,264
	30,700	4.771(b)	Lehman Brothers	3-month LIBOR	08/23/07	08/23/09	47,278
	44,500	4.880(b)	Lehman Brothers	3-month LIBOR	08/24/07	08/24/09	158,865
	45,000	5.076(b)	Morgan Stanley	3-month LIBOR	08/28/07	08/28/12	468,932
	35,000	4.903(b)	Barclays	3-month LIBOR	09/07/07	09/07/12	64,026
	12,500	5.040(a)	Deutsche Bank	3-month LIBOR	09/12/07	09/12/17	67,500
	50,000	4.624(b)	Credit Suisse International	3-month LIBOR	09/20/07	09/20/09	(52,500)
	8,900	5.365(a)	Bank of America	3-month LIBOR	09/21/07	09/21/27	(61,321)
	12,000	5.155(a)	Citibank	3-month LIBOR	09/21/07	09/21/17	(56,880)
	5,700	5.261(a)	Morgan Stanley	3-month LIBOR	09/28/07	09/28/17	(68,324)
	15,300	5.308(a)	Barclays	3-month LIBOR	10/15/07	10/15/17	(251,073)
	6,000	5.307(a)	Deutsche Bank	3-month LIBOR	10/18/07	10/18/17	(98,760)
	10,300	4.856(b)	Deutsche Bank	3-month LIBOR	10/19/07	10/19/12	15,553
	10,500	5.005(b)	JPMorgan	3-month LIBOR	10/22/07	10/22/14	18,313
							$ 802,786
Income Trust	19,000	4.889%(a)	Goldman Sachs	3-month LIBOR	04/22/04	04/22/14	51,374
	12,500	4.399% (a)	Deutsche Bank	3-month LIBOR	10/25/04	10/25/14	407,375
	25,000	4.883(b)	Union Bank of Switzerland	3-month LIBOR	03/21/05	03/21/15	(151,000)
	16,000	4.925(a)	Deutsche Bank	3-month LIBOR	03/22/05	03/22/15	53,760
	3,000	4.500(a)	JPMorgan	3-month LIBOR	05/26/05	05/26/15	67,034
	4,500	4.442(b)	Morgan Stanley	3-month LIBOR	07/11/05	07/11/15	(114,160)
	12,000	4.320(b)	Union Bank of Switzerland	3-month LIBOR	09/08/05	09/08/10	(132,240)
	2,800	5.940(b)	Union Bank of Switzerland	3-month LIBOR	12/07/05	12/07/15	213,220
	5,500	4.870(b)	Goldman Sachs		01/25/06	01/25/16	5,869

			3-month LIBOR			
5,400	5.723(b)	JPMorgan	3-month LIBOR	07/14/06	07/14/16	334,098
3,000	5.025(b)	Deutsche Bank	3-month LIBOR	11/21/06	11/21/11	66,000

Notes to Financial Statements

Trust	Notional Amount (000)	Fixed Rate	Counter Party	Floating Rate	Effective Date	Termination Date	Unrealized Appreciation (Depreciation)
Income Trust	$ 4,400	4.950%(b)	Union Bank of Switzerland	3-month LIBOR	11/29/06	11/29/11	$ 83,468
(cont d)	11,900	5.295(b)	Union Bank of Switzerland	3-month LIBOR	02/08/07	02/08/17	197,778
	800	5.250(b)	Goldman Sachs	3-month LIBOR	04/12/07	04/12/17	9,475
	64,000	5.393(b)	Credit Suisse International	3-month LIBOR	06/05/07	06/05/12	2,403,840
	1,800	5.545(a)	Deutsche Bank	3-month LIBOR	06/07/07	06/07/17	(87,030)
	1,400	5.740(a)	Deutsche Bank	3-month LIBOR	06/13/07	06/13/17	(89,432)
	1,000	5.850(a)	Deutsche Bank	3-month LIBOR	06/14/07	06/14/17	(72,630)
	5,200	5.683(a)	Lehman Brothers	3-month LIBOR	06/29/07	06/29/17	(314,340)
	200,000	5.383(b)	Credit Suisse International	3-month LIBOR	07/16/07	07/16/09	5,234,000
	187,370	5.376(b)	Bank of America	3-month LIBOR	07/20/07	07/20/09	4,950,315
	165,647	5.505(b)	Bank of America	3-month LIBOR	08/03/07	08/03/17	5,401,736
	9,565	5.411(b)	JPMorgan	3-month LIBOR	02/05/07	08/15/22	165,570
	18,800	4.778(b)	Citibank	3-month LIBOR	08/23/07	08/23/09	31,396
							$ 18,715,476

(a) Trust pays fixed interest rate and receives floating rate.
(b) Trust pays floating interest rate and receives fixed rate.

Details of open credit default swaps at October 31, 2007 were as follows:

Trust	Notional (000)	Fixed Rate	Counter Party	Effective Date	Termination Date	Unrealized (Depreciation)
Core Bond	$ 340(a)	0.950%	Deutsche Bank	08/02/07	09/20/12	$ (462)
Income Opportunity Trust	375(a)	0.950	Deutsche Bank	08/02/07	09/20/12	$ (98)
Limited Duration	4,500(b)	1.200	Morgan Stanley	05/23/07	06/20/12	$ (156,669)
	4,500(b)	1.200	JP Morgan	05/23/07	06/20/12	(156,669)
						$ (313,338)

(a) The terms were to receive the quarterly notional amount multiplied by the fixed rate and pay the counterparty, upon default of Lehman Brothers Holdings, Inc., the par value of the notional amount of Lehman Brothers Holdings, Inc.

(b) The terms were to receive the quarterly notional amount multiplied by the fixed rate and pay the counterparty, upon default of LCDX, the par value of the notional amount of LCDX.

Transaction in options written during the year ended October 31, 2007 were as follows:

Trust	Calls		Puts	
	Contracts/ Notional Amount	Premium Received	Contracts/ Notional Amount	Premium Received
Core Bond				
Options outstanding at October 31, 2006	$ 21,300,000	$ 991,347	$ 135,100,037	$ 2,068,284
Options written	18,200,000	455,276	18,200,000	455,276
Options closed	(11,600,000)	(315,851)	(125,400,037)	(1,392,787)
Options outstanding at October 31, 2007	$ 27,900,000	$ 1,130,772	$ 27,900,000	$ 1,130,773
Income Opportunity Trust				
Options outstanding at October 31, 2006	$ 23,400,000	$ 1,085,069	$ 148,200,041	$ 2,236,554
Options written	19,700,000	491,847	19,700,000	491,847
Options closed	(12,400,000)	(337,634)	(137,200,041)	(1,489,123)
Options outstanding at October 31, 2007	$ 30,700,000	$ 1,239,282	$ 30,700,000	$ 1,239,278
Income Trust				
Options outstanding at October 31, 2006	$ 23,500,000	$ 1,088,815	$ 150,100,000	$ 2,223,745
Options written	160,860,047	4,960,873	160,860,000	4,875,117
Options closed	(46,835,007)	(1,047,343)		
Options expired	(16)	(27,150)	(173,435,000)	(2,169,641)
Options outstanding at October 31, 2007	$ 137,525,024	$ 4,975,195	$ 137,525,000	$ 4,929,221

Trust	Calls	
	Contracts/ Notional Amount	Premium Received
Preferred and Equity		
Options outstanding at beginning of period	$	$
Options written	3,335,500	57,773,808
Options closed	(3,079,500)	(52,286,976)
Options expired	(10,500)	(60,705)
Options outstanding at October 31, 2007	$ 245,500	$ 5,426,127

Notes to Financial Statements

Note 4. Borrowings

Details of open reverse repurchase agreements at October 31, 2007 were as follows (please see Corresponding Underlying Collateral Chart):

Trust/Counter Party	Rate	Trade Date	Maturity Date[1]	Net Closing Amount	Par
Core Bond					
Barclay s Bank	5.250%	09/06/07	TBD	$ 6,920,063	$ 6,865,000
	5.270	09/06/07	TBD	3,189,475	3,164,000
	5.270	09/06/07	TBD	2,980,808	2,957,000
	5.290	09/06/07	TBD	3,003,076	2,979,000
	5.290	09/06/07	TBD	2,589,763	2,569,000
	5.290	09/24/07	TBD	1,707,280	1,698,048
					$ 20,232,048
Credit Suisse First Boston LLC	5.100	09/17/07	TBD	2,014,479	$ 2,002,000
	5.100	09/17/07	TBD	1,771,977	1,761,000
	4.900	10/11/07	11/13/07	60,535,343	60,371,000
	5.100	10/11/07	TBD	2,016,020	2,010,325
					$ 66,144,325
Lehman Brothers	4.200	10/02/07	TBD	9,963,295	$ 9,929,700
	4.600	10/23/07	TBD	3,000,939	2,997,875
	4.600	10/26/07	TBD	2,423,047	2,421,500
	4.150	10/31/07	11/07/07	1,051,794	1,051,794
					$ 16,400,869
Morgan Stanley	0.000	10/19/07	TBD	576,450	$ 576,450
Income Opportunity					
Barclay s Bank	5.120	08/06/07	TBD	7,317,925	$ 7,229,500
	5.120	08/06/07	TBD	1,973,243	1,949,400
	5.120	08/07/07	TBD	643,038	635,357
	5.140	08/13/07	TBD	1,407,495	1,391,796
	5.140	08/15/07	TBD	2,362,693	2,337,000
	5.120	08/17/07	TBD	1,335,584	1,321,488
	5.140	08/17/07	TBD	2,054,810	2,033,040
	5.140	08/17/07	TBD	2,528,732	2,501,940
	5.140	08/17/07	TBD	1,628,615	1,611,360
	5.120	08/21/07	TBD	1,082,805	1,071,980
	5.140	08/22/07	TBD	2,766,799	2,739,420
	5.140	08/22/07	TBD	1,716,619	1,699,632
	5.140	09/13/07	TBD	1,171,977	1,164,000
	5.160	09/13/07	TBD	1,681,490	1,670,000
	5.160	09/13/07	TBD	1,490,686	1,480,500
	5.140	09/13/07	TBD	1,800,757	1,788,500
	5.140	09/13/07	TBD	845,757	840,000
	5.160	09/13/07	TBD	1,929,182	1,916,000
	5.290	09/14/07	TBD	2,083,390	2,069,100
					$ 37,450,013

