BlackRock Multi-Sector Income Trust
Form N-CSR
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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: 811-22774

Name of Fund: BlackRock Multi-Sector Income Trust (BIT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Multi-Sector

Income 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: 10/31/2016

Date of reporting period: 10/31/2016

Item 1 Report to Stockholders

OCTOBER 31, 2016

# ANNUAL REPORT

**BlackRock Credit Allocation Income Trust (BTZ)**

**BlackRock Floating Rate Income Trust (BGT)**

**BlackRock Multi-Sector Income Trust (BIT)**

**Not FDIC Insured May Lose Value No Bank Guarantee**

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# The Markets in Review

Dear Shareholder,

Central bank policy decisions have continued to provide support to financial markets, while changing economic outlooks and geopolitical risks have been major drivers of investor sentiment. After ending its near-zero interest rate policy at the end of 2015, the Federal Reserve (the Fed ) remained in focus as investors considered the anticipated pace of future rate hikes. With the European Central Bank and the Bank of Japan having moved into stimulus mode, the divergence in global monetary policies drove heightened market volatility at the beginning of 2016 and caused the U.S. dollar to strengthen considerably.

Financial markets had a rough start to the year as the strong dollar challenged U.S. companies that generate revenues overseas and pressured emerging market currencies and commodities prices. Low and volatile oil prices and signs of slowing growth in China were also meaningful factors behind the decline in risk assets early in the year. However, as the first quarter wore on, these pressures abated and a more tempered outlook for U.S. rate hikes helped the markets rebound.

Volatility spiked in late June when the United Kingdom shocked investors with its vote to leave the European Union. Uncertainty around how the British exit might affect the global economy and political landscape drove investors to high-quality assets, pushing already low global yields to even lower levels. However, risk assets recovered swiftly in July as economic data suggested that the consequences had thus far been contained to the United Kingdom.

In a second episode of surprise vote results, equities fell sharply after the news of Donald Trump s victory in the U.S. presidential election, but quickly recovered, and the yield curve steepened due to expectations for rising inflation. Broadly, a reflation theme has been building amid signs of rising price pressures, central banks signaling a greater tolerance to let inflation run hotter, and policy emphasis shifting from monetary to fiscal stimulus.

At BlackRock, we believe investors need to think globally, extend their scope across a broad array of asset classes and be prepared to adjust accordingly as market conditions change over time. We encourage you to talk with your financial advisor and visit **blackrock.com** for further insight about investing in today s markets.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

**Total Returns as of October 31, 2016**

| | 6-month | 12-month |
|---|---|---|
| U.S. large cap equities (S&P 500® Index) | 4.06% | 4.51% |
| U.S. small cap equities (Russell 2000® Index) | 6.13 | 4.11 |
| International equities (MSCI Europe, Australasia, Far East Index) | (0.16) | (3.23) |
| Emerging market equities (MSCI Emerging Markets Index) | 9.41 | 9.27 |
| 3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index) | 0.17 | 0.31 |

| | | |
|---|---|---|
| U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index) | 0.46 | 4.24 |
| U.S. investment grade bonds (Bloomberg Barclays U.S. Aggregate Bond Index) | 1.51 | 4.37 |
| Tax-exempt municipal bonds (S&P Municipal Bond Index) | 0.98 | 4.53 |
| U.S. high yield bonds (Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index) | 7.59 | 10.16 |

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

# Trust Summary as of October 31, 2016

**BlackRock Credit Allocation Income Trust**

**Trust Overview**

BlackRock Credit Allocation Income Trust s (BTZ) (the Trust ) investment objective is to provide current income, current gains and capital appreciation. The Trust seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in credit-related securities, including, but not limited to, investment grade corporate bonds, high yield bonds (commonly referred to as junk bonds), bank loans, preferred securities or convertible bonds or derivatives with economic characteristics similar to these credit-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.

**Trust Information**

| | |
|---|---|
| Symbol on New York Stock Exchange ( NYSE ) | BTZ |
| Initial Offering Date | December 27, 2006 |
| Current Distribution Rate on Closing Market Price as of October 31, 2016 ($12.87)[1] | 6.57% |
| Current Monthly Distribution per Common Share[2] | $0.0705 |
| Current Annualized Distribution per Common Share[2] | $0.8460 |
| Economic Leverage as of October 31, 2016[3] | 29% |

1 Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate consists of income, net realized gains and/or a return of capital. Past performance does not guarantee future results.

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

3 Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to any 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 10.

**Performance and Portfolio Management Commentary**

Returns for the 12 months ended October 31, 2016 were as follows:

| | Returns Based On | |
|---|---|---|
| | **Market Price** | **NAV** |
| BTZ[1,2] | 10.43% | 9.61% |
| Lipper Corporate BBB-Rated Debt Funds (Leveraged)[3] | 9.82% | 7.16% |

1 All returns reflect reinvestment of dividends and/or distributions.

2 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.

[3] Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

The following discussion relates to the Trust s absolute performance based on NAV:

**What factors influenced performance?**

The Trust s allocations to high yield bonds and capital securities aided performance, as did its positions in the financials, midstream energy and wireline industries. (Capital securities are dividend-paying securities that combine some features of both corporate bonds and preferred stocks, while generally providing higher yields to compensate for being less senior in the issuer s capital structure.) The largest detractors from absolute performance included the Trust s duration positioning and its allocation to the metals and mining industry.

The Trust held derivatives in the form of futures, swaps, swaptions and options in order to manage duration and convexity risk. (Duration is a measure of interest rate sensitivity; convexity measures how duration changes as interest rates change.) Derivatives were also used to aid in implementing the Trust s yield curve positioning. The Trust used credit default swaps, including those linked to broad indices or individual secu-
rities, to manage credit risk. In addition, the Trust employed leverage to enhance yield.

**Describe recent portfolio activity.**

The Trust became increasingly defensive over the year, as the investment adviser looked to focus less on market risk and more on idiosyncratic opportunities and bottom-up security selection. After maintaining an overweight position in financials relative to industrials for several years, the investment adviser reduced the Trust s weighting in financials. In addition, it significantly decreased exposure to the insurance, financial companies, and banking industries. The investment adviser also lowered the Trust s overall allocation to industrials, mainly by taking down its allocations to the basic industries, energy, communications, and consumer areas. The Trust increased its weighting in technology, as many large issuers in the sector issued new debt at attractive levels.

**Describe portfolio positioning at period end.**

From a sector perspective, the Trust maintained its exposure to financials, with a preference for U.S. banks and brokers. Although financials lagged the rally in industrials, the investment adviser believed the capital and liquidity of U.S. banks remained strong.

The Trust s largest position was in the cable & satellite sector, where the investment adviser saw strong fundamental trends and compelling valuations. The Trust also held an allocation to pharmaceuticals based on their attractive valuations, rising earnings and improving balance sheets. Additionally, the Trust had a large exposure to the pipeline industry on the belief that companies in this area had adequate cash to support both their balance sheets and credit ratings. However, the investment adviser recognized that industry fundamentals were somewhat challenging, and that pipeline issues remained sensitive volatility in oil prices. The Trust maintained an allocation to high yield bonds at the close of the period.

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

**BlackRock Credit Allocation Income Trust**

**Market Price and Net Asset Value Per Share Summary**

| | 10/31/16 | 10/31/15 | Change | High | Low |
|---|---|---|---|---|---|
| Market Price | $ 12.87 | $ 12.53 | 2.71% | $ 13.70 | $ 11.60 |
| Net Asset Value | $ 14.61 | $ 14.33 | 1.95% | $ 14.90 | $ 13.23 |

**Market Price and Net Asset Value History For the Past Five Years**

**Overview of the Trust s Total Investments**

| Portfolio Composition | 10/31/16 | 10/31/15 |
|---|---|---|
| Corporate Bonds | 71% | 76% |
| Preferred Securities | 17 | 19 |
| Asset-Backed Securities | 4 | 4 |
| U.S. Treasury Obligations | 6 | |
| Municipal Bonds | 1 | 1 |
| Foreign Agency Obligations | 1 | |
| Other | [1] | [2] |

[1] Includes a less than 1% holding in each of the following investment types: Short-Term Securities, U.S. Government Sponsored Agency Securities, Options Purchased, Options Written and Common Stocks.

[2] Includes a less than 1% holding in each of the following investment types: Foreign Agency Obligations, Options Purchased, Options Written, U.S. Government Sponsored Agency Securities and Short-Term Securities.

| Credit Quality Allocation[3,4] | 10/31/16 | 10/31/15 |
|---|---|---|
| AAA/Aaa[5] | 7% | 1% |
| AA/Aa | 3 | 2 |
| A | 17 | 19 |
| BBB/Baa | 47 | 48 |
| BB/Ba | 16 | 18 |
| B | 8 | 9 |
| CCC/Caa | 1 | 1 |
| N/R | 1 | 2 |

[3] For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either Standard & Poor s ( S&P ) or Moody s Investors Service ( Moody s ) if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

[4] Excludes Short-Term Securities, Options Purchased and Options Written.

[5] The investment adviser evaluates the credit quality of not-rated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors, individual investments and/or issuer. Using this approach, the investment adviser has deemed U.S. Government Sponsored Agency Securities and U.S. Treasury Obligations as AAA/Aaa.

# Trust Summary as of October 31, 2016

**BlackRock Floating Rate Income Trust**

**Trust Overview**

BlackRock Floating Rate Income Trust s (BGT) (the Trust ) primary investment objective is to provide a high level of current income. The Trust s secondary investment objective is to seek the preservation of capital. The Trust seeks to achieve its investment objectives by investing primarily, under normal conditions, at least 80% of its assets in floating and variable rate instruments of U.S. and non-U.S. issuers, including a substantial portion of its assets in global floating and variable rate securities including senior secured floating rate loans made to corporate and other business entities. Under normal market conditions, the Trust expects that the average effective duration of its portfolio will be no more than 1.5 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.

**Trust Information**

| | |
|---|---|
| Symbol on NYSE | BGT |
| Initial Offering Date | August 30, 2004 |
| Current Distribution Rate on Closing Market Price as of October 31, 2016 ($13.58)[1] | 5.15% |
| Current Monthly Distribution per Common Share[2] | $0.0583 |
| Current Annualized Distribution per Common Share[2] | $0.6996 |
| Economic Leverage as of October 31, 2016[3] | 30% |

1 Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate consists of income, net realized gains and/or a return of capital. Past performance does not guarantee future results.

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

3 Represents bank borrowings outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to any 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 10.

**Performance and Portfolio Management Commentary**

Returns for the 12 months ended October 31, 2016 were as follows:

| | Returns Based On | |
|---|---|---|
| | **Market Price** | **NAV** |
| BGT[1,2] | 12.25% | 7.27% |
| Lipper Loan Participation Funds[3] | 15.20% | 8.16% |

1 All returns reflect reinvestment of dividends and/or distributions.

2 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.

[3] Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

The following discussion relates to the Trust s absolute performance based on NAV:

**What factors influenced performance?**

Over the 12-month period, the broad floating rate bank loan market (i.e., bank loans) provided a positive return, but gains were well below other credit markets, namely the high yield area. The Trust s general outlook on bank loans and credit markets improved as volatility subsided and performance turned positive on an absolute basis. However, the Trust s exposure to integrated energy companies within the broader energy sector detracted from performance, despite gains more broadly across commodity-related sectors over the period. Small positions in convertible securities also negatively affected results.

The Trust s exposure to loans in the technology, health care, and consumer services sectors contributed positively to performance. Performance for high yield bonds was positive and ahead of that for loans during the period, and the Trust s tactical allocation to this asset class contributed to results.

**Describe recent portfolio activity.**

Throughout the 12-month period, the Trust maintained its focus on the higher quality segments of the loan market in terms of loan structure, liquidity and overall credit quality. The Trust continued to concentrate its investments in strong companies with stable cash flows and high quality collateral, with the ability to meet interest obligations and ultimately return principal. From a sector perspective, the Trust added to names in the technology and health care sectors, while trimming exposure to pharmaceuticals and lodging. The Trust selectively added to its high yield bond position.

