

BLACKROCK PREFERRED INCOME STRATEGIES FUND, INC.
Form N-CSRS
July 01, 2009

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

FORM N-CSRS

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES**

Investment Company Act file number 811-21286

Name of Fund: BlackRock Preferred Income Strategies Fund, Inc. (PSY)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock
Preferred Income Strategies Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536.

Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 10/31/2009

Date of reporting period: 04/30/2009

Item 1 Report to Stockholders

Semi-Annual Report

APRIL 30, 2009 | (UNAUDITED)

[BlackRock Broad Investment Grade 2009 Term Trust Inc. \(BCT\)](#)

[BlackRock Enhanced Capital and Income Fund, Inc. \(CII\)](#)

[BlackRock Floating Rate Income Trust \(BGT\)](#)

[BlackRock Preferred and Corporate Income Strategies Fund, Inc. \(PSW\)](#)

[BlackRock Preferred and Equity Advantage Trust \(BTZ\)](#)

[BlackRock Preferred Income Strategies Fund, Inc. \(PSY\)](#)

[BlackRock Preferred Opportunity Trust \(BPP\)](#)

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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Section 19 Disclosure

BlackRock Enhanced Capital and Income Fund, Inc. (CII) and BlackRock Preferred and Equity Advantage Trust (BTZ) (each a Fund and collectively, the Funds), acting pursuant to a Securities and Exchange Commission (SEC) exemptive order and with the approval of each Fund's Board of Directors/Trustees (the Board), each have adopted a level distribution plan (the Plan) that is consistent with its investment objectives and policies. In adopting the Plan, each Fund employs either a managed distribution or option over-write policy to support a level distribution of income, capital gains and/or return of capital. In accordance with the Plans, the Funds currently distribute the following fixed amounts per share:

Exchange Symbol	Amount Per Common Share	Distribution Frequency
CII	\$0.485	Quarterly
BTZ	\$0.100	Monthly

The fixed amounts distributed per share are subject to change at the discretion of each Fund's Board. Under its Plan, each Fund will distribute all available investment income to its shareholders, consistent with its primary investment objectives and as required by the Internal Revenue Code of 1986, as amended (the Code). If sufficient investment income is not available on a monthly/quarterly basis, the Funds will distribute long-term capital gains and/or return of capital to shareholders in order to maintain

a level distribution. Each monthly/quarterly distribution to shareholders is expected to be at the fixed amount established by the Board, except for extraordinary distributions and potential distribution rate increases or decreases to enable the Funds to comply with the distribution requirements imposed by the Code.

Shareholders should not draw any conclusions about the Fund's investment performance from the amount of these distributions or from the terms of the Plan. Each Fund's total return performance on net asset value is presented in its financial highlights table.

The Board may amend, suspend or terminate a Fund's Plan without prior notice if it deems such actions to be in the best interests of the Fund or its shareholders. The suspension or termination of the Plan could have the effect of creating a trading discount (if the Fund's stock is trading at or above net asset value) or widening an existing trading discount. The Funds are subject to risks that could have an adverse impact on their ability to maintain a level distribution. Examples of potential risks include, but are not limited to, economic downturns impacting the markets, decreased market volatility, companies suspending or decreasing corporate dividend distributions and changes in the Code. Please refer to each Fund's prospectus for a more complete description of its risks.

Please refer to Additional Information for a cumulative summary of the Section 19(a) notices for each Fund's current fiscal period. Section 19(a) notices for the Funds, as applicable, are available on the BlackRock website

www.blackrock.com.

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APRIL 30, 2009

Dear Shareholder

The past 12 months reveal a tale of two markets – one of investor pessimism and decided weakness, and another of optimism and some early signs of

recovery. The majority of the past year was characterized by the former as the global financial crisis erupted into the worst recession in decades. Economic

data were uniformly poor and daily headlines recounted the downfalls of storied financial firms, volatile swings in global financial markets, and monumental

government actions that included widespread (and globally coordinated) monetary and quantitative easing by central banks and large-scale fiscal stimuli.

Sentiment improved noticeably in March 2009, however, on the back of new program announcements by the Treasury and Federal Reserve Board, as well

as signs of improved economic performance, such as in retail sales, consumer confidence and select areas of the housing market.

Against this backdrop, US equities contended with unprecedented levels of volatility, posting steep declines early, and then pared some of those losses in

March and April. The experience in international markets was similar to that in the United States, though there was a marked divergence in regional perform-

ance. Notably, emerging economies, which lagged most developed regions through the downturn, were among the market leaders during the late-period rally.

In fixed income markets, while risk aversion remained a dominant theme overall, relatively attractive yields and distressed valuations, alongside a more

favorable macro environment, eventually captured investor attention, leading to a modest recovery in non-Treasury assets. A notable example from the

opposite end of the credit spectrum was the high yield sector, which generally outperformed in the first four months of 2009 after extraordinary challenges

and severe underperformance last year. At the same time, the new year ushered in a return to normalcy for the tax-exempt market, which had registered one

of its worst years on record in 2008.

All told, the major benchmark indexes posted mixed results for the current reporting period, reflective of a bifurcated market.

Total Returns as of April 30, 2009	6-month	12-month
US equities (S&P 500 Index)	(8.53)%	(35.31)%
Small cap US equities (Russell 2000 Index)	(8.40)	(30.74)
International equities (MSCI Europe, Australasia, Far East Index)	(2.64)	(42.76)
US Treasury securities (Merrill Lynch 10-Year US Treasury Index)	8.98	9.30

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Taxable fixed income (Barclays Capital US Aggregate Bond Index)	7.74	3.84
Tax-exempt fixed income (Barclays Capital Municipal Bond Index)	8.20	3.11
High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	16.39	(12.55)

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

On June 16, 2009, BlackRock, Inc. announced that it received written notice from Barclays PLC (Barclays) in which Barclays Board of Directors had

accepted BlackRock s offer to acquire Barclays Global Investors (BGI). Barclays also notified BlackRock that its Board will recommend the transaction to

Barclays shareholders for approval at a special meeting to be held in early August 2009. The combination of BlackRock and BGI will bring together market

leaders in active and index strategies to create the preeminent asset management firm. The transaction is expected to close in the fourth quarter 2009

following approval by Barclays shareholders, the receipt of client consents and regulatory approvals, and satisfaction of customary closing conditions.

Through periods of market turbulence, as ever, BlackRock s full resources are dedicated to the management of our clients assets. We thank you for entrusting

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

Sincerely,

THIS PAGE NOT PART OF YOUR FUND REPORT

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Fund Summary as of April 30, 2009 BlackRock Broad Investment Grade 2009 Term Trust Inc.

Investment Objective

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT) (the Fund) seeks to manage a portfolio of fixed income securities that will return \$15 per share (the initial public offering price per share) to investors on or about December 31, 2009 while providing high monthly income. No assurance can be given that the Fund's investment objective will be achieved. As discussed in the performance commentary below, it is expected the Fund will return less than \$15 per share. See Note 1 of the Notes to Financial Statements (Organization and Significant Accounting Policies).

Performance

For the six months ended April 30, 2009, the Fund returned (10.48)% based on market price and (9.84)% based on net asset value (NAV). For the same period, the closed-end Lipper US Mortgage Funds category posted an average return of (1.09)% on a market price basis and (1.40)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. On June 3, 2009, the investment advisor and the Board of Trustees (the Board) of the Fund announced that the Fund will make its final liquidating distribution on or about October 30, 2009, instead of December 31, 2009. Based on the Fund's net assets, prolonged adverse market conditions and investment opportunities currently available to the Fund, BlackRock and the Board believe it is in the investors best interest to liquidate the Fund in advance of its scheduled date. At final liquidation, the Fund's shareholders will receive the net asset value of the Fund at that time in one or more liquidating distributions, which is expected to be less than the Fund's initial offering price. The Fund remains focused on its December 2009 maturity and is positioned accordingly. During the six months, we maintained the Fund's allocation to agency debt and corporate debt, as well as to mortgage-backed securities (MBS). The exposure to MBS detracted from performance, while the allocation to corporates was beneficial. The Fund maintained moderate levels of cash during the period, which did not significantly impact performance.

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

Fund Information

Symbol on American Stock Exchange	BCT
Initial Offering Date	June 17, 1993
Yield on Closing Market Price as of April 30, 2009 (\$11.19) ¹	0.00%
Current Monthly Distribution per share ²	\$0.00
Current Annualized Distribution per share ²	\$0.00

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Leverage as of April 30, 2009³

6%

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

Past performance does not guarantee future results.

² Effective November 2008, the Fund has discontinued its monthly distribution in an effort to meet its termination target of \$15.00.

³ Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

For a discussion of leveraging techniques utilized by the Fund, please see the Benefits and Risks of Leveraging on page 11.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$11.19	\$12.50	(10.48)%	\$13.05	\$10.95
Net Asset Value	\$11.54	\$12.80	(9.84)%	\$12.80	\$11.29

The following chart shows the portfolio composition of the Fund's total investments:

Portfolio Composition		
	4/30/09	10/31/08
U.S. Government Sponsored Agency Obligations	71%	66%
Corporate Bonds	8	5
Short-Term Securities	7	9
Non-U.S. Government Sponsored Agency Mortgage-Backed Securities	7	10
U.S. Government Sponsored Agency Mortgage-Backed Securities Collateralized Mortgage Obligations	3	6
Taxable Municipal Bonds	3	3
U.S. Government Sponsored Agency Mortgage-Backed Securities	1	1

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Fund Summary as of April 30, 2009 BlackRock Enhanced Capital and Income Fund, Inc.

