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BLACKROCK CORE BOND TRUST

Form N-CSR

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 811-10543

Name of Fund: BlackRock Core Bond Trust (BHK)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

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

Date of fiscal year end: 08/31/2011

Date of reporting period: 08/31/2011

Item 1 – Report to Stockholders

August 31, 2011

Annual Report

BlackRock Core Bond Trust (BHK)
BlackRock Corporate High Yield Fund V, Inc. (HYV)
BlackRock Corporate High Yield Fund VI, Inc. (HYT)
BlackRock High Income Shares (HIS)
BlackRock High Yield Trust (BHY)
BlackRock Income Opportunity Trust, Inc. (BNA)
BlackRock Income Trust, Inc. (BKT)
BlackRock Strategic Bond Trust (BHD)

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 (S&P 500 Index)	(7.23)%	18.50%

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US small cap equities (Russell 2000 Index)	(11.17)	22.19
International equities (MSCI Europe, Australasia, Far East Index)	(11.12)	10.01
Emerging market equities (MSCI Emerging Markets Index)	(5.11)	9.07
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.08	0.15
US Treasury securities (BofA Merrill Lynch 10- Year US Treasury Index)	13.04	6.21
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	5.49	4.62
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

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Trust Summary as of August 31, 2011

BlackRock Core Bond Trust

Investment Objective

BlackRock Core Bond Trust's (BHK) (the Trust) investment objective is to provide current income and capital appreciation. The Trust seeks to achieve its investment objective by investing at least 75% of its assets in bonds that are investment grade quality at the time of investment. The Trust's investments will include a broad range of bonds, including corporate bonds, US government and agency securities and mortgage-related securities. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned (2.35)% based on market price and 4.02% based on net asset value (NAV). For the same period, the closed-end Lipper Corporate Debt Funds BBB-Rated category posted an average return of 3.09% based on market price and 5.36% based on NAV. All returns reflect reinvestment of dividends. The Trust's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The largest individual factor impacting performance relative to its Lipper category competitors, many of which carry a lower average credit quality and/or a higher allocation to spread assets (those driven by movements in credit risk), is the Trust's high-quality bias. This bias hurt performance for the period as spread sectors and lower-quality risk assets generally outperformed US Treasuries and government-related assets for the 12-month period.

Early in reporting period, the Trust's exposure to non-government spread sectors, such as investment grade credit, non-agency residential mortgage-backed securities (MBS) and asset-backed securities (ABS) contributed positively to performance on an absolute basis. The Trust's allocation to high yield corporate credit and commercial mortgage-backed securities (CMBS) also had a positive impact. During the second half of the reporting period, the Trust's allocation to high-quality, government-related debt benefited performance, as did its longer duration (greater sensitivity to interest rates) and yield curve-flattening stance as interest rates rallied in the final month of the period.

The Trust uses interest rate derivatives, including futures contracts, options, swaps and swaptions, mainly for the purpose of managing risks relating to portfolio duration and yield curve positioning. The Trust also uses credit default swaps against both individual names and broad indices to manage credit risk in the portfolio. Credit default swaps against indices help to manage market risk as well. In addition, the Trust trades foreign currency exchange contracts and uses foreign currency derivatives to manage currency risk in the portfolio. Overall, derivative usage during period had a negative effect on performance.

Describe recent portfolio activity.

During the period, the Trust gradually reduced its exposure to non-agency residential MBS and CMBS. The proceeds from these transactions were rotated into more liquid corporate credit bonds that offer compelling carry yields (income) and strong fundamentals. Investment grade and high yield corporate bonds became the two largest credit spread sector allocations in the Trust. The Trust tactically managed its duration and yield curve positioning throughout the period.

Describe portfolio positioning at period end.

At period end, the Trust maintained a diversified exposure to non-government spread sectors, including investment grade credit, high yield corporate credit, CMBS, ABS and non-agency residential MBS. The Trust also held allocations to government-related sectors such

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as US Treasuries, agency debt and agency MBS. The Trust ended the period with leverage at 29% 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.

BlackRock Core Bond Trust**Trust Information**

Symbol on New York Stock Exchange (NYSE)	BHK
Initial Offering Date	November 27, 2001
Yield on Closing Market Price as of August 31, 2011 (\$12.69) ¹	6.34%
Current Monthly Distribution per Common Share ²	\$0.067
Current Annualized Distribution per Common Share ²	\$0.804
Leverage as of August 31, 2011 ³	29%

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

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

³ Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 12.69	\$ 13.92	(8.84)%	\$ 13.99	\$ 11.98
Net Asset Value	\$ 13.78	\$ 14.19	(2.89)%	\$ 14.30	\$ 13.19

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

Portfolio Composition

	8/31/11	8/31/10
Corporate Bonds	52%	38%
US Treasury Obligations	16	19
US Government Sponsored Agency Securities	13	23
Non-Agency Mortgage-Backed Securities	12	10
Asset-Backed Securities	4	5
Preferred Securities	1	1
Taxable Municipal Bonds	1	2
Foreign Agency Obligations	1	2

Credit Quality Allocations⁴

	8/31/11	8/31/10
AAA/Aaa ⁵	40%	43%
AA/Aa	8	11

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A	17	17
BBB/Baa	16	11
BB/Ba	6	8
B	11	7
CCC/Caa	2	2
Not Rated		1

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

⁵ Includes US Government Sponsored Agency Securities, which were deemed AAA/Aaa by the investment advisor.

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Trust Summary as of August 31, 2011

BlackRock Corporate High Yield Fund V, Inc.

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned 10.79% based on market price and 10.29% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 11.37% based on market price and 9.65% based on NAV. All returns reflect reinvestment of dividends. The Trust 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?

High yield bonds outperformed higher-quality fixed income assets by a sizeable margin during the period due to the high yield market s prevalence of solid technicals, strong credit fundamentals and substantial income in a low-interest-rate environment. More recently, however, these positives have been upstaged by escalating macroeconomic concerns, which continued to fuel investor uncertainty and risk aversion. Across the high yield credit spectrum, security selection in the mid- to lower-quality tiers benefited Trust performance, as did the Trust s exposure to non-rated credits (i.e., preferred securities, warrants). Among fixed income sectors, positive security selection in the electric, metals & mining and media non-cable sectors boosted gains. Allocations to equity-related instruments also aided performance.

Over the period, an underexposure to higher-quality securities hurt Trust performance. Higher-quality securities exhibit more interest rate sensitivity than their lower-quality counterparts, so they reacted positively to a rally in US Treasury rates touched off by higher market volatility and a resulting flight to quality. Within sectors, security selection in the independent energy, non-captive diversified and consumer service sectors impeded Trust gains. Another notable detractor was the Trust s allocation to senior secured bank loans, which underperformed high yield bonds over the period. The Trust pursued a higher-quality bias in bank loans over the last several months of the period.

Describe recent portfolio activity.

During the first half of the period, the Trust shifted its overall positioning from a more conservative stance to one that was more consistent with a gradually improving economy. As the US economic outlook worsened and the potential for contagion from the continued debt crisis in Europe increased, Trust positioning once again became more conservative. The Trust continued to purchase new issues, albeit cautiously, seeking more stable industries with companies offering good cash flows, earnings and revenue visibility, as well as attractive downside protection. More recently, the Trust has reduced exposure to riskier credits that typically require significant economic growth or expansion to realize a boost in valuations. While selling down higher-beta names (i.e., those with higher sensitivity to market volatility), the Trust began actively hedging its equity exposure by taking short positions in S&P 500® Index futures. Furthermore, the Trust increased exposure to names in the independent energy sector, while significantly reducing exposure to the wireless sector.

Describe portfolio positioning at period end.

At period end, the Trust held 79% of its total portfolio in corporate bonds, 13% in floating rate loan interests (bank loans), 3% in common stocks, 3% in other interests with the remainder in preferred stocks. The Trust's cash equivalent position was negligible for most of the period. The Trust ended the period with leverage at 25% 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.

BlackRock Corporate High Yield Fund V, Inc.**Trust Information**

Symbol on NYSE	HYV
Initial Offering Date	November 30, 2001
Yield on Closing Market Price as of August 31, 2011 (\$11.55) ¹	8.83%
Current Monthly Distribution per Common Share ²	\$0.085
Current Annualized Distribution per Common Share ²	\$1.020
Leverage as of August 31, 2011 ³	25%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 11.55	\$ 11.40	1.32%	\$ 12.58	\$ 10.10
Net Asset Value	\$ 11.71	\$ 11.61	0.86%	\$ 12.87	\$ 11.52

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

Portfolio Composition

	8/31/11	8/31/10
Corporate Bonds	79%	80%
Floating Rate Loan Interests	13	15
Common Stocks	3	2
Other Interests	3	2
Preferred Stocks	2	1

Credit Quality Allocations⁴

	8/31/11	8/31/10
BBB/Baa	7%	3%

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BB/Ba	34	35
B	45	46
CCC/Caa	11	11
CC/Ca		1
D	1	
Not Rated	2	4

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

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AUGUST 31, 2011

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Trust Summary as of August 31, 2011

BlackRock Corporate High Yield Fund VI, Inc.

Investment Objective

BlackRock Corporate High Yield Fund VI, Inc. s (HYT) (the Trust) primary investment objective is to provide shareholders with current income. The Trust s secondary investment objective is to provide shareholders with capital appreciation. The Trust seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its assets in domestic and foreign high yield securities, including high yield bonds (commonly referred to as junk bonds), corporate loans, convertible debt securities and preferred securities which are below investment grade quality. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned 9.09% based on market price and 9.95% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 11.37% based on market price and 9.65% based on NAV. All returns reflect reinvestment of dividends. The Trust s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

High yield bonds outperformed higher-quality fixed income assets by a sizeable margin during the period due to the high yield market s prevalence of solid technicals, strong credit fundamentals and substantial income in a low-interest-rate environment. More recently, however, these positives have been upstaged by escalating macroeconomic concerns, which continued to fuel investor uncertainty and risk aversion. Across the high yield credit spectrum, security selection in the mid- to lower-quality tiers benefited Trust performance, as did the Trust s exposure to non-rated credits (i.e., preferred securities, warrants). Among fixed income sectors, positive security selection in the electric, metals & mining and media non-cable sectors boosted gains. Allocations to equity-related instruments also aided performance.

Over the period, an underexposure to higher-quality securities hurt Trust performance. Higher-quality securities exhibit more interest rate sensitivity than their lower-quality counterparts, so they reacted positively to a rally in US Treasury rates touched off by higher market volatility and a resulting flight to quality. Within sectors, security selection in the independent energy, non-captive diversified and consumer service sectors impeded Trust gains. Another notable detractor was the Trust s allocation to senior secured bank loans, which underperformed high yield bonds over the period. The Trust pursued a higher-quality bias in bank loans over the last several months of the period.

Describe recent portfolio activity.

During the first half of the period, the Trust shifted its overall positioning from a more conservative stance to one that was more consistent with a gradually improving economy. As the US economic outlook worsened and the potential for contagion from the continued debt crisis in Europe increased, Trust positioning once again became more conservative. The Trust continued to purchase new issues, albeit cautiously, seeking more stable industries with companies offering good cash flows, earnings and revenue visibility, as well as attractive downside protection. More recently, the Trust has reduced exposure to riskier credits that typically require significant economic growth or expansion to realize a boost in valuations. While selling down higher-beta names (i.e., those with higher sensitivity to market volatility), the Trust began actively hedging its equity exposure by taking short positions in S&P 500® Index futures. Furthermore, the Trust increased exposure to names in the independent energy sector, while significantly reducing exposure to the wireless sector.