**Describe portfolio positioning at period end.**

At period end, the Trust held 92% of its total portfolio in bank loans, with the remainder primarily in corporate bonds and CLOs. The Trust continued to favor loans rated B where the investment adviser is comfortable with credit quality, in view of the incremental income they offered versus BB loans. Additionally, the Trust held a modest position in BB-rated loans, while maintaining minimal exposure to loans rated CCC and below, especially avoiding the riskier segments among lower-rated loans within sectors such as energy, metals & mining, and media. Top issuer positions included Level 3 Financing, Inc. (Wirelines), Altice US Financing I Corp./Numericable Group SA (Cable & Satellite), and First Data Corp. (Technology). The strategy maintained a modest stake in more conservative high yield bonds.

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**BlackRock Floating Rate Income Trust**

**Market Price and Net Asset Value Per Share Summary**

| | 10/31/16 | 10/31/15 | Change | High | Low |
|---|---|---|---|---|---|
| Market Price | $ 13.58 | $ 12.77 | 6.34% | $ 13.82 | $ 11.52 |
| Net Asset Value | $ 14.41 | $ 14.18 | 1.62% | $ 14.41 | $ 13.43 |

**Market Price and Net Asset Value History For the Past Five Years**

**Overview of the Trust s Total Investments**

| Portfolio Composition | 10/31/16 | 10/31/15 |
|---|---|---|
| Floating Rate Loan Interests | 92% | 93% |
| Corporate Bonds | 4 | 3 |
| Asset-Backed Securities | 2 | 4 |
| Short-Term Securities | 2 | [1] |
| Other[2] | | |

[1] Includes a less than 1% holding in Short-Term Securities.

[2] Includes a less than 1% holding in each of the following investment types: Non-Agency Mortgage Backed Securities, Other Interests, Investment Companies, Warrants, Common Stocks and Options Purchased.

| Credit Quality Allocation[3,4] | 10/31/16 | 10/31/15 |
|---|---|---|
| A | [5] | 1% |
| BBB/Baa | 8% | 8 |
| BB/Ba | 43 | 45 |
| B | 41 | 39 |
| CCC/Caa | 3 | 3 |
| N/R | 5 | 4 |

[3] For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P s or Moody s if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

[4] Excludes Short-Term Securities and Options Purchased.

[5] Represents less than 1% of total investments.

# Trust Summary as of October 31, 2016

**BlackRock Multi-Sector Income Trust**

**Trust Overview**

BlackRock Multi-Sector Income Trust s (BIT) (the Trust ) primary investment objective is to seek high current income, with a secondary objective of capital appreciation. The Trust seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its assets in loan and debt instruments and other investments with similar economic characteristics. 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.

**Trust Information**

| | |
|---|---|
| Symbol on NYSE | BIT |
| Initial Offering Date | February 27, 2013 |
| Current Distribution Rate on Closing Market Price as of October 31, 2016 ($16.76)[1] | 8.36% |
| Current Monthly Distribution per Common Share[2] | $0.1167 |
| Current Annualized Distribution per Common Share[2] | $1.4004 |
| Economic Leverage as of October 31, 2016[3] | 37% |

1 Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate consists of income, net realized gains and/or a return of capital. Past performance does not guarantee future results.

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

3 Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to any 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 10.

**Performance and Portfolio Management Commentary**

Returns for the 12 months ended October 31, 2016 were as follows:

| | Returns Based On | |
|---|---|---|
| | **Market Price** | **NAV** |
| BIT[1,2] | 13.56% | 10.51% |
| Lipper General Bond Funds[3] | 13.49% | 8.59% |

1 All returns reflect reinvestment of dividends and/or distributions.

2 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.

3 Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

The following discussion relates to the Trust s absolute performance based on NAV:

**What factors influenced performance?**

The Trust s positions in high yield corporate bonds, mortgage-backed securities ( MBS ), asset-backed securities ( ABS ) and investment grade bonds were the most significant contributors to performance. The Trust s stance with respect to duration (sensitivity to interest rate movements) and yield curve positioning also added to returns.

The Trust s allocations in foreign commercial mortgage-backed securities ( CMBS ) and senior loans detracted from performance.

**Describe recent portfolio activity.**

During the period, the Trust s spread duration (sensitivity to credit spreads) was increased as its spread sector exposure was rotated away from MBS, capital securities and ABS, and toward investment grade credit. These changes were made as divergent central bank monetary policies, improving oil prices and investors desire for yield created a strong technical backdrop that supported credit-based assets. In addition, the Trust s allocation in longer-dated credit was increased in anticipation of demand from foreign investors shifting toward the back end of the credit curve as a result of the higher cost of hedging U.S. dollar exposure. Additionally, the Trust s high yield allocation was tilted toward U.S. issuers due to concerns regarding the potential negative consequences of the U.K. s planned exit from the European Union. The Trust s duration was increased in the expectation of continued low interest rates over the near term, based on tepid U.S. economic data and dovish rhetoric from the Fed. Additionally, the Trust s allocation to floating rate securities was reduced.

**Describe portfolio positioning at period end.**

The Trust maintained a diversified exposure to non-government spread sectors, including non-agency MBS, high yield corporates, capital securities, ABS, collateralized loan obligations, CMBS and senior loans. The Trust also held marginal exposure to government-related sectors such as supranationals (multinational foreign government obligations) and foreign agencies.

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 Multi-Sector Income Trust**

**Market Price and Net Asset Value Per Share Summary**

| | 10/31/16 | 10/31/15 | Change | High | Low |
|---|---|---|---|---|---|
| Market Price | $ 16.76 | $ 16.31 | 2.76% | $ 17.43 | $ 14.70 |
| Net Asset Value | $ 18.91 | $ 18.91 | 0.00% | $ 19.05 | $ 17.16 |

**Market Price and Net Asset Value History Since Inception**

[1] Commencement of operations.

**Overview of the Trust s Total Investments**

| Portfolio Composition | 10/31/16 | 10/31/15 |
|---|---|---|
| Corporate Bonds | 41% | 33% |
| Asset-Backed Securities | 19 | 21 |
| Non-Agency Mortgage-Backed Securities | 18 | 25 |
| Preferred Securities | 12 | 13 |
| Floating Rate Loan Interests | 5 | 5 |
| Foreign Agency Obligations | 4 | 2 |
| Short-Term Securities | 1 | 1 |
| Other | [1] | [2] |

[1] Includes a less than 1% holding in each of the following investment types: Common Stocks, U.S. Treasury Obligations, Options Purchased and Options Written.

[2] Includes a less than 1% holding in each of the following investment types: Options Purchased and Options Written.

| Credit Quality Allocation[3,4] | 10/31/16 | 10/31/15 |
|---|---|---|
| AAA/Aaa[5] | [6] | |
| AA/Aa | 2% | |
| A | 8 | 3% |
| BBB/Baa | 18 | 17 |
| BB/Ba | 22 | 28 |
| B | 20 | 12 |
| CCC/Caa | 16 | 19 |
| CC/Ca | 5 | 5 |
| C | 1 | |
| N/R | 8 | 16 |

[3] For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P s or Moody s if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

[4] Excludes Short-Term Securities, Options Purchased and Options Written.

[5] The investment adviser evaluates the credit quality of not-rated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors, individual investments and/or issuer. Using this approach, the investment adviser has deemed U.S. Government Sponsored Agency Securities and U.S. Treasury Obligations as AAA/Aaa.

[6] Represents less than 1% of total investments.

## The Benefits and Risks of Leveraging

The Trusts may utilize leverage to seek to enhance the distribution rate on, and net asset value ( NAV ) of, their common shares ( Common Shares ). However, these objectives cannot be achieved in all interest rate environments.

In general, the concept of leveraging is based on the premise that the financing cost of leverage, which is based on short-term interest rates, is normally lower than the income earned by a Trust on its longer-term portfolio investments purchased with the proceeds from leverage. To the extent that the total assets of the Trusts (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, the Trusts shareholders 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.

To illustrate these concepts, assume a Trust s capitalization is $100 million and it utilizes leverage for an additional $30 million, creating a total value of $130 million available for investment in longer-term income securities. If prevailing short-term interest rates are 3% and longer-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, a Trust s financing costs on the $30 million of proceeds obtained from leverage are based on the lower short-term interest rates. At the same time, the securities purchased by a Trust with the proceeds from leverage earn income based on longer-term interest rates. In this case, a Trust s financing cost of leverage is significantly lower than the income earned on a Trust s longer-term investments acquired from such leverage proceeds, and therefore the holders of Common Shares ( Common Shareholders ) are the beneficiaries of the incremental net income.

However, in order to benefit shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Trusts return on assets purchased with leverage proceeds, income to shareholders is lower than if the Trusts had not used leverage. 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 value of the Trusts obligations under their respective leverage arrangements generally does not fluctuate in relation to interest rates. As a result, changes in interest

rates can influence the Trusts NAVs positively or negatively. Changes in

the future direction of interest rates are very difficult to predict accurately, and there is no assurance that the Trusts intended leveraging strategy will be successful.

The use of leverage also generally causes greater changes in each Trust s NAV, market price and dividend rates than comparable portfolios without leverage. In a declining market, leverage is likely to cause a greater decline in the NAV and market price of a Trust s shares than if the Trust were not leveraged. In addition, 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 the Trusts to incur losses. The use of leverage may limit a Trust s ability to invest in certain types of securities or use certain types of hedging strategies. Each Trust incurs expenses in connection with the use of leverage, all of which are borne by shareholders and may reduce income to the shareholders. Moreover, to the extent the calculation of the Trusts investment advisory fees includes assets purchased with the proceeds of leverage, the investment advisory fees payable to the Trust investment adviser will be higher than if the Trusts did not use leverage.

Each Trust may utilize leverage through a credit facility or reverse repurchase agreements as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (the 1940 Act ), the Trusts are permitted to issue debt up to $\frac{1}{3}$% of their total managed assets. BIT is permitted to use economic leverage (which includes leverage attributable to reverse repurchase agreements) of up to 50% of its total managed assets. A Trust may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act. In addition, a Trust may also be subject to certain asset coverage, leverage or portfolio composition requirements imposed by its credit facility, which may be more stringent than those imposed by the 1940 Act.

If a Trust segregates or designates on its books and records cash or liquid assets having values not less than the value of a Trust s obligations under the reverse repurchase agreement (including accrued interest) then such transaction is not considered a senior security and is not subject to the foregoing limitations and requirements under the 1940 Act.

## Derivative Financial Instruments

The Trusts may invest in various derivative financial instruments. These instruments are used to obtain exposure to a security, commodity, index, market and/or other asset without owning or taking physical custody of securities, commodities and/or other referenced assets or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage and 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 instrument. The Trusts successful use of a derivative financial instrument depends on the investment adviser s ability to predict pertinent market movements accurately, which cannot be assured. The use of these instruments may result in losses greater than if they had not been used, may limit the amount of appreciation a Trust can realize on an investment and/or may result in lower distributions paid to shareholders. The Trusts investments in these instruments, if any, are discussed in detail in the Notes to Financial Statements.