Investment Objective

BlackRock Enhanced Capital and Income Fund, Inc. (CII) (the Fund) seeks to provide investors with a combination of current income and capital appreciation. The Fund seeks to achieve its investment objective by investing primarily in a diversified portfolio of common stocks in an attempt to generate current income and by employing a strategy of writing (selling) call options on equity indexes in an attempt to generate gains from option premiums primarily on the S&P 500 Index. No assurance can be given that the Fund's investment objective will be achieved.

The Board recently approved a change to the Fund's option writing policy. Please refer to page 65 in the General Information section.

Performance

For the six months ended April 30, 2009, the Fund returned 0.05% based on market price and 2.12% based on net asset value (NAV). For the same period, the benchmark S&P 500 Citigroup Value Index returned (14.39)%. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The largest contributor to performance was the Fund's underweight exposure to the financials sector, which was a weak performer during the six months. Stock selection in healthcare, energy and industrials also was strong. Key individual contributors in healthcare were Schering-Plough Corp. and Wyeth, while BJ Services Co., Exxon Mobil Corp. and Halliburton Co. led within energy and industrials. The lack of ownership in General Electric Co. and Deere & Co. also was advantageous. The main detractor from performance was stock selection in the consumer discretionary sector. Key laggards included General Mills, Inc. and Kimberly-Clark Corp., which posted weak returns during the period.

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Fund Information

Symbol on New York Stock Exchange	CII
Initial Offering Date	April 30, 2004
Yield on Closing Market Price as of April 30, 2009 (\$11.38) ¹	17.05%
Current Quarterly Distribution per share ²	\$0.485
Current Annualized Distribution per share ²	\$1.940

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

Past performance does not guarantee future results.

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

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$11.38	\$12.37	(8.00)%	\$13.13	\$ 7.92
Net Asset Value	\$12.94	\$13.78	(6.10)%	\$14.37	\$10.62

The following charts show the ten largest holdings and sector allocations as a percent of the Fund's long-term investments:

Portfolio Information			
Ten Largest Holdings	Percent of Long-Term Investments		Percent of Long-Term Investments
		Sector Allocations	
		Information	
Exxon Mobil Corp.	4%	Technology	19%
The Travelers Cos., Inc.	4	Financials	16
Schering-Plough Corp.	4	Health Care	12
JPMorgan Chase & Co.	3	Energy	11
		Consumer	
LSI Corp.	3	Staples	11
Xerox Corp.	3	Industrials	9
Qwest Communications International Inc.	3	Telecommunication Services	7
		Consumer	
Kimberly-Clark Corp.	3	Discretionary	7
Bristol-Myers Squibb Co.	3	Utilities	4
Verizon Communications, Inc.	2	Materials	4

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Fund Summary as of April 30, 2009 BlackRock Floating Rate Income Trust

Investment Objective

BlackRock Floating Rate Income Trust (BGT) (formerly BlackRock Global Floating Rate Income Trust) (the Fund) seeks to provide a high level of current income and to seek the preservation of capital. The Fund seeks to achieve its objective by investing in a global portfolio of primarily floating and variable rate securities. No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended April 30, 2009, the Fund returned 16.00% based on market price and 5.03% based on net asset value (NAV). For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 0.24% on a market price basis and (4.14)% on a NAV basis.

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. For the first two months of the reporting period, the high yield loan market was under extreme pressure and lost 10.90%, as measured by the Barclays Capital High Yield Loan Index. However, this underperformance was followed by a strong first four months of 2009, in which the sector gained in excess of 20%. This resulted in positive market performance for the six months as a whole. During this time, the Fund maintained a high level of leverage and focused on higher-quality sectors and structures, which benefited most during the market rally; these were the primary contributors to the Fund's outperformance of its Lipper peers. Conversely, conservative positioning hampered results during the sharp rally in the first four months of 2009.

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Fund Information

Symbol on New York Stock Exchange	BGT
Initial Offering Date	August 30, 2004
Yield on Closing Market Price as of April 30, 2009 (\$9.85) ¹	12.18%
Current Monthly Distribution per Common Share ²	\$0.10
Current Annualized Distribution per Common Share ²	\$1.20
Leverage as of April 30, 2009 ³	32%

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

Past performance does not guarantee future results.

² The Monthly Distribution per Common Share, declared on June 1, 2009, was decreased to \$0.075. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future. A portion of the distribution may be deemed a tax return of capital or

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net realized gain.

³ Represents loan outstanding and Auction Market Preferred Shares (Preferred Shares) as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding and Preferred Shares) minus the sum of accrued liabilities (other than debt representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see the Benefits and Risks of Leveraging on page 11.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$ 9.85	\$ 9.63	2.28%	\$10.25	\$6.88
Net Asset Value	\$10.41	\$11.24	(7.38)%	\$11.43	\$8.86

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

	4/30/09	10/31/08
Floating Rate Loan Interests	76%	79%
Corporate Bonds	17	14
Foreign Government Obligations	7	7

Credit Quality Allocations⁴

	4/30/09	10/31/08
A/A	19%	20%
BBB/Baa	47	30
BB/Ba	9	16
B/B	11	23
CCC/Caa	7	10
D	6	
Not Rated	1	1

⁴ Using the higher of Standard & Poor's (S&P's) or Moody's Investors Service (Moody's) ratings.

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Fund Summary as of April 30, 2009 BlackRock Preferred and Corporate Income Strategies Fund, Inc.

Investment Objective

BlackRock Preferred and Corporate Income Strategies Fund, Inc. (PSW) (the Fund) seeks to provide shareholders with high current income and capital appreciation. The Fund seeks to achieve its objectives by investing primarily in a portfolio of preferred securities and debt securities, including convertible securities that may be converted into common stock or other securities of the same or a different issuer. No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended April 30, 2009, the Fund returned (11.81)% based on market price and (15.87)% based on net asset value (NAV). For the same period, the closed-end Lipper Income & Preferred Stock Funds category posted an average return of (5.69)% on a market price basis and (8.83)% on a NAV basis. 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 Fund's Lipper category contains both preferred and equity funds, both of which declined significantly through early March and rebounded sharply afterwards. Equities, as measured by the S&P 500 Index, lost 8.53% for the six months, while preferred securities, as measured by the Merrill Lynch Fixed Rate Preferred Index, lost 11.62%. Financial issues make up a significant percentage of the preferred market and, during the period, were highly correlated to financial equities, which significantly underperformed. Accordingly, the Fund's holdings of financials detracted from returns, as did relatively high levels of leverage. Due to adverse market conditions during the period, the Fund invested a higher than usual percentage of its assets in cash equivalent securities. This higher-than-normal allocation to cash helped performance for the six months.

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Fund Information

Symbol on New York Stock Exchange	PSW
Initial Offering Date	August 1, 2003
Yield based on Closing Market Price as of April 30, 2009 (\$5.55) ¹	17.47%
Current Monthly Distribution per Common Share ²	\$0.0808
Current Annualized Distribution per Common Share ²	\$0.9696
Leverage as of April 30, 2009 ³	44%

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

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² The Monthly Distribution per Common Share, declared on June 1, 2009, was decreased to \$0.06. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents reverse repurchase agreements and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding and Preferred Shares) minus the sum of accrued liabilities (other than debt representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see the Benefits and Risks of Leveraging on page 11.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$5.55	\$7.00	(20.71)%	\$7.99	\$3.44
Net Asset Value	\$5.62	\$7.43	(24.36)%	\$7.60	\$4.55

The following charts show the portfolio composition of the Fund's total investments and credit quality allocations of the Fund's Capital Trust, Trust Preferred and Corporate Bond investments:

Portfolio Composition

	4/30/09	10/31/08
Preferred Securities	71%	87%
Short-Term Securities	27	11
Corporate Bonds	2	2

Credit Quality Allocations⁴

	4/30/09	10/31/08
AA/Aa	1%	14%
A/A	33	46
BBB/Baa	57	36
BB/Ba	6	4
B/B	2	
CCC/Caa	1	

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

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Fund Summary as of April 30, 2009 BlackRock Preferred and Equity Advantage Trust

Investment Objective

BlackRock Preferred and Equity Advantage Trust (BTZ) (the Fund) seeks to achieve high current income, current gains and capital appreciation. The Fund will invest primarily in preferred and equity securities and derivatives with economic characteristics similar to individual or groups of equity securities. The Fund will seek to generate income through an allocation of Qualified Dividend Income-eligible preferreds, common stocks that generate qualified dividend income and an index options strategy. No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended April 30, 2009, the Fund returned (4.23)% based on market price and (8.73)% based on net asset value (NAV). For the same period, the closed-end Lipper Income & Preferred Stock Funds category posted an average return of (5.69)% on a market price basis and (8.83)% on a NAV basis. 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 Fund's Lipper category contains both preferred and equity funds, both of which declined significantly through early March and rebounded sharply afterwards. Equities, as measured by the S&P 500 Index, lost 8.53% for the six months, while preferred securities, as measured by the Merrill Lynch Fixed Rate Preferred Index, lost 11.62%. Financial issues make up a significant percentage of the preferred market and, during the period, were highly correlated to financial equities, which significantly underperformed. Accordingly, the Fund's holdings of financials detracted from returns, as did relatively high levels of leverage. Due to adverse market conditions during the period, the Fund invested a higher than usual percentage of its assets in cash equivalent securities. This higher-than-average allocation to cash, combined with options strategies used by the Fund to generate additional income, helped performance for the six months.