Describe portfolio positioning at period end.

At period end, the Trust held 79% of its total portfolio in corporate bonds, 13% in floating rate loan interests (bank loans), 3% in common stocks, 3% in other interests with the remainder in preferred stocks. The Trust's cash equivalent position was negligible for most of the period. The Trust ended the period with leverage at 24% 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.

BlackRock Corporate High Yield Fund VI, Inc.
Trust Information

Symbol on NYSE	HYT
Initial Offering Date	May 30, 2003
Yield on Closing Market Price as of August 31, 2011 (\$11.21) ¹	8.83%
Current Monthly Distribution per Common Share ²	\$0.0825
Current Annualized Distribution per Common Share ²	\$0.9900
Leverage as of August 31, 2011 ³	24%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 11.21	\$ 11.19	0.18%	\$ 12.23	\$ 10.00
Net Asset Value	\$ 11.49	\$ 11.38	0.97%	\$ 12.60	\$ 11.31

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

Portfolio Composition

	8/31/11	8/31/10
Corporate Bonds	79%	81%
Floating Rate Loan Interests	13	15
Common Stocks	3	2
Other Interests	3	1
Preferred Stocks	2	1

Credit Quality Allocations⁴

	8/31/11	8/31/10
BBB/Baa	7%	3%

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BB/Ba	35	36
B	45	47
CCC/Caa	11	11
D	1	
Not Rated	1	3

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

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AUGUST 31, 2011

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Trust Summary as of August 31, 2011

BlackRock High Income Shares

Investment Objective

BlackRock High Income Shares (HIS) (the Trust) primary investment objective is to provide the highest current income attainable consistent with reasonable risk as determined by the Trust's investment adviser, through investment in a professionally managed, diversified portfolio of high yield, high risk fixed income securities (commonly referred to as "junk bonds"). The Trust's secondary objective is to provide capital appreciation, but only when consistent with its primary objective. The Trust seeks to achieve its objectives by investing primarily in high yield, high risk debt instruments rated in the medium to lower categories by nationally recognized rating services (BBB or lower by S&P or Baa or lower by Moody's) or non-rated securities, which, in the investment adviser's opinion, are of comparable quality. Under normal market conditions, the average maturity of the Trust's portfolio is between eight and twelve years. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned 10.59% based on market price and 9.56% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 11.37% based on market price and 9.65% based on NAV. All returns reflect reinvestment of dividends. The Trust'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?

High yield bonds outperformed higher-quality fixed income assets by a sizeable margin during the period due to the high yield market's prevalence of solid technicals, strong credit fundamentals and substantial income in a low-interest-rate environment. More recently, however, these positives have been upstaged by escalating macroeconomic concerns, which continued to fuel investor uncertainty and risk aversion. Across the high yield credit spectrum, security selection in the mid- to lower-quality tiers benefited Trust performance, as did the Trust's exposure to non-rated credits (i.e., preferred securities, warrants). Among fixed income sectors, positive security selection in the electric, metals & mining and media non-cable sectors boosted gains. Allocations to equity-related instruments also aided performance.

Over the period, an underexposure to higher-quality securities hurt Trust performance. Higher-quality securities exhibit more interest rate sensitivity than their lower-quality counterparts, so they reacted positively to a rally in US Treasury rates touched off by higher market volatility and a resulting flight to quality. Within sectors, security selection in the independent energy, non-captive diversified and consumer service sectors impeded Trust gains. Another notable detractor was the Trust's allocation to senior secured bank loans, which underperformed high yield bonds over the period. The Trust pursued a higher-quality bias in bank loans over the last several months of the period.

Describe recent portfolio activity.

During the first half of the period, the Trust shifted its overall positioning from a more conservative stance to one that was more consistent with a gradually improving economy. As the US economic outlook worsened and the potential for contagion from the continued debt crisis in Europe increased, Trust positioning once again became more conservative. The Trust continued to purchase new issues, albeit cautiously, seeking more stable industries with companies offering good cash flows, earnings and revenue visibility, as well as attractive downside protection. More recently, the Trust has reduced exposure to riskier credits that typically require significant economic growth or expansion to realize a boost in valuations. While selling down higher-beta names (i.e., those with higher sensitivity to market volatility), the Trust began actively hedging its equity exposure by taking short positions in S&P 500® Index futures. Furthermore, the Trust increased exposure to names in the independent energy sector, while significantly reducing exposure to the wireless sector.

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Describe portfolio positioning at period end.

At period end, the Trust held 83% of its total portfolio in corporate bonds, 14% in floating rate loan interests (bank loans), 2% in preferred stocks and 1% in common stocks. The Trust's cash equivalent position was negligible for most of the period. The Trust ended the period with leverage at 20% 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.

BlackRock High Income Shares**Trust Information**

Symbol on NYSE	HIS
Initial Offering Date	August 10, 1988
Yield on Closing Market Price as of August 31, 2011 (\$2.10) ¹	8.11%
Current Monthly Distribution per Common Share ²	\$0.0142
Current Annualized Distribution per Common Share ²	\$0.1704
Leverage as of August 31, 2011 ³	20%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 2.10	\$ 2.09	0.48%	\$ 2.25	\$ 1.85
Net Asset Value	\$ 2.18	\$ 2.19	(0.46)%	\$ 2.36	\$ 2.14

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

Portfolio Composition

	8/31/11	8/31/10
Corporate Bonds	83%	84%
Floating Rate Loan Interests	14	13
Preferred Stocks	2	2
Common Stocks	1	1

Credit Quality Allocations⁴

	8/31/11	8/31/10
BBB/Baa	7%	3%
BB/Ba	34	35
B	45	46
CCC/Caa	12	11
D	1	
Not Rated	1	5

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

Trust Summary as of August 31, 2011

BlackRock High Yield Trust

Investment Objective

BlackRock High Yield Trust's (BHY) (the Trust) primary investment objective is to provide high current income. The Trust's secondary investment objective is to provide capital appreciation. The Trust seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its assets in high-risk, high yield bonds and other such securities, such as preferred stocks, which are rated below investment grade. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned 10.73% based on market price and 9.66% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 11.37% based on market price and 9.65% based on NAV. All returns reflect reinvestment of dividends. The Trust'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?

High yield bonds outperformed higher-quality fixed income assets by a sizeable margin during the period due to the high yield market's prevalence of solid technicals, strong credit fundamentals and substantial income in a low-interest-rate environment. More recently, however, these positives have been upstaged by escalating macroeconomic concerns, which continued to fuel investor uncertainty and risk aversion. Across the high yield credit spectrum, security selection in the mid- to lower-quality tiers benefited Trust performance, as did the Trust's exposure to non-rated credits (i.e., preferred securities, warrants). Among fixed income sectors, positive security selection in the electric, metals & mining and media non-cable sectors boosted gains. Allocations to equity-related instruments also aided performance.

Over the period, an underexposure to higher-quality securities hurt Trust performance. Higher-quality securities exhibit more interest rate sensitivity than their lower-quality counterparts, so they reacted positively to a rally in US Treasury rates touched off by higher market volatility and a resulting flight to quality. Within sectors, security selection in the independent energy, non-captive diversified and consumer service sectors impeded Trust gains. Another notable detractor was the Trust's allocation to senior secured bank loans, which underperformed high yield bonds over the period. The Trust pursued a higher-quality bias in bank loans over the last several months of the period.

Describe recent portfolio activity.

During the first half of the period, the Trust shifted its overall positioning from a more conservative stance to one that was more consistent with a gradually improving economy. As the US economic outlook worsened and the potential for contagion from the continued debt crisis in Europe increased, Trust positioning once again became more conservative. The Trust continued to purchase new issues, albeit cautiously, seeking more stable industries with companies offering good cash flows, earnings and revenue visibility, as well as attractive downside protection. More recently, the Trust has reduced exposure to riskier credits that typically require significant economic growth or expansion to realize a boost in valuations. Furthermore, the Trust increased exposure to names in the independent energy sector, while significantly reducing exposure to the wireless sector.

Describe portfolio positioning at period end.

At period end, the Trust held 82% of its total portfolio in corporate bonds, 15% in floating rate loan interests (bank loans), 2% in other interests and 1% in preferred stocks. The Trust's cash equivalent position was negligible for most of the period. The Trust ended the period with leverage at 12% of its total managed assets.

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BlackRock High Yield Trust**Trust Information**

Symbol on NYSE	BHY
Initial Offering Date	December 23, 1998
Yield on Closing Market Price as of August 31, 2011 (\$6.60) ¹	7.91%
Current Monthly Distribution per Common Share ²	\$0.0435
Current Annualized Distribution per Common Share ²	\$0.5220
Leverage as of August 31, 2011 ³	12%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 6.60	\$ 6.44	2.48%	\$ 7.00	\$ 5.94
Net Asset Value	\$ 6.79	\$ 6.69	1.49%	\$ 7.33	\$ 6.66

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

Portfolio Composition

	8/31/11	8/31/10
Corporate Bonds	82%	84%
Floating Rate Loan Interests	15	13
Other Interests	2	1
Preferred Stocks	1	1
Common Stocks		1

Credit Quality Allocations⁴

	8/31/11	8/31/10
BBB/Baa	8%	3%
BB/Ba	35	38
B	46	42
CCC/Caa	9	12
D	1	
Not Rated	1	5

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

Trust Summary as of August 31, 2011

BlackRock Income Opportunity Trust, Inc.

Investment Objective

BlackRock Income Opportunity Trust, Inc. s (BNA) (the Trust) investment objective is to provide current income and capital appreciation. The Trust seeks to achieve its investment objective by investing at least 75% of its assets in bonds that are investment grade quality at the time of investment. The Trust s investments will include a broad range of bonds, including corporate bonds, US government and agency securities and mortgage-related securities. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned (0.37)% based on market price and 3.91% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds BBB-Rated category posted an average return of 3.09% based on market price and 5.36% based on NAV. All returns reflect reinvestment of dividends. The Trust s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The largest individual factor impacting performance relative to its Lipper category competitors, many of which carry a lower average credit quality and/or a higher allocation to spread assets (those driven by movements in credit risk), is the Trust s high-quality bias. This bias hurt performance for the period as spread sectors and lower-quality risk assets generally outperformed US Treasuries and government-related assets for the 12-month period.

Early in the reporting period, the Trust s exposure to non-government spread sectors, such as investment grade credit, non-agency residential MBS and ABS contributed positively to performance on an absolute basis. The Trust s allocation to high yield corporate credit and CMBS also had a positive impact. During the second half of the reporting period, the Trust s allocation to high-quality, government-related debt benefited performance, as did its longer duration (greater sensitivity to interest rates) and yield curve-flattening stance as interest rates rallied in the final month of the period.

The Trust uses interest rate derivatives, including futures contracts, options, swaps and swaptions, mainly for the purpose of managing risks relating to portfolio duration and yield curve positioning. The Trust also uses credit default swaps against both individual names and broad indices to manage credit risk in the portfolio. Credit default swaps against indices help to manage market risk as well. In addition, the Trust trades foreign currency exchange contracts and uses foreign currency derivatives to manage currency risk in the portfolio. Overall, derivative usage during period had a negative effect on performance.

Describe recent portfolio activity.

During the period, the Trust gradually reduced its exposure to non-agency residential MBS and CMBS. The proceeds from these transactions were rotated into more liquid corporate credit bonds that offer compelling carry yields (income) and strong fundamentals. Investment grade and high yield corporate bonds became the two largest credit spread sector allocations in the Trust. The Trust tactically managed its duration and yield curve positioning throughout the period.