Credit Suisse First Boston LLC	5.100	08/20/07	TBD	2,207,211	$ 2,184,925
	5.100	08/20/07	TBD	1,977,972	1,958,000
	5.100	08/20/07	TBD	2,099,423	2,078,225
	5.100	08/20/07	TBD	1,914,329	1,895,000
	5.100	08/20/07	TBD	614,394	608,190
	5.100	08/30/07	TBD	1,593,878	1,580,000
	5.100	08/30/07	TBD	1,187,338	1,177,000
	5.100	08/30/07	TBD	1,174,224	1,164,000
	5.600	08/31/07	11/01/07	1,933,171	1,915,000
	5.100	08/31/07	TBD	1,603,740	1,590,000
	4.900	10/10/07	11/13/07	26,408,268	26,333,000
	4.900	10/11/07	11/13/07	4,518,266	4,506,000
	5.100	10/18/07	TBD	4,278,469	4,270,000
					$ 51,259,340

Trust/Counter Party	Rate	Trade Date	Maturity Date[1]	Net Closing Amount	Par
Income Opportunity (cont d)					
Lehman Brothers	4.200%	10/01/07	TBD	$ 8,485,395	$ 8,455,800
	4.900	10/11/07	11/01/07	1,973,232	1,967,875
	4.800	10/25/07	11/13/07	4,322,455	4,319,000
	4.150	10/31/07	11/07/07	1,165,916	1,165,781
					$ 15,908,456
Morgan Stanley	0.000	10/19/07	TBD	643,703	$ 643,703
Income Trust					
Lehman Brothers	4.600	11/01/07	TBD	24,280,081	$ 24,280,113
	4.800	11/01/07	11/02/07	3,035,595	3,036,000
	4.800	11/01/07	11/02/07	1,073,107	1,073,250
	4.900	11/01/07	11/02/07	5,505,251	5,506,000
					$ 33,895,363
Limited Duration					
Barclay s Bank	5.220	04/24/07	TBD	967,952	$ 942,000
	5.220	05/01/07	TBD	4,508,542	4,392,000
	5.200	05/01/07	TBD	4,834,245	4,709,751
	5.170	05/01/07	TBD	5,005,043	4,876,875
	5.220	05/01/07	TBD	4,890,798	4,764,375
	5.220	05/01/07	TBD	4,775,313	4,651,875
	5.220	05/01/07	TBD	3,093,874	3,013,900
	5.220	05/01/07	TBD	571,375	556,605
	5.200	05/17/07	TBD	3,091,825	3,019,000
	5.220	07/09/07	TBD	771,546	759,000
					$ 31,685,381
Credit Suisse					
First Boston LLC	5.375	11/26/13	TBD	1,809,853	$ 1,722,000
	5.100	12/05/06	TBD	5,565,373	5,316,812
	5.100	12/05/06	TBD	7,491,361	7,156,781
	5.100	12/07/06	TBD	2,997,342	2,864,250
	5.100	12/07/06	TBD	4,817,122	4,603,225
	5.100	01/18/07	TBD	2,295,602	2,206,213
	5.300	01/18/07	TBD	2,491,177	2,390,523
	5.300	04/17/07	TBD	1,604,750	1,559,520
	0.000	10/04/07	TBD	2,784,000	2,784,000

	5.300	05/16/07	TBD	1,796,358		1,753,000
	5.300	06/11/07	TBD	3,966,218		3,885,000
	5.300	06/11/07	TBD	5,165,782		5,060,000
	5.300	06/29/07	TBD	2,878,082		2,826,483
	5.300	07/09/07	TBD	1,511,957		1,487,000
					$	45,614,807
Lehman Brothers	5.100	7/26/06	TBD	1,474,583	$	1,384,000
	4.750	09/06/06	TBD	937,210		888,000
	5.000	11/27/06	TBD	349,679		334,000
	4.550	01/09/07	TBD	3,472,764		3,347,938
	4.510	01/12/07	TBD	17,203,359		16,596,250
	4.470	02/12/07	TBD	1,841,028		1,783,238
	4.520	02/28/07	TBD	709,164		688,000
	4.520	03/01/07	TBD	5,395,680		5,235,293
	1.250	09/07/07	TBD	1,733,244		1,730,000
					$	31,986,719
Preferred and Equity Advantage						
Credit Suisse First Boston LLC	0.000	10/04/07	TBD	4,988,000	$	4,988,000
	4.000	10/22/07	TBD	5,290,535		5,285,250
					$	10,273,250
Lehman Brothers	5.000	10/23/07	TBD	27,566,470	$	27,535,875
	5.000	10/23/07	TBD	25,046,799		25,019,000
	5.000	10/23/07	TBD	25,490,792		25,462,500
					$	78,017,375
Strategic Bond						
Morgan Stanley	0.000	10/19/07	TBD	413,123	$	413,123

[1] TBD To be determined

Notes to Financial Statements (continued)

Details of underlying collateral for open reverse repurchase agreements at October 31, 2007 were as follows:

Trust/Counter Party	Description	Rate	Maturity Date	Original Face	Current Face	Market Value
Core Bond						
Barclay s Bank	General Electric Capital Corp.	6.150%	8/7/2037	$ 6,855,000	$ 6,855,000	$ 7,103,041
	Deutsche Telekom Intl. Finance BV	5.750	3/23/2016	3,000,000	3,000,000	3,007,887
	Verizon Virginia, Inc.	4.625	3/15/2013	3,150,000	3,150,000	3,024,873
	AT&T, Inc.	6.500	9/1/2037	2,600,000	2,600,000	2,742,532
	Intl. Business Machines Corp.	5.700	9/14/2017	1,760,000	1,760,000	1,786,375
	Morgan Stanley	5.493	1/19/2012	3,300,000	3,300,000	3,246,860
						$ 20,911,568
Credit Suisse	Eli Lilly & Co.	5.550	3/15/2037	2,275,000	2,275,000	$ 2,172,347
	U.S. Bank	6.500	2/1/2008	1,800,000	1,800,000	1,803,074
	Federal Home Loan Mortgage Corp.	5.500	11/1/2018	2,832,896	1,169,936	1,175,041
	Federal National Mortgage Assoc.	5.000	1/1/2018	3,536,110	1,041,164	1,029,288
	Federal National Mortgage Assoc.	5.000	7/1/2036	6,784,029	6,254,571	6,004,420
	Federal National Mortgage Assoc.	6.000	2/1/2036	1,116,625	894,711	901,470
	Federal National Mortgage Assoc.	6.000	4/1/2036	1,091,509	908,081	914,940
	Federal National Mortgage Assoc.	5.500	4/1/2036	1,018,042	895,122	882,170
	Federal National Mortgage Assoc.	6.000	2/1/2036	1,134,707	891,461	898,195
	Federal National Mortgage Assoc.	6.000	9/1/2036	1,039,072	863,698	870,222
	Federal National Mortgage Assoc.	5.500	12/1/2035	44,000,000	42,351,254	41,778,926
	Federal National Mortgage Assoc.	6.000	10/1/2036	3,304,703	3,100,363	3,123,783
	Federal National Mortgage Assoc.	5.000	3/1/2037	1,009,339	997,326	957,244
	Federal National Mortgage Assoc.	5.000	5/1/2037	4,257,973	4,204,831	4,035,841
	Royal Bank of Scotland Group PLC	7.640	N/A[1]	2,000,000	2,000,000	2,073,024
						$ 68,619,985
Lehman	U.S. Treasury Inflation Indexed Bonds	2.375	1/15/2027	5,220,000	5,220,000	$ 5,523,085
	U.S. Treasury Notes	4.750	8/15/2017	10,750,000	10,750,000	10,986,833
						$ 16,509,918
Morgan Stanley	Michaels Stores, Inc.	11.375	11/1/2016	600,000	600,000	$ 598,500
Income Opportunity						
Barclay s Bank	General Electric Capital Corp.	6.150	8/7/2037	7,610,000	7,610,000	$ 7,885,360
	General Electric Capital Corp.	6.750	3/15/2032	1,900,000	1,900,000	2,120,377
	Berkshire Hathaway Finance Corp.	3.375	10/15/2008	2,025,000	2,025,000	1,997,982
	Morgan Stanley	5.493	1/9/2012	3,620,000	3,620,000	3,561,707
	Citigroup, Inc.	4.125	2/22/2010	2,425,000	2,425,000	2,384,488
	Bank of America Corp.	7.800	2/15/2010	2,450,000	2,450,000	2,597,750
	Eli Lilly & Co.	5.550	3/15/2037	1,800,000	1,800,000	1,718,780
	Johnson & Johnson	5.950	8/15/2037	1,120,000	1,120,000	1,171,362
	Bank of America Corp.	6.000	9/1/2017	2,850,000	2,850,000	2,905,373
	Bank of America NA	6.100	6/15/17	1,740,000	1,740,000	1,780,847
	Morgan Stanley	6.250	8/28/2017	1,200,000	1,200,000	1,228,642
	Kraft Foods, Inc.	7.000	8/11/2037	1,670,000	1,670,000	1,813,260
	Societe Generale	5.922	N/A[1]	1,575,000	1,575,000	1,498,912
	AstraZeneca Plc	6.450	9/15/2037	1,825,000	1,825,000	1,923,044
	Citigroup, Inc.	6.125	8/25/2036	900,000	900,000	877,919
	AT&T, Inc.	6.500	9/1/2037	1,980,000	1,980,000	2,088,544
	Intl. Business Machines Corp.	5.700	9/14/2017	2,200,000	2,200,000	2,232,968