# Schedule of Investments October 31, 2016

**BlackRock Credit Allocation Income Trust (BTZ)**

**(Percentages shown are based on Net Assets)**

| Common Stocks | Shares | Value |
|---|---|---|
| **Oil, Gas & Consumable Fuels 0.0%** | | |
| Denbury Resources, Inc. | 12,160 | $ 29,014 |
| **Real Estate Investment Trusts (REITs) 0.0%** | | |
| Ovation Acquisition I LLC, (Acquired 12/28/15, cost $45,445) (a) | 2,951 | 2,951 |
| **Total Common Stocks 0.0%** | | 31,965 |

| Asset-Backed Securities (b) | | Par (000) | |
|---|---|---|---|
| **Asset-Backed Securities 5.6%** | | | |
| ACAS CLO Ltd., Series 2014-1A, Class C, 3.78%, 7/18/26 (c) | USD | 750 | 747,982 |
| ALM Loan Funding (c): | | | |
| Series 2012-5A, Class BR, 3.88%, 10/18/27 | | 1,000 | 1,005,989 |
| Series 2013-7R2A, Class B, 3.48%, 4/24/24 | | 3,000 | 2,980,073 |
| ALM XII Ltd., Series 2015-12A, Class B, 4.13%, 4/16/27 (c) | | 1,000 | 1,005,665 |
| ALM XIV Ltd., Series 2014-14A, Class C, 4.34%, 7/28/26 (c) | | 4,500 | 4,390,475 |
| ALM XVII Ltd., Series 2015-17A, Class B1, 4.28%, 1/15/28 (c) | | 1,400 | 1,437,172 |
| AMMC CLO Ltd., Series 2015-17A, Class C, 4.07%, 11/15/27 (c) | | 1,000 | 993,918 |
| Anchorage Capital CLO 3, Ltd., Series 2014-3A, Class C, 4.39%, 4/28/26 (c) | | 1,000 | 1,000,008 |
| Apidos CDO, Series 2012-9AR, Class CR, 3.78%, 7/15/23 (c) | | 1,000 | 1,000,077 |
| Apidos CLO XVIII, Series 2014-18A, Class C, 4.53%, 7/22/26 (c) | | 1,300 | 1,282,128 |
| Ares CLO Ltd., Series 2012-2A, Class CR, 3.57%, 10/12/23 (c) | | 1,000 | 997,810 |
| Atlas Senior Loan Fund II, Ltd., Series 2012-2A, Class DR, 4.73%, 1/30/24 (c) | | 750 | 746,869 |
| Atlas Senior Loan Fund Ltd. (c): | | | |
| Series 2012-1A, Class B1LR, 4.66%, 8/15/24 | | 2,000 | 2,000,089 |
| Series 2014-6A, Class D, 4.58%, 10/15/26 | | 3,000 | 2,900,705 |
| Atrium CDO Corp. (c): | | | |
| Series 5A, Class A4, 1.20%, 7/20/20 | | 9,000 | 8,960,273 |
| Series 9A, Class D, 4.33%, 2/28/24 | | 1,000 | 982,552 |
| Benefit Street Partners CLO IV Ltd., Series 2014-IVA, Class B, 3.68%, 7/20/26 (c) | | 1,250 | 1,250,000 |
| Benefit Street Partners CLO VI Ltd., Series 2015-VIA, Class B, 3.93%, 4/18/27 (c) | | 1,000 | 1,002,500 |
| Bowman Park CLO Ltd., Series 2014-1A, Class D2, 4.77%, 11/23/25 (c) | | 1,000 | 960,909 |

| Asset-Backed Securities (b) | | Par (000) | Value |
|---|---|---|---|
| **Asset-Backed Securities (continued)** | | | |
| Carlyle Global Market Strategies CLO Ltd. (c): | | | |
| Series 2012-2A, Class C1R, 3.78%, 7/20/23 | USD | 1,000 | $ 1,003,167 |
| Series 2013-3A, Class C, 4.28%, 7/15/25 | | 1,000 | 970,438 |
| Series 2014-5A, Class C, 5.03%, 10/16/25 | | 1,000 | 1,000,273 |
| Series 2015-1A, Class C, 4.03%, 4/20/27 | | 500 | 504,273 |
| Series 2016-1A, Class C, 5.78%, 4/20/27 | | 1,000 | 1,006,500 |
| Series 2016-3A, Class C, 4.79%, 10/20/29 | | 1,000 | 999,940 |
| CIFC Funding Ltd., Series 2014-3A (c): | | | |
| Class C1, 3.68%, 7/22/26 | | 1,500 | 1,498,818 |
| Class D, 4.28%, 7/22/26 | | 1,071 | 1,015,494 |
| Dryden 34 Senior Loan Fund, Series 2014-34A, Class C, 3.68%, 10/15/26 (c) | | 250 | 249,994 |
| GoldenTree Loan Opportunities IX Ltd., Series 2014-9A, Class D, 4.25%, 10/29/26 | | 1,000 | 977,471 |
| Highbridge Loan Management Ltd. (c): | | | |
| Series 4A-2014, Class B, 3.89%, 7/28/25 | | 750 | 750,185 |
| Series 6A-2015, Class C, 3.85%, 5/05/27 | | 1,500 | 1,497,199 |
| Series 8A-2016, Class D, 5.73%, 4/20/27 | | 500 | 481,975 |
| ING IM CLO Ltd., Series 2013-2A, Class C, 4.38%, 4/25/25 (c) | | 1,000 | 975,745 |
| LCM XVIII LP, Series 18A, Class C1, 4.03%, 4/20/27 (c) | | 1,000 | 1,000,207 |
| Limerock CLO III LLC, Series 2014-3A, Class C, 4.48%, 10/20/26 (c) | | 1,000 | 946,268 |
| Madison Park Funding IX Ltd., Series 2012-9AR, Class C1R, 3.67%, 8/15/22 (c) | | 2,000 | 2,000,793 |
| Madison Park Funding Ltd. (c): | | | |
| Series 2012-8AR, Class CR, 3.68%, 4/22/22 | | 1,350 | 1,350,881 |

| | | |
|---|---|---|
| Series 2012-8AR, Class DR, 4.73%, 4/22/22 | 1,500 | 1,499,230 |
| Series 2014-14A, Class D, 4.48%, 7/20/26 | 2,000 | 1,964,752 |
| Madison Park Funding XIII Ltd., Series 2014-13A, Class C, 3.63%, 1/19/25 (c) | 1,000 | 1,002,460 |
| Madison Park Funding XIV, Ltd., Series 2014-14A, Class C1, 3.98%, 7/20/26 (c) | 1,250 | 1,250,250 |
| Madison Park Funding XV Ltd., Series 2014-15A, Class B1, 4.14%, 1/27/26 (c) | 2,400 | 2,401,947 |
| Madison Park Funding XVI Ltd., Series 2015-16A, Class B, 3.88%, 4/20/26 (c) | 1,000 | 1,002,800 |
| Mill Creek II CLO, Ltd., Series 2016-1A, Class D, 5.73%, 4/20/28 (c) | 1,000 | 1,007,600 |
| Oak Hill Credit Partners XII Ltd., Series 2015-12A, Class C2, 4.13%, 1/23/27 (c) | 1,600 | 1,602,400 |
| Octagon Investment Partners 26 Ltd., Series 2016-1A, Class D, 5.83%, 4/15/27 (c) | 500 | 500,677 |
| Octagon Investment Partners XX Ltd., Series 2014-1A, Class C, 3.62%, 8/12/26 (c) | 750 | 748,350 |
| Octagon Loan Funding Ltd., Series 2014-1A, Class D, 4.45%, 11/18/26 (c) | 1,500 | 1,444,507 |

**Portfolio Abbreviations**

| | | | | | |
|---|---|---|---|---|---|
| **ABS** | Asset-Backed Security | **COP** | Certificates of Participation | **NOK** | Norwegian Krone |
| **ADS** | American Depositary Shares | **EUR** | Euro | **NZD** | New Zealand Dollar |
| **ARB** | Airport Revenue Bonds | **FKA** | Formerly Known As | **OTC** | Over-the-Counter |
| **ARS** | Argentine Peso | **GBP** | British Pound | **PIK** | Payment-In-Kind |
| **AUD** | Australian Dollar | **INR** | Indian Rupee | **RB** | Revenue Bonds |
| **BRL** | Brazilian Real | **JPY** | Japanese Yen | **REMIC** | Real Estate Mortgage Investment Conduit |
| **BZDIOVER** | 1-Day Brazil Interbank Deposit | **KRW** | South Korean Won | **RUB** | Russian Ruble |
| **CAD** | Canadian Dollar | **KRWCD** | 3-Month Certificate of Deposit Rate | **SEK** | Swedish Krona |
| **CHF** | Swiss Franc | **LOC** | Letter of Credit | **TRY** | Turkish Lira |
| **CLO** | Collateralized Loan Obligation | **MXIBTIIE** | Mexico Interbank TIIE 28 Day | **TWD** | Taiwan Dollar |
| **CLP** | Chilean Peso | **MXN** | Mexican Peso | **USD** | U.S. Dollar |
| **CNH** | Yuan Renminbi Offshore | **MYR** | Malaysian Ringgit | **ZAR** | South African Rand |
| **CNY** | Chinese Renminbi | | | | |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Asset-Backed Securities (b) | | Par (000) | Value |
|---|---|---|---|
| **Asset-Backed Securities (continued)** | | | |
| OZLM VI Ltd., Series 2014-6A, Class B, 3.78%, 4/17/26 (c) | USD | 1,100 | $ 1,105,806 |
| OZLM VII Ltd., Series 2014-7A, Class C, 4.48%, 7/17/26 (c) | | 1,500 | 1,440,821 |
| OZLM XI Ltd., Series 2015-11A, Class B, 3.76%, 1/30/27 (c) | | 2,750 | 2,750,031 |
| Regatta IV Funding Ltd., Series 2014-1A, Class C, 3.83%, 7/25/26 (c) | | 1,500 | 1,500,095 |
| Regatta V Funding Ltd., Series 2014-1A (c): | | | |
| Class B, 3.88%, 10/25/26 | | 1,000 | 1,000,096 |
| Class C, 4.33%, 10/25/26 | | 1,000 | 919,963 |
| SLM Private Credit Student Loan Trust, Series 2004-B, Class A2, 1.05%, 6/15/21 | | 522 | 521,154 |
| Symphony CLO Ltd., Series 2016-17A, Class D, 5.76%, 4/15/28 (c) | | 1,000 | 1,012,000 |
| Symphony CLO XV Ltd., Series 2014-15A (c): | | | |
| Class C, 4.08%, 10/17/26 | | 2,500 | 2,499,978 |
| Class D, 4.63%, 10/17/26 | | 1,000 | 991,460 |
| Venture XIII CLO Ltd., Series 2013-13A, Class D, 4.40%, 6/10/25 (c) | | 800 | 785,015 |
| Vibrant CLO II, Ltd., Series 2013-2A, Class C, 4.48%, 7/24/24 (c) | | 1,000 | 979,017 |
| Voya CLO Ltd., Series 2014-4A, Class C, 4.88%, 10/14/26 (c) | | 1,000 | 983,373 |
| Webster Park CLO Ltd., Series 2015-1A, Class B1, 3.98%, 1/20/27 (c) | | 4,000 | 4,055,152 |
| **Total Asset-Backed Securities 5.6%** | | | 88,843,749 |
| | | | |
| **Corporate Bonds** | | | |
| **Aerospace & Defense 0.6%** | | | |
| Huntington Ingalls Industries, Inc., 5.00%, 12/15/21 (c) | | 536 | 561,460 |
| KLX, Inc., 5.88%, 12/01/22 (c) | | 725 | 737,832 |
| Mexico City Airport Trust, 4.25%, 10/31/26 (c) | | 1,350 | 1,375,650 |
| TransDigm, Inc.: | | | |
| 6.00%, 7/15/22 | | 4,360 | 4,545,300 |
| 6.50%, 7/15/24 | | 1,560 | 1,641,900 |
| | | | 8,862,142 |
| **Air Freight & Logistics 0.1%** | | | |
| XPO Logistics, Inc. (c): | | | |
| 6.50%, 6/15/22 | | 1,421 | 1,477,840 |
| 6.13%, 9/01/23 | | 496 | 510,260 |
| | | | 1,988,100 |
| **Airlines 1.0%** | | | |
| American Airlines Group, Inc., 4.63%, 3/01/20 (c) | | 692 | 696,325 |
| Continental Airlines Pass-Through Trust: | | | |
| Series 2009-2, Class B, 9.25%, 11/10/18 | | 1,574 | 1,603,752 |
| Series 2012-3, Class C, 6.13%, 4/29/18 | | 2,040 | 2,142,000 |
| Delta Air Lines Pass-Through Trust, Series 2002-1, Class G-1, 6.72%, 7/02/24 | | 3,042 | 3,498,774 |
| Turkish Airlines Pass Through Trust, Series 2015-1 Class A, 4.20%, 9/15/28 (c) | | 2,807 | 2,687,573 |
| United Airlines Pass-Through Trust, Series 2014-1, Class B, 4.75%, 10/11/23 | | 3,616 | 3,705,993 |
| Virgin Australia Trust, Series 2013-1, Class B, 6.00%, 4/23/22 (c) | | 1,001 | 1,015,907 |
| | | | 15,350,324 |
| **Auto Components 0.5%** | | | |
| Allison Transmission, Inc., 5.00%, 10/01/24 (c) | | 734 | 748,680 |
| Goodyear Tire & Rubber Co., 5.00%, 5/31/26 | | 535 | 539,681 |

