BLACKROCK DEBT STRATEGIES FUND, INC. Form N-CSRS November 07, 2011 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 811-08603
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Date of fiscal year end: 02/28/2012
Date of reporting period: 08/31/2011
Item 1 – Report to Stockholders

August 31, 2011

# Semi-Annual Report

BlackRock Corporate High Yield Fund, Inc. (COY)

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

BlackRock Debt Strategies Fund, Inc. (DSU)

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

BlackRock Senior High Income Fund, Inc. (ARK)

Not FDIC Insured § No Bank Guarantee § May Lose Value

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## Dear Shareholder

Market volatility has been extraordinary in recent months. Government debt and deficit issues in both the US and Europe have taken a toll on investor sentiment while weaker-than-expected US economic data raised concerns of another recession. Political instability and concerns that central banks have nearly exhausted their stimulus measures have further compounded investor uncertainty. Although markets remain volatile and conditions are highly uncertain, BlackRock remains focused on finding opportunities in this environment.

The pages that follow reflect your fund s reporting period ended August 31, 2011. Accordingly, the following discussion is intended to provide you with additional perspective on the performance of your investments during that period.

One year ago, the global economy appeared to solidly be in recovery mode and investors were optimistic given the anticipated second round of quantitative easing from the US Federal Reserve (the Fed ). Stock markets rallied despite the ongoing sovereign debt crisis in Europe and inflationary pressures looming over emerging markets. Fixed income markets, however, saw yields move sharply upward (pushing prices down) especially on the long end of the historically steep yield curve. While high yield bonds benefited from the risk rally, most fixed income sectors declined in the fourth quarter. The tax-exempt municipal market faced additional headwinds as it became evident that the Build America Bond program would not be extended and municipal finance troubles abounded.

The new year brought spikes of volatility as political turmoil swept across the Middle East/North Africa region and as prices of oil and other commodities soared. Natural disasters in Japan disrupted industrial supply chains and concerns mounted over US debt and deficit issues. Equities generally performed well early in the year, however, as investors chose to focus on the continuing stream of strong corporate earnings and positive economic data. Credit markets were surprisingly resilient in this environment and yields regained relative stability in 2011. The tax-exempt market saw relief from its headwinds and steadily recovered from its fourth-quarter lows. Equities, commodities and high yield bonds outpaced higher-quality assets as investors increased their risk tolerance.

However, longer-term headwinds had been brewing. Inflationary pressures intensified in emerging economies, many of which were overheating, and the European debt crisis continued to escalate. Markets were met with a sharp reversal in May when political unrest in Greece pushed the nation closer to defaulting on its debt. This development rekindled fears about the broader debt crisis and its further contagion among peripheral European countries. Concurrently, it became evident that the pace of global economic growth had slowed as higher oil prices and supply chain disruptions finally showed up in economic data. By mid-summer, confidence in policymakers was tarnished as the prolonged US debt ceiling debate revealed the degree of polarization in Washington, DC. The downgrade of the US government s credit rating on August 5 was the catalyst for the recent turmoil in financial markets. Extreme volatility persisted as Europe s debt and banking crisis deepened and US economic data continued to weaken. Investors fled from riskier assets, pushing stock and high yield bond indices into negative territory for the six-month period ended August 31, while lower-risk investments including US Treasuries, municipal securities and investment grade corporate bonds posted gains. Twelve-month returns on all asset classes remained positive. Continued low short-term interest rates kept yields on money market securities near their all-time lows.

Sincerely,

#### **Rob Kapito**

President, BlackRock Advisors, LLC

BlackRock remains focused on managing risk and finding opportunities in all market environments.

#### Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of August 31, 2011

	6-month	12-month
US large cap equities	(7.23)%	18.50%
(S&P 500 Index)		
US small cap equities	(11.17)	22.19
(Russell 2000 Index)		

International equities (MSCI Europe, Australasia,	(11.12)	10.01
Far East Index) Emerging market	(5.11)	9.07
equities (MSCI Emerging	(3.11)	7.01
Markets Index) 3-month Treasury bill (BofA Merrill Lynch	0.08	0.15
3-Month Treasury Bill Index)		
US Treasury securities (BofA Merrill Lynch 10-	13.04	6.21
Year US Treasury Index) US investment grade	5.49	4.62
bonds (Barclays Capital US Aggregate Bond Index)		
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	6.39	2.66
US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	(1.57)	8.32

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

THIS PAGE NOT PART OF YOUR FUND REPORT

Fund Summary as of August 31, 2011

BlackRock Corporate High Yield Fund, Inc.

#### **Investment Objective**

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

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

#### **Portfolio Management Commentary**

#### How did the Fund perform?

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

#### What factors influenced performance?

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

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

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

#### Describe recent portfolio activity.

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

#### Describe portfolio positioning at period end.

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

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

#### **Fund Information**

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

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

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

	8/	31/11	2/	/28/11	Change	High	Low
Market Price	\$	7.01	\$	7.03	(0.28)% \$	7.60	\$ 6.02
Net Asset Value	\$	6.90	\$	7.42	(7.01)% \$	7.56	\$ 6.79

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

### **Portfolio Composition**

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

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

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

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

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## Fund Summary as of August 31, 2011

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

#### **Investment Objective**

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

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

#### **Portfolio Management Commentary**

#### How did the Fund perform?

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

#### What factors influenced performance?

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

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

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

#### Describe recent portfolio activity.

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

#### Describe portfolio positioning at period end.

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

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

#### **Fund Information**

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

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

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

	8/	/31/11	2,	/28/11	Change	High	Low
Market Price	\$	6.88	\$	7.14	(3.64)% \$	7.52	\$ 6.08
Net Asset Value	\$	7.01	\$	7.56	(7.28)% \$	7.70	\$ 6.89

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

### **Portfolio Composition**

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

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

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

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

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## Fund Summary as of August 31, 2011

BlackRock Debt Strategies Fund, Inc.

#### **Investment Objective**

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

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

#### **Portfolio Management Commentary**

#### How did the Fund perform?

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

#### What factors influenced performance?

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

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

#### Describe recent portfolio activity.

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

### Describe portfolio positioning at period end.

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

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

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#### BlackRock Debt Strategies Fund, Inc.

#### **Fund Information**

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

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

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

	8/31/11	2	2/28/11	Change	High	Low
Market Price	\$ 3.98	\$	4.05	(1.73)% \$	4.43	\$ 3.45
Net Asset Value	\$ 3.96	\$	4.28	(7.48)% \$	4.31	\$ 3.91

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

### **Portfolio Composition**

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

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

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

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

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## Fund Summary as of August 31, 2011

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

#### **Investment Objective**

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

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

#### Portfolio Management Commentary

#### How did the Fund perform?

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

#### What factors influenced performance?

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

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

#### Describe recent portfolio activity.

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

#### Describe portfolio positioning at period end.

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

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

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

#### **Fund Information**

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

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

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

	8/31/11	2/28/11	Change High	Low
Market Price	\$ 12.25	\$ 14.22	(13.85)% \$ 14.79	\$ 11.79
Net Asset Value	\$ 12.96	\$ 14.07	(7.89)% \$ 14.12	\$ 12.73

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

### **Portfolio Composition**

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

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

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

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

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## Fund Summary as of August 31, 2011

BlackRock Senior High Income Fund, Inc.

#### **Investment Objective**

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

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

#### **Portfolio Management Commentary**

#### How did the Fund perform?

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

#### What factors influenced performance?

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

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

#### Describe recent portfolio activity.

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

#### Describe portfolio positioning at period end.

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

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

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BlackRock Senior High Income Fund, Inc.

#### **Fund Information**

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

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

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

	8/31/11	2/28/11	Change	High	Low
Market Price	\$ 3.78	\$ 4.18	(9.57)%	\$ 4.31	\$ 3.42
Net Asset Value	\$ 3.98	\$ 4.22	(5.69)%	\$ 4.27	\$ 3.90

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

## **Portfolio Composition**

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

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

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

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

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## The Benefits and Risks of Leveraging

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

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

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

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

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

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

The use of leverage may enhance opportunities for increased income to the Funds, but as described above, it also creates risks as short-or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, each Fund s net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Fund s net income will be less than if leverage had not been used, and therefore the amount available for distribution to shareholders will be reduced. Each Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Fund to incur losses. The use of leverage may limit each Fund s ability to invest in certain types of securities or use certain types of hedging strategies. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by shareholders and may reduce income.

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

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

## **Derivative Financial Instruments**

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

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

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

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

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

1,370,190

Corporate Bonds         Corporate Bonds         Cyline           National Air Cargo Group, Inc.:         National Air Cargo Group, Inc.:         180 631         \$ 656,482           Scries, 1, 2388, 80/16 5         USD 631         \$ 656,482           Scries, 1, 2388, 80/16 5         820         787,000           Airlines 3.1%         820         787,000           Airlicanada, 925%, 80/1/5 (c)         820         787,000           American Airlines, Inc.:         870         887,188           1,50%, 10/15/12         870         887,188           1,50%, 10/15/12         870         9,300,000           Scries 2001-2, 16/10/18 (c)         368         306,000           Scries 2001-1, 18, 7,00%, 1/3/18 (c)         368         376,000           Scries 1997-14-6, 50%, 70/2/18         32         376,000           Scries 1997-14-6, 50%, 70/2/18         32         376,000           Scries 1997-14-6, 50%, 70/2/18         32         376,000           Scries 1997-14-6, 50%, 70/2/18         38         376,000           Scries 1997-14-6, 50%, 70/2/17         474         447         402,00           Scries 1997-14-6, 50%, 70/2/17         474         402,00         402,00           Scries 1997-14-8, 50%, 70/2/17         474		Par		
National Air Cargo Group Inc:         Series 1, 12.88, 90.0215         Series 2, 12.38%, 80.0215         6.56, 482           Series 2, 12.38%, 80.015 (c)         8.20         7.87.00           Air Canada 2, 95%, 80.015 (c)         8.20         7.87.00           Air Canada 2, 95%, 80.015 (c)         8.20         8.70.00           Air Canada 2, 95%, 80.015 (c)         8.70         8.87.18           Air Canada 2, 95%, 80.015 (c)         8.70         8.87.18           C.50%, 10.015 (c)         8.70         8.87.18           C.50%, 10.015 (c)         4.00         12.67.00           Scries 20.12, 7.86%, 40.013         30.00         30.00           Scries 20.12, 7.86%, 40.013         30.00         30.00           Scries 20.12, 7.80%, 40.013         30.00         30.00           Scries 20.12, 80%, 40.013         30.00         30.00           Scries 20.12, 80%, 40.013         30.00         30.00           Scries 20.12, 80%, 40.013         40.00         30.00           Scries 20.12, 80%, 40.00         40.00         40.00	•	(000	))	Value
Series 1, 12.38%, 90/2015         USD         631         65.6486           Series 2, 12.38%, 81/6115         65.0480         1.312.968           Airlines         3.1%         3.20         787,200           Air Canada, 9.25%, 80/11/5 (c)         870         897,188         7.50%, 31/516 (c)         870         897,188         7.50%, 31/516 (c)         870         897,188         7.50%, 31/516 (c)         360         300,000         300,000         Series 2011-1-18, 7.00%, 1/31/18 (c)         360         300,000         Series 2011-1-18, 7.00%, 1/31/18 (c)         50         310,009         300,000         Series 2011-1-18, 7.00%, 1/31/18 (c)         50         526,000         300,000         Series 2011-1-18, 7.00%, 1/31/18 (c)         50         370,009         Series 2011-1-18, 7.00%, 1/21/19         50         370,000         Series 2011-1-18, 6.00%, 7/21/18         370,000         Series 2011-1-18, 6.00%, 7/21/18         370,000         Series 2010-1-18, 6.00%, 7/21/18         447         402,300         Series 2010-1-18, 6.30%, 7/21/19         403         403,302         303,300         Series 2010-1-18, 500         403         403,302         303,300         <				
Series 2, 12.38%, 8/16/15   656,482   3.12.968     Air Lanada, 9.25%, 80/175 (c)   80   787,200     Air Canada, 9.25%, 80/175 (c)   870   787,200     Air Canada, 9.25%, 80/175 (c)   870   897,188     10.50%, 10/15/16 (c)   140   126,700     Series 20.01-18, 7.00%, 1/31/18 (c)   360   310,009     Continental Airlines, Inc.:   360   360,009     Continental Airlines, Inc.:   540   350,000     Continental Airlines, Inc.:   540   370,000     Continental Airlines, Inc.:   540   370,000     Series 20.01-18, 6.00%, 1/12/19   400   370,000     Series 20.01-18, 6.00%, 1/12/19   400   370,000     Series 20.01-18, 6.00%, 1/12/19   400   370,000     Series 20.01-18, 6.00%, 1/12/19   410   420,000     Series 20.01-18, 6.00%, 1/15/18   420   420     Series 20.0	•			
Airines 3.1% Air Canada, 9.25%, 8001/15 (c)  10.50%, 10/15/12 10.50%,		USD		,
Airlines 3.1%         820         787.20           American Airlines, Inc:         870         897.18           1.09.9%, 1015/12         870         897.18           1.09.9%, 1015/12         870         397.18           1.09.9%, 1015/16 (c)         370         300.000           Series 2011-18, 7.00%, 1/31/18 (c)         308         300.000           Continental Airlines, Inc:         540         \$25.500           Series 2901-18, 6.00%, 1/12/19         382         376.195           Series 2901-19, 6.00%, 7/02/18         382         376.195           Series 2901-19, 6.00%, 7/02/18         447         40.300           Series 2901-19, 6.00%, 7/02/19         474         40.300           Series 2001-19, 6.00%, 7/02/14         678         995.312           Series 2001-19, 6.00%, 7/02/14         678         995.312           Series 2001-19, 6.00%, 7/02/14         678         995.312           United Air Lines, Inc.         2.75%, 7/15/12         1.06         40         2.005.47           United Air Lines, Inc.         2.75%, 7/15/12         2.0         2.15%, 60         1.0         1.0         2.0         2.0         2.0         2.0         2.0         2.0         2.0         2.0         2.0 <t< td=""><td>Series 2, 12.38%, 8/16/15</td><td></td><td>631</td><td></td></t<>	Series 2, 12.38%, 8/16/15		631	
Air Canada, 9.25%, 8001/15 (c)         870         787.200           American Airlines, Inc.:         870         871,88           7.50%, 3/15/16 (c)         140         126,700           Series 2001-2, 786%, 4/01/13         368         316,099           Continental Airlines, Inc.:         "Total Airlines, Inc.!         540         526,500           Series 1997-44B, 6,90%, 7/02/18         382         375,195         376,195           Series 1997-44B, 6,90%, 7/02/18         40         370,000         370,000           Series 2010-1-B, 6,00%, 7/12/19         447         402,300         678         695,312           Series 8,975%, 12/17/16         63         695,312         US Airways Pass-Through Trust, 10,88%, 10/22/14         630         614,250           United Air Lines, Inc., 12,75%, 7/15/12         1,964         205,254         765,420           Auto Components 2.1%         1         1,964         205,254           B-Copp Merger Sub, I	11 P 24 M			1,312,968
American Airlines, Inc.   17.05.05, 10.15.12   870   897, 18   15.05.05, 10.15.12   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140   12.6.7.00   140			020	707.200
15.50%, 10/15/12			820	/8/,200
7.50%, 3/15/16 (c)         140         126,700           Series 2001-2, 7.80%, 4/01/13         300         300,000           Series 2011-1-B, 7.00%, 1/31/18 (c)         368         316,099           Continental Artrines, Inc.:         ***         ***         \$25,500           Series 1997-4-B, 6.00%, 7/02/18         400         370,000         201,000			070	007.100
Series 2011-2, 7,86%, 4/01/13         300         300,000           Series 2011-1-B, 7,00%, 1/31/18 (c)         368         316,009           Continental Alrines, Inc:         362         376,105           Series 1907-14-B, 6,00%, 7/02/18         382         376,105           Series 1907-14-B, 6,00%, 7/02/19         40         370,000           Delta Air Lines, Inc.:         """         447         402,300           Series B, 9,75%, 12/17/16         678         69,512         United Air Lines, Inc.:         1,964         2,052,547           Series B, 9,75%, 12/17/16         678         69,512         United Air Lines, Inc.:         1,964         2,052,547           United Air Lines, Inc., 12,75%, 7/15/12         1,964         2,052,547         7,554,291           Auto Components         2.1%         1         1,964         2,052,547           Auto Components         2.1%         1         1,964         2,052,547           Ford Motor Co., 7,35%, 7/15/12         1         1,00         1,760,00           B-Corp Merger Sub, Inc., 8,25%, 6/01/19 (c)         1         1,00         1,760,00           Delphi Corp., 6,13%, 5/15/21 (c)         1         2,00         3,00         1,760,00           B-Corp Merger Sub, Inc., 8,25%, 6/01/18 (c)				,
Series 2011-1-B. 7.00%, 1/31/18 (c)         368         316,099           Continental Airlines, Inc.:         540         526,500           Series 1997-4-B. 6.50%, 70/21/8         362         376,195           Scries 2010-1-B. 6.00%, 1/12/19         400         370,000           Delta Air Lines, Inc.:         ************************************				
Continental Airlines, Inc.:         540         526,00           6.75%, 9.17.15 (c)         382         376,195           Series 1997-4.B., 6.90%, 7/02/18         382         376,195           Series 2010-1.B., 6.00%, 1712/19         400         370,000           Della Air Lines, Inc.:         Terris Series Series, 19,758, 702/17         447         402,300           Series Se, 9.75%, 12/17/16         678         695,312         105,300         164,250           United Air Lines, Inc., 12,75%, 7/15/12         630         614,250         101,250         102,254,270           Auto Components         2.1%         150         202         231,550         150         144,750         176,702         150         144,750         176,702				
6.75%, 9/15/15 (c)         540         \$26,500           Series 19974-18, 6.90%, 7/02/18         382         376,195           Series 2010-1-18, 6.00%, 1/12/19         400         370,000           Delta Air Lines, Inc.:         ************************************			308	310,099
Series 1997-4-B. 6.90%, 702/18         382         376,195           Series 2010-1-B. 6.00%, 1/12/19         370,000           Delta Air Lines, Inc.:         370,000           Series S. 9,758, 12/17/16         678         695,312           US Airways Pass-Through Trust, 10.88%, 10/22/14         630         614,250           United Air Lines, Inc., 12.75%, 7/15/12         360         614,250           United Air Lines, Inc., 12.75%, 7/15/12         20         231,550           AutoComponents 2.1%         310         176,700           Allison Transmission, Inc., 11.00%, 11/01/15 (c)         20         231,550           B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)         190         176,700           Delphi Corp., 6.13%, 5/15/21 (c)         190         176,700           Ford Motor Cor, 7.45%, 7/16/31         20         235,800           Iach Enterprises LP, 8.00%, 1/15/18         295         3024,950           International Automotive Components Group, SL         240         235,800           13%, 60/1/18 (c)         240         235,800           Titan International, Inc., 7.88%, 10/01/17         240         235,270           Everages 1.0c., 8.13%, 9/01/18         25         231,000           Cott Beverages, Inc., 8.13%, 9/01/18         25         31,000 <td>·</td> <td></td> <td>£40</td> <td>526 500</td>	·		£40	526 500
Series 2010-1-B, 6.0%, 1/12/19         400         370,000           Delta Air Lines, Inc.:         ***         402,300           Series 2010-1-B, 6.38%, 7/02/17         447         402,300           Series B, 9.75%, 12/17/16         678         695,312           US Airways Pass-Through Trust, 10.88%, 10/22/14         1,964         2,025,547           United Air Lines, Inc., 12.75%, 7/15/12         1,964         2,025,547           Auto Components 2.1%         220         231,550           Allison Transmission, Inc., 11.00%, 11/01/15 (c)         190         176,700           B-Corp Merger Sub, Inc., 82.5%, 6/01/19 (c)         190         176,700           Pel-Dri Corp, 6.13%, 5/15/21 (c)         150         144,750           Pord Motor Co., 7.45%, 7/16/31         2,995         3,024,950           International Automotive Components Group, SI.         2,995         325,800           71tan International, Inc., 7.88%, 10/01/17         43         451,500           Beverages 0.2%         240         235,800           Cort Beverages, Inc., 8.13%, 9/01/18         245         255,375           Cown European Holdings SA, 7.13%, 8/15/18 (c)         USD         33         336,303           Biotechnology 0.1%         USD         33         365,504				
Delta Air Lines, Inc.         4         40200           Series B, 9.75%, 12/17/16         678         695.12           US Airways Pass-Through Trust, 10.88%, 10/22/14         630         614.250           United Air Lines, Inc., 12.75%, 7/15/12         1,964         202.547           7,554.291         7,554.291           Auto Components 2.1%         220         231,550           B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)         190         176,000           Delphi Corp., 6.13%, 5/15/21 (c)         190         176,000           Delphi Corp., 6.13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 7/16/31         20         295         30,24,950           Ican Enterprises LP, 8.0%, 1/15/18         240         235,800         160         161 <td< td=""><td></td><td></td><td></td><td></td></td<>				
Series 2010-1-B, 6.38%, 7/02/17         447         402,300           Series B, 9.75%, 12/17/16         678         695,312           US Airways Pass-Through Trust, 10.88%, 10/22/14         1,964         2,052,547           United Air Lines, Inc., 12.75%, 7/15/12         1,964         2,052,547           Auto Components 2.1%         220         231,550           Allison Transmission, Inc., 11.00%, 11/01/15 (c)         190         176,000           Delphi Corp., 6.13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 7/16/31         2,095         3,04,950           International Automotive Components Group, SL,         2,91         240         235,800           International Automotive Components Group, SL,         240         235,800           11tan International, Inc., 7.88%, 10/01/17         430         451,500           Beverages         0.2%         240         235,800           Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Cott Beverages, Inc., 8.13%, 9/01/18 (c)         EUR         25         311,900           Building Products         30         365,475           Building Materials Corp. of America (c):         1,10         1,101         1,101         1,101         2,101         6,75%,501/21			400	370,000
Series B. 9.75%, 1217/16         678         695.312           US Airways Pass-Through Trust, 10.88%, 10/22/14         630         614.250           United Air Lines, Inc., 12.75%, 7/15/12         1,964         2,052.547           Auto Components 2.1%         220         231,550           B-Corp Merger Sub, Inc., 8.25%, 60/11/9 (c)         190         176,700           Delphi Corp, 6.13%, 5/15/21 (c)         190         164,750           Delphi Corp, 6.13%, 5/15/21 (c)         2,95         3,024,950           Brod Motor Co., 7.45%, 7/16/31         700         674,61           Icalm Enterprises LP, 8.00%, 1/15/18         2,95         302,950           Icalm Enterprises LP, 8.00%, 1/15/18         240         235,800           Icalm Enterprises LP, 8.00%, 1/15/18         240         235,800           Ital International Automotive Components Group, SL,         240         235,800           Titan International, Inc., 7.88%, 10/01/17         430         251,800           Total Severages, Inc., 8.13%, 9/01/18         E         253,575           Cor Beverages, Inc., 8.13%, 9/01/18         E         253,575           Cor Beverages, Inc., 8.13%, 9/01/18 (c)         USD         331         336,330           Biotechnology 0.1%         USD         31         336,330	·		447	402 300
US Airways Pass-Through Trust, 10.88%, 10/22/14         630         61.42.50           United Air Lines, Inc., 12.75%, 7/15/12         1,964         2,052,254           Auto Components 2.1%         − − − − − − − − − − − − − − − − − − −				
United Air Lines, Inc., 12.75%, 7/15/12         1,964         2,052,547           Auto Components         2.1%           Auto Components         2.1%           Allison Transmission, Inc., 11.00%, 11/01/15 (c)         220         231,550           B-Corp Merger Sub, Inc., 8,25%, 6/01/19 (c)         190         176,700           Delphi Corp., 6,13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7,45%, 7/16/31         700         767,461           Icah Enterprises LP, 8,00%, 1/15/18         2,95         3,024,900           International Automotive Components Group, SL,         240         233,800           113%, 6/01/18 (c)         240         235,800           Titan International, Inc., 7,88%, 10/01/17         430         451,800           Beverages         0.2%         2         5,032,711           Severages, Inc., 8,13%, 9/01/18         245         253,575           Cott Beverages, Inc., 8,13%, 9/01/18 (c)         EUR         225         311,900           Biotechnology         0.17         225         311,900         30         363,303           Biotechnology         0.18         225         311,900         30         363,303         30         363,303         30         30         30         30 <td></td> <td></td> <td></td> <td>,</td>				,
Auto Components   2.19    Altison Transmission, Inc., 11.00%, 11/01/15 (c)   220   231,550     B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)   190   176,700     Delphi Corp., 6.13%, 5/15/21 (c)   150   144,750     Delphi Corp., 6.13%, 5/15/21 (c)   150   144,750     Delphi Corp., 6.13%, 5/15/21 (c)   150   144,750     Delphi Corp., 6.13%, 5/15/21 (c)   2,995   3,024,950     International Automotive Components Group, SL, 9.13%, 6/01/18 (c)   240   235,800     Delphi Corp., 6.13%, 5/15/21 (c)   240   255,875     Deverages   0.2%   240				
Auto Components         2.1%           Allison Transmission, Inc., \$1.00%, \$11/01/15 (c)         20         231,50           B-Corp Merger Sub, Inc., \$2.5%, \$6/01/19 (c)         190         176,700           Delphi Corp., \$6.13%, \$5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 71/6/31         2,995         30,24,950           Icahn Enterprises LP, 8.00%, \$1/15/18         2,995         30,24,950           International Automotive Components Group, \$SL,         240         25,800           15tian International, Inc., 7.88%, \$1/01/17         430         451,500           Titan International, Inc., 7.88%, \$1/01/17         430         451,500           Beverages         0.2%         245         253,575           Cott Beverages, Inc., \$1.3%, \$9/01/18         245         253,575           Cott Beverages, Inc., \$1.3%, \$9/01/18 (c)         BUS         331         336,330           Biotechnology         0.1%         USD         331         336,330           Building Products         3.9         345         253,575           Cown European Holdings SA, 7.13%, \$1/515 (c)         USD         331         336,330           Building Materials Corp. of America (c):         1         1,10         1,10           Cown, 2/15/20	Office All Effes, file., 12.73 %, 1/13/12		1,904	
Alison Transmission, Inc., 11.00%, 11/01/15 (c)         220         231,550           B-Corp Merger Sub, Inc., 8,25%, 6/01/19 (c)         190         176,700           Delphi Corp, 6,13%, 51/521 (c)         150         767,461           Icahn Enterprises LP, 8,00%, 11/5718         2,95         3,024,950           International Automotive Components Group, SL,         240         235,800           1138, 6/01/18 (c)         240         255,800           Titan International, Inc., 7,88%, 10/01/17         430         451,500           Beverages         0.2%         245         253,575           Cott Beverages, Inc., 8,13%, 9/01/18         245         253,575           Cott Beverages, Inc., 8,13%, 9/01/18 (c)         BUS         31         365,475           Biotechnology         0.1%         USD         31         365,475           Building Materials Corp. of America (e):         USD         31         366,375           Building Materials Corp. of America (e):         1,150         1,101,25           7,0%, 2/15/20         410         410,000           6,75%, 5/01/21         1,50         1,101,25           Griffon Corp., 7,13%, 4/01/18 (c)         300         368,550           Momerican Capital Ltd., 7,96%, 12/31/3 (d)         45         435<	Auto Components 21%			7,334,291
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)         190         176,700           Delphi Corp., 6.13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 7/16/31         2995         3,024,950           International Automotive Components Group, SL,         2,995         3,024,950           International Automotive Components Group, SL,         240         255,800           7,13%, 6/01/18 (c)         430         451,500           Titan International, Inc., 7,88%, 10/01/17         430         451,500           Beverages 0.2%         245         253,575           Cott Beverages, Inc., 8,13%, 9/01/18         245         253,575           Crown European Holdings SA, 7,13%, 8/15/18 (c)         EUR         225         311,900           Biotechnology 0.1%         USD         331         336,336           PH Pharma, 10,25%, 3/15/15 (c)         USD         331         336,336           Building Products 1.3%         410         410,000           6,75%, 5/01/21         1,150         1,101,20           6,75%, 5/01/21         1,150         1,101,20           6,75%, 5/01/21         435         435,850           10,90%, 1/15/21 (c)         393         368,550           9,00%, 1/15/21 (c)         435			220	231 550
Delphi Corp., 6.13%, 5/15/21 (c)         150         144,750           Ford Motor Co., 7.45%, 7/16/31         700         767,461           Icahn Enterprises LP, 8.00%, 1/15/18         2,995         3,024,950           International Automotive Components Group, SL,         240         255,800           133%, 6/01/18 (c)         240         255,800           Titan International, Inc., 7.88%, 10/01/17         430         45,000           Beverages, 10.2%           Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         25         31,1900           Stotechnology         0.1%         USD         331         336,330           Building Products         1.3%         430,630         456,475           Building Materials Corp. of America (c):         410         410,000         460,75%,501/21         1,150         1,101,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550         400         368,550           Momentive Performance Materials, Inc.:         435         430,650         400         400         400         400         400         400         400         400         400         400         400         400				
Ford Motor Co., 7.45%, 7/16/31         700         767,461           Icahn Enterprises LP, 8.00%, 1/15/18         2,995         3,024,950           International Automotive Components Group, SL, 9.13%, 6/01/18 (c)         240         235,800           Titan International, Inc., 7.88%, 10/01/17         430         451,500           Beverages 0.2%         343         451,500           Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           Biotechnology 0.1%         USD         331         336,330           Building Products 1.3%         USD         331         336,330           Building Materials Corp. of America (c):         410         410,000           6.75%, 5/01/21         1,150         1,011,25           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550           Momentive Performance Materials, Inc.:         11.50%, 12/01/16         435         430,650           9.00%, 1/15/21 (c)         905         73,375         3,084,100           Capital Markets 1.0%         470         466,701         ETrade Financial Corp.:           12.50%, 11/30/17 (e)         805         925,750         240         270,070 <tr< td=""><td></td><td></td><td></td><td></td></tr<>				
Icahn Enterprises LP, 8.00%, 1/15/18         2,995         3,024,950           International Automotive Components Group, SL,         340         258,800           9,13%, 6/01/18 (c)         240         255,800           Titan International, Inc., 7.88%, 10/01/17         430         451,500           Beverages 0.2%         5,032,711           Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Cott Beverages, Inc., 8.13%, 9/01/18 (c)         EUR         25         311,900           Cott Beverages, Inc., 8.13%, 9/01/18 (c)         USD         331         336,330           Biotechnology 0.1%         USD         331         336,330           Building Products 1.3%         USD         331         336,330           Building Materials Corp. of America (c):         USD         331         336,330           Building Products 1.3%         410         410,000         6.75%, 5/01/21         1,150         1,101,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550           Momentive Performance Materials, Inc.:         435         436,650           9.00%, 1/15/21 (c)         905         773,775           Capital Markets 1.0%         470         466,701           E*Trade Financial Corp:				
International Automotive Components Group, SL, 9.13%, 6/01/18 (c) 240 235,800				
9.13%, 6/01/18 (c)       240       235,800         Titan International, Inc., 7.88%, 10/01/17       430       451,500         Beverages 0.2%         Cott Beverages, Inc., 8.13%, 9/01/18       245       253,575         Crown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Biotechnology 0.1%         QHP Pharma, 10.25%, 3/15/15 (c)       USD       331       336,330         Building Products 1.3%         Building Materials Corp. of America (c):       410       410,000         7.5%, 5/01/21       1,150       1,110,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       390       368,550         11.5%, 12/01/16       435       430,650         9.0%, 1/15/21 (c)       905       773,775         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       25       270,070         12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co, 6.38%, 9/29/20 (c)       600       638,372			2,773	3,021,930
Titan International, Inc., 7.88%, 10/01/17         430         451,500           Beverages 0.2%         Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           Biotechnology 0.1%         USD         331         336,330           Building Products 1.3%         USD         331         336,330           Building Products 0.1%         USD         331         336,330           Building Products 1.3%         410         410,000           6.75%, 5/01/21         1,150         1,110,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550           Momentive Performance Materials, Inc.:         390         368,550           Momentive Performance Materials, Inc.:         390         368,550           Capital Markets 1.0%         435         430,650           American Capital Ltd., 7.96%, 12/31/13 (d)         470         466,701           E*Trade Financial Corp.:         305         925,750           L2.50%, 11/30/17 (e)         805         925,750           A34%, 8/31/19 (c)(f)(g)         805         925,750           KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372			240	235 800
Square   S				,
Beverages, Inc., 8.13%, 9/01/18         245         253,575           Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           565,475           Biotechnology 0.1%           QHP Pharma, 10.25%, 3/15/15 (c)         USD         331         336,330           Building Products 1.3%           Building Materials Corp. of America (c):         V         410         410,000         410,000         6.75%, 5/01/21         1,150         1,101,125         1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)         30         368,550         368,550         Momentive Performance Materials, Inc.:         11.50%, 12/01/16         435         430,650         9.00%, 1/15/21 (c)         905         773,775         3,084,100         20         3,084,100         Capital Markets 1.0%         466,701         466,701         E*Trade Financial Corp.:         12.50%, 11/30/17 (e)         805         925,750         3,43%, 8/31/19 (c)(f)(g)         226         270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372	Train international, inc., 7.0076, 10701717		130	
Cott Beverages, Inc., 8.13%, 9/01/18         245         253,575           Crown European Holdings SA, 7.13%, 8/15/18 (c)         EUR         225         311,900           565,475           Biotechnology 0.1%           USD         331         336,330           Building Products 1.3%           Building Materials Corp. of America (c):           7.00%, 2/15/20         410         410,000           6.75%, 5/01/21         1,150         1,101,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550           Momentive Performance Materials, Inc.:           11.50%, 12/01/16         435         430,650           9.00%, 1/15/21 (c)         905         773,775           Capital Markets 1.0%           E*Trade Financial Corp.:           12.50%, 11/30/17 (c)         805         925,750           3.43%, 8/31/19 (c)(f)(g)         805         925,750           KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372	Beverages 0.2%			0,002,711
Crown European Holdings SA, 7.13%, 8/15/18 (c)       EUR       225       311,900         Biotechnology 0.1%         QHP Pharma, 10.25%, 3/15/15 (c)       USD       331       336,330         Building Products 1.3%         Building Materials Corp. of America (c):         7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775       3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       2       470       466,701         E.*Trade Financial Corp.:       805       925,750         3.43%, 8/31/19 (c)(f)(g)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372			245	253,575
Section   Sect		EUR		,
Biotechnology 0.1%           QHP Pharma, 10.25%, 3/15/15 (c)         USD         331         336,330           Building Products 1.3%           Building Materials Corp. of America (c):         ****         410         410,000           6.75%, 5/01/21         1,150         1,101,125         1,101,125           Griffon Corp., 7.13%, 4/01/18 (c)         390         368,550           Momentive Performance Materials, Inc.:         ***         435         430,650           9.00%, 1/15/21 (c)         905         773,775         3,084,100           P.00%, 1/15/21 (c)         905         773,775         3,084,100           Capital Markets 1.0%         470         466,701           E*Trade Financial Corp.:         ***         466,701           E*Trade Financial Corp.:         805         925,750           3.43%, 8/31/19 (c)(f)(g)         805         925,750           5.43%, 8/31/19 (c)(f)(g)         226         270,070           KKR Group Finance Co., 6.38%, 9/29/20 (c)         600         638,372				
QHP Pharma, 10.25%, 3/15/15 (c)       USD       331       336,330         Building Products 1.3%         Building Materials Corp. of America (c):       ************************************	Biotechnology 0.1%			,
Building Products 1.3%         Building Materials Corp. of America (c):       30       410       410,000       6.75%, 5/01/21       1,150       1,101,125       1,101,125       390       368,550         Momentive Performance Materials, Inc.:       11.50%, 12/01/16       435       430,650       9.00%, 1/15/21 (c)       905       773,775       3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701       E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750       3.43%, 8/31/19 (c)(f)(g)       226       270,070       KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372		USD	331	336,330
Building Materials Corp. of America (c):         7.00%, 2/15/20       410       410,000         6.75%, 5/01/21       1,150       1,101,125         Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:       11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775         Capital Markets 1.0%       American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372				,
7.00%, 2/15/20410410,0006.75%, 5/01/211,1501,101,125Griffon Corp., 7.13%, 4/01/18 (c)390368,550Momentive Performance Materials, Inc.:11.50%, 12/01/16435430,6509.00%, 1/15/21 (c)905773,7753,084,100Capital Markets 1.0%American Capital Ltd., 7.96%, 12/31/13 (d)470466,701E*Trade Financial Corp.:2025,75012.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372				
6.75%, 5/01/211,1501,101,125Griffon Corp., 7.13%, 4/01/18 (c)390368,550Momentive Performance Materials, Inc.:11.50%, 12/01/16435430,6509.00%, 1/15/21 (c)905773,775Capital Markets 1.0%American Capital Ltd., 7.96%, 12/31/13 (d)470466,701E*Trade Financial Corp.:226270,07012.50%, 11/30/17 (e)805925,7503.43%, 8/31/19 (c)(f)(g)226270,070KKR Group Finance Co., 6.38%, 9/29/20 (c)600638,372			410	410,000
Griffon Corp., 7.13%, 4/01/18 (c)       390       368,550         Momentive Performance Materials, Inc.:			1,150	1,101,125
Momentive Performance Materials, Inc.:         11.50%, 12/01/16       435       430,650         9.00%, 1/15/21 (c)       905       773,775         3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372			390	
9.00%, 1/15/21 (c) 905 773,775 3,084,100  Capital Markets 1.0%  American Capital Ltd., 7.96%, 12/31/13 (d)  E*Trade Financial Corp.:  12.50%, 11/30/17 (e) 805 925,750 3.43%, 8/31/19 (c)(f)(g)  KKR Group Finance Co., 6.38%, 9/29/20 (c)  600 638,372	Momentive Performance Materials, Inc.:			
3,084,100         Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       805       925,750         12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372	11.50%, 12/01/16		435	430,650
Capital Markets 1.0%         American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       805       925,750         12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372	9.00%, 1/15/21 (c)		905	773,775
American Capital Ltd., 7.96%, 12/31/13 (d)       470       466,701         E*Trade Financial Corp.:       12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372				3,084,100
E*Trade Financial Corp.:  12.50%, 11/30/17 (e) 805 925,750  3.43%, 8/31/19 (c)(f)(g) 226 270,070  KKR Group Finance Co., 6.38%, 9/29/20 (c) 600 638,372	Capital Markets 1.0%			
12.50%, 11/30/17 (e)       805       925,750         3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372	American Capital Ltd., 7.96%, 12/31/13 (d)		470	466,701
3.43%, 8/31/19 (c)(f)(g)       226       270,070         KKR Group Finance Co., 6.38%, 9/29/20 (c)       600       638,372				
KKR Group Finance Co., 6.38%, 9/29/20 (c) 638,372			805	925,750
2,300,893	KKR Group Finance Co., 6.38%, 9/29/20 (c)		600	
				2,300,893