						$ 39,787,315
Credit Suisse	UBS Preferred Funding Trust I	8.622	N/A[1]	2,000,000	2,000,000	$ 2,170,314
	Morgan Stanley	6.250	8/9/2026	2,100,000	2,100,000	2,069,773
	Wells Fargo Bank NA	7.550	6/21/10	2,000,000	2,000,000	2,124,152
	Allstate Corp.	6.500	5/15/2057	2,150,000	2,150,000	2,084,728
	General Electric Capital Corp.	6.750	3/15/2032	570,000	570,000	636,113
	Vodafone Group Plc	5.288	12/28/2007	1,615,000	1,615,000	1,615,326
	United Technologies Corp.	4.875	5/1/2015	1,250,000	1,250,000	1,209,314
	Amgen, Inc.	5.585	11/28/2008	1,200,000	1,200,000	1,197,836
	ConocoPhillips Australia Funding Co.	5.343	4/9/2009	1,970,000	1,970,000	1,964,845
	Wyeth	5.950	4/1/2037	1,690,000	1,690,000	1,671,373
	Federal National Mortgage Assoc.	5.500	1/1/2033	16,270,578	6,219,377	6,147,618
	Federal National Mortgage Assoc.	5.500	2/1/2033	17,464,674	6,144,495	6,073,600
	Federal National Mortgage Assoc.	5.500	2/1/2035	5,014,015	3,066,745	3,030,676
	Federal National Mortgage Assoc.	5.000	7/1/2035	15,659,841	13,178,821	12,661,887
	Federal National Mortgage Assoc.	5.500	10/1/2020	1,641,812	1,178,209	1,180,664
	Federal National Mortgage Assoc.	5.500	3/1/2021	677,502	561,380	562,448
	Federal National Mortgage Assoc.	5.500	6/1/2036	1,001,094	912,150	898,951
	Federal National Mortgage Assoc.	5.500	3/1/2021	654,254	539,250	540,276
	Federal National Mortgage Assoc.	6.000	6/1/2037	910,396	896,952	903,619
	JP Morgan Chase Capital XXV	6.800	10/1/2037	4,375,000	4,375,000	4,370,175
						$ 53,113,688

Notes to Financial Statements (continued)

Trust/Counter Party	Description	Rate	Maturity Date	Original Face	Current Face	Market Value
Income Opportunity (cont d)						
Lehman Brothers	U.S. Treasury Notes	4.750%	8/15/2017	$ 9,415,000	$ 9,415,000	$ 9,622,422
	Resolution Funding Corp.	0.000	4/15/2030	6,055,000	6,055,000	2,018,561
	Federal Home Loan Mortgage Corp.	5.067	1/1/2035	7,644,276	1,881,935	1,858,585
	Federal National Mortgage Assoc.	5.500	7/1/2016	1,539,074	481,759	484,728
	Federal National Mortgage Assoc.	5.500	3/1/2018	4,172,428	485,682	488,057
	Federal National Mortgage Assoc.	5.500	11/1/2017	3,217,577	496,702	499,351
	Federal National Mortgage Assoc.	5.500	8/1/2017	3,622,323	1,075,243	1,080,979
						$ 16,052,683
Morgan Stanley	Michaels Stores, Inc.	11.375	11/1/2016	670,000	670,000	$ 668,325
Income Trust						
Lehman Brothers	U.S. Treasury Strip Principal	0.000	11/15/2024	56,630,000	56,630,000	$ 24,656,589
	Resolution Funding Corp.	0.000	4/15/2030	12,440,000	12,440,000	4,147,135
	Federal Home Loan Mortgage Corp.	5.500	3/1/2022	6,083,988	5,641,353	5,650,273
						$ 34,453,997
Limited Duration						
Barclay s Bank	Huntsman LLC	11.625	10/15/2010	1,495,000	1,495,000	$ 1,584,700
	Midwest Generation LLC	8.560	1/2/2016	5,180,000	4,324,265	4,648,585
	Turkey	7.000	9/26/2016	5,093,000	5,093,000	5,328,806
	Columbia	9.750	4/23/2009	5,000,000	6,144,495	6,543,887
	Group 1 Automotive, Inc.	8.250	8/15/2013	5,000,000	5,000,000	5,000,000
	Rite Aid Corp.	8.125	5/1/2010	3,429,659	5,000,000	5,031,250
	Freeport-McMoRan Copper & Gold, Inc.	8.375	4/1/2017	3,034,000	3,034,000	3,322,230
	Comcast Cable Communications LLC	6.875	6/15/2009	2,907,000	2,907,000	2,980,881
	Reynolds American, Inc.	7.625	6/1/2016	756,000	756,000	817,930
						$ 35,258,269
Credit Suisse	Rouse Co. LP	5.375	11/26/2013	2,000,000	2,000,000	$ 1,812,352
	Deutsche Telekom Intl. Finance BV	8.000	6/15/2010	5,000,000	5,000,000	5,361,380
	Daimler Finance North America LLC	4.050	6/4/2008	7,500,000	7,500,000	7,439,415
	DR Horton, Inc.	5.875	7/1/2013	3,000,000	3,000,000	2,688,714
	JC Penney Corp., Inc.	8.000	3/1/2010	4,400,000	4,400,000	4,687,540
	Comcast Cable Communications LLC	6.875	6/15/2009	2,185,000	2,185,000	2,240,532
	Windstream Corp.	8.125	8/1/2013	2,340,000	2,340,000	2,474,550
	Sanmina-SCI Corp.	8.125	3/1/2016	1,710,000	1,710,000	1,500,525
	Michaels Stores, Inc.	11.375	11/1/2016	2,800,000	2,800,000	2,793,000
	Celestica, Inc.	7.625	7/1/2013	1,965,000	1,965,000	1,886,400
	Chesapeake Energy Corp.	7.500	9/15/2013	4,000,000	4,000,000	4,110,000
	American Real Estate Partners LP/American					
	Real Estate Finance Corp.	8.125	6/1/2012	5,390,000	5,390,000	5,430,425
	Qwest Corp.	8.875	3/15/2012	2,640,000	2,640,000	2,890,800
	Rite Aid Corp.	7.500	3/1/2017	1,628,000	1,628,000	1,514,040
						$ 46,829,673
Lehman Brothers	NewPage Corp	11.606	5/1/2012	1,500,000	1,500,000	$ 1,616,250

	Metaldyne Corp.	10.000	11/1/13	1,000,000	1,000,000	930,000
	Grant Prideco Inc	6.125	8/15/2015	380,000	380,000	381,900
	U.S. Treasury Notes	3.375	9/15/2009	3,425,000	3,425,000	3,391,284
	U.S. Treasury Notes	3.375	12/15/2008	17,000,000	17,000,000	16,881,799
	U.S. Treasury Notes	4.250	8/15/2015	1,815,000	1,815,000	1,801,388
	U.S. Treasury Notes	3.875	5/15/2009	5,945,000	5,945,000	5,937,105
	Sally Holdings LLC	10.500	11/15/2016	1,790,000	1,790,000	1,781,050
						$ 32,720,776
Preferred and Equity						
Credit Suisse	Michaels Stores, Inc.	11.375	11/1/2016	5,000,000	5,000,000	$ 4,987,500
	ICICI Bank Ltd.	7.250	N/A[1]	6,600,000	6,600,000	6,128,298
						$ 11,115,798
Lehman Brothers	BOI Capital Funding No. 3	6.107	N/A[1]	30,000,000	30,000,000	$ 27,601,950
	State Street Capital Trust IV	6.694	6/15/2037	28,305,000	28,305,000	25,559,273
	Swiss Re Capital I LP	6.854	N/A[1]	25,000,000	25,000,000	25,215,175
						$ 78,376,398
Strategic Bond						
Morgan Stanley	Michaels Stores, Inc.	11.375	11/1/2016	430,000	430,000	$ 428,925

[1] The security is a perpetual bond and has no stated maturity date.