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Auto Components (continued)** | | | |
| Icahn Enterprises LP/Icahn Enterprises Finance Corp.: | | | |
| 4.88%, 3/15/19 | USD | 3,950 | $ 3,932,225 |
| 6.00%, 8/01/20 | | 3,108 | 3,053,610 |

| | | |
|---|---|---|
| | | 8,274,196 |
| **Automobiles 0.5%** | | |
| Ford Motor Co., 7.45%, 7/16/31 | 3,660 | 4,809,006 |
| General Motors Co.: | | |
| 4.88%, 10/02/23 | 1,875 | 2,018,878 |
| 6.25%, 10/02/43 | 940 | 1,076,296 |
| | | 7,904,180 |
| **Banks 4.3%** | | |
| CIT Group, Inc.: | | |
| 4.25%, 8/15/17 | 4,600 | 4,658,880 |
| 5.25%, 3/15/18 | 4,030 | 4,173,710 |
| 5.50%, 2/15/19 (c) | 3,967 | 4,175,267 |
| 5.00%, 8/01/23 | 660 | 702,966 |
| City National Corp., 5.25%, 9/15/20 (d) | 2,900 | 3,243,789 |
| Cooperatieve Rabobank UA, 3.95%, 11/09/22 (d) | 3,775 | 3,957,374 |
| Credit Suisse Group AG, 6.50%, 8/08/23 (c) | 6,000 | 6,532,500 |
| Discover Bank/Greenwood, 8.70%, 11/18/19 | 748 | 867,530 |
| Fifth Third Bancorp, 5.10% (b)(e) | 5,000 | 4,826,000 |
| HSBC Finance Corp., 6.68%, 1/15/21 (d) | 5,150 | 5,877,958 |
| Intesa Sanpaolo SpA, 5.71%, 1/15/26 (c) | 3,840 | 3,656,817 |
| Lloyds Banking Group PLC, 4.65%, 3/24/26 | 3,015 | 3,103,267 |
| Royal Bank of Scotland Group PLC, 6.00%, 12/19/23 | 10,080 | 10,404,929 |
| Wells Fargo & Co.: | | |
| 3.45%, 2/13/23 | 2,325 | 2,386,482 |
| 4.13%, 8/15/23 (d) | 4,000 | 4,266,620 |
| 5.61%, 1/15/44 (d) | 4,119 | 4,829,956 |
| | | 67,664,045 |
| **Beverages 0.6%** | | |
| Anheuser-Busch InBev Finance, Inc., 4.90%, 2/01/46 (d) | 6,170 | 7,055,623 |
| Molson Coors Brewing Co., 4.20%, 7/15/46 | 1,665 | 1,664,556 |
| | | 8,720,179 |
| **Biotechnology 0.4%** | | |
| Amgen, Inc., 4.66%, 6/15/51 (c)(d) | 6,709 | 6,861,207 |
| **Building Products 0.3%** | | |
| American Builders & Contractors Supply Co., Inc., 5.75%, 12/15/23 (c) | 424 | 442,020 |
| Builders FirstSource, Inc., 5.63%, 9/01/24 (c) | 586 | 591,860 |
| Building Materials Corp. of America, 6.00%, 10/15/25 (c) | 2,038 | 2,175,463 |
| Masonite International Corp., 5.63%, 3/15/23 (c) | 610 | 631,350 |
| Standard Industries, Inc., 5.13%, 2/15/21 (c) | 420 | 441,000 |
| | | 4,281,693 |
| **Capital Markets 2.9%** | | |
| E*Trade Financial Corp., 5.38%, 11/15/22 | 1,348 | 1,440,817 |
| Goldman Sachs Group, Inc.: | | |
| 6.25%, 9/01/17 | 625 | 649,755 |
| 7.50%, 2/15/19 (d) | 5,165 | 5,806,927 |
| 5.25%, 7/27/21 | 1,175 | 1,320,628 |
| 5.75%, 1/24/22 | 5,500 | 6,358,918 |
| 6.25%, 2/01/41 (d) | 15,000 | 19,211,985 |
| Morgan Stanley (d): | | |
| 5.63%, 9/23/19 | 6,770 | 7,453,675 |
| 5.50%, 7/28/21 | 2,695 | 3,059,138 |
| | | 45,301,843 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Chemicals 1.2%** | | | |
| Axalta Coating Systems LLC, 4.88%, 8/15/24 (c) | USD | 715 | $ 725,725 |
| Basell Finance Co. BV, 8.10%, 3/15/27 (c)(d) | | 6,000 | 8,001,210 |
| CF Industries, Inc., 5.38%, 3/15/44 | | 3,625 | 3,100,633 |
| Chemours Co.: | | | |
| 6.63%, 5/15/23 | | 220 | 213,400 |
| 7.00%, 5/15/25 | | 869 | 845,103 |
| Huntsman International LLC: | | | |
| 4.88%, 11/15/20 | | 72 | 74,714 |
| 5.13%, 11/15/22 | | 2,495 | 2,582,325 |
| NOVA Chemicals Corp., 5.25%, 8/01/23 (c) | | 772 | 786,475 |
| Platform Specialty Products Corp. (c): | | | |
| 10.38%, 5/01/21 | | 165 | 178,200 |
| 6.50%, 2/01/22 | | 1,372 | 1,330,840 |
| PQ Corp., 6.75%, 11/15/22 (c) | | 935 | 1,008,631 |
| | | | 18,847,256 |
| **Commercial Services & Supplies 3.2%** | | | |
| ADS Waste Holdings, Inc., 8.25%, 10/01/20 | | 1,003 | 1,048,135 |
| Aviation Capital Group Corp. (c): | | | |
| 7.13%, 10/15/20 | | 31,000 | 36,647,270 |
| 6.75%, 4/06/21 | | 7,850 | 9,314,261 |
| Intelsat Jackson Holdings SA, 7.25%, 4/01/19 | | 808 | 651,450 |
| United Rentals North America, Inc.: | | | |
| 7.63%, 4/15/22 | | 1,853 | 1,970,443 |
| 5.50%, 5/15/27 (f) | | 790 | 786,050 |
| | | | 50,417,609 |
| **Communications Equipment 0.3%** | | | |
| CommScope Technologies Finance LLC, 6.00%, 6/15/25 (c) | | 2,242 | 2,354,100 |
| CommScope, Inc., 5.50%, 6/15/24 (c) | | 254 | 266,065 |
| Zayo Group LLC/Zayo Capital, Inc., 6.38%, 5/15/25 | | 2,126 | 2,238,295 |
| | | | 4,858,460 |
| **Construction & Engineering 0.2%** | | | |
| AECOM Co.: | | | |
| 5.75%, 10/15/22 | | 333 | 349,510 |
| 5.88%, 10/15/24 | | 2,311 | 2,440,994 |
| BlueLine Rental Finance Corp., 7.00%, 2/01/19 (c) | | 413 | 360,342 |
| Weekley Homes LLC/Weekley Finance Corp., 6.00%, 2/01/23 | | 825 | 750,750 |
| | | | 3,901,596 |
| **Construction Materials 0.5%** | | | |
| Allegion US Holding Co., Inc., 5.75%, 10/01/21 | | 1,907 | 1,985,664 |
| HD Supply, Inc. (c): | | | |
| 5.25%, 12/15/21 | | 3,278 | 3,482,875 |
| 5.75%, 4/15/24 | | 1,701 | 1,786,050 |
| PulteGroup, Inc., 5.50%, 3/01/26 | | 926 | 963,040 |
| | | | 8,217,629 |
| **Consumer Finance 1.5%** | | | |
| Ally Financial, Inc.: | | | |
| 5.13%, 9/30/24 | | 590 | 622,450 |
| 4.63%, 3/30/25 | | 136 | 138,380 |
| 8.00%, 11/01/31 | | 5,795 | 6,925,025 |
| Capital One Bank USA NA, 3.38%, 2/15/23 (d) | | 6,610 | 6,751,745 |
| Discover Financial Services, 3.85%, 11/21/22 | | 3,252 | 3,355,875 |
| Experian Finance PLC, 2.38%, 6/15/17 (c)(d) | | 2,550 | 2,563,979 |
| Navient Corp.: | | | |

| | | | |
|---|---|---|---|
| 6.63%, 7/26/21 | | 461 | 464,457 |
| 7.25%, 9/25/23 | | 996 | 992,265 |
| Total System Services, Inc., 3.80%, 4/01/21 | | 1,630 | 1,719,450 |
| | | | 23,533,626 |
| **Corporate Bonds** | | **Par (000)** | **Value** |
| **Containers & Packaging 0.4%** | | | |
| Ardagh Packaging Finance PLC/Ardagh MP Holdings USA, Inc., 6.25%, 1/31/19 (c) | USD | 400 | $ 407,500 |
| Ball Corp., 4.38%, 12/15/20 | | 681 | 725,265 |
| Reynolds Group Issuer, Inc.: | | | |
| 5.75%, 10/15/20 | | 2,866 | 2,941,319 |
| 6.88%, 2/15/21 | | 105 | 108,675 |
| 7.00%, 7/15/24 (c) | | 1,247 | 1,332,731 |
| Sealed Air Corp., 6.88%, 7/15/33 (c) | | 182 | 195,650 |
| | | | 5,711,140 |
| **Diversified Consumer Services 0.4%** | | | |
| Prime Security Services Borrower LLC/Prime Finance, Inc., 9.25%, 5/15/23 (c) | | 1,295 | 1,375,937 |
| Service Corp. International, 4.50%, 11/15/20 | | 4,382 | 4,458,685 |
| | | | 5,834,622 |
| **Diversified Financial Services 8.5%** | | | |
| AerCap Ireland Capital Ltd./AerCap Global Aviation Trust: | | | |
| 4.63%, 10/30/20 | | 961 | 1,011,452 |
| 4.63%, 7/01/22 | | 518 | 540,663 |
| Air Lease Corp., 3.75%, 2/01/22 | | 5,000 | 5,261,460 |
| Aircastle Ltd., 6.25%, 12/01/19 | | 3,937 | 4,286,409 |
| Bank of America Corp.: | | | |
| 5.00%, 5/13/21 (d) | | 17,100 | 18,957,812 |
| 5.70%, 1/24/22 | | 2,590 | 2,991,875 |
| 4.45%, 3/03/26 | | 1,765 | 1,884,079 |
| Bank of America NA, 5.30%, 3/15/17 (d) | | 13,440 | 13,634,746 |
| Barclays PLC, 4.38%, 9/11/24 | | 2,100 | 2,108,446 |
| Citigroup, Inc. (d): | | | |
| 4.45%, 1/10/17 | | 4,800 | 4,830,096 |
| 6.68%, 9/13/43 | | 4,125 | 5,308,376 |
| Credit Suisse Group Funding Guernsey Ltd., 4.55%, 4/17/26 (c)(d) | | 5,000 | 5,244,090 |
| Double Eagle Acquisition, Inc., 7.50%, 10/01/24 (c) | | 739 | 761,170 |
| Ford Motor Credit Co. LLC: | | | |
| 8.00%, 12/15/16 | | 4,000 | 4,031,000 |
| 5.88%, 8/02/21 | | 9,420 | 10,696,674 |
| General Motors Financial Co., Inc.: | | | |
| 6.75%, 6/01/18 | | 1,700 | 1,824,085 |
| 4.38%, 9/25/21 | | 2,260 | 2,399,752 |
| 4.25%, 5/15/23 | | 1,681 | 1,744,601 |
| ING Bank NV, 5.00%, 6/09/21 (c)(d) | | 8,000 | 8,979,392 |
| Jefferies Finance LLC/JFIN Co-Issuer Corp., 7.38%, 4/01/20 (c) | | 1,705 | 1,692,212 |
| Leucadia National Corp., 5.50%, 10/18/23 | | 4,000 | 4,200,128 |
| Lloyds Banking Group PLC (c): | | | |
| 4.58%, 12/10/25 | | 1,985 | 2,017,084 |
| 5.30%, 12/01/45 | | 1,120 | 1,181,986 |
| Moody s Corp., 6.06%, 9/07/17 | | 20,000 | 20,422,140 |
| Resparcs Funding LP I, 8.00% (e)(g) | | 4,000 | 703,168 |
| Royal Bank of Scotland Group PLC: | | | |
| 6.10%, 6/10/23 | | 2,500 | 2,591,312 |
| 5.13%, 5/28/24 | | 5,250 | 5,197,762 |
| | | | 134,501,970 |
| **Diversified Telecommunication Services 6.1%** | | | |
| AT&T, Inc.: | | | |
| 5.00%, 3/01/21 (d) | | 8,575 | 9,426,154 |
| 6.30%, 1/15/38 (d) | | 12,000 | 13,921,668 |
| 4.30%, 12/15/42 | | 265 | 243,993 |
| 4.35%, 6/15/45 | | 367 | 336,674 |
| CenturyLink, Inc.: | | | |
| 6.45%, 6/15/21 | | 1,660 | 1,772,050 |