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Fund Information

Symbol on New York Stock Exchange	BTZ
Initial Offering Date	December 27, 2006
Yield on Closing Market Price as of April 30, 2009 (\$8.05) ¹	19.38%
Current Monthly Distribution per Common Share ²	\$0.13
Current Annualized Distribution per Common Share ²	\$1.56
Leverage as of April 30, 2009 ³	39%

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

Past performance does not guarantee future results.

² The Monthly Distribution per Common Share, declared on June 1, 2009, was decreased to \$0.10. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents reverse repurchase agreements and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding and Preferred Shares) minus the sum of accrued liabilities (other than debt representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see the Benefits and Risks of Leveraging on page 11.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$8.05	\$ 9.36	(14.00)%	\$ 9.80	\$4.56
Net Asset Value	\$8.68	\$10.59	(18.04)%	\$10.80	\$6.89

The following charts show the portfolio composition of the Fund's total investments and credit quality allocations of the Fund's Capital Trust, Trust Preferred and Corporate Bond investments:

Portfolio Composition

	4/30/09	10/31/08
Preferred Securities	52%	59%
Common Stocks	24	16
Short-Term Securities	15	21
Corporate Bonds	9	4

Credit Quality Allocations⁴

	4/30/09	10/31/08
AA/Aa	5%	21%
A/A	41	42
BBB/Baa	47	34
BB/Ba	5	3
B/B	1	
CCC/Caa	1	

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

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Fund Summary as of April 30, 2009 BlackRock Preferred Income Strategies Fund, Inc.

Investment Objective

BlackRock Preferred Income Strategies Fund, Inc. (PSY) (the Fund) seeks to provide shareholders with current income and capital appreciation. The Fund seeks to achieve its objectives by investing primarily in a portfolio of preferred securities, including convertible preferred securities that may be converted into common stock or other securities of the same or a different issuer. No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended April 30, 2009, the Fund returned (16.83)% based on market price and (17.88)% based on net asset value (NAV). For the same period, the closed-end Lipper Income & Preferred Stock Funds category posted an average return of (5.69)% on a market price basis and (8.83)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The Fund's Lipper category contains both preferred and equity funds, both of which declined significantly through early March and rebounded sharply afterwards. Equities, as measured by the S&P 500 Index, lost 8.53% for the six months, while preferred securities, as measured by the Merrill Lynch Fixed Rate Preferred Index, lost 11.62%. Financial issues make up a significant percentage of the preferred market and, during the period, were highly correlated to financial equities, which significantly underperformed. Accordingly, the Fund's holdings of financials detracted from returns, as did relatively high levels of leverage. Due to adverse market conditions during the period, the Fund invested a higher than usual percentage of its assets in cash equivalent securities. This higher-than-normal allocation to cash helped performance for the six months.

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

Fund Information

Symbol on New York Stock Exchange	PSY
Initial Offering Date	March 28, 2003
Yield on Closing Market Price as of April 30, 2009 (\$6.05) ¹	18.76%
Current Monthly Distribution per Common Share ²	\$0.094583
Current Annualized Distribution per Common Share ²	\$1.134996
Leverage as of April 30, 2009 ³	43%

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

Past performance does not guarantee future results.

² The Monthly Distribution per Common Share, declared June 1, 2009, was decreased to \$0.075. The Yield on Closing Market Price, Current

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Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future. A portion of the distribution may be deemed a tax return of capital or net realized gain.

³ Represents reverse repurchase agreements and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding and Preferred Shares) minus the sum of accrued liabilities (other than debt representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see the Benefits and Risks of Leveraging on page 11.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$6.05	\$8.10	(25.31)%	\$8.40	\$3.69
Net Asset Value	\$5.87	\$7.96	(26.26)%	\$8.17	\$4.60

The following charts show the portfolio composition of the Fund's total investments and credit quality allocations of the Fund's Capital Trust, Trust Preferred and Corporate Bond investments:

Portfolio Composition

	4/30/09	10/31/08
Preferred Securities	94%	93%
Short-Term Securities	4	4
Corporate Bonds	2	3

Credit Quality Allocations⁴

	4/30/09	10/31/08
AA/Aa	1%	16%
A/A	34	49
BBB/Baa	50	28
BB/Ba	11	7
B/B	3	
CCC/Caa	1	

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

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Fund Summary as of April 30, 2009 BlackRock Preferred Opportunity Trust

Investment Objective

BlackRock Preferred Opportunity Trust (BPP) (the Fund) seeks high current income consistent with capital preservation by investing primarily in preferred securities. No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended April 30, 2009, the Fund returned (7.59)% based on market price and (15.77)% based on net asset value (NAV). For the same period, the closed-end Lipper Income & Preferred Stock Funds category posted an average return of (5.69)% on a market price basis and (8.83)% on a NAV basis. 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 Fund's Lipper category contains both preferred and equity funds, both of which declined significantly through early March and rebounded sharply afterwards. Equities, as measured by the S&P 500 Index, lost 8.53% for the six months, while preferred securities, as measured by the Merrill Lynch Fixed Rate Preferred Index, lost 11.62%. Financial issues make up a significant percentage of the preferred market and, during the period, were highly correlated to financial equities, which significantly underperformed. Accordingly, the Fund's holdings of financials detracted from returns, as did relatively high levels of leverage. Due to adverse market conditions during the period, the Fund invested a higher than usual percentage of its assets in cash equivalent securities. This higher-than-average allocation to cash helped performance for the six months.

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

Fund Information

Symbol on New York Stock Exchange	BPP
Initial Offering Date	February 28, 2003
Yield on Closing Market Price as of April 30, 2009 (\$7.08) ¹	17.80%
Current Monthly Distribution per Common Share ²	\$0.105
Current Annualized Distribution per Common Share ²	\$1.260
Leverage as of April 30, 2009 ³	40%

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

Past performance does not guarantee future results.

² The Monthly Distribution per Common Share, declared on June 1, 2009, was decreased to \$0.0725. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future. A portion of the distribution may be deemed a tax return of capital or

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net realized gain.

³ Represents reverse repurchase agreements and Preferred Shares as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding and Preferred Shares) minus the sum of accrued liabilities (other than debt representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see the Benefits and Risks of Leveraging on page 11.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$7.08	\$8.51	(16.80)%	\$10.18	\$4.00
Net Asset Value	\$6.65	\$8.77	(24.17)%	\$ 9.05	\$5.06

The following chart shows the portfolio composition of the Fund's total investments and credit quality allocations of the Fund's Capital Trust, Trust Preferred and Corporate Bond investments:

Portfolio Composition

	4/30/09	10/31/08
Preferred Securities	77%	90%
Short-Term Securities	14	3
Corporate Bonds	8	7
Investment Companies	1	

Credit Quality Allocations⁴

	4/30/09	10/31/08
AA/Aa	9%	12%
A/A	35	11
BBB/Baa	42	56
BB/Ba	10	18
B	3	3
CCC/Caa	1	

⁴ 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 of their Common Shares. However, these objectives cannot be achieved in all interest rate environments.

To leverage, BlackRock Floating Rate Income Trust, BlackRock Preferred and Corporate Income Strategies Fund, Inc., BlackRock Preferred and Equity Advantage Trust, BlackRock Preferred Income Strategies Fund, Inc. and BlackRock Preferred Opportunity Trust issue Preferred Shares, which pay dividends at prevailing short-term interest rates. In addition, certain Funds may utilize leverage through borrowings or issuance of short-term securities. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund's Common Shareholders will benefit from the incremental yield.

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

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. 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 dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the Fund's total portfolio of \$150 million earns the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the fund's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental yield.

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

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

The use of leverage may enhance opportunities for increased returns to the Fund and Common Shareholders, but as described above, they also create risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in a Fund's NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the 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, the 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. The Fund may be required to sell portfolio securities at inopportune times or below fair market 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 a Fund's ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate preferred shares issued by the Fund. The Fund will incur expenses in connection with the use of leverage, all of which are borne by the holders of the Common Shares and may reduce returns on the Common Shares.