## Portfolio Abbreviations

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

CAD Canadian Dollar ETF Exchange-Traded Fund

EUR Euro

**FKA** Formerly Known As **GBP** British Pound

LIBOR London Interbank Offered Rate

PIK Payment-In-Kind

**SPDR** Standard and Poor s Depository Receipts

USD US Dollar

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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## Schedule of Investments (continued)

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

		ar	
Corporate Bonds	(0	000)	Value
Chemicals 3.7%			
American Pacific Corp., 9.00%, 2/01/15	USD	800	\$ 786,000
American Rock Salt Co. LLC, 8.25%, 5/01/18 (c)		126	116,865
Celanese US Holdings LLC, 5.88%, 6/15/21		900	902,250
Chemtura Corp., 7.88%, 9/01/18 (c)		345	354,487
Hexion U.S. Finance Corp.:			
8.88%, 2/01/18		430	402,050
9.00%, 11/15/20 (c)		285	248,663
Huntsman International LLC (c):			
6.88%, 11/15/13	EUR	260	369,755
8.63%, 3/15/21	USD	155	161,781
Ineos Finance Plc, 9.00%, 5/15/15 (c)		385	389,812
KRATON Polymers LLC, 6.75%, 3/01/19 (c)		115	110,400
Kinove German Bondco GmbH, 10.00%, 6/15/18	EUR	533	723,544
Lyondell Chemical Co., 11.00%, 5/01/18	USD	1,135	1,266,944
Nexeo Solutions LLC, 8.38%, 3/01/18 (c)		170	175,525
OXEA Finance/Cy SCA (c):			
9.50%, 7/15/17		108	106,920
9.63%, 7/15/17	EUR	385	541,992
Omnova Solutions, Inc., 7.88%, 11/01/18 (c)	USD	500	438,750
PolyOne Corp., 7.38%, 9/15/20		200	206,000
TPC Group LLC, 8.25%, 10/01/17 (c)		310	317,750
Wellman Holdings, Inc., Subordinate Note (f):		310	317,730
(Second Lien), 10.00% 1/29/19 (c)		790	1,098,100
(Third Lien), 5.00%, 1/29/19 (e)		272	193,182
(Time Elen), 3.00 %, 1/23/13 (C)		272	8,910,770
Commercial Banks 2.4%			0,710,770
CIT Group, Inc.:			
7.00%, 5/01/15		510	507,450
7.00%, 5/01/16		1,825	1,815,875
7.00%, 5/01/17		3,030	2,992,125
7.00%, 5/02/17 (c)		470	464,125
7.00 /0, 5/02/17 (C)		470	5,779,575
Commercial Services & Supplies 2.0%			3,119,313
ACCO Brands Corp., 10.63%, 3/15/15		695	760,156
Aviation Capital Group Corp., 6.75%, 4/06/21 (c)		500	
		300	493,390
Brickman Group Holdings, Inc., 9.13%,		480	452,400
11/01/18 (c)			,
Class Harbara Inc., 7.75%, 2/15/19 (c)		610	587,125
Clean Harbors, Inc., 7.63%, 8/15/16 (c)		320	338,400
Mobile Mini, Inc., 7.88%, 12/01/20 (c)		335	325,788
RSC Equipment Rental, Inc.:		555	506.625
10.00%, 7/15/17 (c)		555	596,625
8.25%, 2/01/21		800	746,000
WCA Waste Corp., 7.50%, 6/15/19 (c)		310	310,000
West Corp., 8.63%, 10/01/18 (c)		125	121,875
			4,731,759
Communications Equipment 0.8%			
Avaya, Inc.:			
9.75%, 11/01/15		410	348,500
10.13%, 11/01/15 (e)		600	518,250

7.00%, 4/01/19 (c)		470	423,000
EH Holding Corp. (c):			
6.50%, 6/15/19		340	340,000
7.63%, 6/15/21		240	238,800
			1,868,550
Construction & Engineering 0.1%			
Abengoa SA, 8.50%, 3/31/16	EUR	100	134,313
Boart Longyear Management Ltd., 7.00%,			
4/01/21 (c)	USD	175	173,687
			308,000

Company to Davids		Par	<b>V</b> -1
Corporate Bonds Construction Materials 0.2%	(	000)	Value
	USD	315	\$ 298,463
Calcipar SA, 6.88%, 5/01/18 (c)	EUR	233	. ,
Xefin Lux SCA, 8.00%, 6/01/18 (c)	EUK	233	307,928 606,391
Consumer Finance 1.2%			000,391
Credit Acceptance Corp., 9.13%, 2/01/17	USD	640	648,000
Ford Motor Credit Co. LLC:	USD	0-10	040,000
3.00%, 1/13/12 (h)		195	195,004
7.80%, 6/01/12		200	206,005
7.00%, 4/15/15		1,710	1,825,425
6.63%, 8/15/17		131	137,143
0.03 /0, 6/13/17		131	3,011,577
Containers & Packaging 1.3%			3,011,377
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (c)	EUR	435	585,823
Berry Plastics Corp., 8.25%, 11/15/15	USD	125	128,750
GCL Holdings SCA, 9.38%, 4/15/18 (c)	EUR	244	306,693
Graphic Packaging International, Inc., 7.88%,	LUK	244	300,093
10/01/18	USD	340	357,000
OI European Group BV, 6.88%, 3/31/17	EUR	152	207,431
Pregis Corp., 12.38%, 10/15/13	USD	390	358,800
Rock-Tenn Co., 9.25%, 3/15/16	USD	50	52,500
Smurfit Kappa Acquisitions (c):		30	32,300
7.25%, 11/15/17	EUR	465	641,254
7.75%, 11/15/19	LUK	296	406,070
1.13 10, 11/13/17		290	3,044,321
Diversified Consumer Services 1.2%			3,044,321
Service Corp. International, 7.00%, 6/15/17	USD	2,800	2,926,000
Diversified Financial Services 5.3%	OSD	2,000	2,720,000
Ally Financial, Inc.:			
7.50%, 12/31/13		350	360,500
8.30%, 2/12/15		530	556,500
6.25%, 12/01/17 (c)		480	461,720
8.00%, 3/15/20		320	323,200
7.50%, 9/15/20		620	609,150
8.00%, 11/01/31		1,295	1,265,862
8.00%, 11/01/31		810	779,164
Axcan Intermediate Holdings, Inc.,		010	777,101
12.75%, 3/01/16		410	427,425
Boparan Holdings Ltd. (c):		110	127,123
9.75%, 4/30/18	EUR	100	110,624
9.88%, 4/30/18	GBP	130	170,934
FCE Bank Ple:	021	150	170,501
7.13%, 1/15/13	EUR	550	792,051
4.75%, 1/19/15	Don	310	405,237
General Motors Financial Co., Inc.,		210	103,237
6.75%, 6/01/18 (c)	USD	450	447,750
KION Finance SA, 7.88%, 4/15/18 (c)	EUR	146	174,075
Leucadia National Corp., 8.13%, 9/15/15	USD	1,120	1,202,600
, , , , , , , , , , , , , , , , , , ,		425	434,562
		123	13 1,302

Reynolds Group DL Escrow, Inc.,

8.50%, 10/15/16 (c)	8.50%.	10/1	15/16	(c)
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0.007., -0707.0			
Reynolds Group Issuer, Inc.:			
8.75%, 10/15/16 (c)	EUR	350	487,692
8.75%, 10/15/16		502	699,490
7.13%, 4/15/19 (c)	USD	230	217,925
9.00%, 4/15/19 (c)		245	220,500
7.88%, 8/15/19 (c)		1,010	999,900
9.88%, 8/15/19 (c)		415	390,100
8.25%, 2/15/21 (c)		680	572,900
WMG Acquisition Corp. (c):			
9.50%, 6/15/16		110	112,200
11.50%, 10/01/18		535	486,850
			12 709 011

12,708,911

See Notes to Financial Statements.

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# Schedule of Investments (continued)

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

(Percentages shown are based on Net Assets)

	Par		
Corporate Bonds	(000)	)	Value
Diversified Telecommunication Services 4.5%			
Broadview Networks Holdings, Inc.,			
11.38%, 9/01/12	USD	1,000	\$ 860,000
GCI, Inc., 6.75%, 6/01/21 (c)		264	260,040
ITC Deltacom, Inc., 10.50%, 4/01/16		260	266,500
Level 3 Escrow, Inc., 8.13%, 7/01/19 (c)		2,474	2,350,300
Level 3 Financing, Inc.:			
9.25%, 11/01/14		77	77,963
8.75%, 2/15/17		525	514,500
Qwest Communications International, Inc.:			
7.50%, 2/15/14		2,490	2,521,125
8.00%, 10/01/15		610	651,175
Series B, 7.50%, 2/15/14		1,575	1,594,687
Qwest Corp., 7.63%, 6/15/15		500	556,250
Windstream Corp.:		300	330,230
8.13%, 8/01/13		400	425,000
		690	725,362
7.88%, 11/01/17		090	
Til d			10,802,902
Electric Utilities 0.6%	ELID	1 100	1 251 020
Tokyo Electric Power Co., Inc., 4.50%, 3/24/14	EUR	1,100	1,351,029
Electronic Equipment, Instruments &			
Components 0.6%			
CDW LLC:			
11.00%, 10/12/15	USD	10	10,200
11.50%, 10/12/15 (e)		610	622,200
8.00%, 12/15/18 (c)		380	376,200
Elster Finance BV, 6.25%, 4/15/18 (c)	EUR	105	138,764
Jabil Circuit, Inc., 8.25%, 3/15/18	USD	215	242,412
			1,389,776
Energy Equipment & Services 1.6%			
Antero Resources Finance Corp., 7.25%,			
8/01/19 (c)		150	145,875
Calfrac Holdings LP, 7.50%, 12/01/20 (c)		225	218,250
Compagnie Générale de Géophysique-Veritas,		223	210,230
7.75%, 5/15/17		235	236,175
Exterran Holdings, Inc., 7.25%, 12/01/18 (c)		405	392,850
Frac Tech Services LLC, 7.13%, 11/15/18 (c)		1,045	1,081,575
Key Energy Services, Inc., 6.75%, 3/01/21		415 530	406,700
MEG Energy Corp., 6.50%, 3/15/21 (c)			530,000
Oil States International, Inc., 6.50%, 6/01/19 (c)		290	290,000
SunCoke Energy, Inc., 7.63%, 8/01/19 (c)		205	201,413
Thermon Industries, Inc., 9.50%, 5/01/17		342	359,100
			3,861,938
Food Products 0.4%			
Darling International, Inc., 8.50%, 12/15/18 (c)		220	238,150
Del Monte Foods Co., 7.63%, 2/15/19 (c)		275	272,937
JBS USA LLC, 7.25%, 6/01/21 (c)		85	77,244
Reddy Ice Corp., 11.25%, 3/15/15		410	372,075
			960,406
Health Care Equipment & Supplies 1.4%			
DJO Finance LLC:			
10.88%, 11/15/14		2,130	2,201,888
		,	. ,

7.75%, 4/15/18 (c)		95	88,350
ExamWorks Group, Inc., 9.00%, 7/15/19 (c)		260	245,050
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)		500	557,500
Teleflex, Inc., 6.88%, 6/01/19		270	267,975
Health Care Providers & Services 5.9%			3,360,763
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)		380	378,100
-		300	370,100
ConvaTec Healthcare E SA (c):	ELID	400	517 140
7.38%, 12/15/17	EUR	400	517,140
10.50%, 12/15/18	USD	240	218,400
		Par	
Corporate Bonds		(000)	Value
Health Care Providers & Services (concluded)			
Crown Newco 3 Plc, 7.00%, 2/15/18 (c)	GBP	331	\$ 483,584
HCA, Inc.:			
8.50%, 4/15/19	USD	280	305,200
	USD		
6.50%, 2/15/20		1,125	1,137,656
7.25%, 9/15/20		2,695	2,769,112
7.50%, 2/15/22		1,180	1,168,200
IASIS Healthcare LLC, 8.38%, 5/15/19 (c)		695	608,125
INC Research LLC, 11.50%, 7/15/19 (c)		375	346,875
		395	
inVentiv Health, Inc., 10.00%, 8/15/18 (c)		393	356,488
Omnicare, Inc.:			
6.13%, 6/01/13		14	14,140
6.88%, 12/15/15		268	273,360
7.75%, 6/01/20		580	591,600
Symbion, Inc., 8.00%, 6/15/16 (c)		315	292,950
•		313	292,930
Tenet Healthcare Corp.:		4 -0-	4 (00 000
9.00%, 5/01/15		1,587	1,682,220
10.00%, 5/01/18		752	827,200
8.88%, 7/01/19		2,010	2,130,600
•		,	14,100,950
Health Care Technology 1.3%			11,100,230
		2.225	2.570.250
IMS Health, Inc., 12.50%, 3/01/18 (c)		2,235	2,570,250
MedAssets, Inc., 8.00%, 11/15/18 (c)		485	468,025
			3,038,275
Hotels, Restaurants & Leisure 1.5%			
Caesars Entertainment Operating Co., Inc.,			
		150	161,625
11.25%, 6/01/17	FIID		
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	50	62,488
Diamond Resorts Corp., 12.00%, 8/15/18	USD	1,100	1,067,000
El Dorado Resorts LLC, 8.63%, 6/15/19 (c)		165	140,662
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	296	365,178
Little Traverse Bay Bands of Odawa Indians, 9.00%,			
8/31/20 (a)	HCD	270	224 100
8/31/20 (c)	USD	270	224,100
MGM Mirage, 13.00%, 11/15/13	USD	270 90	224,100 103,162
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International:	USD	90	103,162
MGM Mirage, 13.00%, 11/15/13	USD		,
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14	USD	90	103,162 257,912
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17	USD	90 235	103,162
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC:	USD	90 235 780	103,162 257,912 869,700
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h)	USD	90 235 780 165	103,162 257,912 869,700 125,812
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14	USD	90 235 780 165 35	103,162 257,912 869,700 125,812 29,838
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16	USD	90 235 780 165	103,162 257,912 869,700 125,812
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14	USD	90 235 780 165 35	103,162 257,912 869,700 125,812 29,838
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16	USD	90 235 780 165 35	103,162 257,912 869,700 125,812 29,838
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16 Tropicana Entertainment LLC, Series WI, 9.63%,	USD	90 235 780 165 35 110	103,162 257,912 869,700 125,812 29,838 88,275
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16 Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)	USD	90 235 780 165 35 110	103,162 257,912 869,700 125,812 29,838 88,275
MGM Mirage, 13.00%, 11/15/13 MGM Resorts International: 10.38%, 5/15/14 11.13%, 11/15/17 Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16 Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)  Household Durables 2.6%	USD	90 235 780 165 35 110	103,162 257,912 869,700 125,812 29,838 88,275 32 3,495,784
MGM Mirage, 13.00%, 11/15/13  MGM Resorts International: 10.38%, 5/15/14  11.13%, 11/15/17  Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16  Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)  Household Durables 2.6%  American Standard Americas, 10.75%, 1/15/16 (c)	USD	90 235 780 165 35 110 315	103,162 257,912 869,700 125,812 29,838 88,275 32 3,495,784 307,800
MGM Mirage, 13.00%, 11/15/13  MGM Resorts International: 10.38%, 5/15/14  11.13%, 11/15/17  Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16  Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)  Household Durables 2.6%  American Standard Americas, 10.75%, 1/15/16 (c) Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)	USD	90 235 780 165 35 110	103,162 257,912 869,700 125,812 29,838 88,275 32 3,495,784
MGM Mirage, 13.00%, 11/15/13  MGM Resorts International: 10.38%, 5/15/14  11.13%, 11/15/17  Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16  Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)  Household Durables 2.6%  American Standard Americas, 10.75%, 1/15/16 (c) Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j) Beazer Homes USA, Inc.:	USD	90 235 780 165 35 110 315	103,162 257,912 869,700 125,812 29,838 88,275 32 3,495,784 307,800 577,587
MGM Mirage, 13.00%, 11/15/13  MGM Resorts International: 10.38%, 5/15/14  11.13%, 11/15/17  Travelport LLC: 4.95%, 9/01/14 (h) 9.88%, 9/01/14 9.00%, 3/01/16  Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)  Household Durables 2.6%  American Standard Americas, 10.75%, 1/15/16 (c) Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)	USD	90 235 780 165 35 110 315	103,162 257,912 869,700 125,812 29,838 88,275 32 3,495,784 307,800

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

See Notes to Financial Statements.

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## Schedule of Investments (continued)

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

	Par			
Corporate Bonds IT Services 2.0%	(000)			Value
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c)	USD	670	\$	616,400
First Data Corp. (c):	OSD	070	Ψ	010,400
7.38%, 6/15/19		800		752,000
8.88%, 8/15/20		495		490,050
12.63%, 1/15/21		1,938		1,831,410
SunGard Data Systems, Inc.:		1,730		1,031,110
7.38%, 11/15/18		540		514,350
7.63%, 11/15/20		550		525,250
7.05 70, 11713/20		330		4,729,460
Independent Power Producers &				1,725,100
Energy Traders 2.8%				
AES Corp., 7.38%, 7/01/21 (c)		785		792,850
Calpine Corp. (c):				,
7.50%, 2/15/21		180		181,800
7.88%, 1/15/23		585		596,700
Energy Future Holdings Corp., 10.00%, 1/15/20		3,115		3,127,058
Energy Future Intermediate Holding Co. LLC,				, ,,,,,,
10.00%, 12/01/20		161		162,428
NRG Energy, Inc., 7.63%, 1/15/18 (c)		1,995		1,975,050
6, 7, 10, 10, 10, 10, 10, 10, 10, 10, 10, 10		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		6,835,886
Industrial Conglomerates 2.7%				-,,
Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c)	EUR	107		149,863
Sequa Corp. (c):				- ,
11.75%, 12/01/15	USD	2,190		2,277,600
13.50%, 12/01/15		3,759		3,984,277
		,		6,411,740
Insurance 1.3%				, ,
Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)		1,600		1,640,000
CNO Financial Group, Inc., 9.00%, 1/15/18 (c)		339		352,560
Genworth Financial, Inc., 7.63%, 9/24/21		390		346,136
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)		235		225,600
USI Holdings Corp., 4.16%, 11/15/14 (c)(h)		630		563,850
•				3,128,146
Machinery 1.3%				
AGY Holding Corp., 11.00%, 11/15/14		900		788,625
Navistar International Corp.:				
3.00%, 10/15/14 (f)		1,810		1,997,788
8.25%, 11/01/21		140		144,900
Oshkosh Corp., 8.25%, 3/01/17		30		30,825
SPX Corp., 6.88%, 9/01/17		160		166,800
				3,128,938
Media 14.6%				
AMC Entertainment, Inc., 9.75%, 12/01/20		160		154,400
AMC Networks, Inc., 7.75%, 7/15/21 (c)		205		212,175
Affinion Group, Inc., 7.88%, 12/15/18 (c)		745		659,325
CCH II LLC, 13.50%, 11/30/16		2,982		3,444,630
CCO Holdings LLC:				
7.25%, 10/30/17		40		41,250
7.88%, 4/30/18		100		104,000
6.50%, 4/30/21		721		704,777
CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(h)		150		142,500
CSC Holdings, Inc., 8.50%, 4/15/14		370		400,525

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

Corporate Bonds		ar 00)	Value
Media (concluded)	(4		, 55=55
Cumulus Media, Inc., 7.75%, 5/01/19 (c)	USD	120	\$ 105,300
DISH DBS Corp., 7.00%, 10/01/13		90	94,388
Gray Television, Inc., 10.50%, 6/29/15		900	868,500
Harland Clarke Holdings Corp.:			
6.00%, 5/15/15 (h)		330	245,850
9.50%, 5/15/15		290	236,350
Intelsat Luxemburg SA:			
11.25%, 6/15/16		1,010	1,055,450
11.25%, 2/04/17		320	310,400
11.50%, 2/04/17 (e)		360	349,650
11.50%, 2/04/17 (c)(e)		820	796,425
Interactive Data Corp., 10.25%, 8/01/18 (c)		945	1,001,700
The Interpublic Group of Cos., Inc.,			
10.00%, 7/15/17		315	362,250
Kabel BW Erste Beteiligungs GmbH, 7.50%,			
3/15/19 (c)	EUR	613	862,964
Kabel Deutschland Vertrieb und Service GmbH			
& Co. KG, 6.50%, 6/29/18 (c)		315	443,041
Live Nation Entertainment, Inc., 8.13%,			
5/15/18 (c)	USD	675	649,688
Musketeer GmbH, 9.50%, 3/15/21	EUR	385	553,053
NAI Entertainment Holdings LLC, 8.25%,			
12/15/17 (c)	USD	570	575,700
Nielsen Finance LLC:			
11.63%, 2/01/14		45	50,963
7.75%, 10/15/18		2,085	2,152,762
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c)	GBP	189	280,725
ProQuest LLC, 9.00%, 10/15/18 (c)	USD	460	450,800
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(i)		812	406
Regal Entertainment Group, 9.13%, 8/15/18		305	308,050
UPC Holding BV, 9.88%, 4/15/18 (c)		500	522,500
UPCB Finance II Ltd., 6.38%, 7/01/20 (c)	EUR	753	962,700
Unitymedia GmbH:			
9.63%, 12/01/19		158	228,669
9.63%, 12/01/19 (c)		530	767,056
Unitymedia Hessen GmbH & Co. KG (FKA UPC			
Germany Gmbh) (c):			
8.13%, 12/01/17		407	587,579
8.13%, 12/01/17	USD	540	550,800
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP	537	902,222
Ziggo Bond Co. BV, 8.00%, 5/15/18 (c)	EUR	343	482,865
Ziggo Finance BV, 6.13%, 11/15/17 (c)		735	1,029,432
			34,978,251
Metals & Mining 4.2%			
D			

Drummond Co., Inc.:

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

See Notes to Financial Statements.

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

		ar	
Corporate Bonds	(0	00)	Value
Oil, Gas & Consumable Fuels (concluded)			
Arch Coal, Inc.:	7.70D	210	207.270
7.25%, 10/01/20	USD	310	\$ 305,350
7.25%, 6/15/21 (c)		785	773,225
Berry Petroleum Co., 8.25%, 11/01/16		470	485,275
Bill Barrett Corp., 9.88%, 7/15/16		40	43,900
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 (c)		120	122,400
Chesapeake Energy Corp.:			
6.63%, 8/15/20		876	915,420
6.13%, 2/15/21		505	512,575
2.25%, 12/15/38 (f)		775	689,750
Coffeyville Resources LLC, 9.00%, 4/01/15 (c)		243	257,580
Concho Resources, Inc., 7.00%, 1/15/21		375	384,375
Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c)		310	251,100
Consol Energy, Inc., 8.25%, 4/01/20		1,800	1,935,000
Continental Resources, Inc., 7.13%, 4/01/21		340	350,200
Copano Energy LLC, 7.13%, 4/01/21		305	303,475
Crosstex Energy LP, 8.88%, 2/15/18		165	170,775
Denbury Resources, Inc.:			
8.25%, 2/15/20		652	687,045
6.38%, 8/15/21		320	313,600
EV Energy Partners LP, 8.00%, 4/15/19 (c)		140	137,200
Energy XXI Gulf Coast, Inc. (c):			
9.25%, 12/15/17		390	399,750
7.75%, 6/15/19		815	766,100
Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)		335	319,088
Hilcorp Energy I LP, 7.63%, 4/15/21 (c)		710	717,100
Linn Energy LLC (c):			
6.50%, 5/15/19		230	219,650
8.63%, 4/15/20		1,005	1,075,350
7.75%, 2/01/21		395	402,900
MarkWest Energy Partners LP, 6.75%, 11/01/20		120	123,000
Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)		1,705	1,722,050
OGX Petroleo e Gas Participações SA,		·	i i
8.50%, 6/01/18 (c)		3,625	3,634,062
Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)		300	294,000
Petrohawk Energy Corp.:			ŕ
10.50%, 8/01/14		350	395,500
7.88%, 6/01/15		450	486,000
7.25%, 8/15/18		290	338,212
Pioneer Natural Resources Co., 6.88%, 5/01/18		95	102,901
Precision Drilling Corp., 6.50%, 12/15/21 (c)		275	275,000
Range Resources Corp.:		2,3	273,000
8.00%, 5/15/19		400	435,000
5.75%, 6/01/21		310	311,550
SM Energy Co., 6.63%, 2/15/19 (c)		260	260,000
SandRidge Energy, Inc., 7.50%, 3/15/21 (c)		835	814,125
Teekay Corp., 8.50%, 1/15/20		510	495,975
тескау согр., 0.50 /0, 1/15/20		310	23,404,596
Paper & Forest Products 2.5%			23,704,370
		354	247,611
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(e)		334	447,011
Boise Paper Holdings LLC: 9.00%, 11/01/17		115	122,188
7.00 /0, 11/01/1/		113	122,108

8.00%, 4/01/20		140	143,150
Clearwater Paper Corp.:			
10.63%, 6/15/16		370	405,150
7.13%, 11/01/18 (c)		535	537,675
Georgia-Pacific LLC, 8.25%, 5/01/16 (c)		1,525	1,741,562
Longview Fibre Paper & Packaging, Inc., 8.00%,		2.5	244.070
6/01/16 (c)		315	311,850
NewPage Corp., 11.38%, 12/31/14 (i)		1,935	1,702,800
Sappi Papier Holding GmbH, 6.63%, 4/15/21 (c) Verso Paper Holdings LLC, 11.50%, 7/01/14		120 707	106,800 749,420
verso raper Holdings LLC, 11.30%, //01/14		707	6,068,206
			0,000,200
	Pa	ar	
Corporate Bonds	(00	00)	Value
Pharmaceuticals 0.5%		•00	<b>477</b> 000
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (c)	EUR	200 \$	275,808
Endo Pharmaceuticals Holdings, Inc.,			
7.00%, 7/15/19 (c)	USD	170	172,125
Valeant Pharmaceuticals International, 6.50%,			
7/15/16 (c)		780	741,000
Durfamilian I Comban A 201			1,188,933
Professional Services 0.3%		850	020 212
FTI Consulting, Inc., 6.75%, 10/01/20 (c) Real Estate Investment Trusts (REITs) 1.3%		830	838,313
FelCor Lodging LP, 6.75%, 6/01/19 (c)		1,285	1,207,900
iStar Financial, Inc., 5.65%, 9/15/11		1,500	1,488,750
The Rouse Co. LP, 6.75%, 11/09/15		480	486,000
			3,182,650
Real Estate Management & Development 2.2%			
CB Richard Ellis Services, Inc., 6.63%, 10/15/20		310	303,025
Forest City Enterprises, Inc., 7.63%, 6/01/15		1,325	1,275,313
Realogy Corp. (c):			
11.50%, 4/15/17 (h)		910	723,450
12.00%, 4/15/17		90	72,000
7.88%, 2/15/19		2,400	1,992,000
Shea Homes LP, 8.63%, 5/15/19 (c)		1,025	866,125
Road & Rail 2.0%			5,231,913
Avis Budget Car Rental LLC:			
9.63%, 3/15/18		475	485,688
8.25%, 1/15/19		710	686,925
Florida East Coast Railway Corp., 8.13%,		,10	000,723
2/01/17 (c)		410	407,950
The Hertz Corp. (c):			.07,500
7.50%, 10/15/18		595	583,100
6.75%, 4/15/19		410	382,325
7.38%, 1/15/21		455	434,525
Hertz Holdings Netherlands BV:			
8.50%, 7/31/15	EUR	100	140,777
8.50%, 7/31/15 (c)		1,225	1,724,519
			4,845,809
Semiconductors & Semiconductor			
Equipment 0.2%	HCD	540	£40,000
Spansion LLC, 7.88%, 11/15/17 (c)  Specialty Retail 2.2%	USD	540	540,000
Asbury Automotive Group, Inc., 8.38%, 11/15/20		335	329,138
Asoury Automotive Group, Inc., 8.38%, 11/13/20 Hillman Group, Inc., 10.88%, 6/01/18		333 490	329,138 494,900
House of Fraser Plc., 8.88%, 8/15/18 (c)	GBP	259	357,378
Limited Brands, Inc., 8.50%, 6/15/19	USD	745	839,056
Phones4u Finance Plc, 9.50%, 4/01/18 (c)	GBP	370	462,478
QVC, Inc. (c):			,
7.13%, 4/15/17	USD	210	219,450

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

See Notes to Financial Statements.