| | | |
|---|---|---|
| Series Y, 7.50%, 4/01/24 | 150 | 156,188 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Diversified Telecommunication Services (continued)** | | | |
| Frontier Communications Corp.: | | | |
| 6.25%, 9/15/21 | USD | 980 | $ 931,000 |
| 7.13%, 1/15/23 | | 55 | 49,466 |
| 7.63%, 4/15/24 | | 1,309 | 1,165,010 |
| 6.88%, 1/15/25 | | 3,964 | 3,319,850 |
| Level 3 Financing, Inc.: | | | |
| 5.38%, 8/15/22 | | 2,095 | 2,152,613 |
| 5.13%, 5/01/23 | | 1,183 | 1,194,830 |
| 5.38%, 1/15/24 | | 754 | 769,080 |
| 5.38%, 5/01/25 | | 2,003 | 2,033,045 |
| SBA Communications Corp., 4.88%, 9/01/24 (c) | | 1,658 | 1,658,000 |
| Telefonica Emisiones SAU, 3.19%, 4/27/18 | | 6,550 | 6,690,059 |
| Verizon Communications, Inc.: | | | |
| 5.15%, 9/15/23 (d) | | 8,775 | 10,037,371 |
| 6.40%, 9/15/33 | | 9,475 | 11,818,954 |
| 7.35%, 4/01/39 (d) | | 7,825 | 10,693,496 |
| 6.55%, 9/15/43 (d) | | 13,225 | 17,328,651 |
| | | | 95,698,152 |
| **Electric Utilities 4.8%** | | | |
| CMS Energy Corp., 5.05%, 3/15/22 | | 9,900 | 11,196,969 |
| Duke Energy Corp., 3.55%, 9/15/21 (d) | | 3,650 | 3,897,353 |
| Emera, Inc., Series 16-A, 6.75%, 6/15/76 (b) | | 7,500 | 8,287,500 |
| Great Plains Energy, Inc., 5.29%, 6/15/22 (h) | | 5,550 | 6,151,304 |
| Midland Cogeneration Venture LP, 5.25%, 3/15/25 (c) | | 4,102 | 4,131,531 |
| NiSource Finance Corp., 6.80%, 1/15/19 (d) | | 3,075 | 3,406,783 |
| Oncor Electric Delivery Co. LLC (d): | | | |
| 4.10%, 6/01/22 | | 4,150 | 4,547,445 |
| 5.30%, 6/01/42 | | 2,750 | 3,420,002 |
| Progress Energy, Inc., 7.00%, 10/30/31 (d) | | 12,000 | 15,974,064 |
| Puget Energy, Inc.: | | | |
| 6.00%, 9/01/21 | | 275 | 316,885 |
| 5.63%, 7/15/22 | | 5,550 | 6,329,603 |
| Southern Co., 4.40%, 7/01/46 | | 7,500 | 7,920,915 |
| | | | 75,580,354 |
| **Electronic Equipment, Instruments & Components 0.5%** | | | |
| CDW LLC/CDW Finance Corp.: | | | |
| 6.00%, 8/15/22 | | 1,050 | 1,113,000 |
| 5.00%, 9/01/23 | | 306 | 314,231 |
| 5.50%, 12/01/24 | | 2,458 | 2,581,662 |
| Jabil Circuit, Inc., 8.25%, 3/15/18 | | 2,600 | 2,808,000 |
| Sanmina Corp., 4.38%, 6/01/19 (c) | | 1,415 | 1,475,138 |
| | | | 8,292,031 |
| **Energy Equipment & Services 0.7%** | | | |
| Genesis Energy LP/Genesis Energy Finance Corp.: | | | |
| 5.75%, 2/15/21 | | 473 | 471,818 |
| 6.75%, 8/01/22 | | 1,175 | 1,207,312 |
| GrafTech International Ltd., 6.38%, 11/15/20 | | 890 | 676,400 |
| Halliburton Co., 5.00%, 11/15/45 | | 6,615 | 7,227,205 |
| Noble Holding International Ltd.: | | | |
| 4.63%, 3/01/21 | | 85 | 71,780 |
| 7.20%, 4/01/25 | | 180 | 146,700 |
| Transocean, Inc., 6.00%, 3/15/18 (d) | | 880 | 882,640 |
| | | | 10,683,855 |
| **Food & Staples Retailing 1.8%** | | | |

| | | | |
|---|---|---|---|
| Albertsons Cos. LLC/Safeway, Inc./New Albertson s, Inc./Albertson s LLC (c): | | | |
| 6.63%, 6/15/24 | | 775 | 804,062 |
| 5.75%, 3/15/25 | | 1,120 | 1,105,653 |
| CVS Health Corp.: | | | |
| 4.75%, 12/01/22 | | 289 | 324,002 |
| 5.00%, 12/01/24 | | 183 | 208,800 |
| 5.13%, 7/20/45 (d) | | 3,879 | 4,525,206 |
| **Corporate Bonds** | | **Par (000)** | **Value** |
| **Food & Staples Retailing (continued)** | | | |
| Dollar Tree, Inc.: | | | |
| 5.25%, 3/01/20 | USD | 105 | $ 108,938 |
| 5.75%, 3/01/23 | | 4,723 | 5,029,995 |
| H.J. Heinz Finance Co., 7.13%, 8/01/39 (c) | | 4,415 | 6,034,528 |
| Pinnacle Foods Finance LLC/Pinnacle Foods Finance Corp., 5.88%, 1/15/24 | | 191 | 204,848 |
| Rite Aid Corp.: | | | |
| 6.75%, 6/15/21 | | 541 | 568,050 |
| 6.13%, 4/01/23 (c) | | 2,974 | 3,137,570 |
| Wal-Mart Stores, Inc., 5.25%, 9/01/35 (d) | | 5,150 | 6,579,424 |
| | | | 28,631,076 |
| **Food Products 1.2%** | | | |
| Aramark Services, Inc., 5.13%, 1/15/24 (c) | | 815 | 853,713 |
| FAGE International SA/FAGE USA Dairy Industry, Inc., 5.63%, 8/15/26 (c) | | 830 | 856,975 |
| Kraft Foods, Inc.: | | | |
| 6.50%, 8/11/17 (d) | | 4,450 | 4,626,127 |
| 6.13%, 8/23/18 | | 4,840 | 5,271,539 |
| Kraft Heinz Foods Co., 4.38%, 6/01/46 | | 2,475 | 2,510,105 |
| Post Holdings, Inc. (c): | | | |
| 7.75%, 3/15/24 | | 1,502 | 1,660,010 |
| 8.00%, 7/15/25 | | 743 | 847,020 |
| 5.00%, 8/15/26 | | 1,349 | 1,308,530 |
| Smithfield Foods, Inc., 5.88%, 8/01/21 (c) | | 715 | 745,388 |
| TreeHouse Foods, Inc., 6.00%, 2/15/24 (c) | | 431 | 462,894 |
| | | | 19,142,301 |
| **Health Care Equipment & Supplies 0.6%** | | | |
| DJO Finco, Inc./DJO Finance LLC/DJO Finance Corp., 8.13%, 6/15/21 (c) | | 2,065 | 1,894,637 |
| Mallinckrodt International Finance SA/Mallinckrodt CB LLC (c): | | | |
| 4.88%, 4/15/20 | | 517 | 518,939 |
| 5.75%, 8/01/22 | | 1,370 | 1,298,075 |
| 5.63%, 10/15/23 | | 506 | 475,640 |
| Medtronic, Inc., 4.63%, 3/15/45 (d) | | 4,565 | 5,164,672 |
| | | | 9,351,963 |
| **Health Care Providers & Services 3.6%** | | | |
| Acadia Healthcare Co., Inc., 5.13%, 7/01/22 | | 191 | 187,180 |
| Amsurg Corp., 5.63%, 7/15/22 | | 1,466 | 1,495,320 |
| Centene Corp.: | | | |
| 5.63%, 2/15/21 | | 875 | 917,884 |
| 6.13%, 2/15/24 | | 645 | 686,925 |
| CHS/Community Health Systems, Inc.: | | | |
| 5.13%, 8/15/18 | | 1,620 | 1,605,825 |
| 6.88%, 2/01/22 | | 1,111 | 847,138 |
| DaVita HealthCare Partners, Inc.: | | | |
| 5.13%, 7/15/24 | | 1,990 | 1,946,469 |
| 5.00%, 5/01/25 | | 335 | 323,275 |
| HCA, Inc.: | | | |
| 3.75%, 3/15/19 | | 4,364 | 4,462,190 |
| 6.50%, 2/15/20 | | 10,421 | 11,541,257 |
| 7.50%, 2/15/22 | | 2,214 | 2,519,532 |
| 5.88%, 3/15/22 | | 340 | 374,000 |
| 4.75%, 5/01/23 | | 236 | 245,735 |
| 5.38%, 2/01/25 | | 440 | 449,108 |
| 5.88%, 2/15/26 | | 1,297 | 1,361,850 |
| HealthSouth Corp.: | | | |
| 5.13%, 3/15/23 | | 512 | 517,120 |

| | | |
|---|---|---|
| 5.75%, 11/01/24 | 637 | 656,906 |
| Hologic, Inc., 5.25%, 7/15/22 (c) | 742 | 784,739 |
| MEDNAX, Inc., 5.25%, 12/01/23 (c) | 587 | 613,415 |
| MPH Acquisition Holdings LLC, 7.13%, 6/01/24 (c) | 829 | 886,947 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Health Care Providers & Services (continued)** | | | |
| RegionalCare Hospital Partners Holdings, Inc., 8.25%, 5/01/23 (c) | USD | 1,109 | $ 1,124,249 |
| Tenet Healthcare Corp.: | | | |
| 6.25%, 11/01/18 | | 736 | 778,320 |
| 4.75%, 6/01/20 | | 1,450 | 1,482,625 |
| 6.00%, 10/01/20 | | 3,645 | 3,839,570 |
| 4.50%, 4/01/21 | | 73 | 73,000 |
| 8.13%, 4/01/22 | | 1,907 | 1,864,092 |
| 6.75%, 6/15/23 | | 1,758 | 1,615,163 |
| UnitedHealth Group, Inc., 6.88%, 2/15/38 (d) | | 10,000 | 13,988,470 |
| | | | 57,188,304 |
| **Hotels, Restaurants & Leisure 0.6%** | | | |
| Boyd Gaming Corp., 6.38%, 4/01/26 (c) | | 71 | 75,970 |
| ESH Hospitality, Inc., 5.25%, 5/01/25 (c) | | 1,970 | 1,950,300 |
| GLP Capital LP / GLP Financing II, Inc., 4.38%, 4/15/21 | | 143 | 150,508 |
| KFC Holding Co/Pizza Hut Holdings LLC/Taco Bell of America LLC (c): | | | |
| 5.00%, 6/01/24 | | 600 | 624,000 |
| 5.25%, 6/01/26 | | 650 | 677,625 |
| MGM Resorts International, 6.75%, 10/01/20 | | 214 | 237,540 |
| MGP Escrow Issuer LLC/MGP Escrow Co-Issuer, Inc., 5.63%, 5/01/24 (c) | | 627 | 667,379 |
| New Red Finance, Inc., 6.00%, 4/01/22 (c) | | 2,215 | 2,314,675 |
| Sabre GLBL, Inc. (c): | | | |
| 5.38%, 4/15/23 | | 594 | 609,592 |
| 5.25%, 11/15/23 | | 294 | 301,717 |
| Six Flags Entertainment Corp., 5.25%, 1/15/21 (c) | | 1,718 | 1,769,540 |
| | | | 9,378,846 |
| **Household Durables 0.8%** | | | |
| Brookfield Residential Properties, Inc./Brookfield Residential US Corp., 6.13%, 7/01/22 (c) | | 1,647 | 1,671,705 |
| CalAtlantic Group, Inc., 8.38%, 1/15/21 | | 3,015 | 3,580,313 |
| Lennar Corp.: | | | |
| 4.75%, 11/15/22 | | 1,805 | 1,877,200 |
| 4.88%, 12/15/23 | | 466 | 475,320 |
| Newell Brands, Inc.: | | | |
| 3.85%, 4/01/23 | | 2,585 | 2,743,228 |
| 4.20%, 4/01/26 | | 955 | 1,031,890 |
| TRI Pointe Group, Inc.: | | | |
| 4.38%, 6/15/19 | | 920 | 940,700 |
| 5.88%, 6/15/24 | | 625 | 647,656 |
| | | | 12,968,012 |
| **Household Products 0.2%** | | | |
| Spectrum Brands, Inc.: | | | |
| 6.63%, 11/15/22 | | 1,110 | 1,189,787 |
| 6.13%, 12/15/24 | | 231 | 252,945 |
| 5.75%, 7/15/25 | | 1,002 | 1,084,665 |
| | | | 2,527,397 |
| **Independent Power and Renewable Electricity Producers 0.7%** | | | |
| Calpine Corp.: | | | |
| 6.00%, 1/15/22 (c) | | 1,548 | 1,618,140 |
| 5.88%, 1/15/24 (c) | | 823 | 868,265 |
| 5.75%, 1/15/25 | | 1,064 | 1,034,740 |
| Dynegy, Inc., 6.75%, 11/01/19 | | 1,945 | 1,968,515 |
| NRG Energy, Inc.: | | | |
| 6.25%, 5/01/24 | | 135 | 130,950 |
| 7.25%, 5/15/26 (c) | | 1,581 | 1,555,561 |
| 6.63%, 1/15/27 (c) | | 2,521 | 2,361,068 |