Describe portfolio positioning at period end.

At period end, the Trust maintained a diversified exposure to non-government spread sectors, including investment grade credit, high yield corporate credit, CMBS, ABS and non-agency residential MBS. The Trust also held allocations to government-related sectors such as US Treasuries, agency debt and agency MBS. The Trust ended the period with leverage at 29% of its total managed assets.

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BlackRock Income Opportunity Trust, Inc.**Trust Information**

Symbol on NYSE	BNA
Initial Offering Date	December 20, 1991
Yield on Closing Market Price as of August 31, 2011 (\$9.85) ¹	6.21%
Current Monthly Distribution per Common Share ²	\$0.051
Current Annualized Distribution per Common Share ²	\$0.612
Leverage as of August 31, 2011 ³	29%

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

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

³ Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 9.85	\$ 10.56	(6.72)%	\$ 10.59	\$ 9.30
Net Asset Value	\$ 10.77	\$ 11.07	(2.71)%	\$ 11.13	\$ 10.28

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

Portfolio Composition

	8/31/11	8/31/10
Corporate Bonds	52%	38%
US Treasury Obligations	16	18
US Government Sponsored Agency Securities	13	23
Non-Agency Mortgage-Backed Securities	12	12
Asset-Backed Securities	4	4
Preferred Securities	1	1
Taxable Municipal Bonds	1	2
Foreign Agency Obligations	1	2

Credit Quality Allocations⁴

	8/31/11	8/31/10
AAA/Aaa ⁵	40%	41%
AA/Aa	7	11
A	19	20
BBB/Baa	16	12
BB/Ba	7	9
B	9	6
CCC/Caa	2	1

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- ⁴ Using the higher of S&P's or Moody's ratings.
- ⁵ Includes US Government Sponsored Agency Securities, which were deemed AAA/Aaa by the investment advisor.

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Trust Summary as of August 31, 2011

BlackRock Income Trust, Inc.

Investment Objective

BlackRock Income Trust, Inc. s (BKT) (the Trust) investment objective is to manage a portfolio of high-quality securities to achieve both preservation of capital and high monthly income. The Trust seeks to achieve its investment objective by investing at least 65% of its assets in mortgage-backed securities. The Trust invests at least 80% of its assets in securities that are (i) issued or guaranteed by the US government or one of its agencies or instrumentalities or (ii) rated at the time of investment either AAA by S&P or Aaa by Moody s. Securities issued or guaranteed by the US government or its agencies or instrumentalities are generally considered to be of the same or higher credit or quality as privately issued securities rated AAA or Aaa. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned 8.47% based on market price and 7.70% based on NAV. For the same period, the closed-end Lipper US Mortgage Funds category posted an average return of 5.28% based on market price and 6.99% based on NAV. All returns reflect reinvestment of dividends. The Trust 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?

During the first half of the reporting period, the Trust benefited mostly from its exposure to non-agency residential MBS and security selection within agency MBS. In the latter half of the period, the Trust s high-quality bias had a positive impact as investors fled riskier assets amid increasingly volatile markets. The Trust s active management of its agency MBS holdings and its allocation to US Treasuries benefited performance. Within the Trust s agency MBS allocation, holdings of agency IOs (interest-only) mortgages were particularly beneficial.

The Trust s exposure to CMBS and non-agency residential MBS was a negative factor in the latter half of the reporting period when concerns about slowing economic growth drove investors to more liquid segments of the mortgage market.

The Trust uses interest rate derivatives, including futures contracts, options, swaps and swaptions, mainly for the purpose of managing risks relating to portfolio duration and yield curve positioning. Overall, derivative usage during period had a negative effect on performance.

Describe recent portfolio activity.

During the period, the Trust gradually reduced its exposure to CMBS. The Trust also actively traded agency MBS and mortgage derivatives, seeking to take advantage of a benign pre-payment environment despite rates moving lower for most of the period.

Describe portfolio positioning at period end.

At period end, the Trust maintained its exposure to high-quality agency MBS with varying maturities and coupons and held allocations to non-agency residential MBS and CMBS. The Trust ended the period with leverage at 31% 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.

BlackRock Income Trust, Inc.**Trust Information**

Symbol on NYSE	BKT
Initial Offering Date	July 22, 1988
Yield on Closing Market Price as of August 31, 2011 (\$7.18) ¹	6.10%
Current Monthly Distribution per Common Share ²	\$0.0365
Current Annualized Distribution per Common Share ²	\$0.4380
Leverage as of August 31, 2011 ³	31%

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

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

³ Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see the Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 7.18	\$ 6.95	3.31%	\$ 7.25	\$ 6.63
Net Asset Value	\$ 7.96	\$ 7.76	2.58%	\$ 8.02	\$ 7.64

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

Portfolio Composition

	8/31/11	8/31/10
US Government Sponsored Agency Securities	84%	83%
US Treasury Obligations	12	11
Non-Agency Mortgage-Backed Securities	3	5
Asset-Backed Securities	1	1

Credit Quality Allocations⁴

	8/31/11	8/31/10
AAA/Aaa ⁵	100%	100%

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

⁵ Includes US Government Sponsored Agency Securities, which were deemed AAA/Aaa by the investment advisor.

Trust Summary as of August 31, 2011

BlackRock Strategic Bond Trust

Investment Objective

BlackRock Strategic Bond Trust's (BHD) (the Trust) investment objective is to provide total return through high current income and capital appreciation. The Trust seeks to achieve its investment objective by investing primarily in a diversified portfolio of fixed income securities including corporate bonds, US government and agency securities, mortgage-related and asset-backed securities and other types of fixed income securities. The Trust invests, under normal market conditions, a significant portion of its assets in corporate fixed income securities that are below investment grade quality, including high-risk, high yield bonds (commonly referred to as junk bonds) and other such securities, such as preferred stocks. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Trust perform?

For the 12 months ended August 31, 2011, the Trust returned 6.83% based on market price and 8.09% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 11.37% based on market price and 9.65% based on NAV. All returns reflect reinvestment of dividends. The Trust's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The Trust invests mainly in high yield bonds and investment grade corporate credit. Despite the sharp market decline in the final month, both of these sectors posted gains for the 12-month period. On balance, lower-quality, higher-beta (greater market sensitivity) assets outperformed their higher-quality, lower-beta counterparts. The Trust's lower-quality bias within investment grade credit proved beneficial, as did the credit quality profile of its high yield bond holdings. The Trust's lower exposure to investment grade corporate credit in favor of high yield also had a positive impact.

Relative to its Lipper category competitors, which invest primarily in high yield bonds (approximately 90%), the Trust's allocation to investment grade credit was the largest detractor from performance as high yield outperformed the investment grade sector for the period. The Trust also held floating rate loan interests (approximately 10% of the portfolio), which also underperformed high yield and therefore hindered returns.

During the period, the Trust maintained leverage at an average amount between 18% and 22% of its total managed assets. This leverage added to performance on an absolute basis, but detracted from relative performance versus competitors that maintained higher levels of leverage, as would be expected during a period in which markets advanced.

Describe recent portfolio activity.

During the earlier part of the period, portfolio activity was consistent with a gradually recovering economy. The Trust modestly increased exposure to more economically sensitive companies and sectors, while maintaining its positions in a number of undervalued special situation credits. However, as concerns mounted over slowing US economic growth and the debt crisis in Europe in the latter half of the period, the Trust shifted to a more conservative stance. The Trust reduced exposure to the economy and consumer spending and sought credits that exhibit a more stable cash flow.

Describe portfolio positioning at period end.

At period end, the Trust held 60% of its total portfolio in high yield bonds, 25% investment grade corporate credit and 12% in floating rate loan interests (bank loans), with the remainder in other interests and preferred securities. The Trust ended the period with leverage at 20% of its total managed assets.

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BlackRock Strategic Bond Trust**Trust Information**

Symbol on NYSE	BHD
Initial Offering Date	February 26, 2002
Yield on Closing Market Price as of August 31, 2011 (\$12.93) ¹	7.84%
Current Monthly Distribution per Common Share ²	\$0.0845
Current Annualized Distribution per Common Share ²	\$1.0140
Leverage as of August 31, 2011 ³	20%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (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 Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/11	8/31/10	Change	High	Low
Market Price	\$ 12.93	\$ 13.17	(1.82)%	\$ 13.75	\$ 11.67
Net Asset Value	\$ 13.48	\$ 13.57	(0.66)%	\$ 14.40	\$ 13.21

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

Portfolio Composition

	8/31/11	8/31/10
Corporate Bonds	85%	85%
Floating Rate Loan Interests	12	11
Other Interests	2	1
Preferred Securities	1	2
Common Stocks		1

Credit Quality Allocations⁴

	8/31/11	8/31/10
AA/Aa	3%	3%
A	13	14
BBB/Baa	16	13
BB/Ba	26	28
B	34	33
CCC/Caa	6	8
D	1	
Not Rated	1	1

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

The Benefits and Risks of Leveraging

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

The Trusts may utilize leverage by borrowing through a credit facility or through entering into reverse repurchase agreements and treasury roll transactions. 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 Trust on its longer-term portfolio investments. To the extent that the total assets of each Trust (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Trust's 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 Trusts had not used leverage.

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

Furthermore, the value of the Trusts' 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 Trusts' borrowings does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trusts' NAV positively or negatively in addition to the impact on Trust performance from leverage from borrowings discussed above.

The use of leverage may enhance opportunities for increased income to the Trusts, 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 Trusts' NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Trusts' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Trust's net income will be less than if leverage had not been used, and therefore the amount available for distribution to shareholders will be reduced. Each Trust 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 Trust to incur losses. The use of leverage may limit each Trust's ability to invest in certain types of securities or use certain types of hedging strategies. Each Trust 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 Trusts are permitted to borrow through their credit facility or by entering into reverse repurchase agreements and/or treasury roll transactions up to 33 % of their total managed assets. As of August 31, 2011, the Trusts had outstanding leverage from borrowings as a percentage of their total managed assets as follows:

	Percent of Leverage
BHK	29%
HYV	25%
HYT	24%
HIS	20%
BHY	12%

BNA	29%
BKT	31%
BHD	20%

Derivative Financial Instruments

The Trusts 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 Trusts' 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 Trust to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Trust can realize on an investment, may result in lower dividends paid to shareholders or may cause a Trust to hold an investment that it might otherwise sell. The Trusts' investments in these instruments are discussed in detail in the Notes to Financial Statements.