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

	Par	
Corporate Bonds	(000)	Value
Wireless Telecommunication Services (concluded)		
FiberTower Corp., 9.00%, 1/01/16 (e)	USD 311	\$ 193,552
Intelsat Jackson Holdings SA, 7.50%, 4/01/21 (c)	140	135,450
iPCS, Inc., 2.38%, 5/01/13 (h)	760	704,900
MetroPCS Wireless, Inc.:		
7.88%, 9/01/18	340	344,675
6.63%, 11/15/20	850	794,750
NII Capital Corp., 7.63%, 4/01/21	344	350,880
Sprint Capital Corp., 6.88%, 11/15/28	1,210	1,082,950
	·	8,666,745
Total Corporate Bonds 103.0%		247,450,167
		,,
Floating Rate Loan Interests (h) Airlines 0.3%		
Delta Air Lines, Inc., Credit New Term Loan B,	(75	600 107
5.50%, 4/20/17	675	622,127
Building Products 0.2%		
Goodman Global, Inc., Term Loan (Second Lien),	<b>-</b> 00	
9.00%, 10/30/17	500	502,500
Capital Markets 0.1%		
Marsico Parent Co., LLC, Term Loan, 5.25%, 12/15/14	369	206,424
Chemicals 0.1%		
PQ Corp. (FKA Niagara Acquisition, Inc.), Original		
Term Loan Facility (First Lien),		
3.48% 3.51%, 7/30/14	313	285,907
Construction & Engineering 0.7%		
Safway Services, LLC, Last Out Term Loan,		
7.25%, 12/18/17	1,750	1,750,000
Consumer Finance 1.5%	-,	-,,
Springleaf Financial Funding Co. (FKA AGFS		
Funding Co.), Term Loan, 5.50%, 5/10/17	4,000	3,705,000
Diversified Consumer Services 0.0%	1,000	3,703,000
ServiceMaster Co.:		
Closing Date Term Loan, 2.69% 2.76%, 7/24/14	77	71,408
		,
Delayed Draw Term Loan, 2.72%, 7/24/14	8	7,111
D. 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		78,519
Diversified Telecommunication Services 0.2%		
Level 3 Financing, Inc., Incremental Tranche A Term Loan, 2.50%, 3/13/14	475	438,900
Electronic Equipment, Instruments &		
Components 0.0%		
CDW LLC (FKA CDW Corp.), Non-Extended Term		
Loan, 3.71%, 10/10/14	110	103,400
Energy Equipment & Services 0.6%		
Dynegy Holdings, Inc.:		
Coal Company Term Loan, 9.25%, 8/04/16	530	519,661
Gas Company Term Loan, 9.25%, 8/04/16	970	951,079
	710	1,470,740
		1,770,770

Health Care Providers & Services 0.7%		
Harden Healthcare, Inc.:		
Tranche A Additional Term Loan, 7.75%, 3/02/15	435	425,844
Tranche A Term Loan, 8.50%, 3/02/15	381	373,039
inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term		
Loan B, 6.50%, 8/04/16	801	755,846
		1.554.729

		Par		
Floating Rate Loan Interests (h)	(	000)		Value
Hotels, Restaurants & Leisure 0.4% Caesars Entertainment Operating Co., Inc., Term Loan				
B-3, 3.25%, 1/28/15	USD	341	\$	293,899
Travelport LLC, (FKA Travelport, Inc.), Term Loan,	CSE	311	Ψ	2,5,6,7
8.29%, 3/27/12		1,251		689,203
				983,102
Independent Power Producers & Energy Traders 0.9%				
Texas Competitive Electric Holdings Co., LLC (TXU),				
Extended Term Loan, 4.71% 4.77%, 10/10/17		2,926		2,148,176
Media 3.8%				
Cengage Learning Acquisitions, Inc. (FKA Thomson				
Learning), Tranche 1 Incremental Term Loan,				
7.50%, 7/03/14		1,455		1,389,525
HMH Publishing Co., Ltd., Tranche A Term Loan,		963		602.915
6.21%, 6/12/14 Intelsat Jackson Holdings SA (FKA Intelsat Jackson		862		692,815
Holdings, Ltd.), Tranche B Term Loan, 5.25%,				
4/02/18		5,985		5,730,637
Newsday LLC, Fixed Rate Term Loan, 10.50%,		2,703		3,730,037
8/01/13		1,375		1,419,688
		,		9,232,665
Multiline Retail 0.6%				
Hema Holding BV, Mezzanine, 9.93%, 7/05/17	EUR	1,097		1,407,026
Oil, Gas & Consumable Fuels 0.8%				
Obsidian Natural Gas Trust, Term Loan, 7.00%,				
11/02/15	USD	1,829		1,810,296
Paper & Forest Products 0.5%				
Verso Paper Finance Holdings LLC, Term Loan,		1 226		1 140 242
6.51% 7.26%, 2/01/13 (e)  Real Estate Investment Trusts (REITs) 0.6%		1,326		1,140,343
iStar Financial, Inc., Term Loan, (Second Lien),				
5.00%, 6/28/13		1,383		1,344,124
Real Estate Management & Development 0.3%		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,- ,
Realogy Corp.:				
Extended Synthetic Letter of Credit Loan,				
4.44%, 10/10/16		124		101,911
Extended Term Loan B, 4.52%, 10/10/16		689		566,955
Consider Datail 0.00				668,866
Specialty Retail 0.0% Claire s Stores, Inc., Term Loan B, 3.00%, 5/29/14		109		94,562
Total Floating Rate Loan Interests 12.3%		109		29,547,406
Total Floating Rate Loan Interests 12.5 /0				29,5 <del>1</del> 7,400
	]	Beneficial		
Other Interests (Is)		Interest		
Other Interests (k) Auto Components 2.6%		(000)		
Delphi Debtor-in-Possession Holding Co.				
LLP, Class B Membership Interests (a)		(	1)	6,247,969
Energy Equipment & Services 0.6%				

BLK COY (Luxembourg) Investments, S.a.r.l.

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

See Notes to Financial Statements.

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

Preferred	Securities
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Preferred Securities	Par	
Capital Trusts	(000)	Value
Insurance 0.2%	(***)	
Genworth Financial, Inc., 6.15%, 11/15/66 (h)	USD 790	\$ 474,000
Total Capital Trusts 0.2%		474,000
•		
Preferred Stocks	Shares	
Auto Components 0.3%	< 0.00	
Dana Holding Corp., 4.00% (c)(f)	6,380	718,547
Diversified Financial Services 0.9%		2 402 602
Ally Financial, Inc., 7.00% (c)	2,883	2,193,693
Media 0.2%		
CMP Susquehanna Radio Holdings Corp.,	24.002	
0.00% (a)(c)(h)	34,982	297,347
Total Preferred Stocks 1.4%		3,209,587
Trust Preferreds		
Diversified Financial Services 0.7%	00.000	1 727 002
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (h)	80,890	1,727,002
Total Trust Preferreds 0.7%		1,727,002
Total Preferred Securities 2.3%		5,410,589
Warmanta (a)		
Warrants (n) Health Care Providers & Services 0.0%		
	20.020	
HealthSouth Corp. (Expires 1/16/14)  Media 0.1%	29,930	
Cumulus Media, Inc. (Expires 3/26/19)	88,351	225,781
New Vision Holdings LLC (Expires 9/30/14)	14,965	150
New Vision Holdings LLC (Expires 9/30/14)	14,903	225,931
Software 0.0%		223,931
Bankruptcy Management Solutions, Inc.		
(Expires 9/29/17)	312	3
HMH Holdings/EduMedia (Expires 3/09/17)	9,997	3
HMH Holdings/Eddivicula (Expires 3/09/17)	9,991	3
Total Warrants 0.1%		225,934
Total Long-Term Investments		223,934
(Cost \$309,796,735) 124.8%		299,702,026
(Cost \$307,170,133) 124.0 %		299,702,020
Short-Term Securities		
BlackRock Liquidity Funds, TempCash,		
Institutional Class, 0.11% (o)(p)	1,965,816	1,965,816
Total Short-Term Securities	-,,010	, , 0
(Cost \$1,965,816) 0.8%		1,965,816
( - ···· , , ···) - ··· ··		-,,,,,,,,,
Options Purchased	Contracts	Value
Exchange-Traded Call Options 0.0%	412	\$ 5,356
E*Trade Financial Corp., Strike Price USD 20.00,		
Expires 10/22/11	412	\$ 5,356
Exchange-Traded Put Options 0.0%		

SPDR S&P 500 ETF Trust, Strike Price USD 120.00,			
Expires 9/17/11		131	29,478
Over-the-Counter Call Options 0.0%			
Marsico Parent Superholdco LLC, Strike			
Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA		17	
Broker Goldman Sachs Dank USA		17	
	Not	ional	
		ount	
	(0	00)	
Over-the-Counter Call Swaptions 0.1% Receive a return based on return of Dow Jones			
CDX North America High Yield Index Series 16			
and pay a floating rate based on 3-month LIBOR,			
Expires 12/21/11, Broker Deutsche Bank			
Securities Inc.	\$	10,000	100,351
Total Options Purchased			
(Cost \$244,707) 0.1%			135,185
Total Investments Before Options Written			
(Cost \$312,007,258*) 125.7%			301,803,027
Options Written	C	Contracts	
Exchange-Traded Put Options (0.0)%			
E*Trade Financial Corp., Strike Price USD 13.00,			
Expires 10/22/11		412	(84,460)
	Not	ional	
		ount	
		00)	
	,	/	
Over-the-Counter Call Swaptions (0.1)%	, i	,	
Pay a return based on return of Dow Jones CDX		,	
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and	`		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR,	·		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit			(2.084)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International	USD	10,650	(2,084)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX			(2,084)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International			(2,084)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman			(2,084)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR,			(181,742)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International		10,650	
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)%		10,650	(181,742)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX		10,650	(181,742)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and		10,650	(181,742)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX		10,650	(181,742)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR,		10,650	(181,742)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX		10,650 4,000	(181,742) (183,826)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and		10,650 4,000	(181,742) (183,826)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR,		10,650 4,000	(181,742) (183,826)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman		10,650 4,000 2,775	(181,742) (183,826) (90,853)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR,		10,650 4,000	(181,742) (183,826)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International  Over-the-Counter Put Swaptions (0.3)% Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman		10,650 4,000 2,775	(181,742) (183,826) (90,853)

See Notes to Financial Statements.

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

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

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

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

- (a) Non-income producing security.
- (b) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$3,851 and an original cost of \$277, in this security.
- (c) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (d) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (e) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (f) Convertible security.
- (g) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (h) Variable rate security. Rate shown is as of report date.
- (i) Issuer filed for bankruptcy and/or is in default of interest payments.
- (j) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (k) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.

- (l) Amount is less than \$500.
- (m) The investment is held by a wholly owned subsidiary of the Fund.
- (n) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (o) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

	Shares Held at		Shares Held at	
	February 28,	Net	August 31,	
Affiliate	2010	Activity	2011	Income
BlackRock Liquidity				
Funds, TempCash,				
Institutional Class	1,721,866	243,950	1,965,816	\$ 1,031

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

For Fund compliance purposes, the Fund s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Fund management. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

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

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

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

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

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

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

See Notes to Financial Statements.

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BlackRock Corporate High Yield Fund, Inc. (COY)

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

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

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

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

<sup>&</sup>lt;sup>1</sup> Using S&P s rating.

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

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

The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of the agreement.

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

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

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

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

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

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

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

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

See Notes to Financial Statements.

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

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

		mmon ocks	Corporate Bonds	Fl	loating Rate Loan Interests		Other nterests	 referred Stocks	Warrants		Unfunded Loan Commitments		Loan		1	Γotal
Assets/Liabilities:																
Balance, as of February 28,																
2011	\$ 4	412,146	\$ 5,083,048	\$	6,878,236	\$	7		\$	154	\$	(11,592)	\$ 12	,361,999		
Accrued discounts/premiums			12,301		1,296									13,597		
Net realized gain (loss)			6,528		3,965									10,493		
Net change in unrealized																
appreciation/depreciation <sup>2</sup>	(2,0	000,339)	624,595		1,156,020		(27,393)	\$ 297,347		225,780		11,592		287,602		
Purchases	3,7	740,243	47,658		5,690	1	1,577,152						5	,370,743		
Sales			(748,753)		(2,574,160)								(3	,322,913)		
Transfers in <sup>3</sup>			105,738		1,461,797								1.	,567,535		
Transfers out <sup>3</sup>					(1,153,977)								(1.	,153,977)		
Balance, as of August 31,																
2011	\$ 2,1	152,050	\$ 5,131,115	\$	5,778,867	\$ 1	1,549,766	\$ 297,347	\$	225,934			\$ 15	,135,079		

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

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

See Notes to Financial Statements.

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

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

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

(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Capital Markets 0.1%		
E*Trade Financial Corp. (a)	29,600	\$ 365,856
Chemicals 0.0%		
Wellman Holdings, Inc.	256	832
Wellman, Inc. (acquired 1/30/09, cost \$235) (a)(b)	1,266	4,114
		4,946
Communications Equipment 0.4%		
Loral Space & Communications Ltd. (a)	20,518	1,161,114
Diversified Financial Services 0.8%		
Kcad Holdings I Ltd.	184,016,803	2,076,998
Electrical Equipment 0.0%		
Medis Technologies Ltd. (a)	70,784	779
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc. (a)	1,099	2,747
Media 1.4%		
Belo Corp., Class A	47,382	258,232
Charter Communications, Inc. (a)	63,805	3,182,593
Clear Channel Outdoor Holdings, Inc., Class A (a)	9,964	114,088
		3,554,913
Metals & Mining 0.1%		
African Minerals Ltd. (a)	47,050	391,428
Oil, Gas & Consumable Fuels 0.2%		
Marathon Petroleum Corp.	10,600	392,836
Paper & Forest Products 0.3%		
Ainsworth Lumber Co. Ltd. (c)	140,415	286,766
Ainsworth Lumber Co. Ltd.	122,117	249,397
Western Forest Products, Inc. (a)	158,023	106,500
Western Forest Products, Inc. (a)(c)	45,762	30,841
		673,504
Semiconductors & Semiconductor		
Equipment 0.4%		
Spansion, Inc., Class A (a)	64,237	964,198
SunPower Corp., Class B (a)	271	3,211
		967,409
Software 0.1%		-
Bankruptcy Management Solutions, Inc. (a)	501	2
HMH Holdings/EduMedia (a)	89,669	179,338
T. 110		179,340
Total Common Stocks 3.8%		9,771,870

	Par		
Corporate Bonds	(000)	)	
Aerospace & Defense 0.6%			
Huntington Ingalls Industries, Inc. (c):			
6.88%, 3/15/18	USD	360	338,400
7.13%, 3/15/21		400	376,000
Kratos Defense & Security Solutions, Inc., 10.00%,			
6/01/17		756	776,790
			1,491,190
Air Freight & Logistics 0.5%			

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

Corporate Bonds		'ar 00)	Value
Airlines 3.1%	(0	00)	v aluc
Air Canada, 9.25%, 8/01/15 (c)	USD	900 5	864,000
American Airlines, Inc.:			
10.50%, 10/15/12		940	969,375
7.50%, 3/15/16 (c)		140	126,700
Series 2001-2, 7.86%, 4/01/13		400	400,000
Series 2011-1-B, 7.00%, 1/31/18 (c)		407	350,272
Continental Airlines, Inc.:			
6.75%, 9/15/15 (c)		630	614,250
Series 1997-4-B, 6.90%, 7/02/18 (d)		396	390,128
Series 2010-1-B, 6.00%, 1/12/19		500	462,500
Delta Air Lines, Inc.:			
Series 2010-1-B, 6.38%, 7/02/17		500	450,000
Series B, 9.75%, 12/17/16		765	784,455
US Airways Pass-Through Trust, 10.88%, 10/22/14		690	672,750
United Air Lines, Inc., 12.75%, 7/15/12		2,062	2,155,175
			8,239,605
Auto Components 2.1%			
Allison Transmission, Inc., 11.00%, 11/01/15 (c)		230	242,075
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)		210	195,300
Delphi Corp., 6.13%, 5/15/21 (c)		170	164,050
Ford Motor Co., 7.45%, 7/16/31		730	800,352
Icahn Enterprises LP:			242.240
4.00%, 8/15/13 (c)(e)(f)		255	243,219
8.00%, 1/15/18		3,035	3,065,350
International Automotive Components Group,			
SL, 9.13%, 6/01/18 (c)		260	255,450
Titan International, Inc., 7.88%, 10/01/17		465	488,250
			5,454,046
Beverages 0.2%			
Cott Beverages, Inc., 8.13%, 9/01/18		264	273,240
Crown European Holdings SA, 7.13%, 8/15/18 (c)	EUR	245	339,625
			612,865
Biotechnology 0.1%			
QHP Pharma, 10.25%, 3/15/15 (c)	USD	335	341,135
Building Products 1.3%			
Building Materials Corp. of America (c):			
7.00%, 2/15/20		440	440,000
6.75%, 5/01/21		1,260	1,206,450
Griffon Corp., 7.13%, 4/01/18 (c)		430	406,350
Momentive Performance Materials, Inc.:			450.050
11.50%, 12/01/16		475	470,250
9.00%, 1/15/21 (c)		985	842,175
C 1/11M 1 / 100			3,365,225
Capital Markets 1.0%		510	506 130
American Capital Ltd., 7.96%, 12/31/13 (g)		510	506,420
E*Trade Financial Corp.:		000	1 012 000
12.50%, 11/30/17 (h)		880	1,012,000
3.39%, 8/31/19 (c)(e)(i)		244	291,580
Series A, 3.65%, 8/31/19 (e)(i)		7	8,365
KKR Group Finance Co., 6.38%, 9/29/20 (c)		650	691,570
Chamicals 3.6%			2,509,935
Chemicals 3.6%		000	064600
American Pacific Corp., 9.00%, 2/01/15		880	864,600
American Rock Salt Co. LLC, 8.25%, 5/01/18 (c)		138	127,995

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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

(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)		Value
Chemicals (concluded)	· ´		
Kinove German Bondco GmbH, 10.00%, 6/15/18	EUR	583	\$ 791,419
Lyondell Chemical Co., 11.00%, 5/01/18	USD	1,235	1,378,569
Nexeo Solutions LLC, 8.38%, 3/01/18 (c)		185	191,012
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (c)		546	540,540
Omnova Solutions, Inc., 7.88%, 11/01/18 (c)		550	482,625
PolyOne Corp., 7.38%, 9/15/20		215	221,450
TPC Group LLC, 8.25%, 10/01/17 (c)		335	343,375
Wellman Holdings, Inc., Subordinate Note (e):			
(Second Lien), 10.00%, 1/29/19 (c)		844	1,173,160
(Third Lien), 5.00%, 1/29/19 (h)		290	206,060
(Time Elen), 5.00 %, 1/25/15 (n)		270	9,528,728
Commercial Banks 2.5%			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
CIT Group, Inc.:			
7.00%, 5/01/15		450	447,750
7.00%, 5/01/16		2,876	2,862,104
7.00%, 5/01/17		2,765	2,730,516
7.00%, 5/02/17 (c)		440	434,500
,			6,474,870
Commercial Services & Supplies 2.0%			0,171,070
ACCO Brands Corp., 10.63%, 3/15/15		755	825,781
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (c)		120	115,754
Aviation Capital Group Corp., 6.75%, 4/06/21 (c)		540	532,861
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (c)		525	494,813
Casella Waste Systems, Inc., 7.75%, 2/15/19 (c)		650	625,625
Clean Harbors, Inc., 7.63%, 8/15/16 (c)		380	401,850
Mobile Mini, Inc., 7.88%, 12/01/20 (c)		365	354,963
RSC Equipment Rental, Inc.:		303	334,703
10.00%, 7/15/17 (c)		585	628,875
8.25%, 2/01/21		875	815,937
WCA Waste Corp., 7.50%, 6/15/19 (c)		330	330,000
West Corp., 8.63%, 10/01/18 (c)		135	131,625
west corp., 6.03 %, 10/01/16 (c)		133	5,258,084
Communications Equipment 0.8%			3,236,064
Avaya, Inc.:			
9.75%, 11/01/15		520	442,000
10.13%, 11/01/15 (h)		650	561,438
7.00%, 4/01/19 (c)		520	468,000
		320	400,000
EH Holding Corp. (c):		200	290,000
6.50%, 6/15/19		380	380,000
7.63%, 6/15/21		260	258,700
Construction & Engineering 0.1%			2,110,138
Abengoa SA, 8.50%, 3/31/16	EUR	100	134,313
Boart Longyear Management Ltd., 7.00%,	EUK	100	154,515
4/01/21 (c)	USD	200	198,500
7/01/21 (6)	USD	200	332,813
Construction Materials 0.3%			332,013
Calcipar SA, 6.88%, 5/01/18 (c)		345	326,887
Calcipal 515, 0.00 10, 3101/10 (C)		343	340,007

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

Company to Banda	Pa			Value
Corporate Bonds Containers & Packaging (concluded)	(00	)U)		value
Graphic Packaging International, Inc., 7.88%,				
10/01/18	USD	375	\$	393,750
OI European Group BV, 6.88%, 3/31/17	EUR	155	Ψ	211,525
Pregis Corp., 12.38%, 10/15/13	USD	410		377,200
Rock-Tenn Co., 9.25%, 3/15/16	СББ	55		57,750
Smurfit Kappa Acquisitions (c):		33		31,130
7.25%, 11/15/17	EUR	495		682,625
7.75%, 11/15/19	Lon	315		432,135
1.13 10, 111 13117		313		3,269,330
Diversified Consumer Services 1.2%				3,207,330
Service Corp. International, 7.00%, 6/15/17	USD	3,000		3,135,000
Diversified Financial Services 6.0%	002	2,000		2,122,000
Ally Financial, Inc.:				
7.50%, 12/31/13		280		288,400
8.30%, 2/12/15		540		567,000
6.25%, 12/01/17 (c)		660		634,865
8.00%, 3/15/20		440		444,400
7.50%, 9/15/20		670		658,275
8.00%, 11/01/31		1,450		1,417,375
8.00%, 11/01/31		880		846,499
Axcan Intermediate Holdings, Inc., 12.75%,				
3/01/16		450		469,125
Boparan Holdings Ltd. (c):				
9.75%, 4/30/18	EUR	102		112,837
9.88%, 4/30/18	GBP	145		190,657
FCE Bank Plc:				
7.13%, 1/15/13	EUR	1,050		1,512,097
4.75%, 1/19/15		419		547,723
General Motors Financial Co., Inc., 6.75%,				
6/01/18 (c)	USD	490		487,550
KION Finance SA, 7.88%, 4/15/18 (c)	EUR	160		190,767
Lehman Brothers Holdings, Inc. (j):				
5.38%, 10/17/12	EUR	150		51,714
5.75%, 5/17/13	USD	620		154,225
4.75%, 1/16/14	EUR	760		259,288
1.00%, 2/05/14		1,600		540,124
8.80%, 3/01/15	USD	175		44,188
Leucadia National Corp., 8.13%, 9/15/15		1,175		1,261,656
Reynolds Group DL Escrow, Inc., 8.50%,				
10/15/16 (c)		518		529,655
Reynolds Group Issuer, Inc.:				
8.75%, 10/15/16 (c)	EUR	400		557,362
8.75%, 10/15/16		510		710,637

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

See Notes to Financial Statements.

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

		Par		¥7.1
Corporate Bonds Diversified Telecommunication Services	()	000)		Value
(concluded)				
Windstream Corp.:				
8.13%, 8/01/13	USD	460	\$	488,750
7.88%, 11/01/17	COD	743	Ψ	781,079
				11,690,459
Electric Utilities 0.6%				, ,
Tokyo Electric Power Co., Inc., 4.50%, 3/24/14	EUR	1,200		1,473,850
Electronic Equipment, Instruments &				
Components 0.6%				
CDW LLC:				
11.00%, 10/12/15	USD	11		11,220
11.50%, 10/12/15 (h)		660		673,200
8.00%, 12/15/18 (c)		430		425,700
Elster Finance BV, 6.25%, 4/15/18 (c)	EUR	114		150,658
Jabil Circuit, Inc., 8.25%, 3/15/18	USD	235		264,962
				1,525,740
Energy Equipment & Services 1.6%				
Antero Resources Finance Corp., 7.25%,				
8/01/19 (c)		165		160,462
Calfrac Holdings LP, 7.50%, 12/01/20 (c)		245		237,650
Compagnie Générale de Géophysique-Veritas,		250		251 250
7.75%, 5/15/17		250		251,250
Exterran Holdings, Inc., 7.25%, 12/01/18 (c)		445		431,650
Frac Tech Services LLC, 7.13%, 11/15/18 (c)		1,135 450		1,174,725
Key Energy Services, Inc., 6.75%, 3/01/21 MEG Energy Corp., 6.50%, 3/15/21 (c)		580		441,000 580,000
Oil States International, Inc., 6.50%, 6/01/19 (c)		320		320,000
SunCoke Energy, Inc., 7.63%, 8/01/19 (c)		220		216,150
Thermon Industries, Inc., 9.50%, 5/01/17		379		397,950
Thermon industries, inc., 7.50 /0, 5/01/17		317		4,210,837
Food Products 0.5%				1,210,037
Darling International, Inc., 8.50%, 12/15/18 (c)		240		259,800
Del Monte Foods Co., 7.63%, 2/15/19 (c)		565		560,762
JBS USA LLC, 7.25%, 6/01/21 (c)		90		81,788
Reddy Ice Corp., 11.25%, 3/15/15		440		399,300
				1,301,650
Health Care Equipment & Supplies 1.4%				
DJO Finance LLC:				
10.88%, 11/15/14		2,320		2,398,300
7.75%, 4/15/18 (c)		100		93,000
ExamWorks Group, Inc., 9.00%, 7/15/19 (c)		282		265,785
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)		540		602,100
Teleflex, Inc., 6.88%, 6/01/19		295		292,787
				3,651,972
Health Care Providers & Services 5.9%				
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)		415		412,925
ConvaTec Healthcare E SA (c):	DI /P			757 - 16
7.38%, 12/15/17	EUR	600		775,710
10.50%, 12/15/18	USD	270		245,700

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

		Par		
Corporate Bonds	(0	000)		Value
Health Care Providers & Services (concluded)	HCD	2.45	Ф	220.050
Symbion, Inc., 8.00%, 6/15/16 (c)	USD	345	\$	320,850
Tenet Healthcare Corp.:		1.664		1.762.040
9.00%, 5/01/15		1,664		1,763,840
10.00%, 5/01/18		779		856,900
8.88%, 7/01/19		2,279		2,415,740
				15,331,847
Health Care Technology 1.3%				
IMS Health, Inc., 12.50%, 3/01/18 (c)		2,405		2,765,750
MedAssets, Inc., 8.00%, 11/15/18 (c)		535		516,275
				3,282,025
Hotels, Restaurants & Leisure 1.4%				
Caesars Entertainment Operating Co., Inc.,				
11.25%, 6/01/17		130		140,075
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	53		66,237
Diamond Resorts Corp., 12.00%, 8/15/18	USD	1,190		1,154,300
El Dorado Resorts LLC, 8.63%, 6/15/19 (c)		180		153,450
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	324		399,721
Little Traverse Bay Bands of Odawa Indians, 9.00%,				
8/31/20 (c)	USD	300		249,000
MGM Mirage, 13.00%, 11/15/13		110		126,088
MGM Resorts International:				
10.38%, 5/15/14		255		279,862
11.13%, 11/15/17		820		914,300
Travelport LLC:				
4.95%, 9/01/14 (f)		180		137,250
9.88%, 9/01/14		40		34,100
9.00%, 3/01/16		120		96,300
Tropicana Entertainment LLC, Series WI, 9.63%,				2 2,2 2 2
12/15/14 (a)(j)		305		31
12/13/11 (u)(j)		202		3,750,714
Household Durables 2.5%				3,730,711
American Standard Americas, 10.75%,				
1/15/16 (c)		410		332,100
Ashton Woods USA LLC, 5.50%, 6/30/15 (c)(k)		880		631,400
Beazer Homes USA, Inc.:		880		031,400
8.13%, 6/15/16		315		222,075
·		1,345		1,365,175
12.00%, 10/15/17		460		319,125
9.13%, 6/15/18	ELID			,
Ideal Standard International, 11.75%, 5/01/18 (c)	EUR	154		170,340
Jarden Corp., 7.50%, 1/15/20  Priland Crown Inc., 6.62%, 5/01/20	HCD	305		414,035
Ryland Group, Inc., 6.63%, 5/01/20	USD	600		516,000
Standard Pacific Corp.:		1.200		1.056.106
10.75%, 9/15/16		1,390		1,376,100
8.38%, 5/15/18		270		236,925

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

See Notes to Financial Statements.

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

		Par	
Corporate Bonds	(	000)	Value
Independent Power Producers &			
Energy Traders 2.8%			
AES Corp., 7.38%, 7/01/21 (c)	USD	860	\$ 868,600
Calpine Corp. (c):			
7.50%, 2/15/21		200	202,000
7.88%, 1/15/23		645	657,900
Energy Future Holdings Corp., 10.00%, 1/15/20		3,395	3,408,142
Energy Future Intermediate Holding Co. LLC, 10.00%,			
12/01/20		174	175,544
NRG Energy, Inc., 7.63%, 1/15/18 (c)		2,170	2,148,300
			7,460,486
Industrial Conglomerates 2.6%			
Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c)	EUR	107	149,863
Sequa Corp. (c):			
11.75%, 12/01/15	USD	2,340	2,433,600
13.50%, 12/01/15		3,954	4,191,252
			6,774,715
Insurance 1.3%			, ,
Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)		1,700	1,742,500
CNO Financial Group, Inc., 9.00%, 1/15/18 (c)		367	381,680
Genworth Financial, Inc., 7.63%, 9/24/21		430	381,637
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)		260	249,600
USI Holdings Corp., 4.16%, 11/15/14 (c)(f)		680	608,600
C5111010111go C61pi, 1110/0, 11/10/11 (C)(1)		000	3,364,017
Machinery 1.3%			0,001,017
AGY Holding Corp., 11.00%, 11/15/14		980	858,725
Navistar International Corp.:		700	030,723
3.00%, 10/15/14 (e)		1,960	2,163,350
8.25%, 11/01/21		140	144,900
Oshkosh Corp., 8.25%, 3/01/17		30	30,825
SPX Corp., 6.88%, 9/01/17		175	182,438
51 A Corp., 0.00 h, 9/01/17		173	3,380,238
Media 14.7%			3,360,236
AMC Entertainment, Inc., 9.75%, 12/01/20		175	168,875
AMC Networks, Inc., 7.75%, 7/15/21 (c)		225	232,875
		815	721,275
Affinion Group, Inc., 7.88%, 12/15/18 (c)			
CCH II LLC, 13.50%, 11/30/16		3,253	3,756,867
CCO Holdings LLC:		50	51 562
7.25%, 10/30/17			51,563
7.88%, 4/30/18		110	114,400
6.50%, 4/30/21		788	770,270
CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)		160	152,000
CSC Holdings, Inc., 8.50%, 4/15/14		390	422,175
Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)		610	610,000
Cengage Learning Acquisitions, Inc., 10.50%,			
1/15/15 (c)		645	496,650
Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)		670	395,300
Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)		385	414,838
Clear Channel Communications, Inc., 9.00%,			
3/01/21		545	438,725

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

		Par	
Corporate Bonds	(	000)	Value
Media (concluded)			
Intelsat Luxemburg SA:			
11.25%, 6/15/16	USD	1,090	\$ 1,139,050
11.25%, 2/04/17		340	329,800
11.50%, 2/04/17 (h)		380	369,075
11.50%, 2/04/17 (c)(h)		910	883,837
Interactive Data Corp., 10.25%, 8/01/18 (c)		1,030	1,091,800
The Interpublic Group of Cos., Inc., 10.00%,			
7/15/17		340	391,000
Kabel BW Erste Beteiligungs GmbH, 7.50%,			
3/15/19 (c)	EUR	673	947,430
Kabel Deutschland Vertrieb und Service GmbH &			
Co. KG, 6.50%, 6/29/18 (c)		345	485,236
Live Nation Entertainment, Inc., 8.13%, 5/15/18 (c)	USD	735	707,437
Musketeer GmbH, 9.50%, 3/15/21	EUR	425	610,513
NAI Entertainment Holdings LLC, 8.25%,			
12/15/17 (c)	USD	620	626,200
Nielsen Finance LLC:			,
11.63%, 2/01/14		117	132,503
7.75%, 10/15/18		2,145	2,214,712
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c)	GBP	207	307,461
ProQuest LLC, 9.00%, 10/15/18 (c)	USD	500	490,000
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(j)		850	425
Regal Entertainment Group, 9.13%, 8/15/18		335	338,350
UPC Holding BV, 9.88%, 4/15/18 (c)		500	522,500
UPCB Finance II Ltd., 6.38%, 7/01/20 (c)	EUR	822	1,050,915
Unitymedia GmbH:			, , .
9.63%, 12/01/19		168	243,142
9.63%, 12/01/19 (c)		570	824,947
Unitymedia Hessen GmbH & Co. KG (FKA UPC		2,70	0_ 1,,, 11
Germany Gmbh):			
8.13%, 12/01/17 (c)		441	636,664
8.13%, 12/01/17 (c)	USD	655	668,100
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP	618	1,038,312
Ziggo Bond Co. BV, 8.00%, 5/15/18 (c)	EUR	388	546,215
Ziggo Finance BV, 6.13%, 11/15/17 (c)		800	1,120,471
		000	38,488,464
Metals & Mining 4.2%			50, .00, .01
Drummond Co., Inc.:			
9.00%, 10/15/14 (c)	USD	270	276,075
7.38%, 2/15/16	002	200	203,000
FMG Resources August 2006 Property Ltd., 7.00%,		200	233,000
11/01/15 (c)		1,230	1,226,925
(-)		1,230	1,220,723

Goldcorp, Inc., 2.00%, 8/01/14 (e)		1,060	1,395,225
JMC Steel Group, 8.25%, 3/15/18 (c)		200	195,500
James River Escrow, Inc., 7.88%, 4/01/19 (c)		220	199,100
New World Resources NV, 7.88%, 5/01/18	EUR	655	898,567
Newmont Mining Corp., Series A, 1.25%, 7/15/14	USD	1,475	2,142,438
Novelis, Inc., 8.75%, 12/15/20 (c)		3,525	3,710,062
Taseko Mines Ltd., 7.75%, 4/15/19		330	312,675
Vedanta Resources Plc, 8.25%, 6/07/21 (c)		270	257,850
Vulcan Materials Co., 7.50%, 6/15/21		166	163,496
			10,980,913
Multiline Retail 1.8%			
Dollar General Corp., 11.88%, 7/15/17 (h)		4,351	4,818,732
Oil, Gas & Consumable Fuels 9.7%			
Alpha Natural Resources, Inc.:			
6.00%, 6/01/19		320	312,800
6.25%, 6/01/21		1,010	988,537
Arch Coal, Inc.:			
7.25%, 10/01/20		335	329,975
7.25%, 6/15/21 (c)		860	847,100
Berry Petroleum Co., 8.25%, 11/01/16		510	526,575
Bill Barrett Corp., 9.88%, 7/15/16		45	49,388
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18		130	132,600

See Notes to Financial Statements.