| | | | |
|---|---|---|---|
| QEP Resources, Inc., 5.38%, 10/01/22 | | 1,927 | 1,907,730 |
| | | | 11,444,969 |
| **Corporate Bonds** | | **Par (000)** | **Value** |
| **Industrial Conglomerates 0.0%** | | | |
| Cortes NP Acquisition Corp., 9.25%, 10/15/24 (c) | USD | 623 | $ 650,646 |
| **Insurance 3.0%** | | | |
| American International Group, Inc., 6.40%, 12/15/20 (d) | | 8,710 | 10,141,375 |
| Aon Corp., 5.00%, 9/30/20 (d) | | 7,700 | 8,480,187 |
| Aon PLC, 4.25%, 12/12/42 (d) | | 6,500 | 6,262,178 |
| Forethought Financial Group, Inc., 8.63%, 4/15/21 (c) | | 3,400 | 3,877,340 |
| Northwestern Mutual Life Insurance Co., 6.06%, 3/30/40 (c)(d) | | 12,000 | 15,439,404 |
| Principal Financial Group, Inc., 8.88%, 5/15/19 | | 2,825 | 3,318,270 |
| | | | 47,518,754 |
| **Internet Software & Services 0.1%** | | | |
| Equinix, Inc., 5.88%, 1/15/26 | | 1,061 | 1,134,124 |
| Netflix, Inc., 5.50%, 2/15/22 | | 563 | 609,448 |
| | | | 1,743,572 |
| **IT Services 0.8%** | | | |
| Ceridian HCM Holding, Inc., 11.00%, 3/15/21 (c) | | 1,755 | 1,847,138 |
| Fidelity National Information Services, Inc., 5.00%, 10/15/25 | | 1,935 | 2,177,719 |
| First Data Corp. (c): | | | |
| 6.75%, 11/01/20 | | 1,768 | 1,829,880 |
| 5.38%, 8/15/23 | | 764 | 790,740 |
| 7.00%, 12/01/23 | | 5,545 | 5,808,387 |
| 5.75%, 1/15/24 | | 410 | 416,150 |
| | | | 12,870,014 |
| **Life Sciences Tools & Services 0.8%** | | | |
| Life Technologies Corp., 6.00%, 3/01/20 (d) | | 12,000 | 13,369,836 |
| **Media 7.2%** | | | |
| 21st Century Fox America, Inc., 6.15%, 3/01/37 (d) | | 9,575 | 11,662,120 |
| A&E Television Networks LLC, 3.11%, 8/22/19 | | 5,000 | 5,113,500 |
| Altice Financing SA, 7.50%, 5/15/26 (c) | | 2,172 | 2,237,160 |
| Altice Luxembourg SA (c): | | | |
| 7.75%, 5/15/22 | | 2,362 | 2,466,814 |
| 7.63%, 2/15/25 | | 1,752 | 1,822,080 |
| Altice US Finance I Corp. (c): | | | |
| 5.38%, 7/15/23 | | 2,919 | 2,986,283 |
| 5.50%, 5/15/26 | | 1,211 | 1,235,220 |
| AMC Networks, Inc.: | | | |
| 4.75%, 12/15/22 | | 685 | 698,700 |
| 5.00%, 4/01/24 | | 432 | 437,400 |
| CCO Holdings LLC/CCO Holdings Capital Corp. (c): | | | |
| 5.88%, 4/01/24 | | 1,759 | 1,860,142 |
| 5.75%, 2/15/26 | | 499 | 519,896 |
| 5.50%, 5/01/26 | | 1,219 | 1,248,719 |
| Charter Communications Operating LLC/Charter Communications Operating Capital (c): | | | |
| 4.91%, 7/23/25 | | 5,000 | 5,392,755 |
| 6.38%, 10/23/35 | | 479 | 552,159 |
| 6.48%, 10/23/45 | | 4,584 | 5,371,760 |
| 6.83%, 10/23/55 | | 3,540 | 4,220,947 |
| Cinemark USA, Inc., 5.13%, 12/15/22 | | 349 | 358,598 |
| Clear Channel Worldwide Holdings, Inc., 6.50%, 11/15/22 | | 11,711 | 11,890,420 |
| Cox Communications, Inc., 8.38%, 3/01/39 (c)(d) | | 5,000 | 6,481,580 |
| CSC Holdings LLC: | | | |
| 8.63%, 2/15/19 | | 4,005 | 4,445,550 |
| 6.63%, 10/15/25 (c) | | 832 | 901,680 |
| DISH DBS Corp., 7.75%, 7/01/26 | | 1,901 | 2,087,545 |
| Grupo Televisa SAB, 5.00%, 5/13/45 (d) | | 3,345 | 3,165,718 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Media (continued)** | | | |
| Hughes Satellite Systems Corp. (c): | | | |
| 5.25%, 8/01/26 | USD | 1,017 | $ 1,001,745 |
| 6.63%, 8/01/26 | | 685 | 678,150 |
| Intelsat Jackson Holdings SA: | | | |
| 7.25%, 10/15/20 | | 380 | 288,088 |
| 5.50%, 8/01/23 (d) | | 1,127 | 746,638 |
| Interpublic Group of Cos., Inc., 3.75%, 2/15/23 | | 6,025 | 6,269,591 |
| MDC Partners, Inc., 6.50%, 5/01/24 (c) | | 1,246 | 1,062,215 |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., 5.00%, 8/01/18 (c) | | 1,471 | 1,485,710 |
| Nexstar Escrow Corp., 5.63%, 8/01/24 (c) | | 495 | 491,288 |
| Nielsen Finance LLC/Nielsen Finance Co., 5.00%, 4/15/22 (c) | | 475 | 484,500 |
| Outfront Media Capital LLC/Outfront Media Capital Corp.: | | | |
| 5.25%, 2/15/22 | | 249 | 257,715 |
| 5.63%, 2/15/24 | | 122 | 126,880 |
| SFR Group SA (c): | | | |
| 6.00%, 5/15/22 | | 4,544 | 4,659,054 |
| 7.38%, 5/01/26 | | 5,843 | 5,901,430 |
| Time Warner Cable, Inc., 6.55%, 5/01/37 | | 3,519 | 4,129,543 |
| Time Warner, Inc.: | | | |
| 4.65%, 6/01/44 | | 28 | 28,985 |
| 4.85%, 7/15/45 | | 40 | 42,481 |
| Tribune Media Co., 5.88%, 7/15/22 | | 1,308 | 1,308,000 |
| Univision Communications, Inc. (c): | | | |
| 5.13%, 5/15/23 | | 5,293 | 5,372,395 |
| 5.13%, 2/15/25 | | 999 | 1,001,497 |
| Virgin Media Secured Finance PLC (c): | | | |
| 5.38%, 4/15/21 | | 1,255 | 1,295,374 |
| 5.50%, 8/15/26 | | 487 | 491,261 |
| | | | 114,279,286 |
| **Metals & Mining 3.3%** | | | |
| Alcoa, Inc., 5.13%, 10/01/24 | | 1,903 | 1,983,916 |
| Alcoa Nederland Holding BV (c): | | | |
| 6.75%, 9/30/24 | | 310 | 320,850 |
| 7.00%, 9/30/26 | | 291 | 299,672 |
| Anglo American Capital PLC, 4.45%, 9/27/20 (c) | | 136 | 138,720 |
| AngloGold Ashanti Holdings PLC, 5.13%, 8/01/22 | | 5,000 | 5,115,235 |
| ArcelorMittal: | | | |
| 6.13%, 6/01/18 | | 2,575 | 2,729,500 |
| 7.75%, 3/01/41 | | 455 | 477,750 |
| Commercial Metals Co., 4.88%, 5/15/23 | | 2,194 | 2,172,060 |
| Constellium NV: | | | |
| 4.63%, 5/15/21 | EUR | 490 | 486,797 |
| 5.75%, 5/15/24 (c) | USD | 1,728 | 1,529,280 |
| First Quantum Minerals Ltd. (c): | | | |
| 7.00%, 2/15/21 | | 303 | 287,661 |
| 7.25%, 5/15/22 | | 912 | 862,980 |
| FMG Resources August 2006 Property Ltd., 9.75%, 3/01/22 (c) | | 826 | 958,160 |
| Freeport-McMoRan, Inc.: | | | |
| 2.38%, 3/15/18 | | 4,664 | 4,605,700 |
| 4.00%, 11/14/21 | | 500 | 472,500 |
| 3.55%, 3/01/22 | | 1,251 | 1,147,792 |
| 3.88%, 3/15/23 | | 5,360 | 4,837,400 |
| 5.40%, 11/14/34 | | 2,250 | 1,937,812 |
| 5.45%, 3/15/43 | | 1,147 | 952,010 |
| Novelis Corp. (c): | | | |
| 6.25%, 8/15/24 | | 2,862 | 2,976,480 |
| 5.88%, 9/30/26 | | 2,060 | 2,085,750 |
| Southern Copper Corp., 5.88%, 4/23/45 | | 3,870 | 3,866,339 |