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Schedule of Investments August 31, 2011

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

	Par (000)	Value
Asset-Backed Securities		
Asset-Backed Securities 6.0%		
321 Henderson Receivables I LLC, Series 2010-3A, Class A, 3.82%, 12/15/48 (a)	USD 848	\$ 846,953
Capital One Multi-Asset Execution Trust, Series 2006-A5, Class A5, 0.27%, 1/15/16 (b)	350	349,462
Citibank Omni Master Trust (a):		
Series 2009-A13, Class A13, 5.35%, 8/15/18	795	875,716
Series 2009-A17, Class A17, 4.90%, 11/15/18	2,295	2,507,816
Countrywide Asset-Backed Certificates, Series 2006-13, Class 3AV2, 0.37%, 1/25/37 (b)	1,265	817,998
Credit Acceptance Auto Loan Trust, Series 2010-1, Class B, 3.63%, 10/15/18 (a)	1,980	1,985,941
DT Auto Owner Trust, Series 2011-2A, Class C, 3.05%, 2/16/16 (a)	1,500	1,506,067
Globaldrive BV, Series 2008-2, Class A, 4.00%, 10/20/16	EUR 351	509,288
Home Equity Asset Trust, Series 2007-2, Class 2A1, 0.33%, 7/25/37 (b)	USD 173	166,503
Nelnet Student Loan Trust, Series 2006-1, Class A5, 0.41%, 8/23/27 (b)	1,060	982,103
SLM Student Loan Trust (b):		
Series 2004-B, Class A2, 0.45%, 6/15/21	235	228,434
Series 2008-5, Class A3, 1.55%, 1/25/18	515	525,389
Series 2008-5, Class A4, 1.95%, 7/25/23	2,715	2,808,382
Santander Consumer Acquired Receivables Trust (a):		
Series 2011-S1A, Class B, 1.66%, 8/15/16	683	678,852
Series 2011-S1A, Class C, 2.01%, 8/15/16	517	513,310
Series 2011-S1A, Class D, 3.15%, 8/15/16	532	528,845
Series 2011-WO, Class C, 3.19%, 10/15/15	580	589,048
Santander Drive Auto Receivables Trust:		
Series 2010-2, Class B, 2.24%, 12/15/14	860	863,413
Series 2010-2, Class C, 3.89%, 7/17/17	1,010	1,031,184
Series 2010-B, Class B, 2.10%, 9/15/14 (a)	700	701,264
Series 2010-B, Class C, 3.02%, 10/17/16 (a)	740	740,296
Series 2011-S1A, Class B, 1.48%, 5/15/17 (a)	461	457,990
Series 2011-S1A, Class D, 3.10%, 5/15/17 (a)	502	499,629
Series 2011-S2A, Class C, 2.86%, 6/15/17 (a)	1,186	1,181,048
Small Business Administration, Class 1:		
Series 2003-P10B, 5.14%, 8/10/13	270	284,187
Series 2004-P10B, 4.75%, 8/10/14	203	215,843
		22,394,961
Interest Only Asset-Backed Securities 0.2%		
Sterling Bank Trust, Series 2004-2, Class Note, 2.08%, 3/30/30 (a)	4,251	333,460
Sterling Coofs Trust, Series 1, 2.36%, 4/15/29	6,606	524,361
		857,821
Total Asset-Backed Securities 6.2%		23,252,782

Common Stocks

Shares

Value

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Software 0.0%			
Bankruptcy Management Solutions, Inc. (c)	135	\$	1
Total Common Stocks 0.0%			1

		Par (000)	
Corporate Bonds			
Aerospace & Defense 0.6%			
United Technologies Corp.:			
4.88%, 5/01/15	USD	1,125	1,276,499
6.13%, 7/15/38		700	848,432
			2,124,931
Airlines 0.4%			
American Airlines, Inc., Series 2001-2, 7.86%, 4/01/13		380	380,000
Continental Airlines, Inc., Series 2010-1-B, 6.00%, 1/12/19		700	647,500
United Air Lines, Inc., 12.75%, 7/15/12		334	348,933
			1,376,433
Auto Components 0.1%			
BorgWarner, Inc., 4.63%, 9/15/20		265	281,153
Beverages 0.1%			
Crown European Holdings SA, 7.13%, 8/15/18 (a)	EUR	355	492,109
Building Products 0.1%			
Momentive Performance Materials, Inc., 11.50%, 12/01/16	USD	510	504,900
Capital Markets 6.1%			
American Capital Ltd., 7.96%, 12/31/13 (d)		720	714,946
CDP Financial, Inc. (a)(e):			
3.00%, 11/25/14		1,935	2,040,500
5.60%, 11/25/39		2,935	3,368,992
Credit Suisse AG:			
2.60%, 5/27/16 (a)		570	585,911
5.40%, 1/14/20 (e)		1,795	1,787,718
E*Trade Financial Corp., 12.50%, 11/30/17 (f)		1,160	1,334,000
The Goldman Sachs Group, Inc.:			
3.70%, 8/01/15		800	808,596
3.63%, 2/07/16 (e)		5,309	5,313,619
5.38%, 3/15/20		1,220	1,239,570
Morgan Stanley:			
2.79%, 5/14/13 (b)(e)		1,890	1,887,067
4.20%, 11/20/14		490	491,199
4.00%, 7/24/15		410	408,047
6.25%, 8/28/17 (e)		1,930	2,042,793
5.63%, 9/23/19		630	640,366
			22,663,324

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:

AUD	Australian Dollar
CAD	Canadian Dollar
CHF	Swiss Franc
CNY	Chinese Renminbi
ETF	Exchange-Traded Fund
EUR	Euro

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FHLMC	Federal Home Loan Mortgage Corp.
FKA	Formerly Known As
GBP	British Pound
JPY	Japanese Yen
LIBOR	London Interbank Offered Rate
PIK	Payment-In-Kind
RB	Revenue Bonds
SEK	Swedish Krona
SPDR	Standard and Poor's Depositary Receipts
USD	US Dollar

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Chemicals 0.5%		
American Pacific Corp., 9.00%, 2/01/15	USD 250	\$ 245,625
The Dow Chemical Co., 4.25%, 11/15/20	715	730,258
Hexion US Finance Corp., 8.88%, 2/01/18	375	350,625
Huntsman International LLC, 6.88%, 11/15/13 (a)	EUR 435	618,629
		1,945,137
Commercial Banks 7.7%		
CIT Group, Inc.:		
7.00%, 5/01/15	USD 60	59,700
7.00%, 5/01/16	90	89,550
7.00%, 5/01/17	363	357,969
7.00%, 5/02/17 (a)	50	49,375
Canadian Imperial Bank of Commerce, 2.75%, 1/27/16 (a)	1,490	1,577,141
DEPFA ACS Bank, 5.13%, 3/16/37 (a)	3,775	2,888,388
DnB NOR Boligkreditt (a):		
2.10%, 10/14/16	4,020	4,111,576
2.90%, 3/29/17	2,600	2,722,104
Eksporthfinans ASA (e):		
2.00%, 9/15/15	2,455	2,521,881
5.50%, 6/26/17	950	1,134,066
HSBC Bank Brasil SA Banco Multiplo, 4.00%, 5/11/16 (a)	1,400	1,393,000
HSBC Bank Plc, 3.10%, 5/24/16 (a)	700	711,625
Royal Bank of Canada, 3.13%, 4/14/15 (a)	3,870	4,122,572
Sparebanken 1 Boligkreditt (a):		
1.25%, 10/25/13	1,580	1,590,798
2.63%, 5/27/17	1,675	1,731,027
Wachovia Corp., 5.25%, 8/01/14 (e)	3,425	3,663,613
		28,724,385
Commercial Services & Supplies 0.1%		
ARAMARK Corp., 8.50%, 2/01/15	65	67,112
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)	143	137,802
Mobile Mini, Inc., 7.88%, 12/01/20	320	311,200
		516,114
Construction & Engineering 0.1%		
Abengoa SA, 8.50%, 3/31/16	EUR 150	201,469
Construction Materials 0.2%		
Calcipar SA, 6.88%, 5/01/18 (a)	USD 415	393,213
Inversiones CMPC SA, 4.75%, 1/19/18 (a)	220	224,802
Lafarge SA, 7.13%, 7/15/36	165	137,647
		755,662
Consumer Finance 0.4%		
Ford Motor Credit Co. LLC:		
3.00%, 1/13/12 (b)	125	125,003
7.80%, 6/01/12	340	350,207
SLM Corp.:		
6.25%, 1/25/16	661	675,834
Series A, 0.55%, 1/27/14 (b)	550	495,856
		1,646,900
Containers & Packaging 0.6%		

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Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (a)	EUR	425	572,356
Pregis Corp., 12.38%, 10/15/13	USD	190	174,800
Smurfit Kappa Acquisitions (a): 7.25%, 11/15/17	EUR	725	999,804
7.75%, 11/15/19		410	562,462
			2,309,422

Diversified Financial Services 9.4%

Ally Financial, Inc.:			
8.30%, 2/12/15	USD	1,500	1,575,000
6.25%, 12/01/17		160	153,907
8.00%, 3/15/20		560	565,600

Corporate Bonds	Par (000)	Value
Diversified Financial Services (concluded)		
Bank of America Corp.:		
3.63%, 3/17/16	USD	300 \$ 292,790
3.75%, 7/12/16		950 937,814
7.63%, 6/01/19		450 508,330
5.63%, 7/01/20		650 658,279
Barrick North America Finance LLC, 4.40%, 5/30/21 (a)		15 15,701
Capital One Financial Corp.:		
3.15%, 7/15/16		2,490 2,478,506
4.75%, 7/15/21		960 965,967
Citigroup, Inc.:		
5.00%, 9/15/14		285 292,665
4.75%, 5/19/15		1,150 1,199,339
4.59%, 12/15/15 (e)		7,800 8,101,197
6.00%, 8/15/17		100 108,430
5.38%, 8/09/20		200 212,286
General Electric Capital Corp.:		
6.15%, 8/07/37 (e)(g)		4,150 4,330,160
6.88%, 1/10/39		135 155,320
JPMorgan Chase & Co.:		
3.70%, 1/20/15 (e)		3,425 3,567,997
3.15%, 7/05/16		103 105,210
6.30%, 4/23/19 (e)		2,000 2,311,200
Series BKNT, 6.00%, 10/01/17 (e)		2,050 2,297,890
Novus USA Trust, 1.54%, 11/18/11 (a)(b)		860 850,237
Reynolds Group Issuer, Inc. (a):		
8.75%, 10/15/16 (h)	EUR	550 766,373
7.88%, 8/15/19	USD	660 653,400
6.88%, 2/15/21		1,215 1,129,950
WMG Acquisition Corp. (a):		
9.50%, 6/15/16		160 163,200
11.50%, 10/01/18		785 714,350
		35,111,098

Diversified Telecommunication Services 4.5%

Level 3 Escrow, Inc., 8.13%, 7/01/19 (a)		348	330,600
Level 3 Financing, Inc., 8.75%, 2/15/17		239	234,220
Qwest Communications International, Inc.:			
7.50%, 2/15/14		1,200	1,215,000
8.00%, 10/01/15		568	606,340
7.13%, 4/01/18		272	285,600
Series B, 7.50%, 2/15/14		290	293,625
Qwest Corp.:			
7.63%, 6/15/15		192	213,600
8.38%, 5/01/16		380	433,200
6.50%, 6/01/17		103	110,339

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Telecom Italia Capital SA:

4.95%, 9/30/14 (e)	1,075	1,059,490
6.00%, 9/30/34	1,550	1,257,233
Telefonica Emisiones SAU, 7.05%, 6/20/36	1,975	1,968,283
Verizon Communications, Inc.:		
8.75%, 11/01/18 (e)	2,220	3,007,079
6.40%, 2/15/38 (e)	3,483	4,028,284
8.95%, 3/01/39	900	1,338,673
Verizon New Jersey, Inc., 5.88%, 1/17/12	335	341,215
Windstream Corp., 7.88%, 11/01/17	60	63,075
		16,785,856

Electric Utilities 6.3%

Alabama Power Co.:

3.95%, 6/01/21	460	491,825
6.00%, 3/01/39 (e)	1,275	1,558,036

The Cleveland Electric Illuminating Co.:

8.88%, 11/15/18	121	162,299
5.95%, 12/15/36	217	224,997

Duke Energy Carolinas LLC:

6.10%, 6/01/37	315	368,740
6.00%, 1/15/38	825	989,884

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Electric Utilities (concluded)		
EDF SA, 5.60%, 1/27/40 (a)(e)	USD 1,400	\$ 1,487,109
E.ON International Finance BV, 6.65%, 4/30/38 (a)	1,525	1,848,649
Florida Power & Light Co., 4.95%, 6/01/35	950	1,023,056
Florida Power Corp.:		
6.35%, 9/15/37 (e)	1,325	1,634,487
6.40%, 6/15/38	430	535,082
Hydro-Quebec:		
9.40%, 2/01/21	390	592,336
8.40%, 1/15/22	730	1,060,776
8.05%, 7/07/24	1,900	2,815,202
Jersey Central Power & Light Co., 7.35%, 2/01/19	245	312,092
PacifiCorp., 6.25%, 10/15/37	575	704,922
Public Service Co. of Colorado, 6.25%, 9/01/37 (e)	1,200	1,504,146
Southern California Edison Co.:		
5.63%, 2/01/36	625	726,123
Series 08-A, 5.95%, 2/01/38	1,075	1,309,981
The Tokyo Electric Power Co., Inc., 4.50%, 3/24/14	EUR 750	921,156
The Toledo Edison Co., 6.15%, 5/15/37	USD 350	403,759
Trans-Allegheny Interstate Line Co., 4.00%, 1/15/15 (a)	250	264,877
Virginia Electric and Power Co., Series A, 6.00%, 5/15/37 (e)	2,000	2,344,446
		23,283,980
Energy Equipment & Services 1.2%		
Calfrac Holdings LP, 7.50%, 12/01/20 (a)	340	329,800
Ensco Plc:		
3.25%, 3/15/16	160	165,777
4.70%, 3/15/21	1,745	1,824,054
Exterran Holdings, Inc., 7.25%, 12/01/18 (a)	605	586,850
Frac Tech Services LLC, 7.13%, 11/15/18 (a)	1,110	1,148,850
Pride International, Inc., 6.88%, 8/15/20	230	274,894
Thermon Industries, Inc., 9.50%, 5/01/17	123	129,150
Weatherford International, Ltd., 6.75%, 9/15/40	160	174,691
		4,634,066
Food & Staples Retailing 0.9%		
Wal-Mart Stores, Inc. (e):		
6.50%, 8/15/37	1,900	2,358,871
6.20%, 4/15/38	850	1,024,345
		3,383,216
Food Products 0.9%		
Darling International, Inc., 8.50%, 12/15/18 (a)	335	362,638
JBS USA LLC, 7.25%, 6/01/21 (a)	120	109,050
Kraft Foods, Inc., 5.38%, 2/10/20	2,550	2,896,287
		3,367,975
Health Care Equipment & Supplies 0.6%		
DJO Finance LLC:		
10.88%, 11/15/14	810	837,337
7.75%, 4/15/18 (a)	735	683,550
ExamWorks Group, Inc., 9.00%, 7/15/19 (a)	375	353,438
Teleflex, Inc., 6.88%, 6/01/19	385	382,112

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			2,256,437
Health Care Providers & Services 2.4%			
Aviv Healthcare Properties LP, 7.75%, 2/15/19		175	174,125
ConvaTec Healthcare E SA (a):			
7.38%, 12/15/17	EUR	600	775,711
10.50%, 12/15/18	USD	415	377,650
HCA, Inc.:			
6.50%, 2/15/20		1,745	1,764,631
7.50%, 2/15/22		1,690	1,673,100
IASIS Healthcare LLC, 8.38%, 5/15/19 (a)		1,000	875,000
INC Research LLC, 11.50%, 7/15/19 (a)		545	504,125
inVentiv Health, Inc., 10.00%, 8/15/18 (a)		400	361,000

Corporate Bonds		Par (000)	Value
Health Care Providers & Services (concluded)			
Symbion, Inc., 8.00%, 6/15/16 (a)	USD	455	\$ 423,150
Tenet Healthcare Corp.:			
9.00%, 5/01/15		380	402,800
10.00%, 5/01/18		200	220,000
8.88%, 7/01/19		1,150	1,219,000
			8,770,292
Health Care Technology 0.1%			
MedAssets, Inc., 8.00%, 11/15/18 (a)		500	482,500
Hotels, Restaurants & Leisure 0.2%			
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	69	86,233
El Dorado Resorts LLC, 8.63%, 6/15/19 (a)	USD	235	200,337
Yum! Brands, Inc.:			
6.25%, 4/15/16		265	310,983
5.30%, 9/15/19		175	195,316
			792,869
Household Durables 1.0%			
Beazer Homes USA, Inc.:			
8.13%, 6/15/16		255	179,775
12.00%, 10/15/17		1,050	1,065,750
Standard Pacific Corp.:			
10.75%, 9/15/16		2,100	2,079,000
8.38%, 5/15/18		230	201,825
			3,526,350
Household Products 0.1%			
Ontex IV SA, 7.50%, 4/15/18 (a)	EUR	190	244,277
IT Services 1.1%			
First Data Corp. (a):			
7.38%, 6/15/19	USD	605	568,700
12.63%, 1/15/21		520	491,400
SunGard Data Systems, Inc.:			
7.38%, 11/15/18		1,440	1,371,600
7.63%, 11/15/20		1,730	1,652,150
			4,083,850
Independent Power Producers & Energy Traders 1.4%			
Energy Future Holdings Corp., 10.00%, 1/15/20		1,520	1,525,884
Energy Future Intermediate Holding Co. LLC,			
10.00%, 12/01/20		652	657,784
NRG Energy, Inc., 7.63%, 1/15/18 (a)		2,855	2,826,450
			5,010,118
Industrial Conglomerates 0.7%			
Sequa Corp. (a):			
11.75%, 12/01/15		690	717,600
13.50%, 12/01/15		1,940	2,056,816
			2,774,416

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Insurance 2.2%

American International Group, Inc., 5.45%, 5/18/17	800	814,703
CNO Financial Group, Inc., 9.00%, 1/15/18 (a)	478	497,120
Fairfax Financial Holdings, Ltd., 5.80%, 5/15/21 (a)	600	586,050
Hartford Financial Services Group, Inc., 6.00%, 1/15/19	345	356,982
Hartford Life Global Funding Trusts, 0.43%, 6/16/14 (b)	425	416,185
Lincoln National Corp., 6.25%, 2/15/20	630	685,024
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	340	326,400
Manulife Financial Corp., 3.40%, 9/17/15	1,630	1,658,727
Metropolitan Life Global Funding I, 5.13%, 6/10/14 (a)(e)	775	845,458

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Insurance (concluded)		
Prudential Financial, Inc.:		
7.38%, 6/15/19	USD 250	\$ 299,048
5.38%, 6/21/20	250	269,106
4.50%, 11/15/20	450	454,364
5.70%, 12/14/36	675	655,330
Series D, 5.90%, 3/17/36	500	495,322
		8,359,819
Life Sciences Tools & Services 0.0%		
Life Technologies Corp., 5.00%, 1/15/21	105	108,401
Machinery 0.4%		
AGY Holding Corp., 11.00%, 11/15/14	310	271,637
Navistar International Corp.:		
3.00%, 10/15/14 (i)	1,040	1,147,900
8.25%, 11/01/21	16	16,560
		1,436,097
Marine 0.3%		
Nakilat, Inc., Series A, 6.07%, 12/31/33 (a)	1,050	1,134,000
Media 9.1%		
AMC Networks, Inc., 7.75%, 7/15/21 (a)	320	331,200
Affinion Group, Inc., 7.88%, 12/15/18	1,045	924,825
CBS Corp.:		
4.63%, 5/15/18	810	860,429
8.88%, 5/15/19	325	419,738
5.75%, 4/15/20	250	279,270
CCH II LLC, 13.50%, 11/30/16	2,300	2,656,934
CMP Susquehanna Corp., 3.52%, 5/15/14 (b)	52	49,400
Cengage Learning Acquisitions, Inc. (FKA Thomson Learning), 10.50%, 1/15/15 (a)	845	650,650
Citadel Broadcasting Corp., 7.75%, 12/15/18 (a)	500	538,750
Clear Channel Communications, Inc., 9.00%, 3/01/21	780	627,900
Clear Channel Worldwide Holdings, Inc., Series B, 9.25%, 12/15/17	1,987	2,126,090
Comcast Cable Communications Holdings, Inc., 9.46%, 11/15/22	600	879,860
Comcast Corp., 6.45%, 3/15/37	790	877,960
Cox Communications, Inc., 8.38%, 3/01/39 (a)	905	1,235,430
Cox Enterprises, Inc.:		
Loan Close 2, 4.00%, 8/15/18	945	975,116
Loan Close 3, 4.00%, 8/15/18	1,080	1,114,837
Shares Loan, 4.00%, 8/15/18	1,114	1,149,790
Cumulus Media, Inc., 7.75%, 5/01/19 (a)	170	149,175
DIRECTV Holdings LLC, 3.13%, 2/15/16	1,380	1,421,724
Gray Television, Inc., 10.50%, 6/29/15	1,055	1,018,075
Intelsat Luxembourg SA:		
11.25%, 6/15/16	490	512,050
11.25%, 2/04/17	180	174,600
11.50%, 2/04/17 (f)	110	106,837
Interactive Data Corp., 10.25%, 8/01/18	1,480	1,568,800
NBC Universal, Inc.:		

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5.15%, 4/30/20	1,983	2,198,836
4.38%, 4/01/21	1,015	1,041,739
The New York Times Co., 6.63%, 12/15/16	1,800	1,811,250
News America, Inc.:		
4.50%, 2/15/21	40	41,146
7.63%, 11/30/28	385	444,637
TCI Communications, Inc., 7.88%, 2/15/26	610	823,748
Time Warner Cable, Inc.:		
7.30%, 7/01/38	930	1,100,909
5.88%, 11/15/40	465	486,470
Time Warner, Inc.:		
4.70%, 1/15/21	350	374,028
6.10%, 7/15/40	215	232,127

	Par (000)	Value
Corporate Bonds		
Media (concluded)		
Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a)	USD 2,370	\$ 2,417,400
Virgin Media Secured Finance Plc, 6.50%, 1/15/18	525	559,125
Ziggo Finance BV, 6.13%, 11/15/17 (a)	EUR 1,135	1,589,668
		33,770,523
Metals & Mining 4.0%		
Alcoa, Inc., 5.40%, 4/15/21	USD 1,450	1,453,151
AngloGold Ashanti Holdings Plc, 5.38%, 4/15/20	320	326,361
Barrick Gold Corp., 2.90%, 5/30/16 (a)	2,545	2,612,715
Cliffs Natural Resources, Inc.:		
4.80%, 10/01/20	240	243,163
4.88%, 4/01/21	690	695,488
Corporacion Nacional del Cobre de Chile, 3.75%, 11/04/20 (a)	259	260,590
Drummond Co., Inc.:		
9.00%, 10/15/14 (a)	13	13,292
7.38%, 2/15/16	335	340,025
Falconbridge Ltd., 6.20%, 6/15/35	1,250	1,194,154
New World Resources NV, 7.88%, 5/01/18	EUR 215	294,950
Novelis, Inc., 8.75%, 12/15/20 (a)(e)	USD 4,380	4,609,950
Teck Resources Ltd., 5.38%, 10/01/15	2,359	2,597,443
Vulcan Materials Co., 7.50%, 6/15/21	306	301,383
		14,942,665
Multiline Retail 0.3%		
Macy's Retail Holdings, Inc., 5.90%, 12/01/16	950	1,049,883
Oil, Gas & Consumable Fuels 9.5%		
Anadarko Petroleum Corp.:		
5.95%, 9/15/16	1,916	2,153,755
6.38%, 9/15/17	1,694	1,956,180
6.95%, 6/15/19	190	225,446
Arch Coal, Inc., 7.25%, 10/01/20	805	792,925
BP Capital Markets Plc:		
3.13%, 3/10/12	1,270	1,287,168
3.13%, 10/01/15	330	345,320
Bill Barrett Corp., 9.88%, 7/15/16	75	82,313
Burlington Resources Finance Co., 7.40%, 12/01/31	875	1,171,084
Cenovus Energy, Inc., 6.75%, 11/15/39	750	889,163
Chesapeake Energy Corp., 6.63%, 8/15/20	481	502,645
ConocoPhillips Canada Funding Co., 5.95%, 10/15/36	535	622,201
Crosstex Energy LP, 8.88%, 2/15/18	130	134,550
Devon Energy Corp., 7.95%, 4/15/32	625	851,186
El Paso Pipeline Partners Operating Co., LLC, 6.50%, 4/01/20	240	272,531