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

Corporate Boads         Oble         Valve           Ofl, Gas & Consumable Fuels (concluded)         The support of the property o		P	ar	
Chesapeake Emergy Crops	•	(0	00)	Value
6.63%, M15/20         USD         95         \$ 999,020           1.3%, 1215/21         50         558,250           2.25%, 1215/28 (c)         800         71,2000           Coffeyville Resources, Inc., 7.00%, 1/15/21         266         281,960           Concha Resources, Inc., 7.00%, 1/15/21         345         279,450           Consol Energy, Inc., 8.25%, 401/20         370         381,100           Consol Energy, Inc., 8.25%, 401/21         370         381,100           Continental Resources, Inc., 7.13%, 401/21         370         381,000           Crosset Energy LP, 8.85%, 215/18         180         180         180,300           Denbury Resources, Inc.         777         776,614         300         343,000           EV Energy Partners LP, 8.00%, 4/15/19 (c)         350         343,000         147,000           Energy XXI Gulf Coust, Inc. (c)         20         775         776,614           EV Energy Partners LP, 8.00%, 4/15/19 (c)         30         345,625           7.5%, 6/15/19         90         346,000           Energy XXI Gulf Coust, Inc. (c)         20         23,75%, 6/15/19           Energy Extress Lid., 9.00%, 6/15/19 (c)         30         23,876           Hilkoop Energy LLC, 7.15%, 4,415/21 (c)         30	* * * * * * * * * * * * * * * * * * * *			
6.13%, 201521         550         558, 250           2.25%, 1215/38 (e)         300         712,000           Cofreyville Resources, LLC, 9,00%, 4/01/15 (c)         266         281,960           Coneacher Coll and Gas Lufa, 85,00%, 80/19 (e)         410         420,259           Consale Bergy, Inc., 8,25%, 4/01/20         1,965         2,112,375           Continental Resources, Inc., 7,13%, 4/01/21         335         333,325           Constending PLC, 7,13%, 4/01/21         355         333,325           Crosster Energy LLC, 7,13%, 4/01/21         350         343,000           Energy XLC, 1,33%, 4/01/21         350         343,000           Energy LLC, 7,13%, 4/01/21         350         343,000           Energy XLC, 1,33%, 4/01/21         350         343,000           Energy XLC, 1,33%, 4/01/21         350         343,000           Every Statistics, 1,23         377         76,614           6.38%, 8/15/21         350         343,000           Evergy Patitines LP, 8,00%, 4/15/19 (c)         150         147,000           5.25%, 1/215/17         425         435,625           7.35%, 6/15/19         425         435,625           7.35%, 6/15/19         250         28,750           Energy Statis, 1,52	•			
2.25%, 1215/18 (c)         800         71,2000           Coffeywille Resources, Inc., 7,00%, 1/15/21         410         420,250           Connacher Oll and Gas Ltd., 8,50%, 80/119 (c)         345         279,450           Connacher Oll and Gas Ltd., 8,50%, 80/119 (c)         355         231,235           Constole Energy, Inc., 8,25%, 40/121         370         381,102           Continental Resources, Inc., 7,13%, 40/121         370         381,002           Crosset Energy LP, 8,88%, 21/15/18         180         180           Denbury Resources, Inc.         737         776,614           8,25%, 21/5/20         737         776,614           8,25%, 21/5/21         350         343,000           EV Energy Partners LP, 8,00%, 4/15/19 (c)         150         147,000           Energy SXI Gulf Coast, Inc. (c):         90         846,000           25%, 12/15/17         425         435,625           7,75%, 6/15/19         90         846,000           25%, 12/15/17         425         334,602           7,75%, 6/15/19         90         846,000           10 Forbes Energy Strices Ltd., 9,00%, 6/15/19 (c)         30         328,7462           Elikop Energy LtP., 7,63%, 4/15/21 (c)         10         11,770,00           7,55%,	·	USD		\$ ,
Coffeyville Resources, LLC, 9.09%, 401/15 (c)         266         28.19.60           Concho Resources, Inc., 7.09%, 1/15/21         410         420.290           Connacher Oil and Gas Lad, 8.50%, 801/19 (c)         345         279.450           Conside Bergy, Inc., 8.25%, 401/120         336         381.100           Conside Bergy, LLC, 7.13%, 401/21         330         383.325           Crosstex Energy LP, 8.88%, 21/518         180         186.300           Denbury Resources, Inc.         377         776.614           6.38%, 8/15/21         350         343.000           EV Frengy Partners LP, 8.00%, 4/15/19 (c)         350         343.000           EV Frengy Partners LP, 8.00%, 4/15/19 (c)         350         343.000           EV Frengy Partners LP, 8.00%, 4/15/19 (c)         350         343.000           EV Frengy Partners LP, 8.00%, 4/15/19 (c)         350         343.000           EV Frengy Partners LP, 8.00%, 4/15/19 (c)         350         345.625           7.5%, 6/15/19         900         846.000           Fortes, 12/15/17         425         435.625           7.5%, 6/15/19         90         90         846.000           Fortes, 12/15/19         90         20         238.756           6.5%, 5/15/19         91	6.13%, 2/15/21			558,250
Conch Resources, Inc., 7.00%, 1/15/21         410         420,250           Connacher Oil and Gas Lids, 85/96, 8/01/19 (c)         345         279,450           Consol Energy, Inc., 8,25%, 4/01/20         1,965         2,112,375           Continental Resources, Inc., 7,15%, 4/01/21         370         381,100           Copane Beregy LLP, 7,13%, 4/01/21         335         333,235           Crossee Energy LP, 8,88%, 2/15/18         180         18-00           Denbury Resources, Inc.:         ************************************	2.25%, 12/15/38 (e)		800	712,000
Connacher Oil and Gas Lad., 8.50%, 8/01/19 (c)         1,345         279,450           Consol Energy, Inc., 8.25%, 4/01/20         1,965         2,112,375           Continental Resources, Inc., 7.13%, 4/01/21         350         381,100           Copano Energy LLC, 7,13%, 4/01/21         180         186,302           Crosstex Energy LP, 8.88%, 21/51/8         180         186,302           Denbury Resources, Inc.         737         776,614           6.33%, 8/15/20         730         373         776,614           6.38%, 8/15/21         350         343,000           EV Energy Partners LP, 8.00%, 4/15/19 (c)         150         147,000           Energy XXI Gulf Coast, Inc. (c):         25         435,625           9.25%, 12/15/17         425         435,625           7.5%, 6/15/19 (c)         365         347,662           Hilcorp Energy Strvices Ltd., 9.00%, 6/15/19 (c)         36         328,758           Lim Energy LLC (c):         707         777,700           Lim Energy LLC (c):         250         228,758           8.63%, 4/15/20         1,00         1,177,000           7.75%, 6/15/1         130         348,800           MarkWest Energy Partners LP, 6.75%, 11/01/20         36         328,758 <t< td=""><td>Coffeyville Resources LLC, 9.00%, 4/01/15 (c)</td><td></td><td>266</td><td>281,960</td></t<>	Coffeyville Resources LLC, 9.00%, 4/01/15 (c)		266	281,960
Consol Energy, Inc., 8.25%, 4/01/20         1,965         2,112.375           Continental Resources, Inc., 7.13%, 4/01/21         370         381,000           Copano Energy LLC, 7.13%, 4/01/21         353         333,255           Crossex Energy LP, 8.88%, 2/15/18         186,000           Denbury Resources, Inc.:         ************************************	Concho Resources, Inc., 7.00%, 1/15/21		410	420,250
Continental Resources, Inc., 7, 13%, 4/01/21         35         331,00           Copano Energy LLC, 7,13%, 4/01/21         36         333,325           Crosstex Energy LP, 8,88%, 21/51/8         180         186,00           Denbury Resources, Inc.         ************************************	Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c)		345	279,450
Copano Energy LLC, 7.13%, 4/01/21         335         333,325           Crossex Energy LP, 8.88%, 2/15/18         186,000           Denbury Resources, Inc:         ****           8.25%, 2/15/20         350         343,000           6.38%, 8/15/21         350         343,000           Energy Partners LP, 8.00%, 4/15/19 (c)         150         147,000           Energy XXI Gulf Coust, Inc. (c):         ****         425         435,625           7.75%, 6/15/19         365         347,662         416         416         456,625           7.75%, 6/15/19         365         347,662         416         410         177,700         177,700           Line Energy LLC (C):         ***         ***         250         238,750         611,00         1,177,000         77,700         77,700         110         1,177,000         77,5%,201/21         430         438,600         349,600         348,600         3	Consol Energy, Inc., 8.25%, 4/01/20		1,965	2,112,375
Crosstex Energy LP, 8.88%, 2/15/18         180         186,300           Denbury Resources, Inc.:         776,614           6.38%, 8/15/21         350         343,000           EV Energy Partners LP, 8.00%, 4/15/19 (c)         150         147,000           EV Energy Partners LP, 8.00%, 4/15/19 (c)         150         447,000           Energy XXI Gulf Coast, Inc. (c):         9.25%, 12/15/17         900         846,000           Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)         365         347,662           F.75%, 6/15/19         90         238,750           6.50%, 5/15/19         120         238,750           6.50%, 5/15/19         1,100         1,177,000           1,75%, 2/01/21         430         438,600           MarkWest Energy Partners LP, 6.75%, 11/01/20         155         333         323,750           Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)         1,845         1,863,450           OGX Petroloe Gas Participações SA, 8.50%, 6/01/18 (c)         330         323,400           Petrolawk Energy Corp:         330         323,400           Petrolawk Energy Corp:         330         323,300           1,50%, 8/01/15         36         373,200           1,50%, 8/01/15         30         373,200	Continental Resources, Inc., 7.13%, 4/01/21		370	381,100
Denbury Resources, Inc.:         7.66.14           8.25%, 2/15/20         373         776.61           6.38%, 8/15/21         350         343,000           EV Energy Partners LP, 8.00%, 4/15/19 (c)         150         147,000           Energy XXR Gulf Coast, Inc. (c):         9.25%, 12/15/17         425         435,625           7.75%, 6/15/19         365         347,662           Flicerpe Services Ltd., 9.00%, 6/15/19 (c)         365         347,662           Hilcorp Energy 1LP, 7.63%, 4/15/21 (c)         770         777.700           Linn Energy LLC (c):         250         238,750           8.63%, 4/15/20         1,100         1,170,000           7.5%, 20/121         430         438,600           Mark West Energy Partners LP, 6.75%, 11/01/20         135         138,375           Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)         3,970         3,979,25           Oax Petroleo e Gas Participações XA, 8.50%, 6/01/18 (c)         3,970         3,979,25           Oaxis Petroleoum, Inc., 7.25%, 2/10/19 (c)         3,90         49,6800           7.25%, 8/15/18         30         33,300           Petrohawk Energy Corp.         295         29,500           Precision Drilling Corp., 6.50%, 12/15/21 (c)         295         29,500	Copano Energy LLC, 7.13%, 4/01/21		335	333,325
8.25%, 2/15/20       737       77.6,614         6.38%, 8/15/21       350       343,000         EV Energy Partners LP, 8.00%, 4/15/19 (c)       150       147,000         Energy XXI Gulf Coast, Inc. (c):       ************************************	Crosstex Energy LP, 8.88%, 2/15/18		180	186,300
8.25%, 2/15/20       737       77.6,614         6.38%, 8/15/21       350       343,000         EV Energy Partners LP, 8.00%, 4/15/19 (c)       150       147,000         Energy XXI Gulf Coast, Inc. (c):       ************************************	Denbury Resources, Inc.:			
EV Energy Partners LP, 8.00%, 4/15/19 (c)         150         147,000           Energy XXI Gulf Coast, Inc. (c):         7.52         2.52%, 12/15/17         425         435,625         2.52%, 2.15/17         900         846,000         846,000         7.75%, 6/15/19         900         846,000         7.75%, 6/15/19         900         846,000         7.77,000         7.75%, 6/15/19         365         347,662         11,000         7.777,000         7.77,000         1.00         1.177,000         1.00         1.177,000         1.00         1.177,000         1.75%, 2/01/21         430         438,600         436,800         436,800         436,800         436,800         436,800         436,800         436,800         436,800         436,800         436,800         435,800         436,800<			737	776,614
EV Energy Partners LP, 8.00%, 4/15/19 (c)         150         147,000           Energy XXI Gulf Coast, Inc. (c):         425         435,625           9.25%, 12/15/17         425         435,625           7.75%, 6/15/19         900         846,000           Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)         365         347,662           Hilcorp Energy LLP, 7.63%, 4/15/21 (c)         777         777,700           Linn Energy LLC (c):         250         238,750           8.63%, 4/15/20         1,100         1,177,000           7.75%, 2/01/21         430         438,600           MarkWest Energy Partners LP, 6.75%, 11/01/20         135         138,375           Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)         1,845         1,863,450           OGX Petroleo Cas Participações SA, 8.50%, 6/01/18 (c)         3,970         3,979,925           Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)         30         323,400           Petrolawk Energy Corp.:         30         418,100           10.50%, 8/01/14         370         418,100           7.25%, 8/15/18         30         373,200           Proneer Natural Resources Co., 6.88%, 5/01/18         10         10           Procession Drilling Corp., 6.50%, 12/15/21 (c)         285         285,000 <td>6.38%, 8/15/21</td> <td></td> <td>350</td> <td>343,000</td>	6.38%, 8/15/21		350	343,000
Benergy XXI Gulf Coast, Inc. (c):         425         435.625           9.25%, 12/15/17         425         435.625           7.75%, 6/15/19         900         846,000           Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)         365         347,662           Hilcorp Energy LLP, 7.63%, 4/15/21 (c)         770         7770           Lin Energy LLP C (c):         250         238,750           8.63%, 4/15/20         1,100         1,177,000           8.63%, 4/15/20         430         438,600           Mark West Energy Partners LP, 6.75%, 11/01/20         135         138,375           Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)         1,84         1,863,450           OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)         3,970         3,979,925           Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)         30         323,400           Petrohawk Energy Corp.:         3         30         323,400           Petrohawk Energy Corp.         3         370         418,100           7.85%, 6/01/15         3         30         373,200           7.85%, 6/01/15         3         30         373,200           Range Resources Corp.         3         40         456,00           8.00%, 5/15/19         40			150	147,000
9.25%, 12/15/17       425       435,625         7,75%, 6/15/19       900       846,000         Brobes Energy Services Ltd., 9,00%, 6/15/19 (c)       365       347,662         Hilcorp Energy LLC, 7,63%, 4/15/21 (c)       770       777,700         Linn Energy LLC (c):       250       238,750         8,63%, 4/15/20       1,100       1,177,000         7,55%, 2/01/21       430       438,600         MarkWest Energy Partners LP, 6.75%, 11/01/20       135       138,375         Niska Gas Storage US LLC, 8,88%, 3/15/18 (c)       1,845       1,863,450         OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)       30       327,400         Petrolawk Energy Corp:       30       323,400         Petrolawk Energy Corp:       30       372,200         1,50%, 8/01/14       370       418,100         7,25%, 8/15/18       320       373,200         Petrolawk Energy Corp:       320       373,200         Petrolawk Energy Corp:       30       426,800         7,25%, 8/15/18       320       373,200         Projection Drilling Corp., 6,50%, 1/15/21 (c)       295       295,000         Range Resources Corp:       285       285,000         Solf-S/15/19       50       5	· ·			
7.75%, 6/15/19       900       846,000         Porbes Energy Services Ltd., 9.00%, 6/15/19 (c)       365       347,602         Hilcorp Energy LLP, 7.63%, 4/15/21 (c)       770       777,700         Linn Energy LLC (c):	• • • • • • • • • • • • • • • • • • • •		425	435,625
Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)         365         347,662           Hilcorp Energy LLP, 7.65%, 4/15/21 (c)         770         777,700           Linn Energy LLC (c):         250         238,750           6.50%, 5/15/19         250         238,750           8.63%, 4/15/20         1,100         1,177,000           Mark West Energy Partners LP, 6.75%, 11/01/20         135         138,375           Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)         3,89         3,970         3,979,925           OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)         390         3,234,00           Petrohawk Energy Corp.:         370         418,100           10.50%, 8/01/14         370         418,100           7.88%, 6/01/15         460         496,800           7.88%, 6/01/15         460         496,800           7.25%, 8/15/18         320         373,200           Pioneer Natural Resources Co., 6.88%, 5/01/18         100         108,317           Precision Drilling Corp., 6.50%, 12/15/21 (c)         295         295,000           Range Resources Corp.         285         285,000           Some Sergy Corp.         340         341,700           SM Energy Co., 6.63%, 2/15/19 (c)         285         285,000				
Hilloorp Energy I LP, 7.63%, 4/15/21 (c)         770         777,700           Linn Energy LLC (c):         250         238,750           6.50%, 5/15/19         250         238,750           8.63%, 4/15/20         1,100         1,177,000           7.75%, 2/01/21         430         438,600           Mark West Energy Partners LP, 6.75%, 11/01/20         135         138,375           Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)         3,970         3,979,295           OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)         30         323,400           OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)         30         323,400           Petrohawk Energy Corp:         1         1         460         496,800           7.88%, 6/01/15         460         496,800         7.25%, 8/15/18         320         373,200           7.25%, 8/15/18         320         373,200         100         108,317           Precision Drilling Corp., 6.50%, 12/15/21 (c)         25         295,000           Range Resources Corp.:         8         400         435,000           5.75%, 6/01/21         340         341,700           SM Energy Co., 6.63%, 2/15/19 (c)         28         285,000           SandRidge Energy, Inc., 7.50%, 3/15/21 (c) <td></td> <td></td> <td></td> <td>,</td>				,
Linn Energy LLC (c):         5.50%, 5/15/19         250         238,750           6.50%, 5/15/19         1,100         1,177,000           7.55%, 2/01/21         430         438,600           Mark West Energy Partners LP, 6.75%, 11/01/20         135         138,375           Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)         3,970         3,979,925           OGX Petroleo c Gas Participações SA, 8.50%, 6/01/18 (c)         3,970         3,979,925           Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)         330         323,400           Petrohawk Energy Corp:         370         418,100           10.50%, 8/01/14         370         418,100           7.85%, 6/01/15         460         496,800           7.25%, 8/15/18         320         373,200           Pioneer Natural Resources Co., 6.88%, 5/01/18         30         373,200           Precision Drilling Corp., 6.50%, 12/15/21 (c)         295         295,000           Range Resources Corp:         8.00%, 5/15/19         40         435,000           SM Energy Co., 6.63%, 2/15/19 (c)         285         285,000           SandRidge Energy, Inc., 7.50%, 3/15/21 (c)         55         534,875           Teekay Corp., 8.50%, 1/15/20         50         534,875           Teekay Corp., 8.50%, 1/15/20				
6.50%, 5115/19       250       238,750         8.63%, 4/15/20       1,100       1,177,000         7.75%, 2/01/21       430       436,600         Mark West Energy Partners LP, 6.75%, 11/01/20       135       138,375         Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)       1,845       1,863,450         OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)       3,970       3,979,925         Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)       30       323,400         Petrohawk Energy Corp.:       1       1         10.50%, 8/01/14       370       418,100         7.25%, 8/15/18       370       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       295       295,000         8.00%, 5/15/19       340       341,700         5.75%, 6/01/21       340       341,700         Smalk didge Energy, Inc., 7.50%, 3/15/21 (c)       285       285,000         Smalk didge Energy, Inc., 7.50%, 3/15/21 (c)       550       534,875         Teekay Corp., 8.50%, 1/15/20       550       534,875			,,,	,,,,,,,
8.63%, 4/15/20       1,100       1,177,000         7.75%, 2/01/21       430       438,600         MarkWest Energy Partners LP, 6.75%, 11/01/20       135       138,375         Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)       1,845       1,863,450         OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)       3,970       3,979,925         Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)       30       323,400         Petrohawk Energy Corp:       ************************************			250	238 750
7.75%, 2/01/21       430       438,600         MarkWest Energy Partners LP, 6.75%, 11/01/20       135       138,375         Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)       3,970       3,970       3,979,255         OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)       30       323,400         Petrolawk Energy Corp.:       30       418,100         10.50%, 8/01/14       370       418,100         7.88%, 6/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       295       295,000         8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       50       534,875	·			,
Mark West Energy Partners LP, 6.75%, 11/01/20       135       138,375         Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)       1,845       1,863,450         OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)       3,970       3,979,925         Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)       330       323,400         Petrohawk Energy Corp.:       370       418,100         7.88%, 6/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       8       8       8       9       295       295,000         Range Resources Corp.:       8       8       9       400       435,000       341,700       8       8       9       205       295,000       8       8       9       125       285,000       8       9       125       285,000       8       9       125       8       8       120,000       8       13       13       13       13       3       3       4       1,000       1,000       1       1,000       1       1       1       2       8				
Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)       1,845       1,863,450         OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)       3,970       3,979,925         Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)       330       323,400         Petrohawk Energy Corp:       370       418,100         10.50%, 8/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         Zos, 464,223         Paper & Forest Products 2.7%       2.78         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       9.00%, 1/10/1/7       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15				,
OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)       3,970       3,979,925         Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)       330       323,400         Petrohawk Energy Corp:       370       418,100         10.50%, 8/01/14       370       448,100         7.28%, 6/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp:       8       80,000       5/15/19       400       435,000         5.75%, 6/01/21       340       341,700       50       55       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       285       285,000       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872       50       534,872	<del></del>			
Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)       330       323,400         Petrohawk Energy Corp.:       370       418,100         10.50%, 8/01/14       370       418,100         7.88%, 6/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       8         8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         25,464,223         Paper & Forest Products 2.7%       2         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050	•			, ,
Petrohawk Energy Corp::         10.50%, 8/01/14       370       418,100         7.88%, 6/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp::       8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         25,464,223         Paper & Forest Products 2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050				
10.50%, 8/01/14       370       418,100         7.88%, 6/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         Paper & Forest Products       2.7%       25,464,223         Paper Paper Holdings LLC:       1,192       834,072         9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050			330	323,400
7.88%, 6/01/15       460       496,800         7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       8.00%, 5/15/19       400       435,000         8.00%, 5/15/19       400       435,000       575%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         Paper & Forest Products       2.7%       25,464,223         Paper Holdings LLC:       9.00%, 11/01/17       1,192       834,072         Boise Paper Holdings LLC:       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050			270	419 100
7.25%, 8/15/18       320       373,200         Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       ****         8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         Paper & Forest Products 2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       ***       9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050				,
Pioneer Natural Resources Co., 6.88%, 5/01/18       100       108,317         Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       ***       **       *** </td <td></td> <td></td> <td></td> <td></td>				
Precision Drilling Corp., 6.50%, 12/15/21 (c)       295       295,000         Range Resources Corp.:       285       295,000         8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         25,464,223         Paper & Forest Products 2.7%       2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050				,
Range Resources Corp.:         8.00%, 5/15/19       400       435,000         5.75%, 6/01/21       340       341,700         SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         Paper & Forest Products 2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050				
8.00%, 5/15/19400435,0005.75%, 6/01/21340341,700SM Energy Co., 6.63%, 2/15/19 (c)285285,000SandRidge Energy, Inc., 7.50%, 3/15/21 (c)915892,125Teekay Corp., 8.50%, 1/15/20550534,875Paper & Forest Products 2.7%Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)1,192834,072Boise Paper Holdings LLC:9.00%, 11/01/17125132,8128.00%, 4/01/20165168,712Clearwater Paper Corp.:10.63%, 6/15/16390427,050			295	295,000
5.75%, 6/01/21340341,700SM Energy Co., 6.63%, 2/15/19 (c)285285,000SandRidge Energy, Inc., 7.50%, 3/15/21 (c)915892,125Teekay Corp., 8.50%, 1/15/20550534,87525,464,223Paper & Forest Products 2.7%Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)1,192834,072Boise Paper Holdings LLC:9.00%, 11/01/17125132,8128.00%, 4/01/20165168,712Clearwater Paper Corp.:10.63%, 6/15/16390427,050			400	125 000
SM Energy Co., 6.63%, 2/15/19 (c)       285       285,000         SandRidge Energy, Inc., 7.50%, 3/15/21 (c)       915       892,125         Teekay Corp., 8.50%, 1/15/20       550       534,875         Paper & Forest Products 2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       10.63%, 6/15/16       390       427,050				,
SandRidge Energy, Inc., 7.50%, 3/15/21 (c)915892,125Teekay Corp., 8.50%, 1/15/20550534,87525,464,223Paper & Forest Products 2.7%Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)1,192834,072Boise Paper Holdings LLC:9.00%, 11/01/17125132,8128.00%, 4/01/20165168,712Clearwater Paper Corp.:10.63%, 6/15/16390427,050				
Teekay Corp., 8.50%, 1/15/20       550       534,875         25,464,223         Paper & Forest Products 2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:         9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:         10.63%, 6/15/16       390       427,050				,
25,464,223         Paper & Forest Products 2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       125       132,812         9.00%, 11/01/17       125       165       168,712         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       390       427,050				
Paper & Forest Products 2.7%         Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       125       132,812         9.00%, 11/01/17       165       168,712         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       390       427,050	Teekay Corp., 8.50%, 1/15/20		550	
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)       1,192       834,072         Boise Paper Holdings LLC:       9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       390       427,050				25,464,223
Boise Paper Holdings LLC:         9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       390       427,050				
9.00%, 11/01/17       125       132,812         8.00%, 4/01/20       165       168,712         Clearwater Paper Corp.:       390       427,050			1,192	834,072
8.00%, 4/01/20 165, 168,712 Clearwater Paper Corp.: 10.63%, 6/15/16 390 427,050	Boise Paper Holdings LLC:			
Clearwater Paper Corp.:       390       427,050				
10.63%, 6/15/16	8.00%, 4/01/20		165	168,712
7.13%, 11/01/18 (c) 587,925			390	427,050
	7.13%, 11/01/18 (c)		585	587,925

## ${\tt Edgar\ Filing:\ BLACKROCK\ DEBT\ STRATEGIES\ FUND,\ INC.\ -\ Form\ N-CSRS}$

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

Corporate Bonds         (000)         Value           Professional Services 0.3%         USD         920         \$ 907,350           FIT Consulting, Inc., 6.75%, 10/01/20 (c)         USD         920         \$ 907,350           Real Estate Investment Trusts (REITs)         0.7%         1,405         1,320,700           The Rouse Co. LP, 6.75%, 11/09/15         520         526,500           The Rouse Co. LP, 6.75%, 11/09/15         335         327,463           Real Estate Management & Development 2.2%         2         425         1,371,562           CB Richard Ellis Services, Inc., 6.63%, 10/15/20         335         327,463         507,475         52
FTI Consulting, Inc., 6.75%, 10/01/20 (c)         USD         920         \$07,350           Real Estate Investment Trusts (REITs)         0.7%           FelCor Lodging LP, 6.75%, 6/01/19 (c)         1,320,700           The Rouse Co. LP, 6.75%, 11/09/15         520         \$26,500           Real Estate Management & Development         2.2%         2.2           CB Richard Ellis Services, Inc., 6.63%, 10/15/20         335         327,463           Forest City Enterprises, Inc., 7.63%, 6/01/15         EUR         100         109,174           Realogy Corp.         EUR         100         109,174           Realogy Corp.         USD         995         791,025           12.00%, 4/15/17 (f)         USD         995         791,025           12.00%, 4/15/19 (c)         2,610         2,166,300         2,166,300           Shea Homes LP, 8.63%, 5/15/19 (c)         1,120         946,400         2,791,924           Road & Rail 2.0%           Avis Budget Car Rental LLC:         5         5         521,475           8.25%, 1/15/19         715         749,812           Florida East Coast Railway Corp., 8.13%,         510         521,475           8.25%, 1/15/19         75         749,812           Florida East Coast Railway
Real Estate Investment Trusts (REITS) 0.7%           FelCor Lodging LP, 6.75%, 6/01/19 (c)         1,405         1,320,700           The Rouse Co. LP, 6.75%, 11/09/15         520         526,500           1,847,200         1,847,200           Real Estate Management & Development 2.2%           CB Richard Ellis Services, Inc., 6.63%, 10/15/20         335         327,463           Forest City Enterprises, Inc., 7.63%, 6/01/15         1,425         1,371,562           IVG Immobilien AG, 8.00%, 5/29/49 (f)         EUR         100         109,174           Realogy Corp.:         11.50%, 4/15/17 (f)         USD         995         791,025           12.00%, 4/15/17 (f)         USD         995         791,025           12.00%, 4/15/19 (c)         2,610         2,166,300           Shea Homes LP, 8.63%, 5/15/19 (c)         1,120         946,400           5,791,924           Road & Rail 2.0%           Avis Budget Car Rental LLC:         510         521,475           8.25%, 1/15/19         775         749,812           Florida East Coast Railway Corp., 8.13%,         410         407,950           7.50%, 10/15/18         645         632,100           6.75%, 4/15/19         445         414,963
FelCor Lodging LP, 6.75%, 6/01/19 (c)         1,405         1,320,700           The Rouse Co. LP, 6.75%, 11/09/15         520         526,500           Real Estate Management & Development 2.2%         2.2%           CB Richard Ellis Services, Inc., 6.63%, 10/15/20         335         327,463           Forest City Enterprises, Inc., 7.63%, 6/01/15         1,425         1,371,562           IVG Immobilien AG, 8.00%, 5/29/49 (f)         EUR         100         109,174           Real Estate Management & Development 2.2%         USD         995         791,052           IVG Immobilien AG, 8.00%, 5/29/49 (f)         EUR         100         109,174           Real Estate Management & Development 2.2%         USD         995         791,052           IVG Immobilien AG, 8.00%, 5/29/49 (f)         USD         995         791,052           IVG Immobilien AG, 8.00%, 5/29/49 (f)         USD         995         791,025           Read Corp.         USD         995         791,025           12.00%, 4/15/17 (f)         USD         995         791,025           12.00%, 4/15/19 (c)         2,610         2,166,300         2,166,300           Shea Homes LP, 8.63%, 5/15/19 (c)         2,51         2,51         2,51         2,51         2,51         2,51         2,51
The Rouse Co. LP, 6.75%, 11/09/15         520         526,500           Real Estate Management & Development 2.2%         335         327,463           CB Richard Ellis Services, Inc., 6.63%, 10/15/20         335         327,463           Forest City Enterprises, Inc., 7.63%, 6/01/15         EUR         100         109,174           Realogy Corp.:         EUR         100         109,174           Realogy Corp.:         USD         995         791,025           12.00%, 4/15/17 (f)         USD         995         791,025           12.00%, 4/15/19 (c)         2,610         2,160,00           Shea Homes LP, 8.63%, 5/15/19 (c)         2,610         2,160,300           Shea Homes LP, 8.63%, 5/15/19 (c)         1,120         946,400           Shea Wais Budget Car Rental LLC:         9.63%, 3/15/18         510         521,475           8.25%, 1/15/19         775         749,812         749,812           Florida East Coast Railway Corp., 8.13%, 2/10/117 (c)         410         407,950           The Hertz Corp. (c):         7.50%, 10/15/18         645         632,100           6.75%, 4/15/19         445         414,963
1,847,200     Real Estate Management & Development   2.2%
Real Estate Management & Development 2.2%         CB Richard Ellis Services, Inc., 6.63%, 10/15/20       335       327,463         Forest City Enterprises, Inc., 7.63%, 6/01/15       1,425       1,371,562         IVG Immobilien AG, 8.00%, 5/29/49 (f)       EUR       100       109,174         Realogy Corp       11.50%, 4/15/17 (f)       USD       995       791,025         12.00%, 4/15/17 (f)       USD       995       791,025         12.00%, 4/15/19 (c)       2,610       2,166,300         Shea Homes LP, 8.63%, 5/15/19 (c)       1,120       946,400         Shea Homes LP, 8.63%, 5/15/19 (c)       1,120       946,400         Shea Homes LP, 8.63%, 5/15/19 (c)       510       521,475         8.25%, 1/15/18       510       521,475         8.25%, 1/15/19       775       749,812         Florida East Coast Railway Corp., 8.13%,       410       407,950         The Hertz Corp. (c):       410       407,950         The Hertz Corp. (c):       50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
CB Richard Ellis Services, Inc., 6.63%, 10/15/20       335       327,463         Forest City Enterprises, Inc., 7.63%, 6/01/15       1,425       1,371,562         IVG Immobilien AG, 8.00%, 5/29/49 (f)       EUR       100       109,174         Realogy Corp.:       ************************************
Forest City Enterprises, Inc., 7.63%, 6/01/15 IVG Immobilien AG, 8.00%, 5/29/49 (f)  Realogy Corp.:  11.50%, 4/15/17 (f) IVSD 100 109,174 11.50%, 4/15/17 (f) IVSD 100 100 100 100 100 100 100 100 100 10
IVG Immobilien AG, 8.00%, 5/29/49 (f)  Realogy Corp.:  11.50%, 4/15/17 (f)  12.00%, 4/15/17  100  100  109,174  11.50%, 4/15/17 (f)  100  100  100,000  100,174  11.50%, 4/15/17 (f)  100  100  100,000  100,000  100,174  100  100,000  100,
Realogy Corp.:  11.50%, 4/15/17 (f) USD 995 791,025 12.00%, 4/15/17 100 80,000 7.88%, 2/15/19 (c) 2,610 2,166,300 Shea Homes LP, 8.63%, 5/15/19 (c) 1,120 946,400 5,791,924  Road & Rail 2.0%  Avis Budget Car Rental LLC: 9.63%, 3/15/18 510 521,475 8.25%, 1/15/19 775 749,812 Florida East Coast Railway Corp., 8.13%, 2/01/17 (c) 410 407,950 The Hertz Corp. (c): 7.50%, 10/15/18 645 632,100 6.75%, 4/15/19 445 414,963
11.50%, 4/15/17 (f)       USD       995       791,025         12.00%, 4/15/17       100       80,000         7.88%, 2/15/19 (c)       2,610       2,166,300         Shea Homes LP, 8.63%, 5/15/19 (c)       1,120       946,400         5,791,924         Road & Rail 2.0%         Avis Budget Car Rental LLC:         9.63%, 3/15/18       510       521,475         8.25%, 1/15/19       775       749,812         Florida East Coast Railway Corp., 8.13%,         2/01/17 (c)       410       407,950         The Hertz Corp. (c):       410       407,950         The Hertz Corp. (c):       50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
12.00%, 4/15/17       100       80,000         7.88%, 2/15/19 (c)       2,610       2,166,300         Shea Homes LP, 8.63%, 5/15/19 (c)       1,120       946,400         5,791,924         Road & Rail 2.0%         Avis Budget Car Rental LLC:         9.63%, 3/15/18       510       521,475         8.25%, 1/15/19       775       749,812         Florida East Coast Railway Corp., 8.13%,         2/01/17 (c)       410       407,950         The Hertz Corp. (c):         7.50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
7.88%, 2/15/19 (c) 2,166,300 Shea Homes LP, 8.63%, 5/15/19 (c) 1,120 946,400 5,791,924  Road & Rail 2.0%  Avis Budget Car Rental LLC: 9.63%, 3/15/18 510 521,475 8.25%, 1/15/19 775 749,812  Florida East Coast Railway Corp., 8.13%, 2/01/17 (c) 410 407,950  The Hertz Corp. (c): 7.50%, 10/15/18 645 632,100 6.75%, 4/15/19 445 414,963
Shea Homes LP, 8.63%, 5/15/19 (c)       1,120       946,400       5,791,924         Road & Rail 2.0%         Avis Budget Car Rental LLC:       510       521,475         9.63%, 3/15/18       510       521,475         8.25%, 1/15/19       775       749,812         Florida East Coast Railway Corp., 8.13%,         2/01/17 (c)       410       407,950         The Hertz Corp. (c):         7.50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
S,791,924   Road & Rail   2.0%   S
Road & Rail 2.0%         Avis Budget Car Rental LLC:       510 521,475         9.63%, 3/15/18       510 521,475         8.25%, 1/15/19       775 749,812         Florida East Coast Railway Corp., 8.13%,       410 407,950         The Hertz Corp. (c):       50%, 10/15/18       645 632,100         6.75%, 4/15/19       445 414,963
Avis Budget Car Rental LLC:  9.63%, 3/15/18  8.25%, 1/15/19  775  749,812  Florida East Coast Railway Corp., 8.13%, 2/01/17 (c)  410  407,950  The Hertz Corp. (c): 7.50%, 10/15/18  645  632,100  6.75%, 4/15/19  445  414,963
9.63%, 3/15/18       510       521,475         8.25%, 1/15/19       775       749,812         Florida East Coast Railway Corp., 8.13%,         2/01/17 (c)       410       407,950         The Hertz Corp. (c):         7.50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
8.25%, 1/15/19       775       749,812         Florida East Coast Railway Corp., 8.13%,         2/01/17 (c)       410       407,950         The Hertz Corp. (c):         7.50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
Florida East Coast Railway Corp., 8.13%, 2/01/17 (c) 410 407,950 The Hertz Corp. (c): 7.50%, 10/15/18 645 632,100 6.75%, 4/15/19 445 414,963
2/01/17 (c)       410       407,950         The Hertz Corp. (c):       7.50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
The Hertz Corp. (c): 7.50%, 10/15/18 645 632,100 6.75%, 4/15/19 445 414,963
7.50%, 10/15/18       645       632,100         6.75%, 4/15/19       445       414,963
6.75%, 4/15/19 445 414,963
7.38%, 1/15/21 472,725
Hertz Holdings Netherlands BV:
8.50%, 7/31/15 EUR 110 154,855
8.50%, 7/31/15 (c) 1,865,296
5,219,176
Semiconductors & Semiconductor
Equipment 0.3%
Micron Technology, Inc. (c):
Series A, 1.50%, 8/01/31 USD 285 245,100
Series B, 1.88%, 8/01/31 95 79,444
Spansion LLC, 7.88%, 11/15/17 (c) 580,000
904,544
Specialty Retail 2.2%
Asbury Automotive Group, Inc., 8.38%, 11/15/20 365 358,613
Hillman Group, Inc., 10.88%, 6/01/18 530 535,300
House of Fraser Plc, 8.88%, 8/15/18 (c) GBP 285 393,254
Limited Brands, Inc., 8.50%, 6/15/19  USD 785 884,106
Phones4u Finance Plc, 9.50%, 4/01/18 (c) GBP 400 499,976
QVC, Inc. (c):