| | | | |
|---|---|---|---|
| Steel Dynamics, Inc.: | | | |
| 5.13%, 10/01/21 | | 1,105 | 1,151,962 |
| 6.38%, 8/15/22 | | 1,430 | 1,490,775 |
| | | **Par** | |
| **Corporate Bonds** | | **(000)** | **Value** |
| **Metals & Mining (continued)** | | | |
| Steel Dynamics, Inc. (continued): | | | |
| 5.25%, 4/15/23 | USD | 309 | $ 319,815 |
| 5.50%, 10/01/24 | | 240 | 253,200 |
| Teck Resources Ltd.: | | | |
| 3.00%, 3/01/19 | | 119 | 117,215 |
| 8.00%, 6/01/21 (c) | | 1,202 | 1,313,185 |
| 8.50%, 6/01/24 (c) | | 799 | 924,843 |
| 6.00%, 8/15/40 | | 1,861 | 1,795,865 |
| 6.25%, 7/15/41 | | 721 | 713,790 |
| 5.20%, 3/01/42 | | 640 | 577,600 |
| United States Steel Corp., 8.38%, 7/01/21 (c) | | 944 | 1,003,000 |
| Wise Metals Group LLC/Wise Alloys Finance Corp., 8.75%, 12/15/18 (c) | | 1,472 | 1,457,280 |
| | | | 51,362,894 |
| **Multi-Utilities 1.2%** | | | |
| CenterPoint Energy, Inc. (d): | | | |
| 5.95%, 2/01/17 | | 9,000 | 9,094,815 |
| 6.50%, 5/01/18 | | 9,675 | 10,292,120 |
| | | | 19,386,935 |
| **Multiline Retail 0.2%** | | | |
| Dufry Finance SCA, 5.50%, 10/15/20 (c) | | 3,460 | 3,559,475 |
| **Offshore Drilling & Other Services 0.0%** | | | |
| Sensata Technologies BV, 5.63%, 11/01/24 (c) | | 695 | 736,700 |
| **Oil, Gas & Consumable Fuels 14.4%** | | | |
| Access Midstream Partners LP/ACMP Finance Corp.: | | | |
| 6.13%, 7/15/22 | | 1,668 | 1,731,854 |
| 4.88%, 5/15/23 | | 343 | 347,379 |
| Anadarko Petroleum Corp., 6.38%, 9/15/17 | | 75 | 78,150 |
| California Resources Corp., 8.00%, 12/15/22 (c) | | 1,492 | 1,007,100 |
| Cheniere Corpus Christi Holdings LLC, 7.00%, 6/30/24 (c) | | 1,231 | 1,304,860 |
| CONSOL Energy, Inc., 5.88%, 4/15/22 | | 7,210 | 6,664,744 |
| Continental Resources, Inc.: | | | |
| 5.00%, 9/15/22 | | 7,519 | 7,368,620 |
| 4.50%, 4/15/23 | | 469 | 446,723 |
| DCP Midstream LLC, 6.75%, 9/15/37 (c) | | 1,527 | 1,595,715 |
| Denbury Resources, Inc., 9.00%, 5/15/21 (c) | | 182 | 187,460 |
| Devon Energy Corp., 5.85%, 12/15/25 | | 4,000 | 4,585,048 |
| El Paso LLC: | | | |
| 7.80%, 8/01/31 | | 197 | 244,177 |
| 7.75%, 1/15/32 | | 4,586 | 5,608,238 |
| El Paso Natural Gas Co. LLC, 8.63%, 1/15/22 | | 2,345 | 2,923,830 |
| El Paso Pipeline Partners Operating Co. LLC, 6.50%, 4/01/20 | | 5,075 | 5,693,434 |
| Enbridge Energy Partners LP, 9.88%, 3/01/19 (d) | | 6,000 | 6,934,974 |
| Energy Transfer Equity LP: | | | |
| 7.50%, 10/15/20 | | 598 | 651,820 |
| 5.88%, 1/15/24 | | 5,241 | 5,326,821 |
| 5.50%, 6/01/27 | | 870 | 848,250 |
| Energy Transfer Partners LP: | | | |
| 5.20%, 2/01/22 | | 10,200 | 11,179,067 |
| 6.13%, 12/15/45 | | 3,579 | 3,731,311 |
| Enterprise Products Operating LLC: | | | |
| 4.90%, 5/15/46 | | 5,375 | 5,530,499 |
| Series N, 6.50%, 1/31/19 (d) | | 12,000 | 13,274,964 |
| Gulfport Energy Corp., 6.00%, 10/15/24 (c) | | 444 | 452,325 |
| Hilcorp Energy I LP/Hilcorp Finance Co., 5.00%, 12/01/24 (c) | | 3,666 | 3,574,350 |
| Kinder Morgan Energy Partners LP: | | | |
| 6.85%, 2/15/20 (d) | | 12,000 | 13,524,288 |
| 4.25%, 9/01/24 | | 2,170 | 2,237,292 |
| 5.40%, 9/01/44 | | 3,615 | 3,621,279 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Oil, Gas & Consumable Fuels (continued)** | | | |
| MEG Energy Corp. (c): | | | |
| 6.50%, 3/15/21 | USD | 3,839 | $ 3,311,137 |
| 7.00%, 3/31/24 | | 3,100 | 2,542,000 |
| Midcontinent Express Pipeline LLC, 6.70%, 9/15/19 (c) | | 3,500 | 3,666,250 |
| Murphy Oil Corp., 6.88%, 8/15/24 | | 752 | 793,326 |
| Nexen Energy ULC, 6.40%, 5/15/37 | | 2,000 | 2,532,700 |
| NGPL PipeCo LLC (c): | | | |
| 7.12%, 12/15/17 | | 2,859 | 2,987,655 |
| 9.63%, 6/01/19 | | 902 | 947,100 |
| Noble Energy, Inc.: | | | |
| 5.63%, 5/01/21 | | 1,784 | 1,849,726 |
| 5.05%, 11/15/44 | | 3,500 | 3,531,661 |
| ONEOK Partners LP, 8.63%, 3/01/19 (d) | | 10,000 | 11,390,800 |
| PDC Energy, Inc., 7.75%, 10/15/22 | | 1,225 | 1,301,563 |
| Petroleos Mexicanos: | | | |
| 3.50%, 1/30/23 (d) | | 5,000 | 4,722,500 |
| 4.63%, 9/21/23 (c) | | 3,965 | 3,954,294 |
| 4.88%, 1/18/24 (d) | | 2,000 | 2,008,460 |
| Pioneer Natural Resources Co., 6.88%, 5/01/18 | | 1,665 | 1,784,847 |
| Plains All American Pipeline LP/PAA Finance Corp.: | | | |
| 4.70%, 6/15/44 | | 1,498 | 1,380,782 |
| 4.90%, 2/15/45 | | 2,102 | 1,996,192 |
| Range Resources Corp., 5.00%, 8/15/22 (c) | | 32 | 31,200 |
| Rockies Express Pipeline LLC (c): | | | |
| 5.63%, 4/15/20 | | 295 | 309,381 |
| 6.88%, 4/15/40 | | 580 | 604,650 |
| RSP Permian, Inc., 6.63%, 10/01/22 | | 789 | 831,409 |
| Ruby Pipeline LLC, 6.00%, 4/01/22 (c) | | 10,000 | 10,292,310 |
| Sabine Pass Liquefaction LLC: | | | |
| 5.63%, 4/15/23 | | 10,510 | 11,166,875 |
| 5.75%, 5/15/24 | | 2,575 | 2,723,062 |
| 5.88%, 6/30/26 (c) | | 1,481 | 1,596,074 |
| 5.00%, 3/15/27 (c) | | 774 | 787,545 |
| Sabine Pass LNG LP, 7.50%, 11/30/16 | | 4,471 | 4,488,437 |
| Sanchez Energy Corp.: | | | |
| 7.75%, 6/15/21 | | 153 | 142,290 |
| 6.13%, 1/15/23 | | 2,119 | 1,811,745 |
| SM Energy Co.: | | | |
| 6.50%, 1/01/23 | | 177 | 176,115 |
| 5.00%, 1/15/24 | | 181 | 168,330 |
| Southwestern Energy Co.: | | | |
| 7.50%, 2/01/18 | | 63 | 65,993 |
| 5.80%, 1/23/20 | | 1,166 | 1,160,170 |
| 4.10%, 3/15/22 | | 710 | 635,450 |
| 6.70%, 1/23/25 | | 169 | 160,973 |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp.: | | | |
| 6.88%, 2/01/21 | | 1,449 | 1,499,715 |
| 6.38%, 8/01/22 | | 255 | 262,650 |
| 5.25%, 5/01/23 | | 37 | 36,726 |
| 6.75%, 3/15/24 | | 184 | 196,880 |
| Tesoro Logistics LP/Tesoro Logistics Finance Corp.: | | | |
| 6.13%, 10/15/21 | | 125 | 130,781 |
| 6.25%, 10/15/22 | | 1,519 | 1,610,140 |
| 6.38%, 5/01/24 | | 342 | 368,505 |
| TransCanada PipeLines Ltd., 4.88%, 1/15/26 | | 4,485 | 5,142,873 |
| Weatherford International Ltd.: | | | |
| 4.50%, 4/15/22 | | 75 | 67,500 |
| 6.50%, 8/01/36 | | 45 | 35,550 |
| Western Gas Partners LP, 5.38%, 6/01/21 | | 5,125 | 5,588,326 |

| | | | |
|---|---|---|---|
| Whiting Petroleum Corp.: | | | |
| 6.25%, 4/01/23 (i) | | 116 | 113,602 |
| 6.25%, 4/01/23 | | 1,697 | 1,565,483 |
| | | **Par** | |
| **Corporate Bonds** | | **(000)** | **Value** |
| **Oil, Gas & Consumable Fuels (continued)** | | | |
| Williams Cos., Inc.: | | | |
| 3.70%, 1/15/23 | USD | 2,245 | $ 2,172,037 |
| 4.55%, 6/24/24 | | 1,253 | 1,274,928 |
| 8.75%, 3/15/32 | | 2,478 | 3,060,330 |
| 5.75%, 6/24/44 | | 685 | 699,984 |
| Williams Partners LP, 5.10%, 9/15/45 | | 5,075 | 4,876,882 |
| WPX Energy, Inc., 6.00%, 1/15/22 | | 164 | 163,590 |
| | | | 227,394,056 |
| **Paper & Forest Products 2.0%** | | | |
| International Paper Co. (d): | | | |
| 7.50%, 8/15/21 | | 9,675 | 11,883,309 |
| 8.70%, 6/15/38 | | 4,000 | 5,892,964 |
| 7.30%, 11/15/39 | | 10,000 | 13,146,570 |
| | | | 30,922,843 |
| **Pharmaceuticals 3.7%** | | | |
| AbbVie, Inc. (d): | | | |
| 2.90%, 11/06/22 | | 5,675 | 5,744,587 |
| 4.70%, 5/14/45 | | 3,255 | 3,358,343 |
| Actavis Funding SCS: | | | |
| 3.45%, 3/15/22 | | 7,335 | 7,615,204 |
| 3.85%, 6/15/24 | | 6,000 | 6,241,230 |
| 4.75%, 3/15/45 | | 1,450 | 1,520,951 |
| Endo Finance LLC/Endo Finco, Inc. (c): | | | |
| 6.00%, 7/15/23 | | 1,514 | 1,317,180 |
| 6.50%, 2/01/25 | | 730 | 615,025 |
| Forest Laboratories, Inc. (c): | | | |
| 4.38%, 2/01/19 | | 2,924 | 3,071,384 |
| 5.00%, 12/15/21 | | 1,631 | 1,820,662 |
| Grifols Worldwide Operations Ltd., 5.25%, 4/01/22 | | 1,613 | 1,681,553 |
| Merck & Co., Inc., 6.50%, 12/01/33 | | 6,420 | 8,707,433 |
| Mylan NV, 3.95%, 6/15/26 (c) | | 7,500 | 7,480,650 |
| Valeant Pharmaceuticals International, Inc. (c): | | | |
| 6.75%, 8/15/18 | | 6,135 | 5,987,760 |
| 5.38%, 3/15/20 | | 62 | 53,630 |
| 7.00%, 10/01/20 | | 447 | 400,065 |
| 6.38%, 10/15/20 | | 1,015 | 875,438 |
| 7.50%, 7/15/21 | | 273 | 242,970 |
| 5.63%, 12/01/21 | | 1,137 | 932,340 |
| 5.50%, 3/01/23 | | 31 | 24,335 |
| 5.88%, 5/15/23 | | 665 | 523,688 |
| 6.13%, 4/15/25 | | 116 | 91,640 |
| | | | 58,306,068 |
| **Professional Services 0.4%** | | | |
| Dun & Bradstreet Corp., 3.25%, 12/01/17 | | 5,750 | 5,835,186 |
| **Real Estate Investment Trusts (REITs) 3.2%** | | | |
| American Tower Corp.: | | | |
| 4.50%, 1/15/18 | | 6,500 | 6,719,758 |
| 5.05%, 9/01/20 | | 500 | 550,252 |
| 5.90%, 11/01/21 (d) | | 3,770 | 4,359,123 |
| AvalonBay Communities, Inc., 6.10%, 3/15/20 | | 10,000 | 11,357,080 |
| DDR Corp.: | | | |
| 4.75%, 4/15/18 | | 2,140 | 2,215,872 |
| 7.88%, 9/01/20 | | 2,650 | 3,158,811 |
| ERP Operating LP, 5.75%, 6/15/17 (d) | | 10,000 | 10,276,570 |
| Hilton Domestic Operating Co., Inc., 4.25%, 9/01/24 (c) | | 881 | 883,202 |
| Host Hotels & Resorts LP, 3.75%, 10/15/23 (d) | | 3,600 | 3,624,617 |
| iStar, Inc., 4.00%, 11/01/17 | | 825 | 826,031 |
| | | 740 | 727,050 |