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EnCana Corp.:		
6.50%, 8/15/34	670	745,185
6.63%, 8/15/37	700	774,627
Energy XXI Gulf Coast, Inc., 9.25%, 12/15/17	580	594,500
Enterprise Products Operating LLC:		
5.20%, 9/01/20	695	759,077
6.13%, 10/15/39	700	735,014
KeySpan Gas East Corp., 5.82%, 4/01/41 (a)	505	575,072
Kinder Morgan Energy Partners LP:		
5.95%, 2/15/18	1,300	1,484,645
6.55%, 9/15/40	110	119,502
6.38%, 3/01/41	150	159,398
Marathon Petroleum Corp., 6.50%, 3/01/41 (a)	997	1,084,114
MidAmerican Energy Co., 5.80%, 10/15/36	700	804,529
MidAmerican Energy Holdings Co.:		
5.95%, 5/15/37	800	900,049
6.50%, 9/15/37	1,900	2,289,314
Nexen, Inc., 7.50%, 7/30/39	1,000	1,160,597
Niska Gas Storage US LLC, 8.88%, 3/15/18	1,000	1,010,000

See Notes to Financial Statements.

Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Oil, Gas & Consumable Fuels (concluded)		
Petrobras International Finance Co.:		
3.88%, 1/27/16	USD 1,340	\$ 1,374,371
5.88%, 3/01/18	75	81,525
5.75%, 1/20/20	1,725	1,871,432
Premier Oil, 5.00%, 5/10/18	1,900	1,952,250
Rockies Express Pipeline LLC (a):		
3.90%, 4/15/15	804	827,080
6.85%, 7/15/18	206	238,623
Suncor Energy, Inc., 6.10%, 6/01/18	1,750	2,029,937
Valero Energy Corp.:		
6.13%, 2/01/20	250	278,521
6.63%, 6/15/37	157	168,627
Western Gas Partners LP, 5.38%, 6/01/21	710	747,623
Williams Partners LP, 4.13%, 11/15/20	980	980,323
Woodside Finance, Ltd., 4.60%, 5/10/21 (a)	205	216,974
		35,249,376
Paper & Forest Products 0.6%		
Boise Paper Holdings LLC:		
9.00%, 11/01/17	185	196,562
8.00%, 4/01/20	210	214,725
Clearwater Paper Corp., 10.63%, 6/15/16	620	678,900
International Paper Co., 5.30%, 4/01/15	42	45,792
NewPage Corp., 11.38%, 12/31/14 (e)(j)	430	378,400
Verso Paper Holdings LLC, 11.50%, 7/01/14	670	710,200
		2,224,579
Pharmaceuticals 0.8%		
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (a)	EUR 200	275,808
Endo Pharmaceuticals Holdings, Inc., 7.00%, 7/15/19 (a)	USD 245	248,062
Teva Pharmaceutical Finance LLC, 6.15%, 2/01/36	1,445	1,668,029
Wyeth, 6.00%, 2/15/36	675	782,960
		2,974,859
Real Estate Investment Trusts (REITs) 0.1%		
Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21	275	265,205
Real Estate Management & Development 0.2%		
Realogy Corp., 7.88%, 2/15/19 (a)	564	468,120
WEA Finance LLC, 4.63%, 5/10/21 (a)	305	297,113
		765,233
Road & Rail 0.8%		
Avis Budget Car Rental LLC, 9.63%, 3/15/18	715	731,087
Burlington Northern Santa Fe LLC, 5.75%, 5/01/40	950	1,041,947
Florida East Coast Railway Corp., 8.13%, 2/01/17 (a)	490	487,550
The Hertz Corp., 7.38%, 1/15/21 (a)	650	620,750
		2,881,334
Semiconductors & Semiconductor Equipment 0.1%		
Spanion LLC, 7.88%, 11/15/17 (a)	390	390,000

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Specialty Retail 0.3%		
Home Depot Inc., 5.88%, 12/16/36	830	905,390
QVC, Inc. (a):		
7.50%, 10/01/19	35	37,712
7.38%, 10/15/20	35	37,625
		980,727
Thriffs & Mortgage Finance 0.7%		
Northern Rock Plc, 5.63%, 6/22/17 (a)	290	310,827
The PMI Group, Inc., 6.00%, 9/15/16	1,400	364,000
Radian Group, Inc.:		
5.63%, 2/15/13	1,400	1,085,000
5.38%, 6/15/15	1,400	906,500
		2,666,327

	Par (000)	Value
Corporate Bonds		
Wireless Telecommunication Services 2.4%		
America Movil SAB de CV, 2.38%, 9/08/16	USD 795	\$ 788,545
Cricket Communications, Inc., 10.00%, 7/15/15	35	36,181
Crown Castle Towers LLC, 6.11%, 1/15/40 (a)	1,420	1,603,691
Digicel Group Ltd. (a):		
9.13%, 1/15/15	560	560,000
8.25%, 9/01/17	150	150,000
MetroPCS Wireless, Inc.:		
7.88%, 9/01/18	600	608,250
6.63%, 11/15/20	960	897,600
Rogers Communications, Inc., 7.50%, 8/15/38	1,150	1,506,055
Sprint Capital Corp., 6.88%, 11/15/28	645	577,275
Vodafone Group Plc, 4.15%, 6/10/14 (e)	2,050	2,212,797
		8,940,394
Total Corporate Bonds 79.6%		296,188,661

Foreign Agency Obligations		
Hellenic Republic Government Bond, 4.60%, 9/20/40	EUR 160	91,944
Italy Government International Bond, 5.38%, 6/15/33	USD 455	424,639
Kreditanstalt fuer Wiederaufbau:		
1.38%, 7/15/13 (g)	660	671,630
2.00%, 6/01/16	595	617,869
Mexico Government International Bond:		
5.63%, 1/15/17	370	425,500
5.13%, 1/15/20	215	241,338
Poland Government International Bond, 5.13%, 4/21/21	705	733,200
Total Foreign Agency Obligations 0.9%		3,206,120

Non-Agency Mortgage-Backed Securities		
Collateralized Mortgage Obligations 5.7%		
Banc of America Funding Corp., Series 2007-2, Class 1A2, 6.00%, 3/25/37	1,100	800,117
Bear Stearns Adjustable Rate Mortgage Trust, Series 2004-8, Class 14A1, 5.38%, 11/25/34 (b)	421	370,087
CS First Boston Mortgage Securities Corp., Series 2005-12, Class 6A1, 6.00%, 1/25/36	888	594,672
Countrywide Alternative Loan Trust:		
	1,563	1,311,064

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Series 2005-64CB, Class 1A15, 5.50%,
12/25/35

Series 2006-0A21, Class A1, 0.40%,
3/20/47 (b)

843 433,869

Series 2006-41CB, Class 1A4, 5.75%, 1/25/37

781 552,537

Series 2007-HY4, Class 4A1, 5.40%,
6/25/47 (b)

942 614,129

Countrywide Home Loan Mortgage Pass-Through Trust:

Series 2006-0A5, Class 2A1, 0.42%,
4/25/46 (b)

349 188,419

Series 2007-10, Class A22, 6.00%, 7/25/37

731 568,654

Credit Suisse Mortgage Capital Certificates:

Series 2006-C3, Class AM, 6.01%, 6/15/38 (b)

1,000 940,297

Series 2006-C5, Class AM, 5.34%, 12/15/39

1,750 1,539,051

Series 2007-1, Class 5A14, 6.00%, 2/25/37

554 463,681

Series 2010-RR2, Class 2A, 5.99%,
9/15/39 (a)(b)

1,010 1,113,389

Series 2011-2R, Class 2A1, 2.74%,
7/27/36 (a)(b)

1,517 1,476,184

Series 2011-4R, Class 1A1, 6.23%,
9/27/37 (a)(b)

818 728,688

Series 2011-4R, Class 2A1, 4.94%,
8/27/37 (a)(b)

969 879,600

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
Non-Agency Mortgage-Backed Securities		
Collateralized Mortgage Obligations (concluded)		
Deutsche ALT-A Securities, Inc. Alternate Loan Trust, Series 2006-0A1, Class A1, 0.42%, 2/25/47 (b)	USD 270	\$ 169,838
GMAC Mortgage Corp. Loan Trust, Series 2005-AR3, Class 5A1, 5.11%, 6/19/35 (b)	1,396	1,306,298
GSR Mortgage Loan Trust:		
Series 2006-4F, Class 1A1, 5.00%, 5/25/36	721	605,581
Series 2007-4F, Class 3A1, 6.00%, 7/25/37	847	747,830
Homebanc Mortgage Trust, Series 2006-2, Class A1, 0.40%, 12/25/36 (b)	680	446,683
IndyMac IMJA Mortgage Loan Trust, Series 2007-A1, Class A4, 6.00%, 8/25/37	1,045	885,445
JPMorgan Mortgage Trust:		
Series 2006-S3, Class 1A12, 6.50%, 8/25/36	534	495,246
Series 2007-S1, Class 2A22, 5.75%, 3/25/37	550	476,997
Merrill Lynch Mortgage Investors, Inc., Series 2006-A3, Class 3A1, 2.79%, 5/25/36 (b)	727	470,418
Residential Funding Mortgage Securities I, Series 2007-S6, Class 1A16, 6.00%, 6/25/37	496	403,022
Structured Asset Securities Corp., Series 2002-AL1, Class A2, 3.45%, 2/25/32	1,507	1,372,291
Wells Fargo Mortgage-Backed Securities Trust:		
Series 2006-3, Class A9, 5.50%, 3/25/36	373	367,250
Series 2006-9, Class 1A29, 6.00%, 8/25/36	450	441,131
Series 2007-10, Class 1A21, 6.00%, 7/25/37	107	104,753
Series 2007-8, Class 2A9, 6.00%, 7/25/37	444	428,157
		21,295,378
Commercial Mortgage-Backed Securities 12.1%		
Banc of America Commercial Mortgage, Inc.:		
Series 2006-4, Class AM, 5.68%, 7/10/46	250	235,410
Series 2007-1, Class A4, 5.45%, 1/15/49	1,380	1,464,682
Series 2007-2, Class A4, 5.82%, 4/10/49 (b)	750	791,720
Bear Stearns Commercial Mortgage Securities, Series 2005-PWR9, Class A4A, 4.87%, 9/11/42	800	860,049
Citigroup Commercial Mortgage Trust, Series 2008-C7, Class A4, 6.27%, 12/10/49 (b)	1,370	1,491,642
Citigroup/Deutsche Bank Commercial Mortgage Trust, Series 2006-CD3, Class AM, 5.65%, 10/15/48	1,093	960,234
Commercial Mortgage Pass-Through Certificates, Series 2006-C7, Class AM, 5.97%, 6/10/46 (b)	1,750	1,664,775
Credit Suisse First Boston Mortgage Securities Corp., Series 2005-C3, Class AJ, 4.77%, 7/15/37	705	616,614
Extended Stay America Trust, Series 2010-ESHA (a):		
Class A, 2.95%, 11/05/27	924	907,906
Class B, 4.22%, 11/05/27	2,000	1,952,008
Class C, 4.86%, 11/05/27	740	713,248
Class D, 5.50%, 11/05/27	550	526,582
First Union National Bank Commercial Mortgage, Series 2001-C4, Class A2, 6.22%, 12/12/33	619	618,416
	2,350	2,409,996