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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**Wireless Telecommunication Services** 

**Corporate Bonds** 

(concluded)

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

Value

Par

(000)

(concluded)			
iPCS, Inc., 2.38%, 5/01/13 (f)	USD	815	\$ 755,912
MetroPCS Wireless, Inc.:			
7.88%, 9/01/18		350	354,813
6.63%, 11/15/20		920	860,200
NII Capital Corp., 7.63%, 4/01/21		381	388,620
•			
Sprint Capital Corp., 6.88%, 11/15/28	1,	270	1,136,650
			9,030,865
Total Corporate Bonds 103.1%			270,079,813
Floating Rate Loan Interests (f)			
Airlines 0.2%			
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17		700	645,169
Building Products 0.2%			
Goodman Global, Inc., Term Loan (Second Lien),			
		<i>(</i> 25	(20.125
9.00%, 10/30/17		625	628,125
Capital Markets 0.1%			
Marsico Parent Co., LLC, Term Loan, 5.25%, 12/14/14		369	206,424
Chemicals 0.3%			
PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term			
Loan Facility (First Lien), 3.48% 3.51%, 7/30/14		290	264,826
Styron Sarl, Term Loan B, 6.00%, 8/02/17		492	452,038
50,100 5mi, 101m 20m 2, 0100 %, 0102 11		.,_	716,864
Commercial Services & Supplies 0.8%			710,001
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%,		<b>-</b> 00	400.004
6/10/16		508	489,304
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16		550	546,331
Volume Services America, Inc. (Centerplate), Term			
Loan B, 10.50% 10.75%, 9/16/16		993	949,495
			1,985,130
Construction & Engineering 0.8%			, ,
Safway Services, LLC, Last Out Term Loan, 7.25%,			
12/18/17	2	000	2,000,000
	۷,	000	2,000,000
Consumer Finance 1.8%			
Springleaf Financial Funding Co. (FKA AGFS			
Funding Co.), Term Loan, 5.50%, 5/10/17	5,	150	4,770,188
Diversified Consumer Services 0.0%			
ServiceMaster Co.:			
Closing Date Term Loan, 2.69% 2.76%,			
7/24/14		86	79,808
Delayed Draw Term Loan, 2.72%, 7/24/14		9	7,948
Demy va Dian Telin Doun, 2.12 10, 112 11 1			87,756
Diversified Telecommunication Services 0.2%			01,130
Level 3 Financing, Inc., Incremental Tranche A Term			
Loan, 2.50%, 3/13/14		500	462,000

Electronic Equipment, Instruments & Components 0.0%		
CDW LLC (FKA CDW Corp.), Non-Extended Term Loan,		
3.71%, 10/10/14	120	112,800
Energy Equipment & Services 2.1%		
Dynegy Holdings, Inc.:		
Coal Company Term Loan, 9.25%, 8/04/16	1,996	1,928,119
Gas Company Term Loan, 9.25%, 8/04/16	3,654	3,589,727
		5,517,846

Food Products   0.3%   1.25%, 9.29/17   USD   900   \$ 882,000   1.25%, 9.29/17   USD   900   \$ 447,136   44		Pa	ar		
Advance Pierre Foods, Frem Loan (Second Lien), 1125%, 979, 971	Floating Rate Loan Interests (f)	(00	00)		Value
11.25%, 9/29/17					
Health Care Providers & Services 0.6%   Harden Healthcare, Inc.:		HCD	000	¢	992 000
Harden Healthcare, Inc:   Tranche A Additional Term Loan, 7.75%, 3/02/15   436   447, 30     Tranche A Term Loan, 8.50%, 3/02/15   438   423,000     inventiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 8/04/16   801   75,5,486     Include Robert Mealth, Inc. (FKA Ventive Health, Inc.), Rem Loan B, 6.50%, 8/04/16   801   75,5,486     Include Robert Robe		USD	900	\$	882,000
Tranche A Additional Term Loan, 7.75%, 302/15         456         447, 136           Tranche A Term Loan, 8.50%, 30/2/15         433         423,009           in Ventiv Health, Inc. (FKA Ventive Health, Inc.).         801         755,846           Term Loan B, 6.50%, 80/4/16         801         755,846           Hotes, Restaurants & Leisure 0.4%					
Tranche A Term Loan, 8.50%, 3/02/15 in Ventiv Health, Inc., IFRA Ventive Health			156		117 126
inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 650%, 804/16  Notes, Restaurants & Leisure 0.4%  Caesars Intertainment Operating Co., Inc., Term Loan B-3, 3.25%, 1/28/15  Travelport LLC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  1,362  Travelport LLC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  1,362  Travelport LLC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  1,362  Travelport LLC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  1,362  Travelport LLC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  1,362  Travelport LTC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  Travelport LTC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  Travelport LTC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  Travelport LTC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  Travelport LTC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12  Travelport LTC (FKA Travelport, Inc.), Term Loan, 1.20%, 1.					,
Term Loan B, 6.50%, 8/04/16         801         75,8,46           Lock, Restaurants & Leisure 0.4%         1,626,891           Caesars Entertainment Operating Co., Inc.,         363         312,268           Travelport LLC (FKA Travelport, Inc.), Term Loan,         363         75,109           8,29%, 3/27/12         1,362         75,019           Independent Power Potucers &         8         8           Energy Traders 0.9%         8         8           Extended Term Loan, 4.71% 4.77%, 10/10/17         3,134         2,300,526           Media 4.1%         3         3,300,526           Cengage Learning Acquisitions, Inc., (FKA Thomson         8         1,698         1,621,113           HMH Publishing Co., Ltd., Tranche A Term Loan, 1,70%, 1/10/11         1,698         1,621,113         1,114           HMH Publishing Co., Ltd., Tranche A Term Loan, 6,124,64         1,698         1,621,113         1,698         1,621,113           HMH Publishing Co., Ltd., Tranche A Term Loan, 6,124         1,698         1,621,113         1,698         1,621,113           HMH Publishing Co., Ltd., Tranche A Term Loan, 1,000,000         1,720         2,722         6,972,276         6,972,276         6,972,276         6,972,276         6,972,276         6,972,276         6,972,276         6,972,276         6,			433		423,909
1,626,891   1,62			901		755 846
Hotels, Restaurants & Leisure 0.4%   Caesars Entertainment Operating Co., Inc.,   Seasars Entertainment Operating Co., Inc.), Term Loan,   Seasars Entertainment Operating Co., Inc.), Term Loan,   Seasars Co.,   Sea	Term Loan B, 0.30%, 8/04/10		001		,
Caesar Entertainment Operating Co., Inc., Term Loan B-3, 325%, 1/28/15         363         312,268           Traw Loan B-3, 325%, 1/28/15         1,362         750,106           8,29%, 3/27/12         1,362         750,106           Independent Power Producers & Tenery Traders 0.9%           Extended Term Loan, 4.7% 4.77%, 10710/17         3,134         2,300,562           Extended Term Loan, 4.7% 4.77%, 10710/17         3,134         2,300,562           Media 4.1%         4.7%, 10710/17         3,134         2,300,562           Extended Term Loan, 4.7% 4.77%, 10710/17         3,134         2,300,562           Media 4.1%         4.7%, 10710/17         3,134         2,300,562           Cengage Learning Acquisitions, Inc., (FKA Thomson         1,698         1,611,11           Learning Yranche I Incremental Term Loan,         4,691,11         3,601,11           MHP Dublishing Co., Ltd., Tranche A Term Loan,         4,592         5,71,10           Learning Arcquistions, Inc., (FKA Thomson         1,698         1,51,10           Learning Arcquistions, Inc., (FKA Thomson         1,621         1,621           Learning Arcquistions, Inc., (FKA Thomson         1,522         6,72,276           Lear	Hotels, Restaurants & Leisure 0.4%				1,020,091
Term Loan B-3, 3.25%, 1/28/15         363         312,268           Travelport LLC (FKA Travelport, Inc.), Term Loan,         363         312,268           R29%, 3/27/12         1,362         750,196           Independent Power Producers &         1,062,464           Independent Power Producers &           Extended Term Loan, 4.71% 4.77%, 10/10/17         3,134         2,300,562           Media 4.1%           Cengage Learning Acquisitions, Inc., (FKA Thomson         3,134         2,300,562           Learning) Tranche 1 Incremental Term Loan,         1,698         1,621,113           HMP ubblishing Co., Ltd., Tranche A Term Loan,         2,250,301         1,698         1,521,113           HMP ubblishing Co., Ltd., Tranche B Term Loan,         5,214,101         1,698         1,521,113           Intelsat Jackson Holdings SA (FKA Intelsat         3,22         6,972,276         8,72,26         6,972,276         8,72,26         6,972,276         8,72,26         6,972,276         8,72,26         8,972,276         8,92,273         1,368,062         10,712,861         10,712,861         1,982         1,962,293         1,962,293         1,962,293         1,962,293         1,962,293         1,962,293         1,962,293         1,962,293         1					
Travelport LLC (FKA Travelport, Inc.), Term Loan,         1,362         750,196           8,29%, 3/27/12         1,362         750,196           Lobe, 464         Independent Power Producers &         1,062,464           Energy Traders 0.9%         3,134         2,300,562           Exten Competitive Electric Holdings Co., LLC (TXU),         3,134         2,300,562           Media 4.1%         4.77%, 10/10/17         3,134         2,300,562           Media 4.1%         Cengage Learning Acquisitions, Inc., (FKA Thomson         2         1,621,113           Learning) Tranche I Incremental Term Loan,         1,698         1,621,113           HMH Publishing Co., Ltd., Tranche A Term Loan,         3,621,113         1,698         1,621,113           HMH Publishing Co., Ltd., Tranche B Term Loan,         3,621,113         1,611         1,611         1,611,113         1,611,11			363		312,268
8.29%, 3/27/12 1,362 750,196 1,062,464					,
1,062,464   1,06			1.362		750,196
Independent Power Producers & Energy Traders 0.9%	**************************************		-,		,
Parage   Traders   0.9%     Texas Competitive Electric Holdings Co., LLC (TXU),     Extended Term Loan, 4.71%   4.77%, 10/10/17   3,134   2,300,562     Media   4.1%   4.77%, 10/10/17   3,134   2,300,562     Media   4.1%   4.77%, 10/10/17   3,134   2,300,562     Media   4.1%   4.77%, 10/10/17   3,134   3,134   3,200,562     Media   4.1%   4.77%, 10/10/17   3,134   3,134   3,134     Real Estate Management & Development   0.3%   3,134   2,300,562     Media   4.1%   4.77%, 10/10/17   3,134   3,134   3,134   3,134     A. (2,300,562   3,134	Independent Power Producers &				, , , ,
Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.71% 4.77%, 10/10/17  Extended Term Loan, 4.71% 4.77%, 10/10/17  Media 4.1%  Cengage Learning Acquisitions, Inc., (FKA Thomson  Learning) Tranche 1 Incremental Term Loan, 7.50%, 7/03/14  1,698  1,621,113  HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14  Incless Jackson Holdings SA (FKA Intelsat  Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18  Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13  Coli, Gas & Consumable Fuels 0.8%  Obidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15  Paper & Forest Products 0.5%  Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (h)  Pharmaceuticals 0.3%  Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17  Real Estate Investment Trusts (REITs) 0.6%  istar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13  1,524  1,480,754  Real Estate Management & Development 0.3%  Real Estate Management & Development 0.3%  Real Estate Livestic Letter of Credit Loan, 4.44%, 10/10/16  133  109,694					
Extended Term Loan, 4.71% 4.77%, 10/10/17  Media 4.1% Cengage Learning Acquisitions, Inc., (FKA Thomson Learning) Tranche I Incremental Term Loan, 7.50%, 7/03/14  HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14  Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18  Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13  Oil, Gas & Consumable Fuels 0.8%  Obisidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15  Paper & Forest Products 0.5%  Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (h)  Pharmaceuticals 0.3%  Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17  Paper Real Estate Investment Trusts (REITs) 0.6%  istar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13  Real Estate Management & Development 0.3%  Real Estate Livestic Letter of Credit Loan, 4.44%, 10/10/16  133  109,694					
Media 4.1%         Cengage Learning Acquisitions, Inc., (FKA Thomson         Learning) Tranche 1 Incremental Term Loan,       1,698       1,621,113         7.50%, 7/03/14       1,698       1,621,113         HMH Publishing Co., Ltd., Tranche A Term Loan,       935       751,410         6.21%, 6/12/14       935       751,410         Intelsat Jackson Holdings SA (FKA Intelsat       342       6,72,276         Jackson Holdings, Ltd.), Tranche B Term Loan,       7,282       6,972,276         Newsday LLC, Fixed Rate Term Loan, 10,50%, 8/01/13       1,325       1,368,062         10,712,861       1,325       1,368,062         Obidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15       1,982       1,962,293         Paper & Forest Products       0,5%       1,982       1,962,293         Paper & Forest Products       0,5%       1,433       1,232,420         Pharmace Holdings LLC,       1,433       1,232,420         Pharmaceuticals       0,3%       3       1,433       1,232,420         Pharmaceuticals       0,3%       3       1,433       1,232,420         Pharmaceuticals       0,3%       3       1,430,754       3       1,480,754         Real Estate Investment Trusts (REITs)       0,6%	Extended Term Loan, 4.71% 4.77%, 10/10/17		3,134		2,300,562
Rearning   Tranche   Incremental Term Loan   7.50%, 7/03/14   1,698   1,621,113     HMH Publishing Co., Ltd., Tranche A Term Loan   6.21%, 6/12/14   935   751,410     Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan   7,282   6,772,776     Rowsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13   1,325   1,368,062   10,712,861     Oii, Gas & Consumable Fuels   0.8%   0.8%   0.8%     Obidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15   1,982   1,962,293     Paper & Forest Products   0.5%   0.	Media 4.1%				
7.50%, 7/03/14 1,698 1,621,113 HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14 935 751,410 Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18 7,282 6,972,276 Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13 1,325 1,368,062 10,712,861	Cengage Learning Acquisitions, Inc., (FKA Thomson				
HMH Publishing Co., Ltd., Tranche A Term Loan,         6.21%, 6/12/14       935       751,410         Intelsat Jackson Holdings SA (FKA Intelsat       Jackson Holdings, Ltd.), Tranche B Term Loan,         5.25%, 4/02/18       7,282       6,972,276         Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13       1,325       1,368,062         10,712,861       1,982       1,962,293         Paper & Forest Products 0.5%         Verso Paper Finance Holdings LLC,         Term Loan, 6.51% 7.26%, 2/01/13 (h)       1,433       1,232,420         Pharmaceuticals 0.3%         Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%         iStar Financial, Inc., Term Loan (Second Lien),         5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694	Learning) Tranche 1 Incremental Term Loan,				
6.21%, 6/12/14 935 751,410 Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18 7,282 6,972,276 Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13 1,325 1,368,062 10,712,861  Oil, Gas & Consumable Fuels 0.8% Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15 1,982 1,962,293 Paper & Forest Products 0.5% Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (h) 1,433 1,232,420 Pharmaceuticals 0.3% Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17 995 897,490 Real Estate Investment Trusts (REITs) 0.6% iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13 1,524 1,480,754 Real Estate Management & Development 0.3% Realogy Corp.: Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 133 109,694	7.50%, 7/03/14		1,698		1,621,113
Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan,	HMH Publishing Co., Ltd., Tranche A Term Loan,				
Jackson Holdings, Ltd.), Tranche B Term Loan,       7,282       6,972,276         5.25%, 4/02/18       7,282       6,972,276         Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13       1,325       1,368,062         Oil, Gas & Consumable Fuels 0.8%         Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15       1,982       1,962,293         Paper & Forest Products 0.5%         Verso Paper Finance Holdings LLC,         Term Loan, 6.51% 7.26%, 2/01/13 (h)       1,433       1,232,420         Pharmaceuticals 0.3%         Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%         istar Financial, Inc., Term Loan (Second Lien),         5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Real Estate Management & Development 0.3%         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694	6.21%, 6/12/14		935		751,410
5.25%, 4/02/18       7,282       6,972,276         Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13       1,325       1,368,062         0il, Gas & Consumable Fuels 0.8%         Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15       1,982       1,962,293         Paper & Forest Products 0.5%         Verso Paper Finance Holdings LLC,         Term Loan, 6.51% 7.26%, 2/01/13 (h)       1,433       1,232,420         Pharmaceuticals 0.3%         Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%         istar Financial, Inc., Term Loan (Second Lien),       5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694					
Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13  1,325 1,368,062 10,712,861  Oil, Gas & Consumable Fuels 0.8%  Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15 1,982 1,962,293  Paper & Forest Products 0.5%  Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (h) 1,433 1,232,420  Pharmaceuticals 0.3%  Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17 8eal Estate Investment Trusts (REITs) 0.6% iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13 1,524 1,480,754  Real Estate Management & Development 0.3%  Realogy Corp.: Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 133 109,694					
10,712,861					
Oil, Gas & Consumable Fuels 0.8%         Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15       1,982       1,962,293         Paper & Forest Products 0.5%         Verso Paper Finance Holdings LLC,       Term Loan, 6.51% 7.26%, 2/01/13 (h)       1,433       1,232,420         Pharmaceuticals 0.3%       Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%       istar Financial, Inc., Term Loan (Second Lien),         5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694	Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13		1,325		
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15       1,982       1,962,293         Paper & Forest Products 0.5%         Verso Paper Finance Holdings LLC,       Term Loan, 6.51% 7.26%, 2/01/13 (h)       1,433       1,232,420         Pharmaceuticals 0.3%         Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%         iStar Financial, Inc., Term Loan (Second Lien),         5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694	O'l Co. 9 Community Front 0.000				10,712,861
Paper & Forest Products 0.5%         Verso Paper Finance Holdings LLC,       Term Loan, 6.51% 7.26%, 2/01/13 (h)       1,433       1,232,420         Pharmaceuticals 0.3%         Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%         istar Financial, Inc., Term Loan (Second Lien),       5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694			1.002		1.062.202
Verso Paper Finance Holdings LLC,       1,433       1,232,420         Pharmaceuticals 0.3%       0.3%         Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%       5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%       Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,       109,694			1,982		1,962,293
Term Loan, 6.51% 7.26%, 2/01/13 (h) 1,433 1,232,420  Pharmaceuticals 0.3%  Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17 995 897,490  Real Estate Investment Trusts (REITs) 0.6%  iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13 1,524 1,480,754  Real Estate Management & Development 0.3%  Realogy Corp.:  Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 133 109,694					
Pharmaceuticals 0.3%         Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17       995       897,490         Real Estate Investment Trusts (REITs) 0.6%         iStar Financial, Inc., Term Loan (Second Lien),         5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694			1 //22		1 232 420
Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17  Real Estate Investment Trusts (REITs) 0.6%  iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13  Real Estate Management & Development 0.3%  Realogy Corp.:  Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16  133 109,694			1,433		1,232,420
Real Estate Investment Trusts (REITs) 0.6%         iStar Financial, Inc., Term Loan (Second Lien),       1,524       1,480,754         5.00%, 6/28/13       1,524       1,480,754         Real Estate Management & Development 0.3%         Realogy Corp.:         Extended Synthetic Letter of Credit Loan, 4.44%,         10/10/16       133       109,694			995		897 490
iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13 1,524 1,480,754  Real Estate Management & Development 0.3%  Realogy Corp.:  Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 133 109,694			773		077,170
5.00%, 6/28/13 1,524 1,480,754  Real Estate Management & Development 0.3%  Realogy Corp.:  Extended Synthetic Letter of Credit Loan, 4.44%,  10/10/16 133 109,694					
Real Estate Management & Development 0.3% Realogy Corp.: Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 133 109,694			1,524		1,480,754
Realogy Corp.: Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 133 109,694			-,		-,
Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 133 109,694					
10/10/16					
,	10/10/16		133		109,694
Extended Term Loan B, 4.52%, 10/10/16 737 606,247	Extended Term Loan B, 4.52%, 10/10/16		737		606,247
715,941					715,941
Specialty Retail 0.0%	Specialty Retail 0.0%				

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

See Notes to Financial Statements.

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

	Beneficial Interest	
Other Interests (I) Auto Components 2.6%	(000)	Value
Delphi Debtor-in-Possession Holding Co. LLP,		
Class B Membership Interests (a)		(m\$) 6,860,756
Lear Corp. Escrow (a)  USD	460	9,200
Leaf Corp. Escrow (a)	400	6,869,956
Energy, Equipment & Services 0.6%		0,009,930
BLK CYE (Luxembourg) Investments, S.a.r.l. (Laricina		
Energy Ltd.) (a)(n)	35	1,549,759
Hotels, Restaurants & Leisure 0.0%		1,0 .>,,0>
Buffets, Inc. (a)	575	6
Media 0.0%	0.0	Ŭ
Adelphia Escrow (a)	750	8
Adelphia Recovery Trust (a)	941	94
1	-	102
Total Other Interests 3.2%		8,419,823
		0,,
Preferred Securities		
Capital Trusts	Par (000)	
Insurance 0.2%	( )	
Genworth Financial, Inc., 6.15%, 11/15/66 (f)	865	519,000
Total Capital Trusts 0.2%		519,000
Preferred Stocks	Shares	
Auto Components 0.7%		
Dana Holding Corp., 4.00% (c)(e)	17,500	1,970,938
Diversified Financial Services 0.9%		
Ally Financial, Inc., 7.00% (c)	3,234	2,460,771
Media 0.3%		
CMP Susquehanna Radio Holdings Corp.,		
0.00% (a)(c)(f)	37,314	317,169
TRA Global, Inc. (a)	286,652	352,582
		669,751
Real Estate Investment Trusts (REITs) 0.1%		
MPG Office Trust, Inc., Series A, 7.63% (a)	8,994	143,364
Thrifts & Mortgage Finance 0.1%		
Fannie Mae, Series O (a)	30,000	90,000
Freddie Mac, Series Z (a)	75,961	169,393
		259,393
Total Preferred Stocks 2.1%		5,504,217
Trust Preferreds		
Diversified Financial Services 0.7%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (f)	87,860	1,875,811
Total Trust Preferreds 0.7%		1,875,811
Total Preferred Securities 3.0%		7,899,028

Warrants (o)		Shares	Value
Containers & Packaging 0.0%		700	Φ 20.070
MDP Acquisitions Plc (Expires 10/01/13)  Health Care Providers & Services 0.0%		700	\$ 28,868
HealthSouth Corp. (Expires 1/16/14)		32,042	
Hotels, Restaurants & Leisure 0.0%		,,,	
Buffets Restaurants Holdings, Inc.			
(Expires 4/29/14) (m)		485	5
Media 0.1%		0.4.0.41	240.024
Cumulus Media, Inc. (Expires 3/26/19)		94,241	240,834 224
New Vision Holdings LLC (Expires 9/30/14)		22,447	241,058
Software 0.0%			241,030
Bankruptcy Management Solutions, Inc.			
(Expires 9/29/17)		334	4
HMH Holdings/EduMedia (Expires 3/09/17)		11,225	
T . I W 0.4 %			260.025
Total Warrants 0.1%			269,935
Total Long-Term Investments (Cost \$351,137,320) 129.7%			339,733,419
(Cost \$331,137,320) 127.770			339,733,419
Options Purchased		Contracts	
Exchange-Traded Call Options 0.0%			
E*Trade Financial Corp., Strike Price USD 20.00,		450	- 0-0
Expires 10/22/11		450	5,850
Exchange-Traded Put Options 0.0% SPDR S&P 500 ETF Trust, Strike Price USD 120.00,			
Expires 9/17/11		144	32,403
Over-the-Counter Call Options 0.0%		144	32,403
Marsico Parent Superholdco LLC, Strike Price			
USD 942.86, Expires 12/21/19,			
Broker Goldman Sachs Bank USA		19	
		NY 1	
		Notional Amount	
		(000)	
Over-the-Counter Call Swaptions 0.1%			
Receive a return based on return of Dow Jones CDX			
North America High Yield Index Series 16 and pay a			
floating rate based on 3-month LIBOR, Expires	Ф	10.000	100 251
12/21/11, Broker Deutsche Bank Securities Inc.	\$	10,000	100,351
Total Options Purchased (Cost \$258,580) 0.1%			138,604
Total Investments Before Options Written			130,001
(Cost \$351,395,900*) 129.8%			339,872,023
		<b>a</b>	
Options Written  Freshange Treded But Options 0.00		Contracts	
Exchange-Traded Put Options 0.0%  E*Trade Financial Corp., Strike Price USD 13.00,			
Expires 10/22/11		450	(92,250)
		150	(72,230)
		Notional	
		Amount	
Over-the-Counter Call Swaptions (0.1)%		(000)	
Pay a return based on return of Dow Jones CDX North			
America High Yield Index Series 16 and receive a			
floating rate based on 3-month LIBOR, Expires			
9/21/11, Broker Credit Suisse International	\$	11,650	(2,279)

See Notes to Financial Statements.

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

Options Written	Notional Amount (000)	Value
Over-the-Counter Call Swaptions (concluded)	` ,	
Pay a return based on return of Dow Jones CDX North		
America High Yield Index Series 16 and receive a		
floating rate based on 3-month LIBOR, Expires		
12/21/11, Broker Goldman Sachs International	\$ 5,000	\$ (227,178)
		(229,457)
Over-the-Counter Put Swaptions (0.3)%		
Pay a return based on return of Dow Jones CDX North		
America High Yield Index Series 16 and receive a		
floating rate based on 3-month LIBOR, Expires		
9/21/11, Broker Credit Suisse International	3,050	(99,856)
Pay a return based on return of Dow Jones CDX North		
America High Yield Index Series 16 and receive a		
floating rate based on 3-month LIBOR, Expires		
12/21/11, Broker Goldman Sachs International	5,000	(163,317)
Pay a return based on return of Dow Jones CDX North		
America High Yield Index Series 16 and receive a		
floating rate based on 3-month LIBOR, Expires		
12/21/11, Broker Morgan Stanley Capital Services	10,000	(388,256)
		(651,429)
Total Options Written		
(Premiums Received \$685,688) (0.4)%		(973,136)
Total Investments, Net of Options Written 129.4%		338,898,887
Liabilities in Excess of Other Assets (29.4)%		(76,941,464)
Net Assets 100.0%		\$ 261,957,423

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

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

- (a) Non-income producing security.
- (b) Restricted security as to resale. As of the report date the Fund held less than 0.1% of its net assets, with a current market value of \$4,114 and an original cost of \$295, in this security.
- (c) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (d) All or a portion of security has been pledged as collateral in connection with swaps.

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

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

	Shares Held at February 28,	Net	Shares Held at August 31,		
Affiliate	2010	Activity	2011	Inc	come
BlackRock Liquidity					
Funds, TempCash,					
Institutional Class	1,845,167	(1,845,167)		\$	809

For Fund compliance purposes, the Fund s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Fund management. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

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

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

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

Curren Purcha	•		irrency Sold	Counterparty	Settlement Date	Appr	ealized reciation reciation)
EUR	303,000	USD	435,632	Royal Bank of Scotland	9/02/11	\$	(372)
USD	454,089	CAD	449,000	Citibank NA	10/07/11		(4,018)

USD	3,886,811	GBP	2,432,500	Royal Bank of Scotland	10/07/11	(60,329)
USD 2	21,038,797	EUR 1	4,676,000	Citibank NA	10/26/11	(29,445)
USD	662,017	EUR	461,000	Deutsche Bank AG	10/26/11	225
USD	42,925	EUR	30,000	Morgan Stanley Capital Services, Inc.	10/26/11	(142)
USD	435,350	EUR	303,000	Royal Bank of Scotland	10/26/11	376
USD <b>Total</b>	481,153	EUR	335,000	UBS AG	10/26/11	\$ 241 (93,464)

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

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

See Notes to Financial Statements.

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

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

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

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

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

<sup>&</sup>lt;sup>1</sup> Using S&P s rating.

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

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

The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

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

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

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

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

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

Valuation Inputs	Level 1			Level 2	Level 3	Level 3 Total		
Assets:								
Investments:								
Long-Term								
Investments:								
Common Stocks	\$	7,223,819	\$	286,769	\$	2,261,282	\$	9,771,870
Corporate Bonds				264,612,199		5,467,614		270,079,813
Floating Rate								
Loan Interests				33,902,614		9,390,336		43,292,950
Other Interests		94		6,860,756		1,558,973		8,419,823
Preferred								
Securities		2,278,568		4,950,709		669,751		7,899,028
Warrants		28,868				241,067		269,935
Total	\$	9,531,349	\$	310,613,047	\$	19,589,023	\$	339,733,419

Valuation Inputs	]	Level 1		Level 2	Level 3	Total
Derivative Financial						
Instruments <sup>1</sup>						
Assets:						
Credit contracts			\$	121,213		\$ 121,213
Equity contracts	\$	38,253				38,253
Foreign currency						
exchange						
contracts				842		842
Interest contracts				51,415		51,415

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

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

See Notes to Financial Statements.