Notes to Financial Statements (continued)

Note 5. Commitments

Bridge Debt Commitments: Limited Duration may invest in floating rate senior loans. In connection with these investments, Limited Duration may, with its Manager, also enter into senior unsecured bridge financing commitments. Bridge financing commitments may obligate Limited Duration to furnish temporary financing to a borrower until permanent financing can be arranged. These commitments range in duration from 43 to 294 days. At October 31, 2007, Limited Duration had outstanding bridge financing commitments of $20,740,000. In connection with these commitments, Limited Duration earns a commitment fee, typically set as a percentage of the commitment amount. Such fee income, which is classified in the statement of operations as interest income, is recognized ratably over the commitment period. During the year ended October 31, 2007, Limited Duration earned $254,615 in commitment fee income and the unrecognized commitment fee income is recoded on the statement of assets and liabilities as deferred income liability.

Note 6. Income Tax Information

No provision is made for U.S. federal taxes as it is the portfolios intention to continue to qualify for and elect the tax treatment applicable to regulated investment companies under Subchapter M of the Internal Revenue Code of 1986, as amended, and to make the requisite distributions to its shareholders which will be sufficient to relieve it from federal income and excise taxes.

Dividends from net investment income and distributions from net capital gains are determined in accordance with U.S. federal income tax regulations, which may differ from those amounts determined under accounting principles generally accepted in the United States. These Book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, they are charged or credited to paid-in-capital, undistributed net investment income, or accumulated net realized gain, as appropriate, in the period the difference arise.

Reclassification of Capital Accounts: The following permanent differences as of October 31, 2007, attributable to swap income/(loss), transactions involving foreign securities and currencies, expiration of capital loss carryfor-wards and other differences between financial reporting and tax accounting were reclassified to the following accounts.

Trust	Undistributed Net Investment Income/ Distributions in Excess of Net Investment Income	Accumulated Gain/(Loss)	Paid In Capital
Broad Investment Grade	$ 282,885	$ 172	$ (283,057)
Core Bond	786,797	(786,797)	
High Yield	2,368	2,556,500	(2,558,868)
Income Opportunity	1,070,069	(1,070,069)	
Income Trust	(5,959,196)	39,067,148	(33,107,952)
Limited Duration	(2,414,790)	2,414,790	
Preferred and Equity	(48,592)	78,130	(29,538)

The tax character of distributions paid during the year ended October 31, 2007 and 2006 were as follows:

	Year ended October 31, 2007			
Distributions Paid from:	Ordinary Income	Non-taxable Return of Capital	Long-term Capital Gains	Total Distributions
Broad Investment Grade	$ 4,490,035	$	$	$ 4,490,035
Core Bond	11,064,934	5,227,386		16,292,320
High Yield	3,927,807			3,927,807
Income Opportunity	20,862,233	1,874,570		22,736,803
Income Trust	18,808,452	4,978,175		23,786,627
Limited Duration	51,967,739	1,074,826	2,229,742	55,272,307
Preferred and Equity	65,002,006	24,171,991		89,173,997

Strategic Bond	6,521,963	6,521,963

Distributions Paid from:	Year ended October 31, 2006 Ordinary Income	Non-taxable Return of Capital	Long-term Capital Gains	Total Distributions
Broad Investment Grade	$ 4,241,016	$	$ 20,078	$ 4,261,094
Core Bond	25,048,230		7,914,351	32,962,581
High Yield	4,175,232			4,175,232
Income Opportunity	22,238,533	2,162,198	8,976,685	33,377,416
Income Trust	21,910,288	5,576,693		27,486,981
Limited Duration	55,725,066	760,960		56,486,026
Strategic Bond	6,969,104	251,641		7,220,745

As of October 31, 2007, the components of distributable earnings on a tax basis were as follows:

Trust	Undistributed Ordinary Income	Undistributed Long-term Gains/ Capital Loss Carryforward Amount	Unrealized Gain/(Loss) Net
Broad Investment Grade	$ 4,855,266	$ (3,222,226)	$ (287,678)
Core Bond	(2,423,603)	(9,296,969)	(833,467)
High Yield	148,061	(36,514,583)	(3,298,228)
Income Opportunity		(4,794,548)	(1,062,523)
Income Trust		(66,753,313)	3,726,058
Limited Duration			(18,232,683)
Preferred and Equity		(49,741,712)	(47,853,961)
Strategic Bond	214,202	(447,113)	(808,018)

Notes to Financial Statements (concluded)

For federal income tax purposes, the following Trusts had capital loss carry-forward as of their last respective tax year-end. These amounts may be used to offset future realized capital gains, if any:

Trust	Capital Loss Carryforward Amount	Expires
Broad Investment Grade	$ 2,061,303	2011
	684,360	2012
	479,567	2014
	$ 3,225,230	
Core Bond	$ 6,643,266	2014
High Yield	$ 3,270,311	2008
	15,159,280	2009
	8,468,860	2010
	4,771,417	2011
	316,410	2012
	2,060,533	2014
	2,467,773	2015
	$ 36,514,584	
Income Opportunity	$ 2,451,626	2014
	2,342,922	2015
	$ 4,794,548	
Income Trust	$ 1,352,206	2008
	13,940,898	2009
	21,960,613	2011
	10,100,201	2012
	3,861,222	2013
	6,952,429	2014
	8,585,744	2015
	$ 66,753,313	
Preferred and Equity	$ 49,741,712	2015
Strategic Bond	$ 447,113	2014

Note 7. Capital

There are 200 million of $0.01 par value common shares authorized for Broad Investment Grade, Income Opportunity and Income Trust. There are an unlimited number of $0.001 par value common shares authorized for Core Bond, High Yield, Limited Duration, Preferred and Equity and Strategic Bond. At October 31, 2007, the shares owned by an affiliate of the Advisor of Limited Duration and Preferred and Equity were 6,021 and 4,817, respectively.

Preferred and Equity, which commenced on December 27, 2006, issued 47,004,817 common shares under the initial public offering. On February 1, 2007, an additional 4,750,000 shares were issued by the underwriters exercising their over-allotment option. Offering costs incurred in connection with the offering of common shares have been charged against the proceeds from the initial common share offering in the amount of $1,367,957.

During the years ended October 31, 2007 and 2006, the following Trusts issued additional shares under their respective dividend reinvestment plan:

Trust	October 31, 2007	October 31, 2006
High Yield	1,496	6,259
Limited Duration	107,367	13,785
Preferred and Equity	73,340	

As of October 31, 2007, Preferred and Equity has the following series of preferred shares outstanding as listed in the table below. The preferred shares have a liquidation value of $25,000 per share plus any accumulated unpaid dividends.

Series	Shares
T7	4,620
W7	4,620
R7	4,620
F7	4,620

Dividends on seven-day preferred shares are cumulative at a rate which is reset every seven days based on the results of an auction. The dividend ranges on the preferred shares for Preferred and Equity for the period ended October 31, 2007 were as follows:

Series	Low	High	Average
T7	5.05%	6.40%	5.38%
W7	5.08	6.40	5.39
R7	4.99	6.30	5.39
F7	5.00	6.35	5.36

Note 8. Subsequent Events

Subsequent to October 31, 2007, the Board of each of the Trusts declared dividends per common share payable November 30, 2007, to shareholders of record on November 15, 2007. The per share common dividends declared were as follows:

Trust	Common Dividend Per Share
Broad Investment Grade	$ 0.04900
Core Bond	0.06700
High Yield	0.05100
Income Opportunity	0.05500
Income Trust	0.03100
Limited Duration	0.12500
Preferred and Equity	0.15625
Strategic Bond	0.07700

The dividends declared on preferred shares for the period November 1, 2007 to November 30, 2007 for Preferred and Equity were as follows:

Series	Dividends Declared
T7	$ 458,581
W7	455,301
R7	567,983
F7	574,127

On November 29, 2007, Broad Investment Grade s Board of Trustees approved a Plan of Liquidation and Dissolution. Accordingly, the Broad Investment Grade will liquidate substantially all of its assets on or about the close of business on December 31, 2009.

Report of Independent Registered Public Accounting Firm

To the Directors/Trustees and Shareholders of:
BlackRock Broad Investment Grade 2009 Term Trust Inc.
BlackRock Core Bond Trust
BlackRock High Yield Trust
BlackRock Income Opportunity Trust
BlackRock Income Trust Inc.
BlackRock Limited Duration Income Trust
BlackRock Preferred and Equity Advantage Trust
BlackRock Strategic Bond Trust
(Collectively the Trusts)

We have audited the accompanying statements of assets and liabilities of the Trusts, including the portfolios of investments, as of October 31, 2007, and the related statements of operations for the year then ended, the statements of changes in net assets and the financial highlights for each of the periods presented. We have also audited the statements of cash flows of BlackRock Core Bond Trust, BlackRock High Yield Trust, BlackRock Income Opportunity Trust, BlackRock Income Trust Inc., BlackRock Limited Duration Income Trust and BlackRock Preferred and Equity Advantage Trust, for the year ended October 31, 2007. These financial statements and financial highlights are the responsibility of the Trusts management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trusts are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2007, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Trusts as of October 31, 2007, the results of their operations and the cash flows of BlackRock Core Bond Trust, BlackRock High Yield Trust, BlackRock Income Opportunity Trust, BlackRock Income Trust Inc., BlackRock Limited Duration Income Trust and BlackRock Preferred and Equity Advantage Trust, for the year then ended, the changes in their net assets and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Boston, Massachusetts
December 28, 2007

The Benefits and Risks of Leveraging (unaudited)

The Trusts may utilize leveraging through borrowings or issuance of short-term debt securities or shares of Preferred Stock. 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 on borrowings or dividend rates on the Preferred Stock, which normally will be lower than the income earned by each Trust on its longer-term portfolio investments. To the extent that the total assets of each Trust (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Trust s Common Stock shareholders will be the beneficiaries of the incremental yield.