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GMAC Commercial Mortgage Securities, Inc., Series 2002-C3, Class A2, 4.93%, 7/10/39		
GS Mortgage Securities Corp. II, Series 2010-C2, Class C, 5.40%, 12/10/43 (a)(b)	900	775,200
Greenwich Capital Commercial Funding Corp., Series 2007-GG9, Class A4, 5.44%, 3/10/39	2,435	2,572,614
JPMorgan Chase Commercial Mortgage Securities Corp.:		
Series 2001-C1, Class A3, 5.86%, 10/12/35	179	179,073
Series 2004-CB8, Class A1A, 4.16%, 1/12/39 (a)	2,327	2,398,118
Series 2004-CBX, Class A4, 4.53%, 1/12/37	1,740	1,739,574
Series 2006-CB14, Class AM, 5.64%, 12/12/44 (b)	330	306,905
Series 2006-CB16, Class AJ, 5.62%, 5/12/45	730	526,465

	Par (000)	Value
Non-Agency Mortgage-Backed Securities		
Commercial Mortgage-Backed Securities (concluded)		
LB-UBS Commercial Mortgage Trust (b):		
Series 2004-C8, Class C, 4.93%, 12/15/39	USD 1,385	\$ 1,349,415
Series 2007-C6, Class A4, 5.86%, 7/15/40	1,761	1,874,720
Series 2007-C7, Class A3, 5.87%, 9/15/45	1,460	1,561,270
Merrill Lynch Mortgage Trust, Series 2004-BPC1, Class A3, 4.47%, 10/12/41 (b)	4,200	4,202,948
Morgan Stanley Capital I:		
Series 2004-HQ4, Class A7, 4.97%, 4/14/40	1,000	1,061,291
Series 2005-T17, Class A4, 4.52%, 12/13/41	2,231	2,233,871
Wachovia Bank Commercial Mortgage Trust:		
Series 2006-C28, Class A2, 5.50%, 10/15/48	6,816	6,809,115
Series 2007-C33, Class A4, 6.10%, 2/15/51 (b)	2,185	2,318,917
		45,122,778
Interest Only Commercial Mortgage-Backed Securities 0.1%		
Morgan Stanley Reremic Trust, Series 2011-IO, Class A, 2.50%, 3/23/51 (a)	354	352,670
Total Non-Agency Mortgage-Backed Securities 17.9%		66,770,826

	Beneficial Interest (000)	
Other Interests (k)		
Health Care Providers & Services 0.0%		
Critical Care Systems International, Inc.	2	191
Total Other Interests 0.0%		191

Preferred Securities		
Capital Trusts	Par (000)	
Capital Markets 0.2%		
Credit Suisse Guernsey Ltd., 5.86% (b)(l)	1,004	868,460
State Street Capital Trust IV, 1.25%, 6/15/37 (b)	70	53,084
UBS Preferred Funding Trust V, 6.24% (b)(l)	80	72,000
		993,544
Commercial Banks 0.5%		
ABN AMRO North America Holding Preferred Capital Repackaging Trust I, 6.52% (a)(b)(l)	1,350	1,039,500
Barclays Bank Plc, 5.93% (a)(b)(l)	250	205,000

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Fifth Third Capital Trust IV, 6.50%, 4/15/67 (b)	465	431,288
JPMorgan Chase Capital XXV, Series Y, 6.80%, 10/01/37	210	209,147
SunTrust Capital VIII, 6.10%, 12/15/66 (b)	55	53,350
Wachovia Capital Trust III, 5.57% (b)(l)	55	48,125
		1,986,410
Consumer Finance 0.1%		
Capital One Financial Corp., Capital V, 10.25%, 8/15/39	205	212,810
Insurance 1.1%		
The Allstate Corp., 6.50%, 5/15/67 (b)	1,950	1,784,250
American International Group, Inc., 8.18%, 5/15/68 (b)	115	114,172
Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b)	90	110,700
Lincoln National Corp., 6.05%, 4/20/67 (b)	675	597,375
Swiss Re Capital I LP, 6.85% (a)(b)(l)	1,060	980,500
XL Group Plc, Series E, 6.50% (b)(l)	465	410,362
		3,997,359
Total Capital Trusts 1.9%		7,190,123

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Preferred Stocks	Shares	Value
Automobiles 0.2%		
General Motors Co., 4.75% (i)	17,800	\$ 709,686
Commercial Banks 0.1%		
Citigroup Capital XIII, 7.88% (b)	8,824	230,358
Media 0.0%		
CMP Susquehanna Radio Holdings Corp., 0.00% (a)(b)(c)	12,033	102,281
Total Preferred Stocks 0.3%		1,042,325
Total Preferred Securities 2.2%		8,232,448

Taxable Municipal Bonds	Par (000)	
East Bay Municipal Utility District, RB, Build America Bonds, 5.87%, 6/01/40	USD 950	1,075,828
Indianapolis Local Public Improvement Bond Bank, RB, Build America Bonds, 6.12%, 1/15/40	1,275	1,513,399
Metropolitan Transportation Authority, RB, Build America Bonds, 7.34%, 11/15/39	625	827,000
New York City Municipal Water Finance Authority, RB: Build America Bonds, 5.72%, 6/15/42	700	768,579
Second General Resolution, Series EE, 5.38%, 6/15/43	385	422,264
Second General Resolution, Series EE, 5.50%, 6/15/43	465	516,355
New York State Dormitory Authority, RB, Build America Bonds:		
5.63%, 3/15/39	550	609,268
5.60%, 3/15/40	950	1,096,765
Port Authority of New York & New Jersey, RB, Consolidated, 159th Series, 6.04%, 12/01/29	385	441,557
University of California, RB, Build America Bonds, 5.95%, 5/15/45	445	468,109
Total Taxable Municipal Bonds 2.1%		7,739,124

US Government Sponsored Agency Securities

Agency Obligations 3.2%		
Fannie Mae:		
6.02%, 10/09/19 (e)(g)(m)	7,055	5,258,021
5.63%, 7/15/37 (n)	775	975,528
Federal Home Loan Bank (e):		
5.25%, 12/09/22	675	820,164
5.37%, 9/09/24	1,075	1,331,221
Resolution Funding Corp. (m):		
6.29%, 7/15/18	525	460,236
6.30%, 10/15/18	525	455,959
Tennessee Valley Authority, 5.25%, 9/15/39 (e)	2,355	2,767,405
		12,068,534
Collateralized Mortgage Obligations 0.7%		

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Fannie Mae Mortgage-Backed Securities, Series 2005-5, Class PK, 5.00%, 12/25/34	860	926,795
Freddie Mac Mortgage-Backed Securities: Series 2825, Class VP, 5.50%, 6/15/15	720	774,132
Series K013, Class A2, 3.97%, 1/25/21 (b)	940	1,006,606
		2,707,533

Federal Deposit Insurance Corporation

Guaranteed 0.1%

General Electric Capital Corp., 2.13%, 12/21/12	515	527,243
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US Government Sponsored Agency Securities	Par (000)	Value
Interest Only Collateralized Mortgage Obligations 0.1%		
Freddie Mac Mortgage-Backed Securities: Series 2579, Class HI, 5.00%, 8/15/17	USD 389	\$ 12,499
Series 2611, Class QI, 5.50%, 9/15/32	2,083	282,316
		294,815

Mortgage-Backed Securities 15.0%

Fannie Mae Mortgage-Backed Securities: 3.50%, 9/13/41 (o)	500	503,613
4.00%, 9/13/26 9/13/41 (o)	20,200	21,003,360
4.50%, 9/13/41 (o)	18,900	19,968,292
5.00%, 9/19/26 9/13/41 (o)	3,900	4,200,813
5.50%, 9/19/26 9/13/41 (o)	5,900	6,446,219
6.00%, 8/01/29 4/01/35 (e)	2,020	2,263,918
Freddie Mac Mortgage-Backed Securities: 4.50%, 9/13/41 (o)	100	105,531
5.00%, 9/13/41 (o)	100	107,500
6.00%, 2/01/13 12/01/18 (e)	856	929,507
Ginnie Mae Mortgage-Backed Securities, 5.50%, 8/15/33 (e)	116	129,944
		55,658,697

Total US Government Sponsored Agency Securities 19.1%

71,256,822

US Treasury Obligations

US Treasury Bonds:		
8.13%, 8/15/21 (e)	1,550	2,379,250
6.25%, 8/15/23 (e)	5,720	7,907,008
3.50%, 2/15/39 (g)	330	325,669
4.25%, 5/15/39 (e)	6,045	6,786,456
4.38%, 5/15/40 (e)	6,375	7,295,422
4.75%, 2/15/41 (g)	1,630	1,982,487
4.38%, 5/15/41	27,090	31,047,578
3.75%, 8/15/41	600	617,250
US Treasury Notes:		
0.63%, 1/31/13 (n)	200	201,289
0.50%, 8/15/14 (e)	1,040	1,045,606
2.50%, 4/30/15	965	1,034,359
1.00%, 8/31/16 (e)	11,325	11,350,708
2.25%, 7/31/18	2,495	2,613,707
2.63%, 8/15/20 (e)	1,105	1,158,783
3.13%, 5/15/21	1,370	1,483,888
2.13%, 8/15/21 (e)	15,508	15,377,112
Total US Treasury Obligations 24.9%		92,606,572

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Warrants (p)		Shares	
Media 0.0%			
Cumulus Media, Inc. (Expires 3/26/19)		30,393	77,669
Software 0.0%			
Bankruptcy Management Solutions, Inc. (Expires 9/29/17)		90	1
Total Warrants 0.0%			77,670
Total Long-Term Investments			
(Cost \$555,171,581) 152.9%			569,331,217

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)
(Percentages shown are based on Net Assets)**Short-Term Securities**

BlackRock Liquidity Funds, TempFund

Institutional Class, 0.07% (q)(r)

Total Short-Term Securities

(Cost \$4,711,687) 1.3%

Shares**Value**

4,711,687 \$ 4,711,687

4,711,687

Options Purchased**Contracts****Exchange-Traded Put Options 0.0%**

Eurodollar 1-Year Mid-Curve Options:

Strike Price USD 98.25, Expires 9/16/11

316 3,950

Strike Price USD 98.50, Expires 9/16/11

222 2,775

Strike Price USD 99.25, Expires 3/16/12

440 79,750

86,475

**Notional
Amount
(000)****Over-the-Counter Call Options 0.0%**SEK Call Option, Strike Price USD 6.37,
Expires 9/15/11, Broker UBS AG

USD 2,950 45,135

USD Call Option:

Strike Price USD 82.00, Expires 11/11/11,
Broker Deutsche Bank AG

1,850 4,255

Strike Price EUR 1.31, Expires 11/18/11,
Broker UBS AG

1,980 8,276

57,666

Over-the-Counter Call Swaptions 0.9%Receive a fixed rate of 2.75% and pay a floating rate
based on 3-month LIBOR, Expires 9/02/11,
Broker JPMorgan Chase Bank NA