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

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

	Common	Corporate	Flo	ating Rate	Other	P	referred				funded Loan	
	Stocks	Bonds	Loa	n Interests	Interests		Stocks	V	Varrants	Com	mitments	Total
Assets/Liabilities:												
Balance, as of February 28,												
2011	\$ 719,326	\$ 5,493,390	\$	10,323,930	\$ 12,664	\$	463,230	\$	234	\$	(25,965)	\$ 16,986,809
Accrued discounts/premiums		13,213		2,203								15,416
Net realized gain (loss)		9,167		4,032								13,199
Net change in unrealized												
appreciation/depreciation <sup>2</sup>	(2,115,157)	660,057		1,160,510	(30,843)	)			240,833		25,965	(58,635)
Purchases	3,915,113	50,154		1,367,709	1,577,152		206,521					7,116,649
Sales	(258,000)	(871,154)	)	(2,707,034)	1							(3,836,188)
Transfers in <sup>3</sup>		112,787		1,408,641								1,521,428
Transfers out <sup>3</sup>				(2,169,655)								(2,169,655)
Balance, as of August 31, 2011	\$ 2,261,282	\$ 5,467,614	\$	9.390.336	\$ 1.558.973	\$	669,751	\$	241.067			\$ 19.589.023

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

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

See Notes to Financial Statements.

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

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

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

Common Stocks (c)	Shares	
Chemicals 0.0%		
GEO Specialty Chemicals, Inc.	339,340	130,273
Wellman Holdings, Inc.	906	2,944
Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d)	4,467	14,518
		147,735
Containers & Packaging 0.1%		
Smurfit Kappa Plc	36,342	288,017
Diversified Financial Services 1.3%		
Kcad Holdings I Ltd.	493,499,609	5,570,130
Leucadia National Corp.	1,445	42,816
Preferred Term Securities VI, Ltd. (a)	35,000	1,750
		5,614,696
Electrical Equipment 0.0%		
Medis Technologies Ltd.	286,757	3,154
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc.	2,753	6,883
HRP PIK Corp., Class B (a)	5,000	50
		6,933
Metals & Mining 0.2%		
Euramax International	2,337	654,444
Paper & Forest Products 0.7%		
Ainsworth Lumber Co. Ltd. (a)	1,330,401	2,717,045
Ainsworth Lumber Co. Ltd.	142,549	291,124
Western Forest Products, Inc. (a)	211,149	142,304
		3,150,473

 $\begin{array}{ll} Semiconductors \ \& \ Semiconductor \\ Equipment & 0.0\% \end{array}$ 

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

Corporate Bonds		'ar (00)	Value
Aerospace & Defense 0.8%	(-	/	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Bombardier, Inc., 7.75%, 3/15/20 (a)	USD	1,750	\$ 1,911,875
Kratos Defense & Security Solutions, Inc., 10.00%,		,	
6/01/17		1,364	1,401,510
		,	3,313,385
Airlines 0.6%			
Air Canada, 9.25%, 8/01/15 (a)		1,060	1,017,600
Delta Air Lines, Inc., Series B, 9.75%, 12/17/16		696	713,141
United Air Lines, Inc., 12.75%, 7/15/12		786	821,019
			2,551,760
Auto Components 1.7%			
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (a)		170	158,100
Delphi Corp., 6.13%, 5/15/21 (a)		560	540,400
Icahn Enterprises LP:			
7.75%, 1/15/16		320	323,200
8.00%, 1/15/18		5,260	5,312,600
Titan International, Inc., 7.88%, 10/01/17		940	987,000
Venture Holdings Co. LLC (c)(e):			
12.00%, 6/01/09		4,450	445
Series B, 9.50%, 7/01/05		1,800	180
			7,321,925
Beverages 0.1%			
Crown European Holdings SA, 7.13%, 8/15/18 (a)	EUR	410	568,352
Biotechnology 0.1%			
QHP Pharma, 10.25%, 3/15/15 (a)	USD	279	283,478
Building Products 0.7%			
Building Materials Corp. of America (a):			
7.00%, 2/15/20		940	940,000
6.75%, 5/01/21		790	756,425
Momentive Performance Materials, Inc., 9.00%,			
1/15/21		1,315	1,124,325
			2,820,750
Capital Markets 1.0%			
American Capital Ltd., 7.96%, 12/31/13 (f)		1,175	1,166,752
E*Trade Financial Corp.:			
12.50%, 11/30/17 (g)		1,440	1,656,000
3.99%, 8/31/19 (a)(h)(i)		593	708,635
KKR Group Finance Co., 6.38%, 9/29/20 (a)		540	574,535
			4,105,922
Chemicals 4.3%			
American Pacific Corp., 9.00%, 2/01/15		1,490	1,463,925
American Rock Salt Co. LLC, 8.25%, 5/01/18 (a)		224	207,760
Celanese US Holdings LLC, 5.88%, 6/15/21		570	571,425
GEO Specialty Chemicals, Inc. (a):			
7.50%, 3/31/15 (g)(i)		4,171	4,170,787
10.00%, 3/31/15		4,106	3,797,680
Hexion US Finance Corp.:			
8.88%, 2/01/18		955	892,925
9.00%, 11/15/20		670	584,575
Huntsman International LLC, 8.63%, 3/15/21		275	287,031

Kinove German Bondco GmbH, 9.63%, 6/15/18 (a)	800	768,000
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (a)	365	361,350
Omnova Solutions, Inc., 7.88%, 11/01/18	670	587,925
Wellman Holdings, Inc., Subordinate Note (g):		
(Second Lien), 10.00%, 1/29/19	2,978	4,139,420
(Third Lien), 5.00%, 1/29/19 (i)	1,027	729,265
		18,562,068

See Notes to Financial Statements.

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

		Par		
Corporate Bonds	(0	00)		Value
Commercial Banks 2.1%				
CIT Group, Inc.:	Hab	220	Φ.	220 700
7.00%, 5/01/14	USD	229	\$	229,789
7.00%, 5/01/15		800		796,000
7.00%, 5/01/16		2,655		2,641,725
7.00%, 5/01/17		4,534		4,477,325
7.00%, 5/02/17 (a)		710		701,125
a 11a 1 0a 11 14a				8,845,964
Commercial Services & Supplies 1.2%				
ARAMARK Corp., 8.50%, 2/01/15		840		867,300
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)		842		812,113
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a)		865		815,263
The Geo Group, Inc., 7.75%, 10/15/17		850		892,500
Mobile Mini, Inc., 7.88%, 12/01/20		640		622,400
RSC Equipment Rental, Inc., 10.00%, 7/15/17 (a)		970		1,042,750
West Corp., 8.63%, 10/01/18		315		307,125
				5,359,451
Communications Equipment 0.5%				
Avaya, Inc.:				
9.75%, 11/01/15		360		306,000
10.13%, 11/01/15 (g)		1,070		924,213
7.00%, 4/01/19 (a)		255		229,500
EH Holding Corp., 6.50%, 6/15/19 (a)		600		600,000
E11 Holding Corp., 0.30 /0, 0/13/19 (a)		000		2,059,713
Consumer Finance 0.9%				2,039,713
Credit Acceptance Corp., 9.13%, 2/01/17		570		577 125
Ford Motor Credit Co. LLC:		370		577,125
		2.690		2 690 054
3.00%, 1/13/12 (b)		2,680		2,680,054
7.00%, 4/15/15		280		298,900
6.63%, 8/15/17		148		154,940
				3,711,019
Containers & Packaging 1.6%				
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (a)	EUR	485		653,159
Ball Corp., 6.75%, 9/15/20	USD	625		656,250
Berry Plastics Corp., 8.25%, 11/15/15		2,100		2,163,000
Beverage Packaging Holdings Luxembourg II SA,				
8.00%, 12/15/16	EUR	260		291,322
Graphic Packaging International, Inc., 9.50%,				
6/15/17	USD	360		391,500
Smurfit Kappa Acquisitions:				
7.75%, 11/15/19 (a)	EUR	476		653,005
7.75%, 11/15/19		1,515		2,078,365
7110 10, 11110117		1,515		6,886,601
Diversified Financial Services 3.5%				5,005,001
Ally Financial, Inc.:				
7.50%, 12/31/13	USD	90		92,700
	USD			1,396,500
8.30%, 2/12/15		1,330		
8.00%, 3/15/20		170		171,700
7.50%, 9/15/20		1,990		1,955,175
8.00%, 11/01/31		3,430		3,352,825

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

Corporate Bonds		'ar 00)	Value
Diversified Telecommunication Services 1.5%	(0	00)	value
ITC Deltacom, Inc., 10.50%, 4/01/16	USD	1,010	\$ 1,035,250
Level 3 Escrow, Inc., 8.13%, 7/01/19 (a)		2,022	1,920,900
Level 3 Financing, Inc.:		_,~	-,, ,,
4.20%, 2/15/15 (b)		1,225	1,065,750
8.75%, 2/15/17		1,200	1,176,000
Qwest Communications International, Inc., Series B,		,	, ,
7.50%, 2/15/14		340	344,250
tw telecom Holdings, Inc., 8.00%, 3/01/18		690	710,700
			6,252,850
Electric Utilities 0.2%			, ,
IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a)		775	830,618
Electronic Equipment, Instruments &			
Components 0.1%			
CDW LLC, 8.00%, 12/15/18 (a)		610	603,900
Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e)		2,675	268
			604,168
Energy Equipment & Services 0.8%			
Frac Tech Services LLC, 7.13%, 11/15/18 (a)		1,190	1,231,650
Key Energy Services, Inc., 6.75%, 3/01/21		740	725,200
MEG Energy Corp., 6.50%, 3/15/21 (a)		950	950,000
Oil States International, Inc., 6.50%, 6/01/19 (a)		295	295,000
SunCoke Energy, Inc., 7.63%, 8/01/19 (a)		185	181,762
			3,383,612
Food Products 0.2%			
Del Monte Foods Co., 7.63%, 2/15/19 (a)		915	908,137
JBS USA LLC, 7.25%, 6/01/21 (a)		145	131,769
			1,039,906
Gas Utilities 0.1%			
Targa Resources Partners LP, 6.88%, 2/01/21 (a)		485	480,150
Health Care Equipment & Supplies 0.6%			
DJO Finance LLC:			
10.88%, 11/15/14		1,270	1,312,862
7.75%, 4/15/18 (a)		770	716,100
Teleflex, Inc., 6.88%, 6/01/19		475	471,438
TI III C. D. II. O.C. I. AAC			2,500,400
Health Care Providers & Services 2.2%		455	450 505
Aviv Healthcare Properties LP, 7.75%, 2/15/19	CDD	455	452,725
Crown Newco 3 Plc, 7.00%, 2/15/18 (a)	GBP	108	157,786
HCA, Inc.:	HCD	2.020	2.042.725
6.50%, 2/15/20	USD	2,020	2,042,725
7.88%, 2/15/20		1,210	1,282,600
7.25%, 9/15/20		265	272,287
inVentiv Health, Inc., 10.00%, 8/15/18 (a)		85	76,713

Omnicare, Inc., 6.88%, 12/15/15		1,055	1,076,100
Tenet Healthcare Corp.:			
9.00%, 5/01/15		630	667,800
8.88%, 7/01/19		3,030	3,211,800
			9,240,536
Health Care Technology 1.0%			
IMS Health, Inc., 12.50%, 3/01/18 (a)		3,205	3,685,750
MedAssets, Inc., 8.00%, 11/15/18 (a)		620	598,300
			4,284,050
Hotels, Restaurants & Leisure 1.1	%		
Diamond Resorts Corp., 12.00%, 8/15	/18	1,040	1,008,800
HRP Myrtle Beach Holdings LLC, 14	.50%,		
4/01/14 (a)(c)(e)		6,892	689
HRP Myrtle Beach Operations LLC (a	a)(c)(e):		
5.21%, 4/01/12		5,000	500
12.50%, 4/01/13 (h)		5,000	500
Little Traverse Bay Bands of Odawa I	ndians, 9.00%,		
8/31/20 (a)		609	505,470
See Notes to Financial Statements.			
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BlackRock Debt Strategies Fund, Inc. (DSU) (Percentages shown are based on Net Assets)

Moth Resons International, 11.13%, 11/15/17		Par	V. 1	
MGM Resorts International, I.1134, I.1/15/17         USD         1,404         9,1494 (10)           17xeleptort L.C:         4,50%, 901/14 (10)         3,34,625         332,475           15xy, 901/14 (10)         350         332,475           15yl-14 (x)(e)         53         4,692,212           Household Durables .0.9%           Beazer Homes USA, Inc.:         1,700         1,725,500           1,30%, 10/15/17         1,700         1,725,500           1,30%, 10/15/17         83         83,378           Standard Pacific Corp.:         3,833,787           Standard Pacific Corp.:         1,200         1,930,600           8,38%, 10/15/21         1,20         1,930,600           8,38%, 10/15/21         1,20         1,930,600           1,50         1,30         3,833,73           17 Services 0.8%         2         193,050           1,50         1,40         1,050           1,50         1,40         1,050           1,50         1,40         1,050           1,50         1,40         1,050           1,50         1,44         1,00           1,50         1,44         1,00           1,50         1,14	Corporate Bonds  Hetelo Destaurante & Leigung (concluded)	(000)	Value	
Travelpor LLC:   9.88%, 901/14   0   1,770   1,349,625     9.88%, 901/14   0   30   332,475     12/15/14 (cyle)	·	11CD 1 240	¢ 1.404.100	
4.95%, 901/14 (b)         1,770         1,349,625           PS8%, 901/14 (c)(e)         30         332,475           Tropicana Entertainment LLC, Scries WI, 9,63%,         53         4,692,212           Household Durables 0.9%         50         4,692,212           Beazer Homes USA, Inc.         1,700         1,725,000           1,20%, 10/15/17         1,700         1,725,000           1,376, 15/18         65         45,094           1,376, 15/18         83         853,787           8,38%, 5/15/18         20         193,050           8,38%, 1/15/21         1,205         1,036,300           8,38%, 1/15/21         1,205         1,036,300           12,05%, 5/15/18         94         864,800           First Data Corp. (a):         1,480         1,391,200           12,05%, 1/15/21         1,604         1,005,480           12,05%, 1/15/21         1,604         1,005,480           10,05%, 1/15/21         1,004         1,005,480           10,05%, 1/15/21         30         315,000           12,05%, 1/15/21         30         315,000           12,05%, 1/15/21         30         315,000           12,05%, 1/15/21         31         30         320,234 <td></td> <td>USD 1,340</td> <td>\$ 1,494,100</td>		USD 1,340	\$ 1,494,100	
9.88%, 901/14         30         332,475           Tropicana Enteriaiment LLC, Scries WI, 9.63%,         5         6,92           12/15/14 (c)(c)         50         6,3           Household Durables 0.9%         8         4,692,215           Beazer Homes USA, Inc.         1,700         1,725,500           9,13%, 6,15/18         6         45,00%           9,13%, 6,15/18         20         193,050           8,3%, 7,15/18         20         193,050           8,3%, 5,15/18         20         193,050           8,3%, 15/15/2         1,20         1,050,00           8,3%, 15/15/2         1,20         1,050,00           8,3%, 15/15/2         1,20         1,050,00           12,63%, 1/15/21         1,06         1,051,00           12,63%, 1/15/21         1,06         1,00         4,00           12,63%, 1/15/19         1,30         1,40         1,00         4,00           12,53%, 1/15/15         3         30         315,000         1,00         4,00         4,00         4,00         4,00         4,00         4,00         4,00         4,00         4,00         4,00         4,00         4,00         2,00         5,00         2,00         5,00		1.770	1 240 (25	
Propiess				
12/15/14 (c)(c)   530   53   4,692,120   12/15/14 (c)(c)   13/15/15/15   13/15/15/15   13/15/15/15   13/15/15/15   13/15/15/15/15/15/15/15/15/15/15/15/15/15/		390	332,475	
Household Durables 0.9%   Household 0.9%				
Beazer Home USA, Inc.	12/15/14 (c)(e)	530		
Beaer Homes USA, Inc.:			4,692,212	
2.00%.   10.15/17   1,700   1,725.500   1,386.615/18   65   45.004   1,306.615/18   383.787				
9.13%, 6/15/18       65       45,094         Jarden Corp., 7.50%, 5/01/17       835       853,787         8.38%, 5/15/18       20       193,050         8.38%, 1/15/21       1,205       1,036,300         8.38%, 1/15/21       1,205       1,036,300         Trevices 0.8%         Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)       940       864,800         First Data Corp., (a):       1,480       1,391,200         12.63%, 1/15/21       1,064       1,005,480         12.63%, 1/15/21       1,064       1,005,480         12.63%, 1/15/21       1,064       1,005,480         12.63%, 1/15/19       1,064       1,005,480         12.63%, 1/15/19       1,064       1,005,480         12.63%, 1/15/19       1,064       1,005,480         12.63%, 1/15/19       3,00       315,000         12.63%, 1/15/15       3,00       315,000         12.63%, 1/15/15       3,00       315,000         1.64%       1,442,002         7.75%, 1/01/21       30       310,000         9.75%, 4/15/16       1,30       1,42,002         1.64%       1,41,00       4,00       4,00       4,00       4,00       4,00       4,00	Beazer Homes USA, Inc.:			
Archer Corp., 7.50%, 501/17   835   853.787   855   853.787   855   853.878   855   853.878   855   855.878   855   855.878   855.878   855.878   855.878   855.878   855.878   855.878   855.878   855.378	12.00%, 10/15/17	1,700		
Standard Pacific Corp.:   8.38%, 5/15/18   22 0 193,050     8.38%, 1/15/21   1,205   1,305,030     8.38%, 1/15/21   1,205   3,853,731     IT Services 0.8%	9.13%, 6/15/18	65	45,094	
Standard Pacific Corp.:   8.38%, 5/15/18   22 0 193,050     8.38%, 1/15/21   1,205   1,305,030     8.38%, 1/15/21   1,205   3,853,731     IT Services 0.8%	Jarden Corp., 7.50%, 5/01/17	835	853,787	
8.38%, 5/15/18       220       19,3050         8.38%, 1/15/21       1,205       1,036,300         Trevices 0.8%         Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)       940       864,800         First Data Corp. (a):       1,480       1,391,200         12.63%, 1/15/21       1,664       1,005,480         Independent Power Producers & Energy Traders 2.4%       ***         AES Corp.:       300       315,000         7.75%, 10/15/15       300       315,000         7.35%, 10/15/16       1,305       1,442,025         7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,19       3,20,248         Energy Future Intermediate Holding Co. LLC.       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         10.00%, 12/01/20       2,51       2,537         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         11.75%, 12/01/15 (g)       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         CNO Financial Group, Inc., 9,00%, 1/15/18 (a)       1,649       1,714,96				
8.38%, 1/15/21       1,036,300       3,035,303         IT Services 0.8%       Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)       8,080,000         Erist Data Corp. (a):       1,480       1,391,200         12.63%, 1/15/21       1,064       1,005,480         16.69%, 1/15/21       1,064       1,005,480         Independent Power Producers & Energy Traders 2.4%         Exercy Traders 2.4%         AES Corp:         7,75%, 10/15/15       30       315,000         9,75%, 4/15/16       1,305       1,42,025         7,38%, 7/01/21 (a)       10       411,000         2,95%, 2/15/21 (a)       10       411,000         2,15%, 1/15/16       3,100       3,202,348         Energy Future Intermediate Holding Co. LLC,       2,51       2,537,311         1,000%, 1/20/120       2,51       2,537,311         NRG Energy, Inc., 7,63%, 1/15/18 (a)       2,55       2,537,311         Industrial Conglomerates 1,7%       2,850       2,964,000         13,50%, 1,20/1/15 (g)       2,850       2,964,000         13,50%, 1,20/1/15 (g)       2,850       2,964,000         13,50%, 1,20/1/15 (g)       4,02       3,20,348 <td co<="" td=""><td>•</td><td>220</td><td>193,050</td></td>	<td>•</td> <td>220</td> <td>193,050</td>	•	220	193,050
Ti Service   0.8%   864,800   864,800   First Data Corp. (a):				
Page   Parent Canada, Inc., 8.63%, 5/01/19 (a)   864,800   864,8	0.00 %, 1/10/21	1,200	, ,	
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)         864,800           First Data Corp. (a):         7.38%, 6/15/19         1,480         1,391,200           12.63%, 1/15/21         1,064         1,005,480         3,261,480           Independent Power Producers & Energy Traders 2.4%           AES Corp:         Tr.55%, 10/15/15         300         315,000           7.75%, 10/15/15         300         315,000           9.75%, 4/15/16         1,305         1,442,025           7.38%, 7/01/21 (a)         410         414,100           Calpine Corp., 7.50%, 2/15/21 (a)         710         717,100           Energy Future Holdings Corp., 10.00%, 1/15/20         3,190         3,202,348           Energy Future Holdings Corp., 10.00%, 1/15/18 (a)         1,760         1,742,400           10.00%, 1,20/1/20         2,515         2,537,311           NRG Energy, Inc., 7,63%, 1/15/18 (a)         1,760         1,742,400           Industrial Conglomerates 1.7%         2,850         2,964,000           13.50%, 12/01/15 (g)         4,023         4,264,216           1.75%, 12/01/15 (g)         4,023         4,264,216           Insurance 0.6%         2,850         2,964,000           CNO Financial Group, Inc., 9,00%, 1/15/18 (a)	IT Services 08%		3,033,731	
First Data Corp. (a):   7.38%, 6/15/19		940	864 800	
7.38%, 6/15/19       1,480       1,391,200         12.63%, 1/15/21       1,064       1,005,480         Independent Power Producers &       Energy Traders 2.4%         AES Corp.:       7.75%, 10/15/15       300       315,000         9.75%, 4/15/16       1,305       1,442,025         7.38%, 7/01/21 (a)       410       414,00         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         10.00%, 12/01/20       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         13.50%, 12/01/15 (g)       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         15.75%, 12/01/15 (g)       4,023       4,264,216         15.00%, 12/01/15 (g)       4,023       4,264,216         16.90%       7,228,216         Insurance 0.6%       5       7,228,216         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,04       3,00       3,03         Ge		770	304,300	
1,064   1,005,480   3,261,480   1,064   1,005,480   3,261,480   1,064   1,005,480   3,261,480   1,064   1,005,480   1,064   1,005,480   1,064   1,005,480   1,064   1,005,480   1,005,48	• • •	1 400	1 201 200	
Midpendent Power Producers & Energy Traders 2.4%   AES Corp.:   7.75%, 10/15/15   300 315,000   9.75%, 4/15/16   1,305 1,442,025   7.38%, 7/01/21 (a)   410 414,100   410,000				
Independent Power Producers & Energy Traders 2.4%	12.03%, 1/13/21	1,064		
Page			3,261,480	
AES Corp.: 7.75%, 10/15/15 7.75%, 10/15/15 7.378, 10/15/16 7.38%, 7/01/21 (a) Calpine Corp., 7.50%, 2/15/21 (a) Calpine Corp., 7.50%, 2/15/21 (a) Till Calpine Corp., 7.50%, 2/15/21 (a) Calpine Corp., 7.50%, 2/15/21 (a) Till Calpine Corp., 7.50%, 2/15/21 (a) Till Calpine Corp., 7.50%, 2/15/21 (a) Till Calpine Corp., 10.00%, 1/15/20 Till Calpine Corp., 10.00%, 1/15/20 Till Calpine Corp., 10.00%, 1/15/20 Till Corp., 10.00%, 1/15/20 Till Corp., 10.00%, 1/15/18 (a) Till Calpine Corp., 10.00%, 1/15/18 (a) Till Corp., 1.763%, 1/15/18 (a) Till Corp. (a): Till Till Till Corp. (a): Till Till Till Till Corp. (a): Till Till Till Till Till Till Till Till	•			
7.75%, 10/15/15       300       315,000         9.75%, 4/15/16       1,305       1,442,025         7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         10,370,284       1       1,760       1,742,400         11,75%, 12/01/15       2,850       2,964,000         13,50%, 12/01/15 (g)       2,850       2,964,000         13,50%, 12/01/15 (g)       4,264,216         Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630       2,734,630         Media 7.1%       AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
9.75%, 4/15/16       1,305       1,442,025         7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       3,100       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400       10,370,284         Industrial Conglomerates 1.7%         Sequa Corp. (a):         11.75%, 12/01/15 (g)       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	*			
7.38%, 7/01/21 (a)       410       414,100         Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       2,515       2,537,311         10.00%, 12/01/20       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         10,370,284         Industrial Conglomerates 1.7%         Sequa Corp. (a):       2,850       2,964,000         13.50%, 12/01/15 (g)       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7,63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	7.75%, 10/15/15	300	315,000	
Calpine Corp., 7.50%, 2/15/21 (a)       710       717,100         Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       10.00%, 12/01/20       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         Industrial Conglomerates 1.7%       58equa Corp. (a):         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         1.surance 0.6%       CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%       310       320,850         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         AMC Networks, Inc., 7.75%, 7/15/21 (a)       3,000       3,465,000	9.75%, 4/15/16	1,305	1,442,025	
Energy Future Holdings Corp., 10.00%, 1/15/20       3,190       3,202,348         Energy Future Intermediate Holding Co. LLC,       2,515       2,537,311         10.00%, 12/01/20       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         10,370,284         Industrial Conglomerates 1.7%         Sequa Corp. (a):         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	7.38%, 7/01/21 (a)	410	414,100	
Energy Future Intermediate Holding Co. LLC,   10.00%, 12/01/20   2,515   2,537,311   NRG Energy, Inc., 7.63%, 1/15/18 (a)   1,760   1,742,400   10,370,284	Calpine Corp., 7.50%, 2/15/21 (a)	710	717,100	
Energy Future Intermediate Holding Co. LLC,   10.00%, 12/01/20   2,515   2,537,311   NRG Energy, Inc., 7.63%, 1/15/18 (a)   1,760   1,742,400   10,370,284		3,190	3,202,348	
10.00%, 12/01/20       2,515       2,537,311         NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         Industrial Conglomerates 1.7%         Sequa Corp. (a):         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%       310       320,850         Media 7.1%       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
NRG Energy, Inc., 7.63%, 1/15/18 (a)       1,760       1,742,400         Industrial Conglomerates       1.7%         Sequa Corp. (a):       300       2,964,000         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         Insurance       0.6%       300       3,714,960         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery       0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media       7.1%         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000		2,515	2.537.311	
Industrial Conglomerates   1.7%   Sequa Corp. (a):				
Industrial Conglomerates 1.7%         Sequa Corp. (a):       2,850       2,964,000         11.75%, 12/01/15 (g)       4,023       4,264,216         7,228,216         Insurance 0.6%       0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%       310       320,850         Media 7.1%       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	1110 21101gj, 11101, 1100 10, 1110110 (w)	1,700		
Sequa Corp. (a):         11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         T,228,216         Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	Industrial Conglomerates 17%		10,370,201	
11.75%, 12/01/15       2,850       2,964,000         13.50%, 12/01/15 (g)       4,023       4,264,216         T,228,216         Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
13.50%, 12/01/15 (g) 4,023 4,264,216 7,228,216  Insurance 0.6%  CNO Financial Group, Inc., 9.00%, 1/15/18 (a) Genworth Financial, Inc., 7.63%, 9/24/21 MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)  Machinery 0.1% Navistar International Corp., 8.25%, 11/01/21 Media 7.1%  AMC Networks, Inc., 7.75%, 7/15/21 (a) CCH II LLC, 13.50%, 11/30/16  4,023 4,264,216 7,028 1,744,960 621,27		2 950	2 064 000	
Total Content of the Insurance   1,649   1,714,960			, ,	
Insurance 0.6%         CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	13.30%, 12/01/13 (g)	4,023		
CNO Financial Group, Inc., 9.00%, 1/15/18 (a)       1,649       1,714,960         Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	T		1,228,210	
Genworth Financial, Inc., 7.63%, 9/24/21       700       621,270         MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)       415       398,400         2,734,630         Machinery 0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000		1.640	1.714.060	
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)  Machinery 0.1%  Navistar International Corp., 8.25%, 11/01/21  AMC Networks, Inc., 7.75%, 7/15/21 (a)  CCH II LLC, 13.50%, 11/30/16  398,400 2,734,630 310 320,850 320,850 377,775 365 377,775 365 377,775 365 377,775		,		
2,734,630         Machinery 0.1%       310       320,850         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
Machinery       0.1%         Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media       7.1%       7.15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000	MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	415		
Navistar International Corp., 8.25%, 11/01/21       310       320,850         Media 7.1%       7.1%       7.15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000			2,734,630	
Media       7.1%         AMC Networks, Inc., 7.75%, 7/15/21 (a)       365       377,775         CCH II LLC, 13.50%, 11/30/16       3,000       3,465,000				
AMC Networks, Inc., 7.75%, 7/15/21 (a) 365 377,775 CCH II LLC, 13.50%, 11/30/16 3,000 3,465,000	Navistar International Corp., 8.25%, 11/01/21	310	320,850	
CCH II LLC, 13.50%, 11/30/16 3,000 3,465,000	Media 7.1%			
CCH II LLC, 13.50%, 11/30/16 3,000 3,465,000	AMC Networks, Inc., 7.75%, 7/15/21 (a)	365	377,775	
	CCO Holdings LLC:			

7.25%, 10/30/17		510	525,938
7.88%, 4/30/18		1,075	1,118,000
CSC Holdings, Inc., 8.50%, 4/15/14		680	736,100
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (a)		1,050	808,500
Checkout Holding Corp., 10.97%, 11/15/15 (a)(h)		1,090	643,100
Clear Channel Worldwide Holdings, Inc.:		1,000	043,100
9.25%, 12/15/17		639	677,340
Series B, 9.25%, 12/15/17		5,802	6,208,140
DISH DBS Corp.:			
7.00%, 10/01/13		3,000	3,146,250
6.75%, 6/01/21 (a)		470	473,525
	I	Par	
Corporate Bonds	((	000)	Value
Media (concluded)			
Intelsat Luxemburg SA:			
11.25%, 6/15/16	USD	460	\$ 480,700
11.25%, 2/04/17		210	203,700
11.50%, 2/04/17 (g)		100	97,125
Interactive Data Corp., 10.25%, 8/01/18		1,715	1,817,900
Kabel BW Erste Beteiligungs GmbH, 7.50%,		1,713	1,017,700
3/15/19 (a)		1.040	1.024.400
. ,		1,040	1,024,400
NAI Entertainment Holdings LLC, 8.25%,			4 000 000
12/15/17 (a)		1,020	1,030,200
Nielsen Finance LLC:			
11.63%, 2/01/14		1,239	1,403,167
7.75%, 10/15/18		1,235	1,275,138
ProQuest LLC, 9.00%, 10/15/18 (a)		415	406,700
Regal Entertainment Group, 9.13%, 8/15/18		640	646,400
Unitymedia Hessen GmbH & Co. KG (FKA UPC			,
Germany GmbH), 8.13%, 12/01/17 (a)		2,730	2,784,600
Ziggo Finance BV, 6.13%, 11/15/17 (a)	EUR	655	917,385
Ziggo Finance DV, 0.13 /0, 11/13/17 (a)	LUK	033	
Matala 9 Mining 166			30,267,083
Metals & Mining 1.6%	TICE	450	466.260
Drummond Co., Inc., 9.00%, 10/15/14 (a)	USD	456	466,260
FMG Resources August 2006 Property Ltd., 7.00%,			
11/01/15 (a)		1,610	1,605,975
JMC Steel Group, 8.25%, 3/15/18 (a)		335	327,463
Novelis, Inc., 8.75%, 12/15/20		3,855	4,057,387
RathGibson, Inc., 11.25%, 2/15/14 (c)(e)		4,440	222
Vulcan Materials Co., 7.50%, 6/15/21		377	371,312
			6,828,619
Multiline Retail 0.5%			-,,-
Dollar General Corp., 11.88%, 7/15/17 (g)		1,775	1,965,813
Oil, Gas & Consumable Fuels 7.1%		1,775	1,703,013
Alpha Natural Resources, Inc.:			
		260	254 150
6.00%, 6/01/19		260	254,150
6.25%, 6/01/21		815	797,681
Arch Coal, Inc.:			
7.00%, 6/15/19 (a)		215	211,775
7.25%, 10/01/20		655	645,175
7.25%, 6/15/21 (a)		700	689,500
Chesapeake Energy Corp.:			
6.63%, 8/15/20		1,592	1,663,640
6.13%, 2/15/21		1,100	1,116,500
Coffeyville Resources LLC, 9.00%, 4/01/15 (a)		436	462,160
Consol Energy, Inc.:		750	702,100
8.25%, 4/01/20		1 750	1 001 250
		1,750	1,881,250
6.38%, 3/01/21 (a)		440	436,700

Crosstex Energy LP, 8.88%, 2/15/18

Denbury Resources, Inc.: 8.25%, 2/15/20

103,500

706,013

100

670

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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

	Par	
Corporate Bonds	(000)	Value
Oil, Gas & Consumable Fuels (concluded)		
Range Resources Corp., 5.75%, 6/01/21	USD 1,230	. , ,
SandRidge Energy, Inc., 7.50%, 3/15/21 (a)	825	/
Titan Petrochemicals Group Ltd., 8.50%, 3/18/12 (a)	1,760	, ,
		30,297,710
Paper & Forest Products 2.5%		
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(g)	4,530	, ,
Clearwater Paper Corp., 10.63%, 6/15/16	640	
Georgia-Pacific LLC, 8.25%, 5/01/16 (a)	2,950	3,368,923
Longview Fibre Paper & Packaging, Inc., 8.00%,		
6/01/16 (a)	280	277,200
NewPage Corp., 11.38%, 12/31/14	2,280	2,006,400
Verso Paper Holdings LLC:		
11.50%, 7/01/14	510	540,600
Series B, 4.00%, 8/01/14 (b)	890	729,800
		10,794,714
Pharmaceuticals 0.4%		
Valeant Pharmaceuticals International, 6.50%,		
7/15/16 (a)	1,935	1,838,250
Professional Services 0.1%		
FTI Consulting, Inc., 6.75%, 10/01/20	560	552,300
Real Estate Investment Trusts (REITs) 0.4%		
FelCor Lodging LP, 6.75%, 6/01/19 (a)	1,825	1,715,500
Real Estate Management & Development 0.9%		
Realogy Corp.:		
11.50%, 4/15/17	1,620	1,287,900
12.00%, 4/15/17	160	128,000
7.88%, 2/15/19 (a)	2,225	1,846,750
Shea Homes LP, 8.63%, 5/15/19 (a)	610	515,450
		3,778,100
Road & Rail 1.2%		
Avis Budget Car Rental LLC, 8.25%, 1/15/19	1,805	1,746,337
Florida East Coast Railway Corp., 8.13%, 2/01/17 (a)	370	368,150
The Hertz Corp. (a):		
7.50%, 10/15/18	1,750	1,715,000
6.75%, 4/15/19	730	680,725
7.38%, 1/15/21	810	773,550
		5,283,762
Specialty Retail 0.3%		
United Auto Group, Inc., 7.75%, 12/15/16	1,275	1,290,938
Textiles, Apparel & Luxury Goods 0.1%	,	, ,
Phillips-Van Heusen Corp., 7.75%, 11/15/23	410	430,411
Transportation Infrastructure 0.1%		
Aguila 3 SA, 7.88%, 1/31/18 (a)	353	331,820
Wireless Telecommunication Services 2.4%	333	221,020
Cricket Communications, Inc., 7.75%, 5/15/16	3,050	3,088,125
Digicel Group Ltd. (a):	3,030	3,000,123
9.13%, 1/15/15	3,948	3,948,000
8.25%, 9/01/17	810	
0.22 10, 7101111	815	
	013	307,700

Nextel Communications, Inc., Series E, 6.88%,			
10/31/13			
Sprint Capital Corp.:			
8.38%, 3/15/12		625	643,750
6.88%, 11/15/28		880	787,600
			10,087,381
Total Corporate Bonds 58.1%			248,107,661
Floating Rate Loan Interests (b)		Par (000)	Value
Aerospace & Defense 0.3%		(000)	Value
TransDigm, Inc., Term Loan (First Lien), 4.00%,			
2/14/17	USD	1,493 \$	1,432,800
Airlines 0.5%		,	, - ,
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%,			
4/20/17		2,375	2,188,966
Auto Components 1.5%			
Allison Transmission, Inc., Term Loan, 2.96%,			
8/07/14		3,463	3,246,936
Autoparts Holdings, Ltd.:			=
First Lien Term Loan, 6.50%, 7/28/17		1,200	1,176,000
Second Lien Term Loan, 10.50%, 1/29/18		1,800	1,773,000
Distantingles 0.20/			6,195,936
<b>Biotechnology 0.2%</b> Grifols SA, Term Loan B, 6.00%, 6/01/17		905	883,280
Building Products 1.6%		903	003,200
CPG International I, Inc., Term Loan B, 6.00%,			
2/18/17		1,194	1,116,390
Goodman Global, Inc.:		1,171	1,110,570
Initial Term Loan (First Lien), 5.75%, 10/28/16		3,112	3,058,537
Term Loan (Second Lien), 9.00%, 10/30/17		1,200	1,206,000
Momentive Performance Materials (Blitz 06-103			
GmbH), Tranche B-2B Term Loan, 4.79%, 5/05/15	EUR	1,064	1,370,828
			6,751,755
Capital Markets 0.9%			
HarbourVest Partners, Term Loan (First Lien), 6.25%,			
12/14/16	USD	1,812	1,757,658
Nuveen Investments, Inc. (First Lien):		410	206.706
Extended Term Loan, 3.25%, 11/13/14		418	386,706
Non-Extended Term Loan, 5.75% 5.81%, 5/12/17		1,682	1,571,220
5/12/17		1,062	3,715,584
Chemicals 4.7%			3,713,364
AZ Chemical Co., LLC, New Term Loan, 4.75%,			
11/21/16		313	301,970
American Rock Salt Holdings LLC, Term Loan B,			,
5.50%, 4/25/17		2,264	2,170,922
Ashland, Inc., Term Loan B, 3.75%, 7/30/18		1,300	1,270,984
Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16		1,300	1,271,829
Gentek, Inc., Tranche B Term Loan, 7.00%, 10/06/15		2,046	1,909,367
MDI Holdings, LLC (FKA MacDermid, Inc.),			
Tranche C Term Loan, 3.54%, 4/11/14	EUR	647	884,136
Nexeo Solutions, LLC, Term Loan B, 5.00%,			4 400 600
9/08/17	USD	1,621	1,492,608
PQ Corp. (FKA Niagara Acquisition, Inc.), Original			
Term Loan Facility (First Lien), 3.48% 3.51%,		2 266	2.071.177
7/30/14 Styron Sarl, Term Loan B, 6.00%, 8/02/17		2,266 2,297	2,071,177
Tronox Worldwide LLC, Exit Term Loan, 7.00%,		4,491	2,110,578
10/15/15		4,443	4,392,695
Univar, Inc., Term Loan B, 5.00%, 6/30/17		2,388	2,203,527
		_,_ 00	20,079,793
			-,

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

See Notes to Financial Statements.