As of October 31, 2007, the Trusts had the following leverage amounts to total net assets before the deduction of leverage of:

Trust	Leverage%
Core Bond	22%
High Yield	15%
Income Opportunity	22%
Income Trust	8%
Limited Duration	14%
Preferred and Equity	33%

Leverage creates risks for holders of Common Stock including the likelihood of greater net asset value and market price volatility. In addition, there is the risk that fluctuations in interest rates on borrowings or in the dividend rates on any Preferred Stock may reduce the Common Stock s yield and negatively impact its net asset value and market price. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, each Trust 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 Trust s net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Stock shareholders will be reduced.

Dividend Reinvestment Plans (unaudited)

Pursuant to each Trust s respective Dividend Reinvestment Plan (the Plan), common shareholders of Broad Investment Grade, Income Opportunity and Income Trust may elect, while shareholders of Core Bond, High Yield, Limited Duration, Preferred and Equity and Strategic Bond are automatically enrolled, to have all distributions of dividends and capital gains reinvested by Computershare Trust Company, N.A. (the Plan Agent) in the respective Trust s shares pursuant to the Plan. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent, which serves as agent for the shareholders in administering the Plan.

After Broad Investment Grade declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants account, by the purchase of outstanding shares on the open market, on the Trust s primary exchange or elsewhere (open market purchases). The Trust will not issue any new shares under the Plan.

After Core Bond, High Yield, Income Trust, Limited Duration, Preferred and Equity and/or Strategic Bond declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants account, depending upon the circumstances described below, either (i) through receipt of unissued but authorized shares from the Trust (newly issued shares) or (ii) by open market purchases. If, on the dividend payment date, the net asset value per share (NAV) is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as market premium), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participant s account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition being referred to herein as market discount), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases.

At a meeting of the Board of Trustees of the Income Opportunity Trust on November 21, 2006, the Board approved an amendment to the Dividend Reinvestment Plan of the Income Opportunity Trust. The Plan previously operated in a manner similar to Broad Investment Grade s Plan, and permitted shares to be purchased only on the open market. As a result of the amendment, the Plan will permit purchases of newly issued shares on terms similar to the Plans described in the next paragraph. This amendment took effect on April 1, 2007.

The Plan Agent s fees for the handling of the reinvestment of dividends and distributions will be paid by each Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent s open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any Federal income tax that may be payable on such dividends or distributions.

Each Trust reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, each Trust reserves the right to amend the Plan to include a service charge payable by the participants. Participants who request a sale of shares through the Plan Agent are subject to a $2.50 sales fee and a $0.15 per share sold brokerage commission. All correspondence concerning the Plan should be directed to the Plan Agent at 250 Royall Street, Canton, MA 02021 or (800) 699-1BFM.

BlackRock Privacy Principles

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

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

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

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

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

Additional Information (unaudited)

TAX NOTICE

The following information is provided with respect to the distributions paid by the BlackRock Closed-End Funds for the fiscal year ended October 31, 2007:

	Payable Date	Federal Obligation Interest[1]	Interest Related Dividends for Non- U.S. Residents[2]	Long-Term Capital Gains Per Share ($)
Broad Investment Grade 2009 Term Trust (BCT)	11/30/06 1/31/07	3.48%	8.50%	
	2/28/07 10/31/07	2.13%	42.10%	
High Yield Trust (BHY)	11/30/06 1/31/07	2.08%	58.91%	
	2/28/07 10/31/07	1.78%	87.67%	
Income Opportunity Trust (BNA)	11/30/06 1/31/06	8.24%	51.11%	
	2/28/07 10/31/07	1.97%	100%	
Income Trust (BKT)	11/30/06 1/31/07	7.80%	58.17%	
	2/28/07 10/31/07	12.22%	84.45%	
Limited Duration Income Trust (BLW)	11/30/06 1/31/07	2.41%	57.97%	
	2/28/07 9/30/07	1.93%	100%	
	10/31/07	1.93%	100%	0.060444
Preferred and Equity Advantage Trust (BTZ)*	1/31/07 10/31/07	2.31%	37.89%	
Strategic Bond Trust (BHD)	11/30/06 1/31/07	2.50%	57.18%	
	2/28/07 10/31/07	3.76%	100%	

* Of the ordinary distributions paid by Preferred and Equity Advantage Trust, 37 percent consist of qualified dividend income for individuals and dividends qualifying for the dividends received deduction for corporations.

1 The law varies in each state as to whether and what percentage of dividend income attributable to Federal Obligations is exempt from state income tax. We recommend that you consult your tax advisor to determine if any portion of the dividends you received is exempt from state income taxes.

2 Represents the portion of the distributions paid that are exempt from U.S withholding tax for nonresident aliens and foreign corporations.

In January 2008, a form 1099-DIV will be sent to shareholders which will state the amount and composition of distributions and provide information with respect to their appropriate tax treatment.

Additional Information (unaudited) (continued)

Shareholder Meetings

The Joint Annual Meeting of Shareholders was held on August 16, 2007 for shareholders of record on June 20, 2007, to elect director or trustee nominees of each Trust. This proposal was part of the reorganization of the Trust s Boards of Trustees (the Boards) to take effect on or about November 1, 2007. The Board is organized into three classes one class of which is elected annually. Each Trustee serves a three-year term concurrent with the class into which he or she is elected.

Approved the Class I Directors/Trustees as follows:

	G. Nicholas Beckwith, III		Kent Dixon		R. Glenn Hubbard	
	Votes For	Votes Withheld	Votes For	Votes Withheld	Votes For	Votes Withheld
Broad Investment Grade	2,600,006	20,037	2,600,006	20,037	2,600,006	20,037
Core Bond	21,540,504	205,001	21,534,431	211,073	21,540,366	205,138
High Yield	5,938,569	96,163	5,941,585	93,147	5,937,943	96,789
Income Opportunity	27,451,182	274,088	27,449,422	275,848	27,444,122	281,147
Income Trust	54,004,899	878,220	54,007,568	875,552	54,012,161	870,958
Limited Duration	31,528,458	301,321	31,522,202	307,576	31,527,975	301,804
Preferred and Equity	49,178,575	636,127	49,172,672	642,030	49,178,097	636,605
Strategic Bond	5,838,976	188,565	5,839,626	187,915	5,838,876	188,665

	W. Carl Kester		Robert S. Salomon, Jr.	
	Votes For	Votes Withheld	Votes For	Votes Withheld
Broad Investment Grade	2,600,006	20,037	2,600,006	20,037
Core Bond	21,542,541	202,963	21,532,904	212,601
High Yield	5,940,393	94,339	5,941,060	93,672
Income Opportunity	27,459,822	265,448	27,427,963	297,307
Income Trust	540,145,471	868,572	53,998,127	884,992
Limited Duration	31,535,465	294,314	31,529,737	300,042
Preferred and Equity	12,415[1]	63[1]	49,178,951	635,751
Strategic Bond	5,839,476	188,065	5,839,776	187,765

Approved the Class II Directors/Trustees as follows:

	Richard S. Davis		Frank J. Fabozzi		James T. Flynn	
	Votes For	Votes Withheld	Votes For	Votes Withheld	Votes For	Votes Withheld
Broad Investment Grade	2,600,006	20,037	2,600,006	20,037	2,600,006	20,037
Core Bond	21,528,535	216,970	21,543,679	201,825	21,535,708	209,796
High Yield	5,939,343	95,389	5,938,756	95,976	5,941,378	93,354
Income Opportunity	27,452,493	272,777	27,456,158	269,112	27,447,610	277,660
Income Trust	54,011,445	871,675	54,017,461	865,659	54,012,426	870,694
Limited Duration	31,533,743	296,036	31,534,354	295,425	31,531,608	298,171
Preferred and Equity	49,181,551	633,151	12,415[1]	63[1]	49,179,416	635,286

Strategic Bond	5,839,276	188,265	5,836,791	190,750	5,839,776	187,765

	Karen P. Robards	
	Votes For	Votes Withheld
Broad Investment Grade	2,600,006	20,037
Core Bond	21,546,810	198,695
High Yield	5,939,791	94,941
Income Opportunity	27,457,771	267,499
Income Trust	54,006,888	876,232
Limited Duration	31,534,697	295,081
Preferred and Equity	49,180,119	634,583
Strategic Bond	5,839,676	187,865

1 Voted on by holders of preferred shares only.

Additional Information (unaudited) (concluded)

Approved the Class III Directors/Trustees as follows:

	Richard E. Cavanagh		Kathleen F. Feldstein		Henry Gabbay	
	Votes For	Votes Withheld	Votes For	Votes Withheld	Votes For	Votes Withheld
Broad Investment Grade	2,600,006	20,037	2,600,006	20,037	2,600,006	20,037
Core Bond	21,545,394	200,110	21,537,449	208,056	21,528,340	217,164
High Yield	5,939,949	94,783	5,937,482	97,250	5,939,881	94,851
Income Opportunity	27,447,696	277,574	27,434,374	290,896	27,449,506	275,764
Income Trust	54,014,874	868,245	53,992,362	890,757	54,015,668	867,452
Limited Duration	31,529,595	300,184	31,523,085	306,693	31,527,485	302,294
Preferred and Equity	49,151,157	663,545	49,177,230	637,472	49,184,426	630,276
Strategic Bond	5,839,176	188,365	5,838,876	188,665	5,839,926	187,615

	Jerrold B. Harris	
	Votes For	Votes Withheld
Broad Investment Grade	2,600,006	20,037
Core Bond	21,544,954	200,551
High Yield	5,941,378	93,354
Income Opportunity	27,441,156	284,114
Income Trust	54,010,458	872,661
Limited Duration	31,525,195	304,584
Preferred and Equity	49,180,428	634,274
Strategic Bond	5,838,976	188,565

The following Trusts had an additional proposal (Proposal #2) to amend their respective Declarations of Trust to increase the maximum number of Board Members to 15:

	Votes For	Votes Against	Votes Abstain
Core Bond	21,397,280	273,953	74,272
High Yield	5,853,627	164,515	16,590
Limited Duration	30,858,715	452,424	518,639
Preferred and Equity	48,460,779	990,861	363,061
Strategic Bond	5,817,653	131,815	78,074

Each Trust listed for trading on the New York Stock Exchange (NYSE) has filed with the NYSE its annual chief executive officer certification regarding compliance with the NYSE s listing standards and each Trust listed for trading on the American Stock Exchange (AMEX) has filed with the AMEX its corporate governance certification regarding compliance with the AMEX s listing standards. All of the Trusts have filed with the Securities and Exchange Commission the certification of its chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

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

During the period, there were no material changes in any Trust s investment objective or policies or to any Trust s charters or by-laws that were not approved by the shareholders or in the principal risk factors associated with investment in the Trusts.

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

Section 19 Notices (unaudited)

The amounts and sources of distributions reported are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources for tax reporting purposes will depend upon the Trust s investment experience during the remainder of its fiscal year and may be subject to changes based on the tax regulations. The Trust will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

	Total Fiscal Year to Date Cumulative Distributions by Character				Percentage of Fiscal Year to Date Cumulative Distributions by Character			
Trust	**Net Investment Income**	**Net Realized Capital Gains**	**Return of Capital**	**Total Per Common Share**	**Net Investment Income**	**Net Realized Capital Gains**	**Return of Capital**	**Total Per Common Share**
Core Bond	$ 0.72	$	$ 0.09	$ 0.80	89%	%	11%	100%
Income Opportunity	0.61		0.05	0.66	92		8	100
Income Trust	0.32		0.05	0.37	85		15	100
Preferred and Equity	0.89		0.52	1.41	63		37	100

Each Trust estimates that it has distributed more than its income and net realized gains; therefore, a portion of the distribution may be a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in the Fund is paid back to the shareholder. A return of capital does not necessarily reflect the Fund s investment performance and should not be confused with yield or income .

Directors/Trustees Information (unaudited)

Name, Address and Year of Birth	Current Positions Held With the Trusts	Term of Office and Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios Overseen Within the Fund Complex[1]	Other Directorships Held Outside the Fund Complex[1]	Events or Transactions by Reason of Which the Trustee is an Interested Person as Defined in Section 2(a)(19) of the 1940 Act
Interested Director/Trustee[2]						
Ralph L. Schlosstein BlackRock, Inc. 40 East 52nd Street New York, NY 10022 1951	Chairman of the Board[3]	3 years[4]/ since inception	Director from 1999 to 2007 and President of BlackRock, Inc. from 1998 to 2007. Chairman and President of the BlackRock Liquidity Funds.	70	None	Former Director and President of the Advisor until September 2007.

1 The Fund Complex means two or more registered investment companies that: (1) hold themselves out to investors as related companies for purposes of investment and investor services; or (2) have a common investment advisor or have an investment advisor that is an affiliated person of the investment advisor of any of the other registered investment companies.

2 Interested Director/Trustee as defined by Section 2(a)(19) of the Investment Company Act of 1940.

3 Director/Trustee since inception; appointed Chairman of the Board on August 22, 2002.

4 The Board is classified into three classes of which one class is elected annually. Each Director/Trustee serves a three-year term concurrent with the class from which they are elected.

Directors/Trustees Information (unaudited) (continued)

Name, Address and Year of Birth	Current Positions Held With the Trusts	Term of Office and Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios Overseen Within the Fund Complex[1]	Other Directorships Held Outside the Fund Complex
Independent Directors/Trustees					
Richard E. Cavanagh P.O. Box 4546 New York, NY 10163-4546 1946	Lead Trustee Audit Committee Member[2]	3 years[3]/since inception	Trustee, Aircraft Finance Trust (AFT) from 1999 to the present; Director, The Guardian Life Insurance Company of America and The Mutual Life Insurance Company from 1998 to the present; Trustee, Educational Testing Service (ETS) from 1997 until the present; Director, the Freemont Group from 1996 until the present. President and Chief Executive Officer of The Conference Board, Inc. (a leading global busi- ness research organization) from 1995 to 2007.	60	Arch Chemical (Chemicals and Allied Products).
Kent Dixon P.O. Box 4546 New York, NY 10163-4546 1937	Trustee Audit Committee Member[2]	3 years[3]/since inception	Consultant/Investor since 1988.	60	None
Frank J. Fabozzi P.O. Box 4546 New York, NY 10163-4546 1948	Trustee Audit Committee Member[2]	3 years[3]/since inception	Consultant/Editor of, The Journal of Portfolio Management ; Yale University, School of Management, Professor in the Practice of Finance and Becton Fellow from 2006 until present; Adjunct Professor of Finance and Becton Fellow from 2005 to 2006; Professor in the practice of Finance from 2003 to 2005; Adjunct Professor of Finance from 1994 to 2003; Author and Editor.	60	None

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The Fund Complex means two or more registered investments companies that: (1) hold themselves out to investors as related companies for purposes of investment and investor services; or (2) have a common investment advisor or have an investment advisor that is an affiliated person of the investment advisor of any of the other registered investment companies.

[2] The Board of each Trust has determined that each Trust has three Audit Committee financial experts serving on its Audit Committee, Mr. Cavanagh, Mr. Dixon and Mr. Fabozzi, each of whom is independent for the purpose of the definition of Audit Committee financial expert as applicable to the Trusts.

[3] The Board is classified into three classes of which one class is elected annually. Each Director/Trustee serves a three-year term concurrent with the class from which they are elected.

Directors/Trustees Information (unaudited) (concluded)

Name, Address and Year of Birth	Current Positions Held With the Trusts	Term of Office and Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios Overseen Within the Fund Complex[1]	Other Directorships Held Outside the Fund Complex
Independent Directors/Trustees					
Kathleen F. Feldstein P.O. Box 4546 New York, NY 10163-4546 1941	Trustee	3 years[3]/since January 19, 2005	President of Economic Studies, Inc., (a Belmont MA-based private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital since 2000. Member of the Board of Partners Community Healthcare, Inc. from 2005 until the present; Member of the Board of Partners HealthCare and Sherrill House from 1990 to the present; Trustee, Museum of Fine Arts, Boston from 1992 until the present and a Member of the Visiting Committee to the Harvard University Art Museum from 2003 to the present; Trustee, The Committee for Economic Development (a research organization of business leaders and educators) from 1990 to the present; Member of the Advisory Board to the International School of Business, Brandeis University from 2002 to the present.	60	Director, The McClatchy Company.
R. Glenn Hubbard P.O. Box 4546 New York, NY 10163-4546 1958	Trustee	3 years[3]/since November 16, 2004	Dean of Columbia Business School since 2004; Columbia faculty member since 1988; Co-director of Columbia Business School s Entrepreneurship Program 1997 to 2004; Visiting Professor at the John F. Kennedy School of Government at Harvard University and the Harvard Business School from 1985, as	60	ADP, KKR Financial Corporation, Duke Realty, Metropolitan Life Insurance Company.

well as the University of Chicago from 1994; Deputy Assistant Secretary of the U.S. Treasury Department for Tax Policy from 1991 to 1993; Chairman of the U.S. Council of Economic Advisers under the President of the United States from 2001 to 2003.

[1] The Fund Complex means two or more registered investments companies that: (1) hold themselves out to investors as related companies for purposes of investment and investor services; or (2) have a common investment advisor or have an investment advisor that is an affiliated person of the investment advisor of any of the other registered investment companies.