5,000 159,030

Receive a fixed rate of 2.20% and pay a floating rate
based on 3-month LIBOR, Expires 10/28/11,
Broker Goldman Sachs Bank USA

1,800 12,806

Receive a fixed rate of 3.54% and pay a floating rate
based on 3-month LIBOR, Expires 12/01/11,
Broker Citibank NA

600 57,599

Receive a fixed rate of 1.76% and pay a floating rate
based on 3-month LIBOR, Expires 1/26/12,
Broker Deutsche Bank AG

9,300 221,868

Receive a fixed rate of 3.15% and pay a floating rate
based on 3-month LIBOR, Expires 6/11/12,
Broker Deutsche Bank AG

1,400 84,536

Receive a fixed rate of 3.70% and pay a floating rate
based on 3-month LIBOR, Expires 8/03/12,
Broker Credit Suisse International

2,300 224,131

Receive a fixed rate of 3.46% and pay a floating rate
based on 3-month LIBOR, Expires 10/22/12,
Broker UBS AG

2,500 192,369

Receive a fixed rate of 3.99% and pay a floating rate
based on 3-month LIBOR, Expires 6/03/13,

5,600 582,432

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Broker Goldman Sachs Bank USA		
Receive a fixed rate of 3.99% and pay a floating rate based on 3-month LIBOR, Expires 6/03/13,		
Broker Royal Bank of Scotland Plc	1,500	156,266
Receive a fixed rate of 3.96% and pay a floating rate based on 3-month LIBOR, Expires 7/15/13,		
Broker Morgan Stanley & Co., Inc.	800	80,016
Receive a fixed rate of 3.81% and pay a floating rate based on 3-month LIBOR, Expires 9/17/13,		
Broker Citibank NA	1,500	131,100
Receive a fixed rate of 3.88% and pay a floating rate based on 3-month LIBOR, Expires 10/28/13,		
Broker Deutsche Bank AG	2,000	181,423

	Notional Amount (000)		Value
Options Purchased			
Over-the-Counter Call Swaptions (concluded)			
Receive a fixed rate of 4.49% and pay a floating rate based on 3-month LIBOR, Expires 5/20/14,			
Broker Morgan Stanley Capital Services, Inc.	USD 600	\$	72,481
Receive a fixed rate of 5.20% and pay a floating rate based on 3-month LIBOR, Expires 4/28/15,			
Broker Citibank NA	6,400		984,072
			3,140,129

Over-the-Counter Put Options 0.1%

AUD Put Option:			
Strike Price USD 0.90, Expires 11/11/11,			
Broker Royal Bank of Scotland Plc	AUD 350		3,732
Strike Price USD 0.92, Expires 11/18/11,			
Broker Goldman Sachs Bank USA	USD 1,975		6,833
Strike Price USD 0.92, Expires 11/18/11,			
Broker UBS AG	990		3,425
CAD Put Option:			
Strike Price USD 1.07, Expires 11/10/11,			
Broker Royal Bank of Scotland Plc	500		690
Strike Price USD 1.07, Expires 11/18/11,			
Broker Goldman Sachs Bank USA	990		2,039
Strike Price USD 1.07, Expires 11/18/11,			
Broker UBS AG	495		1,020
EUR Put Option:			
Strike Price GBP 0.84, Expires 10/13/11,			
Broker Deutsche Bank AG	EUR 600		1,207
Strike Price USD 1.41, Expires 11/16/11,			
Broker Deutsche Bank AG	11,735		261,794
Strike Price USD 1.31, Expires 11/18/11,			
Broker Goldman Sachs Bank USA	USD 3,960		16,553
GBP Put Option:			
Strike Price USD 1.54, Expires 11/18/11,			
Broker Deutsche Bank AG	6,130		31,079
Strike Price USD 1.54, Expires 11/18/11,			
Broker Goldman Sachs Bank USA	2,965		15,033
Strike Price USD 1.54, Expires 11/18/11,			
Broker UBS AG	1,485		7,529
SEK Put Option, Strike Price USD 7.00, Expires 9/26/11,			
Broker Deutsche Bank AG	3,250		11
			350,945

Over-the-Counter Put Swaptions 0.2%

Pay a fixed rate of 2.30% and receive a floating rate based on 3-month LIBOR, Expires 10/13/11,		
Broker BNP Paribas SA	9,400	206

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Pay a fixed rate of 3.54% and receive a floating rate based on 3-month LIBOR, Expires 12/01/11, Broker Citibank NA	600	816
Pay a fixed rate of 1.76% and receive a floating rate based on 3-month LIBOR, Expires 1/26/12, Broker Deutsche Bank AG	9,300	1,547
Pay a fixed rate of 2.50% and receive a floating rate based on 3-month LIBOR, Expires 1/26/12, Broker Deutsche Bank AG	4,500	239
Pay a fixed rate of 3.70% and receive a floating rate based on 3-month LIBOR, Expires 8/03/12, Broker Credit Suisse International	2,300	26,167
Pay a fixed rate of 3.46% and receive a floating rate based on 3-month LIBOR, Expires 10/22/12, Broker UBS AG	2,500	51,005
Pay a fixed rate of 3.99% and receive a floating rate based on 3-month LIBOR, Expires 6/03/13, Broker Goldman Sachs Bank USA	5,600	123,984
Pay a fixed rate of 3.99% and receive a floating rate based on 3-month LIBOR, Expires 6/03/13, Broker Royal Bank of Scotland Plc	1,500	33,140

See Notes to Financial Statements.

Schedule of Investments (continued)

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

	Notional Amount (000)	Value
Options Purchased		
Over-the-Counter Put Swaptions (concluded)		
Pay a fixed rate of 3.96% and receive a floating rate based on 3-month LIBOR, Expires 7/15/13, Broker Morgan Stanley & Co., Inc.	USD 800	\$ 19,885
Pay a fixed rate of 3.81% and receive a floating rate based on 3-month LIBOR, Expires 9/17/13, Broker Citibank NA	1,500	47,556
Pay a fixed rate of 3.88% and receive a floating rate based on 3-month LIBOR, Expires 10/28/13, Broker Deutsche Bank AG	2,000	64,335
Pay a fixed rate of 4.49% and receive a floating rate based on 3-month LIBOR, Expires 5/20/14, Broker Morgan Stanley Capital Services, Inc.	600	17,478
Pay a fixed rate of 2.50% and receive a floating rate based on 3-month LIBOR, Expires 8/11/14, Broker Bank of America NA	6,300	64,073
Pay a fixed rate of 3.00% and receive a floating rate based on 3-month LIBOR, Expires 8/11/14, Broker Morgan Stanley & Co., Inc.	7,500	56,846
Pay a fixed rate of 5.20% and receive a floating rate based on 3-month LIBOR, Expires 4/28/15, Broker Citibank NA	6,400	184,187
		691,464
Total Options Purchased		
(Cost \$4,005,113) 1.2%		4,326,679
Total Investments Before TBA Sale		
Commitments and Options Written		
(Cost \$563,888,381*) 155.4%		578,369,583

	Par (000)	
TBA Sale Commitments (o)		
Fannie Mae Mortgage-Backed Securities:		
3.50%, 9/13/41	500	(503,613)
4.00%, 9/13/41	11,600	(12,020,500)
4.50%, 9/13/41	7,200	(7,606,968)
6.00%, 9/13/41	8,500	(9,408,438)
Ginnie Mae Mortgage-Backed Securities,		
5.50%, 9/13/41	100	(111,547)
Total TBA Sale Commitments		
(Proceeds \$29,465,199) (8.0)%		(29,651,066)

	Contracts	
Options Written		
Exchange-Traded Put Options (0.0)%		
Eurodollar 1-Year Mid-Curve Options:		
Strike Price USD 97.75, Expires 9/16/11	316	(1,975)

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Strike Price USD 98.00, Expires 9/16/11	222	(2,775)
		(4,750)

	Notional Amount (000)	
Over-the-Counter Call Options (0.0)%		
SEK Call Option, Strike Price USD 6.37, Expires 9/15/11, Broker Deutsche Bank AG	USD 2,950	(45,135)
Over-the-Counter Call Swaptions (1.9)%		
Pay a fixed rate of 2.75% and receive a floating rate based on 3-month LIBOR, Expires 11/30/11, Broker Bank of America NA	2,300	(79,996)

	Notional Amount (000)	Value
Options Written		
Over-the-Counter Call Swaptions (concluded)		
Pay a fixed rate of 2.90% and receive a floating rate based on 3-month LIBOR, Expires 11/30/11, Broker Citibank NA	USD 4,600	\$ (206,527)
Pay a fixed rate of 4.49% and receive a floating rate based on 3-month LIBOR, Expires 12/05/11, Broker Deutsche Bank AG	4,000	(725,452)
Pay a fixed rate of 3.85% and receive a floating rate based on 3-month LIBOR, Expires 12/12/11, Broker UBS AG	1,200	(148,084)
Pay a fixed rate of 3.00% and receive a floating rate based on 3-month LIBOR, Expires 12/29/11, Broker UBS AG	2,300	(119,392)
Pay a fixed rate of 2.08% and receive a floating rate based on 3-month LIBOR, Expires 2/07/12, Broker Goldman Sachs Bank USA	9,300	(280,383)
Pay a fixed rate of 2.65% and receive a floating rate based on 3-month LIBOR, Expires 6/11/12, Broker Deutsche Bank AG	1,400	(44,800)
Pay a fixed rate of 2.90% and receive a floating rate based on 3-month LIBOR, Expires 6/11/12, Broker Deutsche Bank AG	1,400	(63,120)
Pay a fixed rate of 4.03% and receive a floating rate based on 3-month LIBOR, Expires 12/06/12, Broker UBS AG	1,000	(115,840)
Pay a fixed rate of 4.90% and receive a floating rate based on 3-month LIBOR, Expires 3/04/13, Broker Deutsche Bank AG	4,800	(853,910)
Pay a fixed rate of 4.92% and receive a floating rate based on 3-month LIBOR, Expires 3/05/13, Broker Deutsche Bank AG	7,000	(1,258,916)
Pay a fixed rate of 5.00% and receive a floating rate based on 3-month LIBOR, Expires 4/22/13, Broker JPMorgan Chase Bank NA	6,100	(1,114,067)
Pay a fixed rate of 5.08% and receive a floating rate based on 3-month LIBOR, Expires 2/10/14, Broker Bank of America NA	3,500	(588,395)
Pay a floating rate based on 3-month LIBOR and receive a fixed rate of 5.09%, Expires 2/10/14, Broker Goldman Sachs Bank USA	3,800	(641,650)
Pay a fixed rate of 3.90% and receive a floating rate based on 3-month LIBOR, Expires 6/09/14, Broker Royal Bank of Scotland Plc	6,000	(385,286)
	2,100	(140,010)

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Pay a fixed rate of 3.96% and receive a floating rate
based on 3-month LIBOR, Expires 6/09/14,
Broker Royal Bank of Scotland Plc

Pay a fixed rate of 4.84% and receive a floating rate
based on 3-month LIBOR, Expires 12/02/14,
Broker JPMorgan Chase Bank NA

2,500	(339,199)
	(7,105,027)

Over-the-Counter Put Options (0.1)%

EUR Put Option, Strike Price USD 1.36, Expires
11/16/11, Broker Deutsche Bank AG

11,735	(135,702)
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Over-the-Counter Put Swaptions (0.1)%

Receive a fixed rate of 2.05% and pay a floating rate
based on 3-month LIBOR, Expires 10/24/11,
Broker JPMorgan Chase Bank NA

3,400	(796)
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Receive a fixed rate of 2