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

Floating Rate Loan Interests (b)	Par (000)	Value
Commercial Services & Supplies (concluded)	(000)	v aiuc
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16	USD 975	\$ 968,497
Synagro Technologies, Inc., Term Loan (First Lien),		
2.21% 2.23%, 4/02/14	878	762,601
Volume Services America, Inc. (Centerplate),	1 707	1 700 001
Term Loan B, 10.50% 10.75%, 9/16/16	1,787	1,709,091 9,985,330
Communications Equipment 1.3%		9,965,550
Avaya, Inc.:		
Term Loan B, 3.06%, 10/24/14	1,833	1,630,246
Term Loan B-3, 4.81%, 10/26/17	2,936	2,528,791
CommScope, Inc., Term Loan B, 5.00%, 1/14/18	1,496	1,436,400
Construction & Francisco O 96		5,595,437
Construction & Engineering 0.8% BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18	875	831,250
Safway Services, LLC, First Out Tranche Loan, 9.00%,	013	031,230
12/16/17	2,750	2,750,000
	,	3,581,250
Consumer Finance 0.9%		
Springleaf Financial Funding Co. (FKA AGFS		
Funding Co.), Term Loan, 5.50%, 5/10/17	4,250	3,936,563
Containers & Packaging 0.5%  Berry Plastics Holding Corp., Term Loan C, 2.21%,		
4/03/15	340	302,104
Graham Packaging Co., LP, Term Loan D, 6.00%,	540	302,104
9/23/16	1,687	1,670,378
		1,972,482
Diversified Consumer Services 2.8%		
Coinmach Service Corp., Term Loan, 3.22% 3.30%,		
11/20/14	4,536	3,946,303
Laureate Education, Extended Term Loan, 5.25%, 8/15/18	5,121	4,522,566
ServiceMaster Co.:	3,121	4,322,300
Closing Date Term Loan, 2.69% 2.76%,		
7/24/14	3,215	2,970,294
Delayed Draw Term Loan, 2.72%, 7/24/14	320	295,797
		11,734,960
Diversified Financial Services 0.2%		
Reynolds Group Holdings, Inc., Term Loan E, 6.50%, 2/09/18	963	918,068
Diversified Telecommunication Services 2.5%	903	910,000
Hawaiian Telcom Communications, Inc., Term Loan,		
9.00%, 11/01/15	3,618	3,613,581
Level 3 Financing, Inc.:		
Add On Term Loan, 11.50%, 3/13/14	1,500	1,558,755
Term Loan B2, 2.50%, 9/03/18	6,000	5,655,000
		10,827,336
Electrical Equipment 0.1%		
Generac Acquisition Corp., Term Loan (First Lien), 2.69% 2.75%, 11/11/13	297	277 701
2.69% 2.75%, 11/11/13	297	277,791

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

CS   Incompany   Term Loan   S. 25%, 11/4/14   USD   1,168   \$ 1,035,629		Par		
CCS Income Trust, Term Loun B, 3.25%, 1/1/4/14         USD         1,168         \$ 1,035,629           Dynegy Holdings, Inc.:         1,643         1,586,859           Gas Company Term Loan, 9.25%, 8/04/16         3,00         2,594,377           Gas Company Term Loan, 9.25%, 8/04/16         3,00         2,581,875           Gas Company Term Loan, 9.25%, 8/04/16         3,00         2,581,875           MGE Genergy Cop., Tranche D Term Loan, 4,00%,         3,161         2,700         2,581,875           MGE Genergy Cop., Tranche D Term Loan, 4,00%,         3,161         4,186,994         4,186,994           VB Foodservice, Inc., Term Loan B:         3,00         4,186,994         4,186,994         1,207         1,206,712         1,207         1,206,712         5,73%, 331/17         1,207         1,206,712         5,73%, 331/17         1,205,978         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         7,359,687         2,287         1,205,978         7,359,687         7,359,687         2,287         1,250,978         7,359,687         2,287         2,287,292         2,888         2,782,922         8,287         2,282,922         8,288         2,782,922         1,6	Floating Rate Loan Interests (b)	(000)		Value
Dynagy Holdings. Inc:   Coal Company Term Loan, 9.25%, 8/04/16   3,007   2,954,377     MGG Energy Corp., Tranche D Term Loan, 4.00%, 3,16/18   2,700   2,581,875     MGG Energy Corp., Tranche D Term Loan, 4.00%, 3,16/18   2,700   2,581,875     Rood & Staples Retailing			1.160	4 00 7 600
Coal Company Term Loan, 9.25%, 8/04/16         3,04         2,954.377           MG Scompany Term Loan, 9.25%, 8/04/16         3,07         2,954.377           MG Energy Corp., Tranche D Term Loan, 4.00%,         316/18         2,700         2,581.875           316/18         2,700         2,581.875         8,158,740           Food & Staples Retailing 1.7%         GBP 3,000         4,186,994           Hacility B1, 3,61%, 709/15         GBP 3,000         4,186,994           US Foodservice, Inc., Term Loan B:         US Foodservice, Inc., Term Loan B:           US Food Products 2.6%         US D 2,197         1,966,712           5.75%, 3/31/17         1,297         1,205,978           Food Products 2.6%         US D 2,197         1,205,978           Advance Pierre Foods, Term Loan         (First Lien), 7,00%, 9/30/16         2,878         2,782,922           Cyscood Lien), 11,25%, 9/29/17         1,800         1,764,000           Del Monte Corp., Term Loan B, 4,50%, 3/08/18         3,067,925           Finnacle Foods Finance LLC, Tranche D Term Loan, 7,006,402/14         404         389,293           Tranche B-1 Term Loan, 5,00% 6,00%,7         7         7,11         7,22,71           1,006,18		USD	1,168	\$ 1,035,629
Gas Company Term Loan, 9.25%, 8/04/16         3.007         2,954,377           MEG Energy Corp., Tranche D Term Loan, 4.00%,         2,700         2,581,875           3/16/18         2,700         2,581,875           Food & Staples Retailing 1.7%         3.007         4,186,994           BA Equisitions UK Topeo 2 Ltd. (FKA Alliance Boots),         GBP         3,000         4,186,994           US Foodservice, Inc., Term Loan B:         USD         2,197         1,206,712           2.71% 2.72%, 7/03/14         USD         2,197         1,205,978           Food Products 2.6%         USD         2,197         1,205,978           Rody Products 2.6%         1,227         7,359,684           Food Products 2.6%         2878         2,782,092           Rdvance Fierre Foods, Term Loan         2,878         2,782,092           (First Lien), 7,00%, 9/30/16         2,878         2,782,092           Second Lien), 11,25%, 9/29/17         1,800         1,764,000           Del Monte Corp., Term Loan B, 4,50%, 3/08/18         4,210         3,967,925           Pinnacle Foods Finance LLC, Tranche D Term Loan         4         2,972           706/18         4         3,892,93           Tranche B-1 Term Loan, 5.00% 6.00%,         751         722,972				
MEGE BERGY CORP., Tranche D Term Loan, 4.00%, 2.581,87 to 18/16/18			,	
Staples Retailing   1.7%   1			3,007	2,954,377
Substitute   Staples Retailing   1.7%   Substitute   1.7%   Subs				
Food & Staples Retailing   1.7%   AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots), Facility B1, 3.61%, 709/15   GBP   3,000   4,186.994   18.61%, 709/15   19.66.712   1.966.712   1.966.712   1.966.712   1.966.712   1.967.718	3/16/18		2,700	
AB Acquisitions UR Topco 2 Ltd. (FKA Alliance Boots), Facility B1, 3.61%, 7/09/15  Excility B1, 3.61%, 7/09/15  US Poodservice, Inc., Term Loan B:  2.71%, 2/2%, 7/03/14  USD 2,197  1,205, 78  1,207  1,205, 78  1,207  1,205, 78  1,207  1,205, 78  1,207  1,205, 78  1,207  1,205, 78  1,207  1,208  1,209				8,158,740
Facility B1, 3,61%, 709/15   GBP 3,000 4,186,948   US Foodservice, Inc., Term Loan B:				
USD   2,197   1,966,712   2,718   2,				
2.71% 2.72%, 7/03/14       USD 2,197       1,966,712         5.75%, 3/31/17       1,207       1,205,978         Food Products 2.6%         Advance Pierre Foods, Term Loan:	•	GBP	3,000	4,186,994
5.75%, 3/31/17       1,297       1,205,978         7,359,684       7,359,684         Food Products 2.6%         Advance Pierre Foods, Term Loan:       (First Lien), 7,00%, 9/30/16       2,878       2,782,922         (Second Lien), 11,25%, 9/29/17       1,800       1,764,000         Del Monte Corp., Term Loan B, 4.50%, 3/08/18       4,210       3,967,925         Pinnacle Foods Finance LLC, Tranche D Term Loan,       1,505       1,483,225         Solvest, Ltd. (Dole):       1       1,505       1,483,225         Tranche B-1 Term Loan, 5,00%       6,00%,       404       389,293         Tranche C-1 Term Loan, 5,00%       6,00%,       751       722,972         11,110,337       1,508       25       25,1485         Health Care Equipment & Supplies 1.0%       265       251,485         Biomet, Inc., Dollar Term Loan, 3,24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance         LLC), Term Loan, 3,22%, 5/20/14       1,713       1,598,706         Lasis Healthcare LLC, Term Loan, 5,00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7,25%, 8/17/18       1,100       1,060,818         4,24% 2,57%, 7/25/14       72       67,000				
Table   Tabl		USD	,	
Pood Products 2.6%   Advance Pierre Foods, Term Loans   Supplies 1.0%   1,800   1,764,000   1,800   1,764,000   1,800   1,764,000   1,800   1,764,000   1,800   1,764,000   1,800   1,800   1,764,000   1,80	5.75%, 3/31/17		1,297	
Advance Pierre Foods, Term Loan:       2,878       2,782,922         (First Lien), 7,00%, 9/30/16       2,878       2,782,922         (Second Lien), 11,25%, 9/29/17       1,800       1,764,000         Del Monte Corp., Term Loan B, 4.50%, 3/08/18       4,210       3,967,925         Pinnacle Foods Finance LLC, Tranche D Term Loan,       1,505       1,483,225         Solvest, Ltd. (Dole):       1,505       1,483,225         Tranche B-1 Term Loan, 5.00% 6.00%,       404       389,293         Tranche C-1 Term Loan, 5.00% 6.00%,       751       722,972         7/06/18       751       722,972         Biomet, Inc., Dollar Term Loan, 5.00% 6.00%,       1,110,337         Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         CHS/Community Health Systems, Inc.:       Non-Extended Delayed Draw Term Loan, 2,47%       2,57%, 7/25/14       72       67,000         Non-Extended Term				7,359,684
(First Lien), 7.00%, 9/30/16         2,878         2,782,922           (Second Lien), 11.25%, 9/29/17         1,800         1,764,000           Del Monte Corp., Term Loan B, 4.50%, 3/08/18         4,210         3,967,925           Pinnacle Foods Finance LLC, Tranche D Term Loan,         6.00%, 4/02/14         1,505         1,483,225           Solvest, Ltd. (Dole):         Tranche B-1 Term Loan, 5.00% 6.00%,           7/06/18         404         389,293           Tranche C-1 Term Loan, 5.00% 6.00%,         751         722,972           106/18         751         722,972           11,10,337         11,10,337           Health Care Equipment & Supplies 1.0%         265         251,485           BiOH Finance LLC (FKA Reable Therapeutics Finance         2         1,713         1,598,706           LLC, Term Loan, 3.22%, 5/20/14         1,713         1,598,706         1,885           Biasi Healthcare LLC, Term Loan, 5.00%, 5/03/18         1,524         1,404,667           Immoor, Inc., Term Loan B, 7.25%, 8/17/18         1,100         1,060,818           Health Care Providers & Services 4.1%         4,315,676           CHS/Community Health Systems, Inc.         72         67,000           Non-Extended Delayed Draw Term Loan, 2.47% 2.57%, 7/25/14         72				
(Second Lien), 11.25%, 9/29/17         1,800         1,764,000           Del Monte Corp., Term Loan B, 4.50%, 3/08/18         4,210         3,967,925           Pinnacle Foods Finance LLC, Tranche D Term Loan,         1,505         1,483,225           Solvest, Ltd. (Dole):         Tranche B-1 Term Loan, 5.00% 6.00%,         404         389,293           7/06/18         404         389,293           Tranche C-1 Term Loan, 5.00% 6.00%,         751         722,972           106/18         751         722,972           106/18         265         251,485           107/106/18         265         251,485           109 Finance LLC (FKA ReAble Therapeutics Finance         11,110,337           100 Finance LLC (FKA ReAble Therapeutics Finance         1,713         1,598,706           120 Finance LLC, Term Loan, 3.22%, 5/20/14         1,713         1,598,706           121 Finance LLC, Term Loan, 5.00%, 5/03/18         1,524         1,404,667           122 Finance, Term Loan B, 7.25%, 8/17/18         1,100         1,060,818           123 Finance, Term Loan B, 7.25%, 8/17/18         72         67,000           1247 Signer         2.57%, 7/25/14         72         67,000           125 Finance         1,423         1,319,619           125/14	•			
Del Monte Corp., Term Loan B, 4.50%, 3/08/18         4,210         3,967,925           Pinnacle Foods Finance LLC, Tranche D Term Loan,			,	
Pinnacle Foods Finance LLC, Tranche D Term Loan, 6.00%, 4/02/14   1,505   1,483,225	·			
6.00%, 4/02/14       1,505       1,483,225         Solvest, Ltd. (Dole):       Tranche B-1 Term Loan, 5.00% 6.00%,         7/06/18       404       389,293         Tranche C-1 Term Loan, 5.00% 6.00%,       7/06/18       751       722,972         106/18       751       722,972         106/18       265       251,485         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan, 2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%, 7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300			4,210	3,967,925
Solvest, Ltd. (Dole):   Tranche B-1 Term Loan, 5.00% 6.00%, 706/18				
Tranche B-1 Term Loan, 5.00% 6.00%,         404         389,293           Tranche C-1 Term Loan, 5.00% 6.00%,         751         722,972           7/06/18         751         722,972           11,110,337         11,110,337           Health Care Equipment & Supplies 1.0%           Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15         265         251,485           DJO Finance LLC (FKA ReAble Therapeutics Finance         1,713         1,598,706           LLC), Term Loan, 3.22%, 5/20/14         1,713         1,598,706           Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18         1,524         1,404,667           Immucor, Inc., Term Loan B, 7.25%, 8/17/18         1,100         1,060,818           Health Care Providers & Services 4.1%         4,315,676           CHS/Community Health Systems, Inc.:         72         67,000           Non-Extended Delayed Draw Term Loan, 2.47% 2.57%, 7/25/14         72         67,000           Non-Extended Term Loan, 2.47% 2.57%, 7/25/14         1,423         1,319,619           ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16         1,294         1,220,198           DaVita, Inc., Term Loan B, 4.50%, 10/20/16         1,990         1,930,300	6.00%, 4/02/14		1,505	1,483,225
7/06/18       404       389,293         Tranche C-1 Term Loan, 5.00% 6.00%,       7/06/18       751       722,972         11,110,337         Health Care Equipment & Supplies 1.0%       265       251,485         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance         LLC), Term Loan, 3.22%, 5/20/14       1,798,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,598,706         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%, 7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,290,198				
Tranche C-1 Term Loan, 5.00% 6.00%,       7/06/18       751       722,972         7/06/18       751       722,972         11,110,337         Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       4,315,676         CHS/Community Health Systems, Inc.:       72       67,000         Non-Extended Delayed Draw Term Loan, 2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%, 7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300	Tranche B-1 Term Loan, 5.00% 6.00%,			
7/06/18       751       722,972         Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%         CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300	7/06/18		404	389,293
Health Care Equipment & Supplies   1.0%	Tranche C-1 Term Loan, 5.00% 6.00%,			
Health Care Equipment & Supplies 1.0%         Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,       2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300	7/06/18		751	
Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15       265       251,485         DJO Finance LLC (FKA ReAble Therapeutics Finance       1,713       1,598,706         LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       4,315,676         CHS/Community Health Systems, Inc.:       5         Non-Extended Delayed Draw Term Loan, 2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 5.75%, 12/22/16       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300				11,110,337
DJO Finance LLC (FKA ReAble Therapeutics Finance   LLC), Term Loan, 3.22%, 5/20/14   1,713   1,598,706   Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18   1,524   1,404,667   Immucor, Inc., Term Loan B, 7.25%, 8/17/18   1,100   1,060,818   4,315,676     Health Care Providers & Services   4.1%   CHS/Community Health Systems, Inc.:    Non-Extended Delayed Draw Term Loan, 2.47%   2.57%, 7/25/14   72   67,000   Non-Extended Term Loan, 2.47%   2.57%, 7/25/14   1,423   1,319,619   ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16   1,294   1,220,198   DaVita, Inc., Term Loan B, 4.50%, 10/20/16   1,990   1,930,300				
LLC), Term Loan, 3.22%, 5/20/14       1,713       1,598,706         Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%         CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       7/25/14       7/2       67,000         Non-Extended Term Loan, 5.75%, 12/22/16       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300			265	251,485
Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18       1,524       1,404,667         Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%         CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,         2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300				
Immucor, Inc., Term Loan B, 7.25%, 8/17/18       1,100       1,060,818         Health Care Providers & Services 4.1%       CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,       2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300				
Health Care Providers & Services   4.1%				
Health Care Providers & Services 4.1%         CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,         2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,         7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300	Immucor, Inc., Term Loan B, 7.25%, 8/17/18		1,100	
CHS/Community Health Systems, Inc.:         Non-Extended Delayed Draw Term Loan,       72       67,000         2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300				4,315,676
Non-Extended Delayed Draw Term Loan,       72       67,000         2.47% 2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47% 2.57%,       2.57%,       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300				
2.47%       2.57%, 7/25/14       72       67,000         Non-Extended Term Loan, 2.47%       2.57%,           7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300				
Non-Extended Term Loan, 2.47%       2.57%,         7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300	Non-Extended Delayed Draw Term Loan,			
7/25/14       1,423       1,319,619         ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300			72	67,000
ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16       1,294       1,220,198         DaVita, Inc., Term Loan B, 4.50%, 10/20/16       1,990       1,930,300	Non-Extended Term Loan, 2.47% 2.57%,			
DaVita, Inc., Term Loan B, 4.50%, 10/20/16 1,990 1,930,300			1,423	
T			1,990	1,930,300
	Emergency Medical Services, Term Loan, 5.25%,			
5/25/18 1,995 1,845,375			1,995	1,845,375
HCA, Inc., Tranche B-1 Term Loan:	HCA, Inc., Tranche B-1 Term Loan:			
2.50%, 11/18/13 236,628			245	
3.50%, 5/01/18 1,329 1,246,767	3.50%, 5/01/18		1,329	1,246,767
Harden Healthcare, Inc.:	Harden Healthcare, Inc.:			

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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

	Par			
Floating Rate Loan Interests (b)	(000)			Value
Hotels, Restaurants & Leisure 4.4%				
Caesars Entertainment Operating Co., Inc.:			_	
Incremental Term Loan B-4, 9.50%, 10/31/16	USD	575	\$	573,388
Term Loan B-1, 3.25%, 1/28/15		1,424		1,226,002
Term Loan B-2, 3.22% 3.25%, 1/28/15		1,260		1,085,566
Term Loan B-3, 3.25%, 1/28/15		4,320		3,719,182
Dunkin Brands, Inc., New Term Loan B, 4.00%,				
11/23/17		2,886		2,771,309
Golden Living, Term Loan, 5.00%, 5/04/18		1,890		1,677,375
Las Vegas Sands LLC:				
Delayed Draw Term Loan, 1.72%, 5/23/14		193		179,088
Term Loan B, 1.72%, 5/23/14		1,132		1,054,062
Seaworld Parks & Entertainment, Inc. (FKA SW				
Acquisitions Co., Inc.), Term Loan B, 4.00%,				
8/17/17		1,794		1,731,632
Six Flags Theme Parks, Inc., Tranche B Term Loan				
(First Lien), 5.25%, 6/30/16		2,971		2,897,080
VML US Finance LLC (FKA Venetian Macau):		,		,,
New Project Term Loan, 4.73%, 5/27/13		880		870,868
Term B Delayed Draw Project Loan, 4.73%,		000		0,0,000
5/25/12		1,035		1,023,828
Term B Funded Project Loan, 4.73%, 5/27/13		179		176,950
Term B 1 unded 1 roject Loan, 4.75%, 5121115		1//		18,986,330
IT Services 3.2%				10,700,330
Ceridian Corp., US Term Loan, 3.22%, 11/10/14		3,069		2,623,859
First Data Corp.:		3,009		2,023,039
Initial B-1 Term Loan, 2.97%, 9/24/14		147		128,976
Initial B-2 Term Loan, 4.22%, 3/23/18		6,563		5,494,561
		210		
Initial B-3 Term Loan, 2.97%, 9/24/14				184,558
infoGROUP, Inc., Term Loan, 5.75%, 5/22/18		855		784,747
iPayment, Inc., Term Loan B, 5.75%, 5/08/17		1,154		1,091,594
TransUnion LLC, Replacement Term Loan, 4.75%,		0.701		2.520.062
2/12/18		3,721		3,529,063
7 1 1 (D D 1 A				13,837,358
Independent Power Producers &				
Energy Traders 1.5%				
AES Corp., Term Loan B, 4.25%, 6/01/18		1,796		1,724,578
Calpine Corp., Term Loan B, 4.50%, 4/02/18		2,042		1,882,709
Texas Competitive Electric Holdings Co., LLC (TXU),				
Extended Term Loan, 4.71% 4.77%, 10/10/17		3,716		2,728,033
				6,335,320
Industrial Conglomerates 1.1%				
Sequa Corp., Term Loan, 3.50% 3.51%, 12/03/14		2,643		2,469,176
Tomkins Plc, Term Loan B, 4.25%, 9/29/16		2,277		2,191,573
				4,660,749
Leisure Equipment & Products 0.4%				
EB Sports Corp., Loan, 11.50%, 12/31/15		1,641		1,575,288
Machinery 0.4%				
Terex Corp.:				
Term Loan, 6.03%, 4/28/17	EUR	220		306,549
Term Loan B, 5.50%, 4/28/17	USD	1,300		1,274,000
, ,		,,,,,,,		,,

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

		Par		
Floating Rate Loan Interests (b)	(0	)00)		Value
Media (concluded)				
Charter Communications Operating, LLC:			_	
Term Loan B, 7.25%, 3/06/14	USD	46	\$	45,895
Term Loan C, 3.50%, 9/06/16		2,670		2,542,192
Clear Channel Communications, Inc., Term Loan B,				
3.87%, 1/28/16		3,145		2,353,844
Cumulus Media, Inc., Term Loan, 6.75%, 8/30/18		1,500		1,404,375
Getty Images, Inc., Initial Term Loan, 5.25%,				
11/07/16		478		468,098
Gray Television, Inc., Term Loan B, 3.71%, 12/31/14		929		849,374
HMH Publishing Co., Ltd., Tranche A Term Loan,				
6.21%, 6/12/14		2,348		1,887,472
Hubbard Broadcasting, Term Loan (Second Lien),				
5.25%, 4/28/17		1,100		1,046,837
Intelsat Jackson Holdings SA (FKA Intelsat Jackson				
Holdings, Ltd.), Tranche B Term Loan,				
5.25%, 4/02/18		7,980		7,640,850
Interactive Data Corp., Term Loan, 4.50%, 2/12/18		1,696		1,603,552
Lavena Holding 3 GmbH (Prosiebensat.1 Media AG):		1,000		1,000,002
Facility B1, 4.20%, 3/06/15	EUR	304		338,574
Facility C1, 4.45%, 3/04/16	LUK	608		681,514
Mediacom Illinois, LLC (FKA Mediacom		000		001,514
Communications, LLC), Tranche D Term Loan,				
5.50%, 3/31/17	USD	983		938,287
	USD	703		930,207
Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13		4.250		1 200 125
		4,250		4,388,125
Nielsen Finance LLC, Class C Term Loan, 3.48%,		405		200 104
5/02/16		405		380,194
Sinclair Television Group, Inc., New Tranche B Term		1 212		1 202 220
Loan, 4.00%, 10/28/16		1,313		1,293,338
Sunshine Acquisition Ltd. (FKA HIT Entertainment),				
Term Facility, 5.51%, 6/01/12		1,916		1,842,564
UPC Broadband Holding B.V., Term U, 5.44%,				
12/31/17	EUR	1,246		1,672,917
Univision Communications, Inc., Extended First Lien				
Term Loan, 4.47%, 3/31/17		1,872		1,609,690
WC Luxco Sarl, New Term Loan B3, 4.25%, 3/15/18	USD	596		571,455
Weather Channel, Term Loan B, 4.25%, 2/13/17		1,696		1,633,567
				42,927,380
Metals & Mining 2.2%				
Novelis, Inc., Term Loan, 3.75%, 3/10/17		3,134		2,960,738
SunCoke Energy, Inc., Term Loan B, 4.00%, 7/26/18		1,600		1,520,000
Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18		5,087		4,858,324
				9,339,062
Multi-Utilities 0.1%				
		395		374,018

FirstLight Power Resources, Inc. (FKA NE Energy, Inc.),

Term B Advance (First Lie	n), 2.75%, 11/01/13
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Dollar General Corp., Tranche B-2 Term Loan,       1,439       1,395,477         2.96% 2.97%, 7/07/14       1,439       1,395,477         Hema Holding BV:       Facility B, 3.43%, 7/06/15       EUR       363       484,352         Facility C, 4.18%, 7/05/16       363       486,956         Facility D, 6.43%, 1/05/17       2,900       3,777,054         Oil, Gas & Consumable Fuels 1.2%         Gibson Energy, Term Loan B, 5.75%, 6/14/18       USD       1,500       1,417,500         Obsidian Natural Gas Trust, Term Loan, 7.00%,       11/02/15       3,651       3,614,688	Multiline Retail 1.4%			
Hema Holding BV: Facility B, 3.43%, 7/06/15 Facility C, 4.18%, 7/05/16 Facility D, 6.43%, 1/05/17  Cil, Gas & Consumable Fuels 1.2% Gibson Energy, Term Loan B, 5.75%, 6/14/18 Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15  EUR 363 484,352  2,900 3,777,054  6,143,839  USD 1,500 1,417,500  3,651 3,614,688	Dollar General Corp., Tranche B-2 Term Loan,			
Facility B, 3.43%, 7/06/15 Facility C, 4.18%, 7/05/16 Facility D, 6.43%, 1/05/17  Oil, Gas & Consumable Fuels 1.2% Gibson Energy, Term Loan B, 5.75%, 6/14/18 Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15  EUR 363 484,352  363 486,956  USD 3,651 3,614,688	2.96% 2.97%, 7/07/14		1,439	1,395,477
Facility C, 4.18%, 7/05/16 Facility D, 6.43%, 1/05/17  Oil, Gas & Consumable Fuels 1.2% Gibson Energy, Term Loan B, 5.75%, 6/14/18 Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15  363 486,956 2,900 3,777,054 6,143,839  USD 1,500 1,417,500 3,651 3,614,688	Hema Holding BV:			
Facility D, 6.43%, 1/05/17  2,900 3,777,054 6,143,839  Oil, Gas & Consumable Fuels 1.2% Gibson Energy, Term Loan B, 5.75%, 6/14/18 USD 1,500 1,417,500 Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15 3,651 3,614,688	Facility B, 3.43%, 7/06/15	EUR	363	484,352
6,143,839         Oil, Gas & Consumable Fuels       1.2%         Gibson Energy, Term Loan B, 5.75%, 6/14/18       USD       1,500       1,417,500         Obsidian Natural Gas Trust, Term Loan, 7.00%,       3,651       3,614,688	Facility C, 4.18%, 7/05/16		363	486,956
Oil, Gas & Consumable Fuels 1.2%         Gibson Energy, Term Loan B, 5.75%, 6/14/18       USD 1,500 1,417,500         Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15       3,651 3,614,688	Facility D, 6.43%, 1/05/17		2,900	3,777,054
Gibson Energy, Term Loan B, 5.75%, 6/14/18       USD       1,500       1,417,500         Obsidian Natural Gas Trust, Term Loan, 7.00%,       3,651       3,614,688				6,143,839
Obsidian Natural Gas Trust, Term Loan, 7.00%,         11/02/15       3,651       3,614,688	Oil, Gas & Consumable Fuels 1.2%			
11/02/15 3,651 3,614,688	Gibson Energy, Term Loan B, 5.75%, 6/14/18	USD	1,500	1,417,500
-,	Obsidian Natural Gas Trust, Term Loan, 7.00%,			
5 032 188	11/02/15		3,651	3,614,688
3,032,100				5,032,188
Paper & Forest Products 0.9%	Paper & Forest Products 0.9%			
Verso Paper Finance Holdings LLC, Term Loan,	Verso Paper Finance Holdings LLC, Term Loan,			
6.51% 7.26%, 2/01/13 (g) 4,500 3,869,610	6.51% 7.26%, 2/01/13 (g)		4,500	3,869,610

See Notes to Financial Statements.