Under the Investment Company Act of 1940, the Funds are permitted to issue Preferred Shares in an amount of up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Fund anticipates that the total economic leverage from Preferred Shares, reverse repurchase agreements and credit facility borrowings will not exceed 50% of its total managed assets at the time such leverage is incurred. As of April 30, 2009, the Funds had economic leverage from Preferred Shares, reverse repurchase agreements and/or credit facility borrowings as a percentage of their total managed assets as follows:

	Percent of Leverage
BlackRock Broad Investment Grade 2009 Term Trust Inc	6%
BlackRock Floating Rate Income Trust	32%
BlackRock Preferred and Corporate Income Strategies Fund, Inc	44%
BlackRock Preferred and Equity Advantage Trust	39%
BlackRock Preferred Income Strategies Fund, Inc	43%
BlackRock Preferred Opportunity Trust	40%

Derivative Instruments

The Funds may invest in various derivative instruments, including swap agreements, futures and forward currency contracts, and other instruments specified in the Notes to Financial Statements, which constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the other party to the transaction and illiquidity of the derivative instrument. The Funds' ability

to successfully use a derivative instrument depends on the Advisor's ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require the Funds to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation the Funds can realize on an investment or may cause the Funds to hold a security 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 April 30, 2009 (Unaudited) BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Asset-Backed Securities		
Global Rated Eligible Asset Trust Series 1998-A		
Class 1, 7.45%, 9/15/07 (a)(b)(c)	\$ 234	\$ 24
Structured Mortgage Asset Residential Trust Series 2,		
8.24%, 11/07/07 (a)(b)	568	57
Total Asset-Backed Securities 0.0%		81
Corporate Bonds		
Electric Utilities 2.9%		
Entergy Gulf States, Inc., 1.661%, 12/01/09 (d)	1,000	979,547
Media 5.8%		
Comcast Corp., 1.439%, 7/14/09 (d)(e)(f)	2,000	1,998,408
Total Corporate Bonds 8.7%		2,977,955
U.S. Government Sponsored Agency Mortgage-Backed Securities		
Fannie Mae Guaranteed Pass Through Certificates:		
5.50%, 1/01/17 2/01/17	221	231,698
6.50%, 7/01/29	8	8,520
Total U.S. Government Sponsored Agency Mortgage-Backed Securities 0.7%		240,218
U.S. Government Sponsored Agency Mortgage-Backed Securities Collateralized Mortgage Obligations		
Fannie Mae Trust (g):		
Series 1992-174 Class S, 154.28%, 9/25/22 (d)	2,108	6,976
Series 1993-49 Class L, 444.9167%, 4/25/13	1,283	7,625
Series 2004-13 Class IG, 5%, 10/25/22	2	
Series G-21 Class L, 949.50%, 7/25/21	194	3,626
Freddie Mac Multiclass Certificates:		
Series 65 Class I, 918.0295%, 8/15/20 (g)	617	11,505
Series 141 Class H, 1,060%, 5/15/21 (g)	116	2,570
Series 1510 Class G, 7.05%, 5/15/13	998	1,058,099
Series 2517 Class SE, 15.122%, 10/15/09 (d)	149	154,045
Series 2523 Class EH, 5.50%, 4/15/20 (g)	291	1,774
Total U.S. Government Sponsored Agency Mortgage Backed Securities Collateralized Mortgage Obligations 3.7%		1,246,220
Taxable Municipal Bonds		
County/City/Special District/School District 2.9%		
Fresno, California, Taxable Pension Obligation Revenue		

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Bonds, 7.80%, 6/01/14 (e)(h)	440	476,806
Kern County, California, Taxable Pension Obligation		
Revenue Bonds, 6.98%, 8/15/09 (e)(i)	500	506,565
Total Taxable Municipal Bonds 2.9%		983,371
Non-U.S. Government Sponsored Agency	Par	
	(000)	Value
Mortgage-Backed Securities		
JPMorgan Mortgage Trust Series 2006-A7 Class 2A2, 5.791%, 1/25/37 (d)	\$ 1,194	\$ 786,377
Nomura Asset Acceptance Corp. Series 2004-AR4 Class 2A3, 0.773%, 12/25/34 (d)	62	29,983
Salomon Brothers Mortgage Securities VI, Inc. Series 1987-3 Class A, 12.50%, 10/23/17 (j)	5	4,959
Structured Adjustable Rate Mortgage Loan Trust Series 2004-11 Class A, 5.043%, 8/25/34 (d)	388	386,675
Vendee Mortgage Trust Series 2002-1, 0.043%, 10/15/31 (d)(g)	9,688	8,428
WaMu Mortgage Pass-Through Certificates Series 2005-AR4 Class A3, 4.585%, 4/25/35 (d)	815	758,391
Wells Fargo Mortgage Backed Securities Trust Series 2004-N Class A6, 4%, 8/25/34 (d)	500	497,424
Total Non-U.S. Government Sponsored Agency		
Mortgage-Backed Securities 7.2%		2,472,237
U.S. Government Sponsored Agency Obligations		
Fannie Mae, 5.964%, 10/09/19 (f)(k)	50,000	25,505,500
Total U.S. Government Sponsored Agency		
Obligations 74.8%		25,505,500
Total Long-Term Investments		
(Cost \$35,519,186) 98.0%		33,425,582
Short-Term Securities	Shares	
Money Market Fund 8.1%		
BlackRock Liquidity Funds, TempFund, 0.64% (l)(m)	2,780,000	2,780,000
Total Short-Term Securities		
(Cost \$2,780,000) 8.1%		2,780,000
Total Investments (Cost \$38,299,186*) 106.1%		36,205,582
Liabilities in Excess of Other Assets (6.1)%		(2,094,680)
Net Assets 100.0%		\$ 34,110,902

* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

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Aggregate cost	\$ 38,299,186
Gross unrealized appreciation	\$ 172,777
Gross unrealized depreciation	(2,266,381)
Net unrealized depreciation	\$ (2,093,604)

(a) Non-income producing security.

(b) Issuer filed for bankruptcy and/or is in default of interest payments.

(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) Variable rate security. Rate shown is as of report date.

See Notes to Financial Statements.

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Schedule of Investments (concluded) BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

(e) All or a portion of security has been pledged as collateral in connection with open financial futures contracts.

(f) All or a portion of security has been pledged as collateral for reverse repurchase agreements.

(g) Represents the interest-only portion of a mortgage-backed security and has either a nominal or notional amount of principal.

(h) Security is collateralized by Municipal or US Treasury Obligations.

(i) NPFGC Insured.

(j) Represents the principal only portion of a mortgage-backed security.

(k) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

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

Affiliate	Net Activity	Income
BlackRock Liquidity Funds, TempFund	2,780,000	\$3,712

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

Reverse repurchase agreements outstanding as of April 30, 2009 were as follows:

Counterparty	Interest Rate	Date	Trade Maturity Date	Net Closing Amount	Face Amount
Barclays Bank Plc	0.35%	2/19/09	Open	\$ 1,749,632	\$ 1,748,425
Credit Suisse International	1.25%	1/29/09	Open	525,875	524,219
Total				\$ 2,275,507	\$ 2,272,644

Financial

futures contracts sold as of April 30, 2009 were as follows:

Contracts	Issue	Expiration Date	Face Value	Unrealized Depreciation
289	10-Year U.S. Treasury Bond	June 2009	\$34,703,522	\$ (247,416)

Interest rate swaps outstanding as of April 30, 2009 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration	Notional Amount (000)	Unrealized Appreciation
2.745%(a)	3-month LIBOR	Credit Suisse International	October 2010	\$ 2,100	\$ 45,894
2.743%(a)	3-month LIBOR	Deutsche Bank AG	October 2010	\$ 2,100	45,971

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Total

\$ 91,865

(a) Fund pays floating interest rate and receives fixed rate.

Effective November 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments) The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements. The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Investments in Securities Assets	Other Financial Instruments*	
		Assets	Liabilities
Level 1	\$ 2,780,000		\$ (247,416)
Level 2	32,244,022	\$ 91,865	(2,272,644)
Level 3	1,181,560		
Total	\$ 36,205,582	\$ 91,865	\$ (2,520,060)

* Other financial instruments are reverse repurchase agreements, futures and swap contracts. Reverse repurchase agreements are shown at market value. Futures and swap contracts are valued at the unrealized appreciation/depreciation on the instrument.

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

**Investments in
Securities**

	Assets
Balance, as of October 31, 2008	\$ 80
Accrued discounts/premiums	
Realized gain	404
Change in unrealized appreciation/depreciation ¹	(413,020)
Net sales	(54,123)
Net transfers into Level 3	1,648,219
Balance, as of April 30, 2009	\$ 1,181,560

¹ Included in the related net change in unrealized appreciation/depreciation on the Statements of Operations.

See Notes to Financial Statements.