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BlackRock Closed-End Funds

Officers
Robert S. Kapito, *President*
Donald C. Burke, *Treasurer*
Bartholomew Battista, *Chief Compliance Officer*
Anne Ackerley, *Vice President*
Vincent B. Tritto, *Secretary*

Investment Advisor
BlackRock Advisors, LLC
100 Bellevue Parkway
Wilmington, DE 19809
(800) 227-7BFM

Sub-Advisor
BlackRock Financial Management, Inc.[1]
40 East 52nd Street
New York, NY 10022

BlackRock Investment Management, LLC[2]
40 East 52nd Street
New York, NY 10022

Accounting Agent and Custodian
State Street Bank and Trust Company
2 Avenue De Lafayette
Boston, MA 02111

Transfer Agent
Computershare Trust Company, N.A.
250 Royall Street
Canton, MA 02021
(800) 699-1BFM

Auction Agent[2]
Bank of New York
101 Barclay Street, 7 West
New York, NY 10286

Independent Registered Public Accounting Firm
Deloitte & Touche LLP
200 Berkeley Street
Boston, MA 02116

Legal Counsel
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036

Legal Counsel   Independent Trustees
Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022
This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Trust shares. Statements and other information contained in this report are as dated and are subject to change.

BlackRock Closed-End Funds
c/o BlackRock Advisors, LLC

100 Bellevue Parkway
Wilmington, DE 19809
(800) 227-7BFM

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1 For Core Bond, Limited Duration, Preferred and Equity and Strategic Bond.
2 For Preferred and Equity.

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called householding and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact the Trusts at (800) 699-1BFM.

The Trusts have delegated to the Advisor the voting of proxies relating to their voting securities pursuant to the Advisor s proxy voting policies and procedures. You may obtain a copy of these proxy voting policies and procedures, without charge, by calling (800) 699-1BFM. These policies and procedures are also available on the website of the Securities and Exchange Commission (the Commission) at http://www.sec.gov.

Information on how proxies relating to the Trusts voting securities were voted by the Advisor during the most recent 12-month period ended June 30th is available without charge, upon request, by calling (800) 699-1BFM or on the website of the Commission at http://www.sec.gov.

The Trusts file their complete schedule of portfolio holdings for the first and third quarters of their respective fiscal years with the Commission on Form N-Q. Each Trust s Form N-Q is available on the Commission s website at http://www.sec.gov. Each Trust s Form N-Q may be reviewed and copied at the Commission s Public Reference Room in Washington, D.C. Information regarding the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. Each Trust s Form N-Q may also be obtained without charge, upon request, by calling (800) 699-1BFM.

CEF-ANN-3-1007

Item 2 Code of Ethics The registrant (or the Fund) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant's principal executive officer, principal financial officer and principal accounting officer, or persons performing similar functions. During the period covered by this report, there have been no amendments to or waivers granted under the code of ethics. A copy of the code of ethics is available without charge at www.blackrock.com.

Item 3 Audit Committee Financial Expert The registrant's board of directors or trustees, as applicable (the board of directors) has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent:

Kent Dixon
Frank J. Fabozzi
Dr. Andrew F. Brimmer (retired as of December 31, 2006)
Robert S. Salomon, Jr. (term began effective November 1, 2007)
W. Carl Kester (term began effective November 1, 2007)
James T. Flynn (term began effective November 1, 2007)
Karen P. Robards (term began effective November 1, 2007)

The registrant's board of directors has determined that W. Carl Kester and Karen P. Robards qualify as financial experts pursuant to Item 3(c)(4) of Form N-CSR.

Prof. Kester has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Prof. Kester has been involved in providing valuation and other financial consulting services to corporate clients since 1978. Prof. Kesters financial consulting services present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrants financial statements.

Ms. Robards has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Ms. Robards has been President of Robards & Company, a financial advisory firm, since 1987. Ms. Robards was formerly an investment banker for more than 10 years where she was responsible for evaluating and assessing the performance of companies based on their financial results. Ms. Robards has over 30 years of experience analyzing financial statements. She also is the member of the Audit Committees of one publicly held company and a non-profit organization.

Under applicable securities laws, a person determined to be an audit committee financial expert will not be deemed an expert for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification.

Item 4 Principal Accountant Fees and Services

	(a) Audit Fees		(b) Audit-Related Fees[1]		(c) Tax Fees[2]		(d) All Other Fees[3]	
Entity Name	Current Fiscal Year End	Previous Fiscal Year End	Current Fiscal Year End	Previous Fiscal Year End	Current Fiscal Year End	Previous Fiscal Year End	Current Fiscal Year End	Previous Fiscal Year End
BlackRock Broad Investment Grade 2009 Term Trust, Inc.	$21,000	$21,000	$0	$0	$6,100	$8,000	$1,042	$300

[1] The nature of the services include assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.
[2] The nature of the services include tax compliance, tax advice and tax planning.
[3] The nature of the services include a review of compliance procedures and attestation thereto.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:

The registrant has polices and procedures (the "Policy") for the pre-approval by the registrant's audit committee of Audit, Audit-Related, Tax and Other Services (as each is defined in the Policy) provided by the Fund's independent auditor (the "Independent Auditor") to the registrant and other "Covered Entities" (as defined below). The term of any such pre-approval is 12 months from the date of pre-approval, unless the audit committee specifically provides for a different period. The amount of any such pre-approval is set forth in the appendices to the Policy (the "Service Pre-Approval Documents"). At its first meeting of each calendar year, the audit committee will review and re-approve the Policy and approve or re-approve the Service Pre-Approval Documents for that year, together with any changes deemed necessary or desirable by the audit committee. The audit committee may, from time to time, modify the nature of the services pre-approved, the aggregate level of fees pre-approved or both.

For the purposes of the Policy, "Covered Services" means (A) all engagements for audit and non-audit services to be provided by the Independent Auditor to the Fund and (B) all engagements for non-audit services related directly to the operations and financial reporting or the Fund to be provided by the Independent Auditor to any Covered Entity, "Covered Entities" means (1) the Advisor or (2) any entity controlling, controlled by or under common control with the Advisor that provides ongoing services to the Fund.

In the intervals between the scheduled meetings of the audit committee, the audit committee delegates pre-approval authority under this Policy to the Chairman of the audit committee (the "Chairman"). The Chairman shall report any pre-approval decisions under this Policy to the audit committee at its next scheduled meeting. At each scheduled meeting, the audit committee will review with the Independent Auditor the Covered Services pre-approved by the Chairman pursuant to delegated authority, if any, and the fees related thereto. Based on these reviews, the audit committee can modify, at its discretion, the pre-approval originally granted by the Chairman pursuant to delegated authority. This modification can be to the nature of services pre-approved, the aggregate level of fees approved, or both. Pre-approval of Covered Services by the Chairman pursuant to delegated authority is expected to be the exception rather than the rule and the audit committee may modify or withdraw this delegated authority at any time the audit committee determines that it is appropriate to do so.

Fee levels for all Covered Services to be provided by the Independent Auditor and pre-approved under this Policy will be established annually by the audit committee and set forth in the Service Pre-Approval Documents. Any increase in pre-approved fee levels will require specific pre-approval by the audit committee (or the Chairman pursuant to delegated authority).

The terms and fees of the annual Audit services engagement for the Fund are subject to the specific pre-approval of the audit committee. The audit committee (or the Chairman pursuant to delegated authority) will approve, if necessary, any changes in terms, conditions or fees resulting from changes in audit scope, Fund structure or other matters.

In addition to the annual Audit services engagement specifically approved by the audit committee, any other Audit services for the Fund not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the audit committee (or the Chairman pursuant to delegated authority).

Audit-Related services are assurance and related services that are not required for the audit, but are reasonably related to the performance of the audit or review of the financial statements of the registrant and, to the extent they are Covered Services, the other Covered Entities (as defined in the Joint Audit Committee Charter) or that are traditionally performed by the Independent Auditor. Audit-Related services that are Covered Services and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the audit committee (or the Chairman pursuant to delegated authority).

The audit committee believes that the Independent Auditor can provide Tax services to the Covered Entities such as tax compliance, tax planning and tax advice without impairing the auditor's independence. However, the audit committee will not permit the retention of the Independent Auditor in connection with a transaction initially recommended by the Independent Auditor, the sole business purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. Tax services that are Covered Services and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the audit committee (or the Chairman pursuant to delegated authority).

All Other services that are covered and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the audit committee (or the Chairman pursuant to delegated authority).

Requests or applications to provide Covered Services that require approval by the audit committee (or the Chairman pursuant to delegated authority) must be submitted to the audit committee or the Chairman, as the case may be, by both the Independent Auditor and the Chief Financial Officer of the respective Covered Entity, and must include a joint statement as to whether, in their view, (a) the request or application is consistent with the rules of the Securities and Exchange Commission ("SEC") on auditor independence and (b) the requested service is or is not a non-audit service prohibited by the SEC. A request or application submitted to the Chairman between scheduled meetings of the audit committee should include a discussion as to why approval is being sought prior to the next regularly scheduled meeting of the audit committee.

(e)(2) None of the services described in each of Items 4(b) through (d) were approved by the audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) Affiliates' Aggregate Non-Audit Fees:

Entity Name	Current Fiscal Year End	Previous Fiscal Year End

BlackRock Broad Investment Grade 2009 Term Trust, Inc.	$291,642	$294,500

(h) The registrants audit committee has considered and determined that the provision of non-audit services that were rendered to the registrants investment adviser (not including any non-affiliated sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by the registrants investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountants independence.