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

		Par		\$7.1
Floating Rate Loan Interests (b) Pharmaceuticals 1.4%		(000)		Value
Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17	USD	1,791	\$	1,615,482
Endo Pharmaceuticals Holdings, Inc., Term Loan B, 4.00%, 6/18/18	0.02	1,500	Ψ	1,467,195
Quinteles Transnational Corp., Term Loan, 5.00%,		1,500		1,407,173
6/08/18		780		723,450
RPI Finance Trust, Term Loan Tranche 2, 4.00%, 5/09/18		1,150		1,115,500
Warner Chilcott Corp.:				
Term Loan B-1, 4.25%, 3/15/18		866		830,124
Term Loan B-2, 4.25%, 3/15/18		433		415,603
Professional Services 0.8%				6,167,354
Booz Allen Hamilton, Inc., Tranche B Term Loan,				
4.00%, 8/03/17		1,246		1,218,877
Fifth Third Processing Solutions, LLC, Term Loan B		,		· · ·
(First Lien), 4.50%, 11/03/16		2,090		2,012,473
				3,231,350
Real Estate Investment Trusts (REITs) 0.8%				
iStar Financial, Inc., Term Loan, (Second Lien),		2.447		2 240 225
5.00%, 6/28/13 Real Estate Management & Development 1.2%		3,447		3,349,325
Real Estate Management & Development 1.2% Realogy Corp.:				
Delayed Draw Term Loan, 3.27%, 10/10/13		2,677		2,362,243
Extended Synthetic Letter of Credit Loan,		2,077		2,302,213
4.44%, 10/10/16		396		325,890
Extended Term Loan B, 4.52%, 10/10/16		3,033		2,496,249
				5,184,382
Semiconductors & Semiconductor Equipment 0.4%				
Freescale Semiconductor, Inc., Extended Maturity				
Term Loan, 4.44%, 12/01/16		730		664,126
Microsemi Corp., Term Loan B, 4.00%, 11/02/17		1,294		1,234,219
				1,898,345
Specialty Retail 3.3%				
Academy Ltd., Term Loan, 6.00%, 8/03/18		1,900		1,803,575
Burlington Coat Factory Warehouse Corp., Term		1 405		1 22 4 27 4
Loan B, 6.25%, 2/23/17		1,407		1,326,274
General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/02/18		2,175		2,052,656
J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18		653		581,904
Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18		798		742,140
Michaels Stores, Inc.:				ŕ
Term Loan B-1, 2.50%, 10/31/13		980		926,500
Term Loan B-2, 4.75%, 7/31/16		1,517		1,427,915
Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/24/17		2,708		2,545,191
Toys R Us Delaware, Inc.:				
Initial Loan, 6.00%, 9/01/16		1,907		1,786,985
Term Loan, 5.25%, 5/25/18		1,147		1,064,911
Wireless Telecommunication Services 1.7%				14,258,051
WHERESS TERCOHIHUHRATION SELVICES 1.7 //		1,493		1,398,299

MetroPCS Wireless, Inc., Term Loan B, 4.00%, 3/16/18		
Vodafone Americas Finance 2, Inc., Initial Loan, 6.88%, 8/11/15	5,887	5,916,228
		7,314,527
Total Floating Rate Loan Interests 71.4%		304,838,941

	Beneficial Interest	
Other Interests (j)	(000)	
Auto Components 0.0%	(***)	
Intermet Liquidating Trust, Class A (c)	USD 833	\$ 8
Diversified Financial Services 0.3%		
DSU JGW SPV, LLC (J.G. Wentworth LLC Preferred		
Equity Interests) (c)(k)	1	1,293,079
Hotels, Restaurants & Leisure 0.0%		
Buffets, Inc. (c)	1,440	14
Household Durables 0.4%		
DSU (S-MARTIN) SPV, LLC (Stanley Martin, Class B		
Membership Units) (c)(k)	2	1,511,219
Media 0.0%		
Adelphia Escrow (c)	7,500	75
Adelphia Preferred Escrow (c)	5	
Adelphia Recovery Trust (c)	9,406	941
Adelphia Recovery Trust, Series ACC-6B INT (c)	500	2,500
		3,516
Metals & Mining 0.8%		
DSU-(R-Gibson) SPV, LLC (RathGibson Acquisition		
Corp. LLC) (k)	280	3,459,279
Specialty Retail 0.0%		
Movie Gallery, Inc. Default Escrow (c)	21,700	217
Total Other Interests 1.5%		6,267,332
Warrants (I)	Shares	
Health Care Providers & Services 0.0%		
HealthSouth Corp. (Expires 1/16/14)	126,761	1
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc. (Expires 4/29/14)	1,216	12
Media 0.0%		
Charter Communications, Inc. (Expires 11/30/14)	12,661	139,689
Software 0.0%		
Bankruptcy Management Solutions, Inc.		
(Expires 9/29/17)	1,247	13
HMH Holdings/EduMedia (Expires 3/09/17)	24,924	
		13
Total Warrants 0.0%		139,715
Total Investments (Cost \$662,005,427*) 135.2%		577,515,239
Liabilities in Excess of Other Assets (35.2)%		(150,437,744)
Net Assets 100.0%		\$ 427,077,495

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

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

Net unrealized depreciation \$ (80,455,632)

See Notes to Financial Statements.

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#### Schedule of Investments (continued)

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

- (a) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) Variable rate security. Rate shown is as of report date.
- (c) Non-income producing security.
- (d) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$14,518 and an original cost of \$1,027, in this security.
- (e) Issuer filed for bankruptcy and/or is in default of interest payments.
- (f) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (g) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (i) Convertible security.
- (j) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (k) The investment is held by a wholly owned subsidiary of the Fund.
- (1) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.

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

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

For Fund compliance purposes, the Fund s industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Fund management. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

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

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

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

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

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

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

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

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

See Notes to Financial Statements.

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

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

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

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

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

See Notes to Financial Statements.

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

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

	Pa		
Asset-Backed Securities	(00	00)	Value
ARES CLO Funds, Series 2005-10A, Class B,			
0.64%, 9/18/17 (a)(b)	USD	500 \$	445,535
Ballyrock CDO Ltd., Series 2006-1A, Class B,			
0.67%, 8/28/19 (a)(b)		500	392,500
Canaras Summit CLO Ltd., Series 2007-1A, Class B,			
0.73%, 6/19/21 (a)(b)		395	316,928
Flagship CLO, Series 2006-1A, Class B, 0.60%,			
9/20/19 (a)(b)		1,000	807,500
Fraser Sullivan CLO Ltd., Series 2006-2A, Class B,			
0.65%, 12/20/20 (a)(b)		500	400,000
Gannett Peak CLO Ltd., Series 2006-1X, Class A2,			
0.61%, 10/27/20 (a)(b)		305	227,988
Goldman Sachs Asset Management CLO Plc, Series			
2007-1A, Class B, 0.70%, 8/01/22 (a)(b)		665	493,762
Landmark CDO Ltd., Series 2006-8A, Class B,			
0.61%, 10/19/20 (a)(b)		570	466,665
MAPS CLO Fund LLC, Series 2005-1A, Class C,			
1.20%, 12/21/17 (a)(b)		300	265,770
Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%,			
11/15/21 (b)		405	361,017
T2 Income Fund CLO Ltd., Series 2007-1A, Class B,			
0.85%, 7/15/19 (a)(b)		345	308,154
Total Asset-Backed Securities 3.3%			4,485,819

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

Corporate Bonds	Pa (00		
Airlines 0.3%			
Air Canada, 9.25%, 8/01/15 (a)	USD	210	201,600
Delta Air Lines, Inc., Series B, 9.75%, 12/17/16		209	213,942
			415,542
Auto Components 0.8%			
Icahn Enterprises LP, 7.75%, 1/15/16		1,105	1,116,050
Capital Markets 0.0%			

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

	Pa		
Corporate Bonds	(00	0)	Value
Commercial Banks 1.1%			
CIT Group, Inc.:	Hab	4.5	Φ 44.025
7.00%, 5/01/14	USD	45	\$ 44,837
7.00%, 5/01/15		170	169,150
7.00%, 5/01/16		220	218,900
7.00%, 5/01/17		960	948,000
7.00%, 5/02/17 (a)		150	148,125
			1,529,012
Commercial Services & Supplies 0.5%			
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)		472	455,665
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a)		280	263,900
			719,565
Consumer Finance 0.5%			
Credit Acceptance Corp., 9.13%, 2/01/17		190	192,375
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)		425	442,000
			634,375
Containers & Packaging 1.2%			
Berry Plastics Corp., 8.25%, 11/15/15		900	927,000
Graphic Packaging International, Inc., 9.50%, 6/15/17		115	125,063
OI European Group BV, 6.88%, 3/31/17	EUR	113	154,208
Smurfit Kappa Acquisitions (a):			
7.25%, 11/15/17		175	241,332
7.75%, 11/15/19	USD	160	219,497
			1,667,100
Diversified Financial Services 1.7%			1,007,100
Ally Financial, Inc., 2.53%, 12/01/14 (b)		1,175	1,101,101
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		85	88,612
Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (a)		300	306,750
Reynolds Group Issuer, Inc. (a):		500	300,730
8.50%, 10/15/16	EUR	200	278,681
7.13%, 4/15/19	USD	280	265,300
7.88%, 8/15/19	СЗБ	100	99,000
6.88%, 2/15/21		210	195,300
0.00%, 2/13/21		210	
Diversified Telecommunication Services 0.6%			2,334,744
		290	207.250
ITC Deltacom, Inc., 10.50%, 4/01/16		290	297,250
Qwest Communications International, Inc.:		200	220.250
8.00%, 10/01/15		300	320,250
Series B, 7.50%, 2/15/14		217	219,713
			837,213
Electronic Equipment, Instruments &			
Components 0.1%			
CDW LLC, 8.00%, 12/15/18 (a)		200	198,000
Health Care Equipment & Supplies 0.6%			
DJO Finance LLC:			
10.88%, 11/15/14		645	666,769
7.75%, 4/15/18 (a)		95	88,350
			755,119
Health Care Providers & Services 1.7%			

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

See Notes to Financial Statements.

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

	Par		
Corporate Bonds	(000)		Value
Hotels, Restaurants & Leisure 0.9%			
Little Traverse Bay Bands of Odawa Indians, 9.00%,			<b> </b>
8/31/20 (a)	USD		\$ 317,890
MGM Resorts International, 10.38%, 5/15/14		260	285,350
Travelport LLC:			
4.95%, 9/01/14 (b)		665	507,062
9.88%, 9/01/14		150	127,875
			1,238,177
IT Services 0.3%			
First Data Corp., 7.38%, 6/15/19 (a)		440	413,600
Independent Power Producers &			
Energy Traders 1.4%			
Energy Future Holdings Corp., 10.00%, 1/15/20 (a)		500	501,936
Energy Future Intermediate Holding Co. LLC, 10.00%,			
12/01/20	]	,425	1,437,641
			1,939,577
Industrial Conglomerates 0.5%			
Sequa Corp., 13.50%, 12/01/15 (a)(f)		679	719,387
Media 3.0%			
AMC Networks, Inc., 7.75%, 7/15/21 (a)		120	124,200
CCH II LLC, 13.50%, 11/30/16		550	635,250
CSC Holdings, Inc., 8.50%, 4/15/14		230	248,975
Cengage Learning Acquisitions, Inc., 10.50%,			
1/15/15 (a)		340	261,800
Checkout Holding Corp., 10.97%, 11/15/15 (a)(e)		350	206,500
Clear Channel Worldwide Holdings, Inc.:			
9.25%, 12/15/17		212	224,720
Series B, 9.25%, 12/15/17		967	1,034,690
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (a)		330	333,300
UnityMedia Hessen GmbH & Co. KG (FKA UPC			
Germany GmbH), 8.13%, 12/01/17 (a)	]	,000	1,020,000
			4,089,435
Metals & Mining 0.7%			
FMG Resources August 2006 Property Ltd., 7.00%,			
11/01/15 (a)		445	443,888
Novelis, Inc., 8.38%, 12/15/17		495	511,087
			954,975
Multiline Retail 0.2%			
Dollar General Corp., 11.88%, 7/15/17 (f)		235	260,263
Oil, Gas & Consumable Fuels 0.5%			
Alpha Natural Resources, Inc.:			
6.00%, 6/01/19		225	219,938
6.25%, 6/01/21		350	342,562
Coffeyville Resources LLC, 9.00%, 4/01/15 (a)		144	152,640
•			715,140
Paper & Forest Products 0.2%			,
Longview Fibre Paper & Packaging, Inc., 8.00%,			
6/01/16 (a)		180	178,200
Verso Paper Holdings LLC, Series B, 4.00%, 8/01/14 (b)		180	147,600
			325,800
Pharmaceuticals 0.4%			22,000

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

		ar	
Corporate Bonds	(0)	00)	Value
Wireless Telecommunication Services 1.6%	HCD	925	025 212
Cricket Communications, Inc., 7.75%, 5/15/16	USD	825	835,313
Digicel Group Ltd. (a):		399	200.000
9.13%, 1/15/15 8.25%, 9/01/17		265	399,000 265,000
iPCS, Inc., 2.38%, 5/01/13 (b)		500	463,750
Nextel Communications, Inc., Series E, 6.88%,		300	403,730
10/31/13		155	154,031
10/31/13		133	2,117,094
Total Corporate Bonds 21.2%			29,065,222
Floating Rate Loan Interests (b) Aerospace & Defense 1.7%			
DynCorp International, Term Loan, 6.25%, 7/05/16		515	490,356
The SI Organization, Inc., New Tranche B Term Loan,		0.10	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
4.50%, 11/22/16		470	422,550
TransDigm, Inc., Term Loan (First Lien), 4.00%,		0.45	007.440
2/14/17 Wesco Aircraft Hardware Corp., Term Loan B, 4.25%,		945	907,440
4/07/17		512	494,996
7/0//1/		312	2,315,342
Airlines 0.9%			2,313,342
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%,			
4/20/17		1,275	1,175,129
Auto Components 2.5%		,	, , .
Allison Transmission, Inc., Term Loan, 2.96%, 8/07/14		1,961	1,838,449
Autoparts Holdings, Ltd., First Lien Term Loan,			
6.50%, 7/28/17		750	735,000
Federal-Mogul Corp.:			
Term Loan B, 2.15% 2.18%, 12/29/14		321	291,083
Term Loan C, 2.15% 2.18%, 12/28/15		164	148,410
GPX International Tire Corp., Tranche B: (c)(g)			
8.37%, 3/31/12		549	
12.00%, 3/31/12		9	
UCI International, Inc., Term Loan, 5.50%, 7/26/17		398	386,558
			3,399,500
Automobiles 0.4%			
Ford Motor Co., Tranche B-1 Term Loan, 2.96%,			
12/16/13		530	520,934
Biotechnology 0.3%		440	100 160
Grifols SA, Term Loan B, 6.00%, 6/01/17		410	400,160
Building Products 3.1%			
Armstrong World Industries, Inc., Term Loan B, 4.00%, 3/09/18		623	585,252
CPG International I, Inc., Term Loan B, 6.00%,		023	303,232
2/18/17		945	883,809
Goodman Global, Inc., Initial Term Loan (First Lien),			
5.75%, 10/28/16		2,394	2,352,721
Momentive Performance Materials (Blitz 06-103			
GmbH), Tranche B-2B Term Loan, 4.79%,			
5/05/15	EUR	341	439,940

			4,261,722
Capital Markets 1.8%			
American Capital Ltd., Term Loan B, 7.50%,			
12/31/13	USD	261	253,869
HarbourVest Partners, Term Loan (First Lien), 6.25%,			
12/14/16		906	878,829
Nuveen Investments, Inc. (First Lien):			
Extended Term Loan, 3.25%, 11/13/14		459	424,282
Non-Extended Term Loan, 5.75% 5.81%,			
5/12/17		916	855,804
			2,412,784

See Notes to Financial Statements.

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

		'ar		*7.1
Floating Rate Loan Interests (b) Chemicals 6.0%	(0	00)		Value
AZ Chemical Co., LLC, Term Loan B, 4.75%, 11/21/16	USD	257	¢	247.402
	USD	237	\$	247,402
American Rock Salt Holdings LLC, Term Loan B,		718		600 571
5.50%, 4/25/17				688,574
Ashland, Inc., Term Loan B, 3.75%, 7/30/18		600		586,608
Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16		800		782,664
Gentek, Inc., Tranche B Term Loan, 7.00%,		707		724 701
10/06/15		787		734,781
MDI Holdings, LLC (FKA MacDermid, Inc.),	ELID	264		261.262
Tranche C Term Loan, 3.54%, 4/11/14	EUR	264		361,369
Nexeo Solutions, LLC, Term Loan B, 5.00%, 9/08/17	USD	623		574,080
PQ Corp. (FKA Niagara Acquisition, Inc.), Original				ć00 <b>2</b> 04
Term Facility (First Lien), 3.48% 3.51%, 7/30/14		765		699,384
Styron Sarl, Term Loan B, 6.00%, 8/02/17		959		881,164
Tronox Worldwide LLC, Exit Term Loan, 7.00%,				
10/15/15		1,453		1,436,357
Univar, Inc., Term Loan B, 5.00%, 6/30/17		1,393		1,285,391
				8,277,774
Commercial Services & Supplies 3.9%				
ARAMARK Corp.:				
Letter of Credit 1 Facility, 2.06%, 1/27/14		9		8,436
Letter of Credit 2 Facility, 3.44%, 7/26/16		13		12,047
US Term Loan, 2.12%, 1/27/14		111		104,717
US Term Loan B, 3.50%, 7/26/16		196		183,178
AWAS Finance Luxembourg Sarl, Term Loan B,				
5.25%, 6/10/16		375		360,751
Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B,				
5.00%, 5/19/17		1,350		1,282,500
Altegrity, Inc. (FKA US Investigations Services, Inc.),				
Tranche D Term Loan, 7.75%, 2/20/15		930		904,529
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16		1,000		993,330
Synagro Technologies, Inc., Term Loan (First Lien),				
2.21% 2.23%, 4/02/14		864		749,976
Volume Services America, Inc. (Centerplate), Term				
Loan B, 10.50% 10.75%, 9/16/16		521		498,485
West Corp.:				,
Term Loan B4, 4.50%, 7/15/16		131		123,959
Term Loan B5, 4.50%, 7/15/16		68		64,201
				5,286,109
Communications Equipment 1.7%				0,200,200
Avaya, Inc.:				
Term Loan B, 3.06%, 10/24/14		540		479,930
Term Loan B-3, 4.81%, 10/26/17		1,014		873,494
CommScope, Inc., Term Loan B, 5.00%, 1/14/18		998		957,600
Commocope, me., Term Louis B, 5.00 %, 1/1 1/10		770		2,311,024
Construction & Engineering 1.0%				2,511,024
BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18		430		408,500
Safway Services, LLC, First Out Tranche Loan, 9.00%,		730		700,500
12/16/17		900		900,000
1 <i>L</i> / 1V/ 1 /		900		1,308,500
				1,500,500

Consumer Finance 1.9%		
Springleaf Financial Funding Co. (FKA AGFS Funding		
Co.), Term Loan, 5.50%, 5/10/17	2,800	2,593,500
Containers & Packaging 0.8%		
Anchor Glass Container Corp., Term Loan (First Lien),		
6.00%, 3/02/16	133	131,134
Berry Plastics Holding Corp., Term Loan C, 2.21%,		
4/03/15	138	122,929
Graham Packaging Co., LP:		
Term Loan C, 6.75%, 4/04/14	271	268,429
Term Loan D, 6.00%, 9/23/16	596	589,545
		1,112,037

	P	ar	
Floating Rate Loan Interests (b)	(0	00)	Value
Diversified Consumer Services 3.0%			
Coinmach Service Corp., Term Loan, 3.22% 3.30%, 11/20/14	USD	1,348	\$ 1,172,350
Laureate Education, Extended Term Loan, 5.25%, 8/15/18		2,039	1,800,468
ServiceMaster Co.:		2,037	1,000,100
Closing Date Term Loan, 2.69% 2.76%, 7/24/14		1,109	1,024,820
Delayed Draw Term Loan, 2.72%, 7/24/14		1,109	102,057
Delayed Diaw Term Loan, 2.12 //, //24/14		110	4,099,695
Diversified Financial Services 0.5%			1,077,073
Reynolds Group Holdings, Inc., Term Loan E, 6.50%, 2/09/18		698	665,956
Diversified Telecommunication Services 4.4%		070	003,730
Hawaiian Telcom Communications, Inc., Term Loan,			
9.00%, 11/01/15		700	699,125
Integra Telecom Holdings, Inc., Term Loan, 9.25%,		, 00	0,,120
4/15/15		792	745,470
Level 3 Financing, Inc.:			,
Add on Term Loan, 11.50%, 3/13/14		625	649,481
Incremental Tranche A Term Loan, 2.50%,			
3/13/14		1,300	1,201,200
Term Loan B2, 2.50%, 9/03/18		2,000	1,885,000
US Telepacific Corp., Term Loan B, 5.75%, 2/23/17		898	864,308
			6,044,584
Electronic Equipment, Instruments &			
Components 2.2%			
Aeroflex Inc., Term Loan B, 4.25%, 5/09/18		775	717,518
CDW LLC (FKA CDW Corp.):			
Extended Term Loan B, 4.25%, 7/14/17		554	502,377
Non-Extended Term Loan, 3.71%, 10/10/14		728	683,991
Flextronics International Ltd. Delayed Draw:			22 < 12
Term Loan A-2, 2.44%, 10/01/14		24	22,649
Term Loan A-3, 2.47%, 10/01/14		21	19,413
Sensata Technologies Finance Company, LLC,		1 100	1.057.275
New Term Loan, 4.00%, 5/11/18		1,100	1,057,375
E E			3,003,323
Energy Equipment & Services 2.5%		976	776 520
CCS Corporation, Term Loan B, 3.25%, 11/14/14  Dynegy Holdings, Inc.:		876	776,520
Coal Company Term Loan, 9.25%, 8/04/16		371	250 222
Gas Company Term Loan, 9.25%, 8/04/16		679	358,323 667,118
MEG Energy Corp., Tranche D Term Loan, 4.00%,		0/9	007,118
3/16/18		1,750	1,673,437
3/10/10		1,730	3,475,398
Food & Stanles Retailing 18%			3,773,390

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

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

Floating Rate Loan Interests (b)	Par (000)	Value
Food Products (concluded)		
Pinnacle Foods Finance LLC, Tranche D Term Loan,		
6.00%, 4/02/14	USD 631	\$ 621,894
Solvest, Ltd. (Dole):	•	200.062
Tranche B-1 Term Loan, 5.00% 6.00%, 7/06/18	301	289,863
Tranche C-1 Term Loan, 5.00% 6.00%, 7/06/18	559	538,317
W 11 G F 1 40 G 11 46 G		5,663,160
Health Care Equipment & Supplies 1.6%	265	246.205
Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15	365	346,385
DJO Finance LLC (FKA ReAble Therapeutics Finance	400	464.550
LLC), Term Loan, 3.22%, 5/20/14	498	464,558
Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18	852	785,544
Immucor, Inc., Term Loan B, 7.25%, 8/17/18	570	549,696
W M C B 11 0 C 1 FFC		2,146,183
Health Care Providers & Services 5.5%		
CHS/Community Health Systems, Inc.:		
Extended Term Loan B, 3.72% 3.82%,	00	02.220
1/25/17	90	82,238
Non-Extended Delayed Draw Term Loan,	45	41.066
2.47% 2.57%, 7/25/14	45	41,966
Non-Extended Term Loan, 2.47% 2.57%,	0.41	770 422
7/25/14	841	779,433
ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16	697	657,029
DaVita, Inc., Term Loan B, 4.50%, 10/20/16	896	868,635
Emergency Medical Services, Term Loan, 5.25%,	1.052	072 221
5/25/18 UCA Inc.	1,052	973,331
HCA, Inc.:	311	201 200
Tranche B-1 Term Loan, 3.50%, 5/01/18	368	291,390
Tranche B-2 Term Loan, 3.50%, 3/31/17 Harden Healthcare, Inc.:	300	346,271
Tranche A Additional Term Loan, 7.75%, 3/02/15	608	596,182
Tranche A Term Loan, 8.50%, 3/02/15	346	339,127
inVentiv Health, Inc. (FKA Ventive Health, Inc.):	J <del>4</del> 0	339,127
Incremental Term Loan B3, 6.75%, 5/15/18	400	376,000
Term Loan B, 6.50%, 8/04/16	948	894,172
Medpace, Inc., Term Loan, 6.50%, 6/22/17	650	617,500
Renal Advantage Holdings, Inc., Tranche B Term Loan,	030	017,500
5.75%, 12/16/16	697	681,992
5.75 /0, 12/10/10	097	7,545,266
Health Care Technology 0.7%		7,545,200
IMS Health, Inc., Tranche B Dollar Term Loan, 4.50%,		
8/25/17	640	614,169
MedAssets, Inc., Term Loan B, 5.25%, 11/16/16	428	405,379
Wed/ (350), Inc., 10111 Loan B, 5.25 /0, 11/10/10	420	1,019,548
Hotels, Restaurants & Leisure 7.7%		1,019,540
Ameristar Casinos, Inc., Term Loan B, 4.00%,		
4/13/18	798	766,080
Caesars Entertainment Operating Co.:	190	700,000
Incremental Term Loan B-4, 9.50%, 10/31/16	398	397,152
Term Loan B-1, 3.22% 3.25%, 1/28/15	128	110,367
Term Loan B-2, 3.22% 3.25%, 1/28/15	165	142,157
10m Loan D-2, 3.22 /0 3.23 /0, 1/20/13	103	174,137

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

Floating Rate Loan Interests (b)	P: (00	ar )0)	Value
Hotels, Restaurants & Leisure (concluded)	(**	/	,
Twin River Worldwide Holdings, Inc., Term Loan, 7.75%,			
11/05/15	USD	429	\$ 425,534
VML US Finance LLC (FKA Venetian Macau):			
New Project Term Loan, 4.73%, 5/27/13		318	314,743
Term B Delayed Draw Project Loan, 4.73%,			
5/25/12		521	515,575
Term B Funded Project Loan, 4.73%, 5/27/13		1,011	998,288
			10,543,983
Household Durables 0.0%			
Visant Corp. (FKA Jostens), Tranche B Term Loan,			
5.25%, 12/22/16		24	22,200
IT Services 4.8%			
Ceridian Corp., US Term Loan, 3.22%, 11/10/14		1,095	936,456
First Data Corp.:			
Initial B-1 Term Loan, 2.97%, 9/24/14		137	120,278
Initial B-2 Loan B, 4.22%, 3/23/18		3,438	2,878,608
Initial B-3 Term Loan, 2.97%, 9/24/14		78	68,902
infoGROUP, Inc., Term Loan, 5.75%, 5/22/18		377	345,614
iPayment, Inc., Term Loan B, 5.75%, 5/08/17		601	568,539
TransUnion LLC, Replacement Term Loan, 4.75%,			
2/12/18		1,738	1,648,036
			6,566,433
Independent Power Producers &			
Energy Traders 3.6%			
AES Corp., Term Loan B, 4.25%, 6/01/18		998	958,099
Calpine Corp., Term Loan B, 4.50%, 4/02/18		1,994	1,838,344
Texas Competitive Electric Holdings Co., LLC (TXU),			
Extended Term Loan, 4.71% 4.77%, 10/10/17		2,910	2,136,409
			4,932,852
Industrial Conglomerates 2.1%			
Sequa Corp., Term Loan, 3.50% 3.51%, 12/03/14		1,671	1,561,243
Tomkins Plc, Term Loan B, 4.25%, 9/29/16		1,366	1,314,944
			2,876,187
Insurance 0.7%			
CNO Financial Group, Inc., Term Loan, 6.25%,			
9/30/16		1,009	985,993
Machinery 0.8%			
Navistar Financial Corp., Term Loan B, 4.50%,			
12/16/12		422	410,181
Terex Corp.:			
Term Loan, 6.03%, 4/28/17	EUR	70	97,539
Term Loan B, 5.50%, 4/28/17	USD	550	539,000
			1,046,720
Marine 0.3%			

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

See Notes to Financial Statements.

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

	Par	
Floating Rate Loan Interests (b)	(000)	Value
Media (concluded)		
Cengage Learning Acquisitions, Inc.		
(FKA Thomson Learning): Term Loan, 2.50%, 7/03/14	USD 1,0	025 \$ 847,696
Tranche 1 Incremental Term Loan, 7.50%,	USD 1,0	123 \$ 647,090
7/03/14	,	197 474,380
Charter Communications Operating, LLC:	_	-91 474,300
Term Loan B, 7.25%, 3/06/14		14 14,385
Term Loan C, 3.50%, 9/06/16	1 /	136 1,367,001
Clarke American Corp., Term Facility B,	1,-	1,507,001
2.72% 2.75%, 6/30/14	5	439,985
Clear Channel Communications, Inc., Term Loan B,		150,000
3.87%, 1/28/16	1.1	45 856,964
Cumulus Media, Inc., Term Loan, 6.75%, 8/30/18		700 655,375
Getty Images, Inc., Initial Term Loan, 5.25%,	,	00 033,373
11/07/16		258 252,314
Gray Television, Inc., Term Loan B, 3.71%, 12/31/14		543 588,419
HMH Publishing Co., Ltd., Tranche A Term Loan,		713 300,117
6.21%, 6/12/14	7	741 595,858
Hubbard Broadcasting, Term Loan (Second Lien),	•	373,030
5.25%, 4/28/17	5	500 475,835
Intelsat Jackson Holdings S.A. (FKA Intelsat Jackson		,
Holdings, Ltd.), Tranche B Term Loan,		
5.25%, 4/02/18	3.4	91 3,342,872
Interactive Data Corp., Term Loan, 4.50%, 2/12/18		1,462,062
Knology, Inc., Term Loan B, 4.00%, 8/18/17		328,258
Lavena Holding 3 GmbH (Prosiebensat.1 Media AG),		,
Facility B1, 4.20%, 3/06/15	EUR 3	338,575
Mediacom Illinois, LLC (FKA Mediacom		,
Communications, LLC), Tranche D Term Loan,		
5.50%, 3/31/17	USD 4	191 469,144
Newsday LLC, Fixed Rate Term Loan, 10.50%,		
8/01/13	1,3	325 1,368,062
Nielsen Finance LLC, Class B Dollar Term Loan,		
3.95%, 5/02/16	7	731 687,557
Sinclair Television Group, Inc., New Tranche B Term		
Loan, 4.00%, 10/28/16	5	508 499,999
Sunshine Acquisition Ltd. (FKA HIT Entertainment),		
Term Facility, 5.51%, 6/01/12	1,0	972,874
UPC Broadband Holding B.V., Term U, 5.44%,		
12/31/17	EUR 1,2	210 1,625,655
Univision Communications, Inc., Extended First Lien		
Term Loan, 4.47%, 3/31/17	Ç	809,370
WC Luxco Sarl, New Term Loan B3, 4.25%, 3/15/18	USD 2	251 240,612
Weather Channel, Term Loan B, 4.25%, 2/13/17	1,2	202 1,157,561
		25,273,862
Metals & Mining 2.8%		
Novelis, Inc., Term Loan, 3.75%, 3/10/17		522 1,437,742
SunCoke Energy, Inc., Term Loan B, 4.00%, 7/26/18		500 475,000
Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18	2,0	1,970,452
		3,883,194
Multi-Utilities 0.1%		
		174 164,529

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FirstLight Power Resources, Inc. (FKA NE Energy, Inc.),			
Term B Advance (First Lien), 2.75%, 11/01/13  Multiline Retail 0.7%			
Dollar General Corp., Tranche B-2 Term Loan,			
2.96% 2.97%,7/07/14		360	349,596
Hema Holding BV:		200	2.5,650
Facility B, 3.43%, 7/06/15	EUR	205	274,466
Facility C, 4.18%, 7/05/16		205	275,942
			900,004
	Par		
Floating Rate Loan Interests (b)	(00)		Value
Oil, Gas & Consumable Fuels 2.1%	`		
EquiPower Resources Holdings, LLC, Term Loan B,			
5.75%, 1/26/18	USD	848	\$ 812,900
Gibson Energy, Term Loan B, 5.75%, 6/14/18		950	897,750
Obsidian Natural Gas Trust, Term Loan, 7.00%,			4.442.020
11/02/15		1,176	1,163,820
Danay & Faract Draducts 12%			2,874,470
Paper & Forest Products 1.3% Georgia-Pacific LLC, Term Loan B, 2.32%, 12/21/12		614	609,160
Verso Paper Finance Holdings LLC, Term Loan,		014	009,100
6.51% 7.26%, 2/01/13 (f)		1,419	1,220,615
0.3170 7.2070, 2101113 (1)		1,117	1,829,775
Pharmaceuticals 2.5%			,= -,
Axcan Pharma, Inc., Term Loan B, 5.50%, 2/10/17		1,144	1,032,113
Endo Pharmaceuticals Holdings, Inc., Term Loan B,			
4.00%, 6/18/18		700	684,691
Quinteles Transnational Corp., Term Loan, 5.00%,			
6/08/18		680	630,700
RPI Finance Trust, Term Loan Tranche 2, 4.00%,		500	405 000
5/09/18 Warner Chilcott Corp.:		500	485,000
Term Loan B-1, 4.25%, 3/15/18		365	349,526
Term Loan B-2, 4.25%, 3/15/18		182	174,991
701111 Bound B 2, 1120 10, 01 101 10		102	3,357,021
Professional Services 1.0%			, i
Booz Allen Hamilton, Inc., Tranche B Term Loan,			
4.00%, 8/03/17		612	598,983
Fifth Third Processing Solutions, LLC, Term Loan B			
(First Lien), 4.50%, 11/03/16		796	766,656
D. LECT. A. C.			1,365,639
Real Estate Investment Trusts (REITs) 0.8%			
iStar Financial, Inc., Term Loan, (Second Lien), 5.00%, 6/28/13		1,179	1,145,821
Real Estate Management & Development 1.8%		1,179	1,143,621
Mattamy Funding Partnership, Term Loan, 2.56%,			
4/11/13		227	213,385
Realogy Corp.:			- ,
Delayed Draw Term Loan, 3.27%, 10/10/13		853	753,011
Extended Synthetic Letter of Credit Loan, 4.44%,			
10/10/16		74	60,868
Extended Term Loan B, 4.52%, 10/10/16		1,447	1,191,345
Letter of Credit, 3.19%, 10/10/13		35	30,603
Term Loan, 3.27%, 10/10/13		275	242,972