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Schedule of Investments April 30, 2009 (Unaudited) **BlackRock Enhanced Capital and Income Fund, Inc. (CII)**
 (Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Aerospace & Defense 4.3%		
Honeywell International, Inc.	154,308	\$ 4,815,953
Northrop Grumman Corp.	178,552	8,632,989
Raytheon Co.	230,000	10,402,900
		23,851,842
Air Freight & Logistics 0.3%		
United Parcel Service, Inc. Class B	35,914	1,879,739
Capital Markets 5.0%		
The Bank of New York Mellon Corp.	483,498	12,319,529
Invesco Ltd. (a)	613,600	9,032,192
Morgan Stanley	273,913	6,475,303
		27,827,024
Chemicals 1.9%		
Air Products & Chemicals, Inc.	55,500	3,657,450
E.I. du Pont de Nemours & Co.	251,345	7,012,525
		10,669,975
Communications Equipment 2.6%		
Cisco Systems, Inc. (b)	220,305	4,256,293
Corning, Inc.	268,800	3,929,856
Nokia Oyj (a)	440,000	6,221,600
		14,407,749
Computers & Peripherals 4.3%		
Hewlett-Packard Co.	313,392	11,275,844
International Business Machines Corp.	121,653	12,555,806
		23,831,650
Diversified Financial Services 3.2%		
JPMorgan Chase & Co.	529,339	17,468,187
Diversified Telecommunication Services 7.2%		
AT&T Inc.	430,000	11,016,600
Qwest Communications International Inc.	3,950,001	15,365,504
Verizon Communications, Inc.	445,000	13,501,300
		39,883,404
Electric Utilities 3.3%		
American Electric Power Co., Inc.	48,800	1,287,344
FPL Group, Inc.	163,644	8,802,411
The Southern Co.	277,129	8,003,485
		18,093,240

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Electrical Equipment 0.9%

Emerson Electric Co.	153,000	5,208,120
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Energy Equipment & Services 3.5%

BJ Services Co.	669,500	9,299,355
Halliburton Co.	504,489	10,200,767
		19,500,122

Food & Staples Retailing 0.8%

Wal-Mart Stores, Inc.	83,926	4,229,871
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Food Products 6.2%

General Mills, Inc.	237,371	12,032,336
Kraft Foods, Inc.	488,699	11,435,557
Ralcorp Holdings, Inc. (b)	1	57
Unilever NV (a)	552,232	10,928,671
		34,396,621

Health Care Equipment & Supplies 2.1%

Baxter International, Inc.	100,841	4,890,788
Covidien Ltd.	200,000	6,596,000
		11,486,788

Common Stocks

Shares

Value

Household Products 3.9%

Clorox Co.	55,457	\$ 3,108,365
Kimberly-Clark Corp.	305,000	14,987,700
The Procter & Gamble Co.	72,145	3,566,849
		21,662,914

Industrial Conglomerates 1.4%

General Electric Co.	93,434	1,181,940
Tyco International Ltd.	270,000	6,415,200
		7,597,140

Insurance 7.6%

ACE Ltd.	190,900	8,842,488
MetLife, Inc.	273,525	8,137,369
Prudential Financial, Inc.	135,000	3,898,800
The Travelers Cos., Inc.	506,330	20,830,416
		41,709,073

Machinery 1.6%

Deere & Co.	207,286	8,552,620
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Media 5.6%

Time Warner Cable, Inc.	107,776	3,473,621
Time Warner, Inc.	580,972	12,682,619
Viacom, Inc. Class B (b)	454,024	8,735,422

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Walt Disney Co.	265,047	5,804,529
		30,696,191
Metals & Mining 2.3%		
Nucor Corp.	218,800	8,902,972
United States Steel Corp.	136,500	3,624,075
		12,527,047
Multi-Utilities 1.0%		
Dominion Resources, Inc.	185,239	5,586,808
Office Electronics 2.8%		
Xerox Corp.	2,550,000	15,580,500
Oil, Gas & Consumable Fuels 7.8%		
Anadarko Petroleum Corp.	89,217	3,841,684
Chevron Corp.	160,000	10,576,000
Exxon Mobil Corp.	349,956	23,331,566
Peabody Energy Corp.	210,000	5,541,900
		43,291,150
Pharmaceuticals 10.3%		
Bristol-Myers Squibb Co.	752,500	14,448,000
Johnson & Johnson	151,354	7,924,896
Pfizer, Inc.	725,000	9,686,000
Schering-Plough Corp.	844,303	19,435,855
Wyeth	125,000	5,300,000
		56,794,751
Semiconductors & Semiconductor Equipment 8.3%		
Analog Devices, Inc.	536,000	11,406,080
Intel Corp.	541,778	8,549,257
LSI Corp. (b)	4,109,020	15,778,637
Micron Technology, Inc. (b)	2,120,100	10,346,088
		46,080,062
Software 0.9%		
Microsoft Corp.	243,014	4,923,464
Specialty Retail 1.2%		
Home Depot, Inc.	252,500	6,645,800
Total Long-Term Investments		
(Cost \$696,550,707) 100.3%		554,381,852

See Notes to Financial Statements.

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Schedule of Investments (continued) BlackRock Enhanced Capital and Income Fund, Inc. (CII)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Short-Term Securities		
Time Deposits 1.8%		
Brown Brothers Harriman & Co., 0.03%, 5/01/09	\$ 10,079	\$ 10,079,230
Total Short-Term Securities		
(Cost \$10,079,230) 1.8%		10,079,230
Total Investments Before Options Written		
(Cost \$706,629,937*) 102.1%		564,461,082
Options Written	Contracts	
Exchange-Traded Call Options		
ACE Ltd.:		
expiring May 2009 at USD 45	190	(50,825)
expiring June 2009 at USD 50	190	(30,875)
expiring August 2009 at USD 50	190	(57,000)
AT&T Inc., expiring May 2009 at USD 26	2,150	(94,600)
Air Products & Chemicals, Inc.:		
expiring May 2009 at USD 55	140	(151,200)
expiring June 2009 at USD 55	140	(163,800)
American Electric Power Co., Inc., expiring May 2009 at USD 27.50	150	(1,125)
Analog Devices, Inc.:		
expiring May 2009 at USD 20	490	(73,500)
expiring May 2009 at USD 22.50	110	(1,650)
expiring June 2009 at USD 22.50	590	(38,350)
BJ Services Co., expiring May 2009 at USD 12.50	1,600	(256,000)
The Bank of New York Mellon Corp., expiring May 2009 at USD 30	725	(16,312)
Bristol-Myers Squibb Co.:		
expiring June 2009 at USD 21	2,500	(85,000)
expiring June 2009 at USD 22	1,260	(15,120)
Cisco Systems, Inc.:		
expiring May 2009 at USD 18	575	(90,562)
expiring June 2009 at USD 19	1,030	(138,020)
expiring July 2009 at USD 19	45	(7,065)
Clorox Co., expiring June 2009 at USD 55	415	(127,612)
Corning, Inc.:		
expiring May 2009 at USD 12.50	485	(104,275)
expiring June 2009 at USD 16	250	(13,125)

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Deere & Co.:		
expiring June 2009 at USD 41	105	(37,800)
expiring June 2009 at USD 43	1,450	(384,250)
E.I. du Pont de Nemours & Co.:		
expiring May 2009 at USD 25	800	(244,000)
expiring June 2009 at USD 28	550	(85,250)
expiring July 2009 at USD 25	340	(129,200)
Emerson Electric Co.:		
expiring May 2009 at USD 30	250	(103,750)
expiring June 2009 at USD 34	210	(38,325)
Exxon Mobil Corp., expiring May 2009 at USD 75	675	(2,700)
FPL Group, Inc., expiring June 2009 at USD 50	500	(230,000)
Halliburton Co., expiring June 2009 at USD 21	1,300	(142,350)
Hewlett-Packard Co.:		
expiring May 2009 at USD 33	750	(227,797)
expiring May 2009 at USD 35	245	(39,813)
expiring June 2009 at USD 39	570	(51,300)
Home Depot, Inc., expiring May 2009 at USD 25	1,085	(184,992)
Honeywell International, Inc.:		
expiring June 2009 at USD 30	390	(95,550)
expiring June 2009 at USD 32.50	380	(44,650)
Intel Corp.:		
expiring May 2009 at USD 15.50	1,380	(102,424)
expiring June 2009 at USD 16	1,330	(101,080)
International Business Machines Corp., expiring June 2009		
at USD 105	610	(219,600)
Invesco Ltd.:		
expiring May 2009 at USD 15	350	(28,875)
expiring July 2009 at USD 17.50	210	(18,375)
See Notes to Financial Statements.		

Options Written	Contracts	Value
Exchange-Traded Call Options (concluded)		
JPMorgan Chase & Co., expiring June 2009 at USD 34	1,590	\$ (434,865)
Johnson & Johnson:		
expiring May 2009 at USD 55	575	(7,188)
expiring June 2009 at USD 55	500	(23,750)
expiring July 2009 at USD 55	77	(8,085)
Kimberly-Clark Corp., expiring May 2009 at USD 50	775	(46,500)
Kraft Foods, Inc.:		
expiring May 2009 at USD 24	2,000	(80,000)