Regulation S-X Rule 2-01(c)(7)(ii) $284,500, 0%

Item 5 Audit Committee of Listed Registrants The following individuals are members of the registrants separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act (15 U.S.C. 78c(a)(58)(A)):

Dr. Andrew F. Brimmer (retired as of December 31, 2006)
Richard E. Cavanagh (not reappointed to Audit Committee as of November 1, 2007)
Kent Dixon
Frank J. Fabozzi
Robert S. Salomon, Jr. (term began effective November 1, 2007)
W. Carl Kester (term began effective November 1, 2007)
James T. Flynn (term began effective November 1, 2007)
Karen P. Robards (term began effective November 1, 2007)

Item 6 Schedule of Investments The registrants Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this form.

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies The registrant has delegated the voting of proxies relating to Fund portfolio securities to its investment adviser, BlackRock Advisors, LLC and its sub-adviser, as applicable. The Proxy Voting Policies and Procedures of the adviser and sub-adviser are attached hereto as Exhibit 99.PROXYPOL.

Information about how the Fund voted proxies relating to securities held in the Funds portfolio during the most recent 12 month period ended June 30 is available without charge (1) at www.blackrock.com and (2) on the Commissions web site at http://www.sec.gov.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of October 31, 2007.

(a)(1) BlackRock Broad Investment Grade 2009 Term Trust, Inc. is managed by a team of investment professionals comprised of Robert S. Kapito, Vice Chairman and a Director of BlackRock and Michael P. Lustig, Managing Director at BlackRock. Each is a member of BlackRocks fixed income portfolio management group. Messrs. Kapito is responsible for setting overall investment strategy and overseeing management of the Fund. Mr. Lustig is the Funds portfolio manager and is responsible for the day-to-day management of the Funds portfolio and the selection of its investments. Mr. Kapito has been a member of the Funds management team since 1993. Mr. Lustig has been the Funds portfolio manager since 2006.

Robert S. Kapito is head of Portfolio Management and a member of the Executive and Management Committees and Investment Strategy Groups. Mr. Kapito oversees all portfolio management within BlackRock, including the Fixed Income, Equity, Liquidity, and Alternative Investment Groups. Mr. Kapito has been a portfolio manager with BlackRock since 1988.

Michael P. Lustig, Managing Director and portfolio manager, is a member of the Fixed Income Portfolio Management Group. Mr. Lustig is responsible for managing the firm's taxable closed-end funds, the structured mortgage and derivative products sector, and the markets-based risk advisory effort as well as the internal training program. Mr Lustig has been with BlackRock since 1989.

(a)(2) As of October 31, 2007:

	(ii) Number of Other Accounts Managed and Assets by Account Type			**(iii) Number of Other Accounts and Assets for Which Advisory Fee is Perforamnce-Based**		
(i) Name of Portfolio Manager	**Other Registered Investment Companies**	**Other Pooled Investment Vehicles**	**Other Accounts**	**Other Registered Investment Companies**	**Other Pooled Investment Vehicles**	**Other Accounts**
Robert Kapito	4	1	1	0	1	0
	$1,367,121,476	$771,998,104	$6,385,960	$0	$771,198,104	$0
Michael Lustig	4	1	4	0	1	0
	$1,367,121,476	$771,998,104	$4,209,857,310	$0	$771,198,104	$0

(iv) Potential Material Conflicts of Interest

BlackRock, Inc. and its affiliates (collectively, herein “BlackRock”) has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, its affiliates and any officer, director, stockholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, or any of its affiliates, or any officer, director, stockholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock’s (or its affiliates’) officers, directors or employees are directors or officers, or companies as to which BlackRock or any of its affiliates or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Each portfolio manager also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for the Fund. In this connection, it should be noted that certain portfolio managers currently manage certain accounts that are subject to performance fees. In addition, certain portfolio managers assist in managing certain hedge funds and may be entitled to receive a portion of any incentive fees earned on such funds and a portion of such incentive fees may be voluntarily or involuntarily deferred. Additional portfolio managers may in the future manage other such accounts or funds and may be entitled to receive incentive fees.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock has adopted a policy that is intended to ensure that investment opportunities are allocated fairly and equitably among client accounts over time. This policy also seeks to achieve reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base.

(a)(3) As of October 31, 2007:

Portfolio Manager Compensation

The portfolio manager compensation program of BlackRock is critical to BlackRocks ability to attract and retain the most talented asset management professionals. This program ensures that compensation is aligned with maximizing investment returns and it provides a competitive pay opportunity for competitive performance.

Compensation Program

The elements of total compensation for BlackRock portfolio managers are: fixed base salary, annual performance-based cash and stock compensation (cash and stock bonus) and other benefits. BlackRock has balanced these components of pay to provide portfolio managers with a powerful incentive to achieve consistently superior investment performance. By design, portfolio manager compensation levels fluctuate both up and down with the relative investment performance of the portfolios that they manage.

Base Salary

Under the BlackRock approach, like that of many asset management firms, fixed base salaries represent a relatively small portion of a portfolio managers total compensation. This approach serves to enhance the motivational value of the performance-based (and therefore variable) compensation elements of the compensation program.

Performance-Based Compensation

BlackRock believes that the best interests of investors are served by recruiting and retaining exceptional asset management talent and managing their compensation within a consistent and disciplined framework that emphasizes pay for performance in the context of an intensely competitive market for talent. To that end, the portfolio manager incentive compensation is based on a formulaic compensation program.

BlackRock's formulaic portfolio manager compensation program includes: pre-tax investment performance relative to the appropriate competitors or benchmarks over 1-, 3- and 5-year performance periods and a measure of operational efficiency. If a portfolio manager's tenure is less than 5 years, performance periods will reflect time in position. Portfolio managers are compensated based on products they manage. For these purposes, the performance of the Fund is compared to the Lipper Closed-end U.S. Mortgage Funds classification. A smaller discretionary element of portfolio manager compensation may include consideration of: financial results, expense control, profit margins, strategic planning and implementation, quality of client service, market share, corporate reputation, capital allocation, compliance and risk control, leadership, workforce diversity, supervision, technology and innovation. All factors are considered collectively by BlackRock management.

Cash Bonus

Performance-based compensation is distributed to portfolio managers in a combination of cash and stock. Typically, the cash bonus, when combined with base salary, represents more than 60% of total compensation for the portfolio managers.

Stock Bonus

A portion of the dollar value of the total annual performance-based bonus is paid in restricted shares of stock of BlackRock, Inc. (the "Company"). Paying a portion of annual bonuses in stock puts compensation earned by a portfolio manager for a given year "at risk" based on the Company's ability to sustain and improve its performance over future periods. The ultimate value of stock bonuses is dependent on future Company stock price performance. As such, the stock bonus aligns each portfolio manager's financial interests with those of the Company's shareholders and encourages a balance between short-term goals and long-term strategic objectives. Management strongly believes that providing a significant portion of competitive performance-based compensation in stock is in the best interests of investors and shareholders. This approach ensures that portfolio managers participate as shareholders in both the "downside risk" and "upside opportunity" of the Company's performance. Portfolio managers, therefore, have a direct incentive to protect the Company's reputation for integrity.

Other Benefits

Portfolio managers are also eligible to participate in broad-based plans offered generally to BlackRock employees, including broad-based retirement, 401(k), health, and other employee benefit plans. For example, BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP) and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 6% of eligible pay contributed to the plan capped at $4,000 per year, and a company retirement contribution equal to 3% of eligible compensation, plus an additional contribution of 2% for any year in which BlackRock has positive net operating income. The RSP offers a range of investment options, including registered investment companies managed by the firm. Company contributions follow the investment direction set by participants for their own contributions or absent, employee investment direction, are invested into a stable value fund. The ESPP allows for investment in BlackRock common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares or a dollar value of $25,000. Each portfolio manager is eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities*. As of October 31, 2007, Mr. Lustig did not beneficially own any stock issued by the Fund. As of October 31, 2007, Mr. Kapito beneficially owned stock issued by the Fund in the range of $1 - $10,000.

Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers Not Applicable due to no such purchases during the period covered by this report.

Item 10 Submission of Matters to a Vote of Security Holders The registrants Nominating and Governance Committee will consider nominees to the Board recommended by shareholders when a vacancy becomes available. Shareholders who wish to recommend a nominee should send nominations which include biographical information and set forth the qualifications of the proposed nominee to the registrants Secretary. There have been no material changes to these procedures.

Item 11 Controls and Procedures

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

11(b) There were no changes in the registrant’s internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant’s internal control over financial reporting.

Item 12 Exhibits attached hereto

12(a)(1) Code of Ethics See Item 2

12(a)(2) Certifications Attached hereto

12(a)(3) Not Applicable

12(b) Certifications Attached hereto

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

BlackRock Broad Investment Grade 2009 Term Trust, Inc.

By: /s/ Donald C. Burke
Donald C. Burke,
Chief Executive Officer of
BlackRock Broad Investment Grade 2009 Term Trust, Inc.

Date: December 19, 2007

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

By: /s/ Donald C. Burke
Donald C. Burke,
Chief Executive Officer (principal executive officer) of
BlackRock Broad Investment Grade 2009 Term Trust, Inc.

Date: December 19, 2007

By: /s/ Neal J. Andrews
Neal J. Andrews,
Chief Financial Officer (principal financial officer) of
BlackRock Broad Investment Grade 2009 Term Trust, Inc.

Date: December 19, 2007