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expiring June 2009 at USD 24	1,670	(133,600)
LSI Corp., expiring June 2009 at USD 4.18	12,300	(368,016)
MetLife, Inc., expiring June 2009 at USD 35	830	(118,275)
Micron Technology, Inc., expiring June 2009 at USD 5	2,200	(115,500)
Morgan Stanley, expiring May 2009 at USD 28	820	(12,300)
Nokia Oyj:		
expiring May 2009 at USD 14	320	(20,800)
expiring May 2009 at USD 15	1,000	(22,500)
Northrop Grumman Corp.:		
expiring May 2009 at USD 40	680	(557,600)
expiring June 2009 at USD 50	660	(108,900)
Nucor Corp., expiring June 2009 at USD 47	650	(65,000)
Peabody Energy Corp., expiring June 2009 at USD 29	630	(81,900)
Pfizer, Inc.:		
expiring May 2009 at USD 15	2,400	(4,800)
expiring June 2009 at USD 15	1,000	(13,000)
The Procter & Gamble Co.:		
expiring May 2009 at USD 50	440	(41,800)
expiring July 2009 at USD 55	100	(6,500)
Prudential Financial, Inc.:		
expiring May 2009 at USD 30	105	(19,163)
expiring June 2009 at USD 32	300	(78,750)
Qwest Communications International Inc.:		
expiring May 2009 at USD 3.32	16,320	(938,074)
expiring May 2009 at USD 5	3,400	(17,000)
Raytheon Co.:		
expiring May 2009 at USD 47.50	500	(18,750)
expiring June 2009 at USD 45	1,225	(278,688)
Time Warner Cable, Inc., expiring June 2009 at USD 30	530	(174,900)
Time Warner, Inc., expiring June 2009 at USD 24	2,900	(166,750)
The Travelers Cos., Inc., expiring July 2009 at USD 45	1,520	(224,200)
Tyco International Ltd.:		
expiring May 2009 at USD 22.50	1,100	(176,000)
expiring July 2009 at USD 25	250	(31,875)
Unilever NV:		
expiring May 2009 at USD 20	1,000	(50,000)
expiring June 2009 at USD 20	650	(52,000)
United Parcel Service, Inc. Class B, expiring June 2009 at USD 55	180	(27,900)
United States Steel Corp., expiring July 2009 at USD 30	410	(90,200)
Viacom, Inc. Class B, expiring June 2009 at USD 22.50	2,270	(130,525)

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Wal-Mart Stores, Inc., expiring June 2009 at USD 52.50	325	(39,325)
Walt Disney Co.:		
expiring May 2009 at USD 20	580	(127,600)
expiring June 2009 at USD 21	250	(50,000)
Xerox Corp., expiring July 2009 at USD 6	2,550	(178,500)
		(9,169,176)

Over-the-Counter Call Options

Anadarko Petroleum Corp., expiring June 2009 at USD 45, Broker Morgan Stanley Capital Services Inc.	445	(98,972)
Analog Devices, Inc., expiring June 2009 at USD 22.50, Broker Goldman Sachs Bank USA	420	(27,300)
BJ Services Co., expiring May 2009 at USD 10.95, Broker Goldman Sachs Bank USA	1,750	(520,380)
The Bank of New York Mellon Corp., expiring May 2009 at USD 31.80, Broker Citibank, N.A.	725	(19,611)
Baxter International, Inc., expiring June 2009 at USD 55, Broker UBS AG	500	(12,610)

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Schedule of Investments (concluded) BlackRock Enhanced Capital and Income Fund, Inc. (CII)**(Percentages shown are based on Net Assets)**

Options Written	Contracts	Value
Over-the-Counter Call Options (concluded)		
Chevron Corp., expiring June 2009 at USD 68.41, Broker Goldman Sachs Bank USA	600	\$ (111,096)
Corning, Inc., expiring June 2009 at USD 16, Broker Jeffries & Co.	65	(2,101)
Covidien Ltd.: expiring May 2009 at USD 33, Broker Barclays Bank, Plc	175	(16,084)
expiring May 2009 at USD 33.69, Broker Credit Suisse International	350	(38,958)
expiring May 2009 at USD 37, Broker Barclays Bank, Plc	75	(1,861)
Dominion Resources, Inc., expiring May 2009 at USD 31.87, Broker Goldman Sachs Bank USA	1,390	(14,081)
Exxon Mobil Corp.: expiring May 2009 at USD 71, Broker UBS AG	1,300	(79,807)
expiring May 2009 at USD 75, Broker Credit Suisse International	675	(2,700)
FPL Group, Inc.: expiring May 2009 at USD 53, Broker Morgan Stanley Capital Services Inc.	227	(28,196)
expiring May 2009 at USD 53, Broker Jeffries & Co.	500	(62,105)
General Electric Co.: expiring May 2009 at USD 13.11, Broker Citibank N.A.	250	(8,167)
expiring July 2009 at USD 13.17, Broker UBS AG	450	(41,926)
General Mills, Inc.: expiring May 2009 at USD 53, Broker Goldman Sachs Bank USA	890	(34,301)
expiring June 2009 at USD 53.14, Broker Morgan Stanley Capital Services Inc.	890	(65,299)
Halliburton Co., expiring May 2009 at USD 20, Broker Jeffries & Co.	1,250	(71,763)
Home Depot, Inc., expiring June 2009 at USD 26.37, Broker Morgan Stanley Capital Services Inc.	810	(128,855)
Invesco Ltd., expiring May 2009 at USD 14.29, Broker Credit Suisse International	1,280	(218,099)
Kimberly-Clark Corp., expiring May 2009 at USD 48.84,		

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Broker Citibank N.A.	750	(78,998)
Micron Technology, Inc., expiring May 2009 at USD 3.22, Broker Deutsche Bank AG	3,350	(556,435)
Microsoft Corp.:		
expiring May 2009 at USD 18.68, Broker Citibank N.A.	635	(104,724)
expiring June 2009 at USD 20, Broker UBS AG	1,190	(120,369)
Pfizer, Inc., expiring July 2009 at USD 14.06, Broker UBS AG	2,000	(100,000)
Schering-Plough Corp.:		
expiring June 2009 at USD 23.84, Broker Citibank N.A.	2,100	(111,447)
expiring July 2009 at USD 24.54, Broker Citibank N.A.	2,100	(90,909)
The Southern Co., expiring May 2009 at USD 32.50, Broker UBS AG	1,070	(5,671)
Verizon Communications, Inc., expiring June 2009 at USD 34.59, Broker UBS AG	2,300	(15,387)
Wal-Mart Stores, Inc., expiring May 2009 at USD 53.25, Broker Goldman Sachs Bank USA	300	(9,393)
Walt Disney Co., expiring May 2009 at USD 19.50, Broker Goldman Sachs Bank USA	500	(122,325)
Wyeth, expiring June 2009 at USD 43, Broker UBS AG	460	(24,794)
Xerox Corp., expiring May 2009 at USD 5.70, Broker Deutsche Bank AG	5,100	(328,593)
		(3,273,317)
Total Options Written		
(Premiums Received \$10,076,704) (2.3)%		(12,442,493)
Total Investments, Net of Options Written 99.8%		552,018,589
Other Assets Less Liabilities 0.2%		902,538
Net Assets 100.0%		\$ 552,921,127

* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 707,081,634
Gross unrealized appreciation	\$ 7,465,563
Gross unrealized depreciation	(150,086,115)
Net unrealized depreciation	\$(142,620,552)
(a) Depository receipts.	
(b) Non-income producing security.	

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

Affiliate	Net Activity	Income
BlackRock Liquidity Series, LLC		
Cash Sweep Series	\$(2,450,990)	\$117,920

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

Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Securities Assets	Investments in	Other Financial Instruments* Liabilities
Level 1		\$554,381,852	\$ (7,138,300)
Level 2		10,079,230	(5,304,193)
Level 3			
Total		\$564,461,082	\$(12,442,493)

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* Other financial instruments are options written, which are shown at market value.

See Notes to Financial Statements.

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Schedule of Investments April 30, 2009 (Unaudited) **BlackRock Floating Rate Income Trust (BGT)**

(Percentages shown are based on Net Assets)

		Par (000)	Value
Corporate Bonds			
Air Freight & Logistics 0.0%			
Park-Ohio Industries, Inc., 8.375%, 11/15/14	USD	125	\$ 55,313
Auto Components 0.0%			
The Goodyear Tire & Rubber Co., 6.318%, 12/01/09 (a)		60	59,175
Lear Corp., 8.75%, 12/01/16		30	4,650
			63,825
Building Products 0.0%			
CPG International I, Inc., 10.50%, 7/01/13		90	40,500
Capital Markets 1.0%			
E*Trade Financial Corp., 12.50%, 11/30/17 (b)(c)		2,656	1,321,484
Marsico Parent Co., LLC, 10.625%, 1/15/16 (c)		1,501	645,430
Marsico Parent Holdco, LLC, 12.50%, 7/15/16 (b)(c)		607	260,977
Marsico Parent Superholdco, LLC, 14.50%, 1/15/18 (b)(c)		415	178,355
			2,406,246
Chemicals 0.4%			
American Pacific Corp., 9%, 2/01/15		125	108,750
Ames True Temper, Inc., 5.131%, 1/15/12 (a)		1,100	913,000
			1,021,750
Commercial Banks 4.6%			
SNS Bank NV Series EMTN, 2.875%, 1/30/12	EUR	8,500	11,332,070
Commercial Services & Supplies 0.1%			
DI Finance Series B, 9.50%, 2/15/13	USD	307	299,325
Containers & Packaging 0.1%			
Berry Plastics Holding Corp., 5.195%, 9/15/14 (a)		300	177,000
Impress Holdings BV, 4.256%, 9/15/13 (a)(c)		150	123,000
			300,000
Diversified Financial Services 0.1%			
FCE Bank Plc, 7.125%, 1/16/12	EUR	200	202,435
Diversified Telecommunication Services 1.1%			
Cincinnati Bell, Inc., 7.25%, 7/15/13	USD	290	286,375
Qwest Corp., 4.57%, 6/15/13 (a)		2,500	2,262,500
Wind Acquisition Finance SA, 10.75%, 12/01/15 (c)		150	156,000
			2,704,875
Electronic Equipment, Instruments & Components 0.1%			
Sanmina-SCI Corp., 8.125%, 3/01/16		540	272,700

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Energy Equipment & Services 0.1%

Compagnie Generale de Geophysique-Veritas:

7.50%, 5/15/15	70	58,800
7.75%, 5/15/17	50	40,000
		98,800

Health Care Equipment & Supplies 0.3%

DJO Finance LLC, 10.875%, 11/15/14	1,000	765,000
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Health Care Providers & Services 0.1%

Tenet Healthcare Corp. (c):

9%, 5/01/15	95	95,950
10%, 5/01/18	35	36,400
		132,350

Hotels, Restaurants & Leisure 0.1%

American Real Estate Partners LP, 7.125%, 2/15/13	140	117,600
Greektown Holdings, LLC, 10.75%, 12/01/13 (c)(d)	122	7,320
Universal City Florida Holding Co. I, 5.778%, 5/01/10 (a)	80	49,600
		174,520

Household Durables 0.0%

Berkline/BenchCraft, LLC, 4.50%, 11/03/12 (b)(d)	400	0
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	Par	Value
	(000)	
Corporate Bonds		
Independent Power Producers & Energy Traders 0.0%		
AES Ironwood LLC, 8.875%, 11/30/25	84	\$ 72,016
Machinery 0.3%		
Sunstate Equipment Co. LLC, 10.50%, 4/01/13 (c)	210	111,300
Synventive Molding Solutions Sub-Series A, 14%, 1/14/11	936	514,922
		626,222
Media 1.1%		
Affinion Group, Inc., 10.125%, 10/15/13	50	42,750
CSC Holdings, Inc., 8.50%, 4/15/14 (c)	550	561,000
Charter Communications Holdings II (d):		
LLC, 10.25%, 9/15/10	260	236,600
LLC Series B, 10.25%, 9/15/10	45	40,725
EchoStar DBS Corp.:		
6.375%, 10/01/11	135	130,950
7%, 10/01/13	158	150,890
7.125%, 2/01/16	230	215,050
Local Insight Regatta Hldgs, Inc., 11%, 12/01/17	977	234,480

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Nielsen Finance LLC, 10%, 8/01/14	400	376,000
Rainbow National Services LLC, 8.75%, 9/01/12 (c)	750	765,000
		2,753,445
Metals & Mining 0.3%		
Foundation PA Coal Co., 7.25%, 8/01/14	505	468,388
Freeport-McMoRan Copper & Gold, Inc., 4.995%, 4/01/15 (a)	200	175,500
		643,888
Oil, Gas & Consumable Fuels 10.3%		
Morgan Stanley Bank AG for OAO Gazprom, 9.625%, 3/01/13	11,530	11,184,100
Pemex Project Funding Master Trust, 2.931%, 10/15/09 (a)(e)	12,700	12,700,000
SandRidge Energy, Inc., 4.833%, 4/01/14 (a)	1,400	1,015,463
Whiting Petroleum Corp., 7.25%, 5/01/13	300	264,000
		25,163,563
Paper & Forest Products 0.5%		
Abitibi-Consolidated, Inc., 4.82%, 6/15/11 (a)(d)	840	54,600
Ainsworth Lumber Co. Ltd., 11%, 7/29/15 (c)	470	119,248
NewPage Corp., 7.278%, 5/01/12 (a)	1,500	645,000
Verso Paper Holdings LLC Series B, 4.778%, 8/01/14 (a)	1,215	410,063
		1,228,911
Pharmaceuticals 0.5%		
Angiotech Pharmaceuticals, Inc., 5.011%, 12/01/13 (a)	1,750	1,225,000
Real Estate Investment Trusts (REITs) 1.3%		
Rouse Co. LP, 5.375%, 11/26/13 (d)	6,350	3,222,625
Specialty Retail 0.2%		
General Nutrition Centers, Inc., 6.404%, 3/15/14 (a)	500	395,000
Lazy Days R.V. Center, Inc., 11.75%, 5/15/12 (d)	375	22,500
Michaels Stores, Inc., 10%, 11/01/14	185	111,925
		529,425
Tobacco 0.7%		
Reynolds American, Inc., 7.625%, 6/01/16	2,000	1,758,744
Wireless Telecommunication Services 1.1%		
iPCS, Inc., 3.153%, 5/01/13 (a)	USD	1,155
		935,550
Nordic Telephone Co. Holdings ApS, 6.872%, 5/01/16 (a)(e)	EUR	1,500
		1,667,108
		2,602,658
Total Corporate Bonds 24.4%		59,696,206

See Notes to Financial Statements.

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Schedule of Investments (continued) BlackRock Floating Rate Income Trust (BGT)

(Percentages shown are based on Net Assets)

		Par (000)	Value
Foreign Government Obligations			
Brazilian Government International Bond:			
6.982%, 6/29/09 (a)	USD	6,935	\$ 6,987,013
10.25%, 6/17/13		475	572,375
Colombia Government International Bond,			
4.866%, 3/17/13 (a)(e)		1,200	1,128,000
Costa Rica Government International Bond,			
9.335%, 5/15/09 (e)		3,200	3,188,000
Malaysia Government International Bond,			
8.75%, 6/01/09		800	803,471
Mexican Bonos Series M, 9%, 12/22/11	MXN	13,520	1,054,366
Republic of Venezuela, 2.101%, 4/20/11 (a)(e)	USD	4,000	3,120,000
South Africa Government International Bond,			
7.375%, 4/25/12		2,400	2,550,000
Turkey Government International Bond, 7%, 9/26/16		2,735	2,762,350
Uruguay Government International Bond,			
6.875%, 1/19/16	EUR	950	1,143,821
Total Foreign Government Obligations	9.5%		23,309,396
Floating Rate Loan Interests			
Aerospace & Defense 1.2%			
Avio S.p.A. Dollar Mezzanine Term Loan,			
4.25% 5.811%, 12/13/16	USD	1,039	232,094
Hawker Beechcraft Acquisition Company LLC:			
Letter of Credit Facility Deposit, 1.12% 2.10%, 3/26/14		215	110,750
Term Loan, 2.428% 3.22%, 3/26/14		3,661	1,881,272
IAP Worldwide Services, Inc. Term Loan (First-Lien),			
2% 7.25%, 12/30/12		1,045	585,252
			2,809,368
Airlines 0.3%			
US Airways Group, Inc. Loan, 2.941%, 3/21/14		1,460	665,112
Auto Components 2.2%			
Allison Transmission, Inc. Term Loan, 3.21% 3.22%, 8/07/14		5,808	4,143,457
Dana Holding Corporation Term Advance, 7.25%, 1/31/15		2,235	659,470
Dayco Products LLC (Mark IV Industries, Inc.)			

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Replacement Term B Loan, 8.06% 8.75%,				
6/21/11			853	117,762
GPX International Tire:				
Corporation Tranche B Term Loan, 9.23% 10.25%,				
3/30/12			630	340,504
Term Loan, 12%, 4/11/12			10	5,287
Metaldyne Company LLC:				
Deposit Funded Loan, 0.261% 5.188%, 1/11/12			104	12,150
Initial Tranche B Term Loan, 6.188%, 1/13/14			710	82,840
				5,361,470
Beverages 0.1%				
Culligan International Company Loan (Second Lien),				
5.836% 6.561%, 4/24/13	EUR		1,000	208,388
Le-Nature s, Inc. Tranche B Term Loan,				
9.50%, 3/01/11 (d)	USD		1,000	100,000
				308,388
Building Products 1.5%				
Building Materials Corporation of America Term Loan				
Advance, 3.25%, 2/22/14			2,692	2,006,990
Custom Building Products, Inc. Loan (Second Lien),				
10.75%, 4/20/12			1,500	810,000
			Par	Value
			(000)	
Floating Rate Loan Interests				
Building Products (concluded)				
Momentive Performance Materials (Blitz 06-103 GMBH)				
Tranche B-1 Term Loan, 2.688%, 12/04/13	USD		1,224	\$ 810,671
United Subcontractors, Inc. Tranche B Term Loan,				
6.43% 6.80%, 12/27/12			2,275	117,548
				3,745,209
Capital Markets 0.5%				
Marsico Parent Company, LLC Term Loan, 4.75% 7.50%,				
12/15/14			465	220,932
Nuveen Investments, Inc. Term Loan, 4.232% 3.438%,				
11/13/14			1,489	964,878
				1,185,810
Chemicals 7.5%				
Brenntag Holding Gmbh & Co. KG:				
Acquisition Facility 1, 2.447% 3.501%, 1/20/14			393	314,182
Facility 3B (Second Lien), 5.501%, 7/17/15			1,000	558,333
Facility B2, 2.447% 3.501%, 1/20/14			1,607	1,285,818

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Facility B6A and B6B, 3.597%, 11/24/37	EUR	500	517,663
Cognis GMBH:			
Facility B (French) 3.65%, 11/16/13		197	191,047
Facility A 3.65%, 11/17/13		803	786,486
ElectricInvest Holding Company Limited (Viridian Group PLC) Junior Term Facility:			
5.499%, 4/20/12	EUR	1,787	1,513,467
5.395%, 12/21/12	GBP	1,800	1,704,218
Huish Detergents Inc.:			
Loan (Second Lien), 4.76%, 10/26/14	USD	750	611,250
Tranche B Term Loan, 2.18%, 4/26/14		1,734	1,529,918
Ineos US Finance LLC Term:			
A4 Facility, 7.001%, 12/14/12		1,385	706,267
B2 Facility, 7.501%, 12/16/13		631	332,342
C2 Facility, 8.001%, 12/16/14		631	332,342
Lucite International Group Holdings Limited PIK,			
10.405%, 7/03/14	EUR	1,218	1,495,306
Matrix Acquisition Corp. (MacDermid, Incorporated)			
Tranche C Term Loan, 3.209%, 12/15/13		1,747	1,132,508
PQ Corporation (fka Niagara Acquisition, Inc.):			
Loan (Second Lien), 7.54%, 7/30/15	USD	2,250	915,001
Term Loan (First Lien), 4.29% 4.47%, 7/31/14		2,729	1,787,741
Rockwood Specialties Group, Inc. Tranche E Term Loan,			
2.178%, 7/30/12		1,235	1,107,471
Solutia Inc. Loan, 8.50%, 2/28/14		1,985	1,550,722
TPG Spring (UK) Limited (British Vita Plc) Mezzanine,			
11.657%, 7/22/13	EUR	2,148	3,553
			18,375,635
Commercial Services & Supplies 2.5%			
Aramark Corporation:			
Facility Letter of Credit, 0.311% 2.025%, 1/26/14	USD	155	140,844
U.S. Term Loan, 3.095%, 1/26/14		2,437	2,216,975
EnviroSolutions Real Property Holdings, Inc. Initial			
Term Loan, 10.50%, 7/07/12		2,017	958,224
John Maneely Company Term Loan, 3.71% 4.389%, 12/09/13			
		1,388	994,145
SIRVA Worldwide, Inc. Loan (Second Lien), 12%, 5/12/15			
		127	6,334
Synagro Technologies, Inc. Term Loan (First Lien), 2.43% 2.46%, 4/02/14			
		1,981	1,287,714

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West Corporation Term B-2 Loan, 2.808% 2.864%,

10/24/13

438

367,568

5,971,804

See Notes to Financial Statements.

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APRIL 30, 2009

Schedule of Investments (continued) BlackRock Floating Rate Income Trust (BGT)

(Percentages shown are based on Net Assets)

		Par (000)	Value
Floating Rate Loan Interests			
Computers & Peripherals 0.7%			
Intergraph Corporation:			
Initial Term Loan (First Lien), 3.256%, 5/29/14	USD	1,169	\$ 1,063,508
Second Lien Term Loan, 6.438% 7.256%, 11/28/2014		750	615,625
			1,679,133
Construction & Engineering 0.7%			
Airport Development and Investment Limited (BAA)			
Facility (Second Lien), 5.538%, 4/07/11	GBP	566	340,039
Brand Energy & Infrastructure Services, Inc. (FR Brand Acquisition Corp.):			
First Lien Term Loan B, 3.188% 3.50%, 2/7/2014	USD	987	661,389
Second Lien Term Loan, 6.438% 7.313%, 2/7/2015		1,000	385,000
Synthetic Letter of Credit Term Loan (First Lien), 1.125% 2.375%, 2/07/14		500	335,000
			1,721,428
Construction Materials 0.3%			
Headwaters Incorporated Term Loan B1 (First Lien), 6.22%, 4/30/11		1,234	765,313
Containers & Packaging 4.6%			
Atlantis Plastic Films, Inc. Term Loan (Second Lien), 12.25%, 3/22/12 (d)		500	0
Graham Packaging Company, L.P. New Term Loan, 2.688 2.813%, 10/07/11		915	821,813
Graphic Packaging International, Inc. Incremental Term Loan, 3.21% 3.958%, 5/16/14		2,713	2,483,982
Modelo 3 S.a.r.l. (Mivisa) Tranche B2 Term Facility, 5.452%, 6/03/15	EUR	1,000	955,279
OI European Group B.V. Tranche D Term Loan, 2.492%, 6/14/13		1,915	2,195,908
Pregis Corporation Term Loan B2 (Euro), 3.459%, 9/30/12		471	486,461
Smurfit Kappa Acquisitions (JSG):			
C1 Term Loan Facility, 3.116% 3.132%,			

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7/16/2015		750	776,495
Term B1, 2.866% 4.912%, 7/16/14		750	776,495
Smurfit-Stone Container Canada, Inc., Tranche C-1			
Term Loan, 2.82%, 11/01/11		8	6,041
Smurfit-Stone Container Debtor in Possession, Term Loan,			
10%, 7/28/10		1,340	1,348,375
Smurfit-Stone Container Enterprises, Inc.:			
Deposit Funded Facility, 4.50%, 11/01/10		12	9,352
Tranche B, 2.82%, 11/01/11		14	10,490
Tranche C, 2.82%, 11/01/11	USD	26	19,980
Smurfit-Stone Container Revolving Credit:			
0.50% 4.50%, 11/01/09		60	46,777
0.50% 5.0%, 11/01/10		20	15,512
Solo Cup Co. Term B1 Loan, 4.692% 5.75%,			
2/27/2011		1,397	1,300,202
			11,253,162
Distributors 0.3%			
Keystone Automotive Operations, Inc. Loan,			
3.948% 5.75%, 1/12/12		1,660	663,934
Diversified Consumer Services 0.9%			
Coinmach Corporation Term Loan, 4.26%, 11/14/14		2,552	1,786,105
Coinmach Laundry Corp Delay Draw Term Loan,			
4.44%, 11/14/14		500	348,333
			2,134,438
		Par	Value
Floating Rate Loan Interests		(000)	
Diversified Financial Services 0.4%			
J.G. Wentworth, LLC Loan (First Lien),			
3.47%, 4/04/14 (d)	USD	3,800	\$ 380,000
Professional Service Industries, Inc. Term Loan			
(First Lien), 3.19%, 10/31/12		649	564,323
			944,323
Diversified Telecommunication Services 4.9%			
BCM Ireland Holdings Limited (Eircom):			
Facility B, 2.848%, 8/14/14	EUR	1,970	1,669,378
Facility C, 3.098%, 8/14/13		1,970	1,669,564
Facility D, 5.223%, 2/14/16		1,000	522,625
Cavtel Holdings, LLC Term Loan, 1.0% 8.50%,			
12/31/12	USD	388	157,656
Hawaiian Telcom Communications, Inc. Tranche C			

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Term Loan, 4.75%, 5/30/14		1,208	588,060
Nordic Telephone Company Holdings APS Euro Facility:			
B2, 2.637%, 4/06/14	EUR	885	1,080,935
C2, 3.262%, 4/06/15		1,058	1,291,507
PAETEC Holding Corp. Replacement Term Loan,			
2.928% 4.75%, 2/28/13	USD	737	626,420
Time Warner Telecom Holdings Inc. Term Loan B Loan,			
2.43%, 1/07/13		1,124	1,020,921
Wind Telecomunicazioni S.P.A.:			
A1 Term Loan Facility, 2.499% 2.521%, 9/22/2012	EUR	848	989,979
B1 Term Loan Facility, 3.249%, 9/22/13		1,000	1,172,599
C1 Term Loan Facility, 4.249%, 9/22/14		1,000	1,172,599
			11,962,243
Electric Utilities 0.9%			
Astoria Generating Co. Acquisitions, LLC:			
Second Lien Term Loan C, 4.20%, 8/23/13	USD	1,500	1,276,875
Term B Facility, 2.20% 4.0%, 2/23/13		407	370,433
TPF Generation Holdings, LLC:			
First Lien Term Loan, 2.428%, 12/15/13		441	409,551
Synthetic Letter of Credit Deposit (First Lien), 1.12% 2.10%, 12/15/13		151	139,682
Synthetic Revolving Deposit, 1.12% 2.10%, 12/15/2011		47	43,787
			2,240,328
Electrical Equipment 0.4%			
Electrical Components International Holdings Company			
(ECI) Term Loan (Second Lien), 11.50%, 5/01/14		500	50,000
Generac Acquisition Corp. First Lien Term Loan,			
2.995%, 11/10/13		1,464	943,028
			993,028
Electronic Equipment, Instruments & Components 1.3%			
Flextronics International Ltd.:			
A Closing Date Loan, 2.739% 3.458%, 10/01/14		2,680	2,050,113
A-1 Delay Draw Term Loan, 3.381%, 10/01/12		770	589,113
Matinvest 2 SAS (Deutsche Connector) Second Lien			
Facility, 4.989%, 12/22/15		500	180,000
Safenet, Inc. Loan (Second Lien), 6.46%, 4/12/15		500	276,250
Tinnerman Palnut Engineered Products, LLC Second			
Lien Term Loan, 13%, 11/01/11		2,349	70,468
			3,165,944

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Energy Equipment & Services 1.0%

Dresser, Inc. Term Loan (Second Lien), 6.988%, 5/04/15	1,500	817,500
MEG Energy Corp. Initial Term Loan, 3.22%, 4/03/13	485	409,825
Trinidad USA Partnership LLP U.S. Term Loan, 3.009%, 5/01/11	1,455	1,178,550
		2,405,875

See Notes to Financial Statements.

SEMI-ANNUAL REPORT