| | | |
|---|---|---|
| MGM Growth Properties Operating Partnership LP/MGP Finance Co-Issuer, Inc., 4.50%, 9/01/26 (c) | | |
| UDR, Inc., 4.25%, 6/01/18 (d) | 5,225 | 5,438,692 |
| | | 50,137,058 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Real Estate Management & Development 0.4%** | | | |
| Northwest Florida Timber Finance LLC, 4.75%, 3/04/29 (c)(d) | USD | 4,485 | $ 4,043,142 |
| Realogy Group LLC/Realogy Co-Issuer Corp. (c): | | | |
| 4.50%, 4/15/19 | | 803 | 833,113 |
| 5.25%, 12/01/21 | | 344 | 361,630 |
| 4.88%, 6/01/23 | | 1,332 | 1,332,000 |
| | | | 6,569,885 |
| **Road & Rail 1.1%** | | | |
| Hertz Corp.: | | | |
| 6.75%, 4/15/19 | | 420 | 428,488 |
| 5.88%, 10/15/20 | | 925 | 950,438 |
| 7.38%, 1/15/21 | | 310 | 319,300 |
| 5.50%, 10/15/24 (c) | | 954 | 926,239 |
| Norfolk Southern Corp., 6.00%, 3/15/05 | | 12,700 | 14,690,115 |
| | | | 17,314,580 |
| **Semiconductors & Semiconductor Equipment 0.3%** | | | |
| NXP BV/NXP Funding LLC (c): | | | |
| 4.13%, 6/15/20 | | 951 | 1,003,305 |
| 4.13%, 6/01/21 | | 1,461 | 1,559,617 |
| 4.63%, 6/15/22 | | 490 | 534,100 |
| 4.63%, 6/01/23 | | 204 | 223,380 |
| Sensata Technologies BV, 5.00%, 10/01/25 (c) | | 1,418 | 1,453,450 |
| | | | 4,773,852 |
| **Software 0.9%** | | | |
| Inception Merger Sub, Inc./Rackspace Hosting, Inc., 8.63%, 11/15/24 (c)(f) | | 2,034 | 2,034,000 |
| Infor US, Inc., 6.50%, 5/15/22 | | 2,425 | 2,506,844 |
| Informatica LLC, 7.13%, 7/15/23 (c) | | 477 | 444,802 |
| Nuance Communications, Inc., 5.38%, 8/15/20 (c) | | 4,435 | 4,556,962 |
| Oracle Corp., 2.65%, 7/15/26 (d) | | 4,890 | 4,823,628 |
| PTC, Inc., 6.00%, 5/15/24 | | 313 | 330,998 |
| | | | 14,697,234 |
| **Specialty Retail 0.8%** | | | |
| L Brands, Inc.: | | | |
| 7.00%, 5/01/20 | | 3,050 | 3,477,000 |
| 6.88%, 11/01/35 | | 1,119 | 1,186,140 |
| Penske Automotive Group, Inc., 5.38%, 12/01/24 | | 1,951 | 1,960,755 |
| VF Corp., 5.95%, 11/01/17 (d) | | 5,000 | 5,224,950 |
| | | | 11,848,845 |
| **Technology Hardware, Storage & Peripherals 0.6%** | | | |
| Diamond 1 Finance Corp./Diamond 2 Finance Corp. (c): | | | |
| 5.88%, 6/15/21 | | 615 | 648,184 |
| 7.13%, 6/15/24 | | 747 | 818,305 |
| 8.35%, 7/15/46 | | 6,005 | 7,276,205 |
| Western Digital Corp., 7.38%, 4/01/23 (c) | | 1,199 | 1,311,406 |
| | | | 10,054,100 |
| **Textiles, Apparel & Luxury Goods 0.2%** | | | |
| Levi Strauss & Co., 5.00%, 5/01/25 | | 699 | 725,212 |
| Springs Industries, Inc., 6.25%, 6/01/21 | | 304 | 316,160 |
| William Carter Co., 5.25%, 8/15/21 | | 1,406 | 1,462,240 |
| | | | 2,503,612 |
| **Thrifts & Mortgage Finance 0.1%** | | | |

| | | | |
|---|---|---|---|
| Radian Group, Inc., 5.25%, 6/15/20 | | 1,045 | 1,098,556 |
| **Tobacco 1.8%** | | | |
| Altria Group, Inc., 10.20%, 2/06/39 (d) | | 13,392 | 24,669,684 |
| Reynolds American, Inc.: | | | |
| 4.85%, 9/15/23 | | 1,120 | 1,263,557 |

| **Corporate Bonds** | | **Par (000)** | **Value** |
|---|---|---|---|
| **Tobacco (continued)** | | | |
| Reynolds American, Inc. (continued): | | | |
| 5.85%, 8/15/45 | USD | 2,335 | $ 2,903,120 |
| | | | 28,836,361 |
| **Trading Companies & Distributors 0.3%** | | | |
| Doric Nimrod Air Alpha Ltd. Pass-Through Trust, Series 2013-1 (c): | | | |
| Class A, 5.25%, 5/30/25 | | 2,326 | 2,448,033 |
| Class B, 6.13%, 11/30/21 | | 2,486 | 2,604,456 |
| | | | 5,052,489 |
| **Transportation Infrastructure 0.8%** | | | |
| CEVA Group PLC, 4.00%, 5/01/18 (c) | | 1,800 | 1,606,500 |
| Penske Truck Leasing Co. LP/PTL Finance Corp., 4.88%, 7/11/22 (c) | | 10,500 | 11,623,027 |
| | | | 13,229,527 |
| **Wireless Telecommunication Services 1.5%** | | | |
| America Movil SAB de CV, 3.13%, 7/16/22 (d) | | 1,275 | 1,307,372 |
| Crown Castle International Corp., 5.25%, 1/15/23 | | 1,380 | 1,542,026 |
| Crown Castle Towers LLC, 6.11%, 1/15/40 (c) | | 4,555 | 5,025,500 |
| Digicel Group Ltd., 7.13%, 4/01/22 (c) | | 370 | 293,114 |
| Digicel Ltd., 6.00%, 4/15/21 (c) | | 1,285 | 1,149,690 |
| Sprint Communications, Inc., 9.00%, 11/15/18 (c) | | 5,290 | 5,819,000 |
| Sprint Corp., 7.13%, 6/15/24 | | 1,755 | 1,649,700 |
| Sprint Spectrum Co. LLC/Sprint Spectrum Co. II LLC/Sprint Spectrum Co. III LLC, 3.36%, 3/20/23 (c) | | 1,193 | 1,201,947 |
| T-Mobile USA, Inc.: | | | |
| 6.63%, 4/28/21 | | 2,680 | 2,810,650 |
| 6.73%, 4/28/22 | | 2,495 | 2,607,275 |
| 6.84%, 4/28/23 | | 645 | 688,860 |
| | | | 24,095,134 |
| **Total Corporate Bonds 98.1%** | | | 1,550,066,575 |
| **Foreign Agency Obligations** | | | |
| Brazilian Government International Bond, 5.00%, 1/27/45 | | 4,525 | 3,993,313 |
| Indonesia Government International Bond, 5.88%, 1/15/24 (c) | | 4,400 | 5,104,365 |
| Mexico Government International Bond, 4.75%, 3/08/44 | | 2,300 | 2,294,250 |
| **Total Foreign Agency Obligations 0.7%** | | | 11,391,928 |
| **Municipal Bonds** | | | |
| City of Chicago Illinois, Refunding ARB, O Hare International Airport, General 3rd Lien, Build America Bonds, Series B, 6.85%, 1/01/38 | | 5,000 | 5,584,400 |
| Metropolitan Transportation Authority, RB, Build America Bonds, Series B-1, 6.55%, 11/15/31 | | 10,000 | 13,233,400 |
| **Total Municipal Bonds 1.2%** | | | 18,817,800 |
| **Preferred Securities** | | | |
| **Capital Trusts** | | | |
| **Banks 3.5%** | | | |
| BNP Paribas SA (b)(c)(e): | | | |
| 7.20% | | 5,000 | 5,643,750 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| Capital Trusts | | Par (000) | Value |
|---|---|---|---|
| **Banks (continued)** | | | |
| BNP Paribas SA (b)(c)(e) (continued): | | | |
| 7.38% | USD | 4,535 | $ 4,654,044 |
| Capital One Financial Corp., Series E, 5.55% (b)(e) | | 5,000 | 5,055,545 |
| Citigroup, Inc. (b)(e): | | | |
| 5.90% | | 2,210 | 2,301,715 |
| 5.95% | | 7,000 | 7,157,500 |
| Credit Suisse Group AG, 7.50% (b)(c)(e) | | 3,250 | 3,363,750 |
| HSBC Capital Funding LP, 10.18% (b)(c)(e) | | 11,835 | 17,870,850 |
| Nordea Bank AB, 6.13% (b)(c)(e) | | 5,540 | 5,463,825 |
| Wells Fargo & Co. (b)(e): | | | |
| Series K, 7.98% | | 809 | 843,382 |
| Series S, 5.90% | | 281 | 293,996 |
| Series U, 5.88% | | 2,655 | 2,852,466 |
| | | | 55,500,823 |
| **Capital Markets 2.3%** | | | |
| Charles Schwab Corp., Series E, 4.63% (b)(e) | | 6,805 | 6,779,481 |
| Goldman Sachs Group, Inc., Series L, 5.70% (b)(e) | | 2,950 | 2,986,875 |
| Morgan Stanley, Series H, 5.45% (b)(e) | | 8,675 | 8,697,555 |
| State Street Capital Trust IV, 1.85%, 6/01/77 (b) | | 17,845 | 15,346,700 |
| State Street Corp., Series F, 5.25% (b)(e) | | 1,855 | 1,948,678 |
| | | | 35,759,289 |
| **Consumer Finance 0.3%** | | | |
| American Express Co., Series C, 4.90% (b)(e) | | 4,510 | 4,426,565 |
| **Diversified Financial Services 4.2%** | | | |
| Bank of America Corp. (b)(e): | | | |
| Series AA, 6.10% | | 6,630 | 6,926,759 |
| Series K, 8.00% | | 2,420 | 2,465,375 |
| Series U, 5.20% (d) | | 5,785 | 5,647,606 |
| Barclays PLC, 6.63% (b)(e) | | 7,385 | 6,775,737 |
| Credit Agricole SA, 8.13% (b)(c)(e) | | 5,000 | 5,369,200 |
| JPMorgan Chase & Co. (b)(e): | | | |
| 6.75% | | 7,775 | 8,630,250 |
| Series 1, 7.90% | | 3,650 | 3,762,238 |
| Series Q, 5.15% | | 4,000 | 3,990,000 |
| Series R, 6.00% (d) | | 14,130 | 14,730,525 |
| Royal Bank of Scotland Group PLC (b)(e): | | | |
| 8.00% | | 970 | 921,500 |
| 8.63% | | 5,135 | 5,109,325 |
| Societe Generale SA, 7.38% (b)(c)(e) | | 1,980 | 1,963,170 |
| | | | 66,291,685 |
| **Electric Utilities 0.5%** | | | |
| PPL Capital Funding, Inc., Series A, 6.70%, 3/20/67 (b) | | 8,300 | 7,407,750 |
| **Industrial Conglomerates 0.7%** | | | |
| General Electric Co., Series D, 5.00% (b)(e) | | 10,777 | 11,417,154 |
| **Insurance 4.8%** | | | |
| ACE Capital Trust II, 9.70%, 4/1/30 (d) | | 7,000 | 10,570,000 |
| Allstate Corp, 6.50%, 5/15/67 (b) | | 10,400 | 12,220,000 |
| American International Group, Inc., 8.18%, 5/15/68 (b) | | 3,755 | 5,029,436 |
| Bank One Capital III, 8.75%, 9/1/30 | | 2,000 | 2,843,954 |
| Chubb Corp., 6.38%, 3/29/67 (b)(d) | | 7,400 | 6,974,500 |
| Equitable of Iowa Cos. Capital Trust II, Series B, 8.42%, 4/1/27 | | 5,000 | 5,951,810 |
| Farmers Exchange Capital II, 6.15%, 11/1/53 (b)(c) | | 4,890 | 5,111,712 |
| Great-West Life & Annuity Insurance Capital LP II, 3.36%, 5/16/46 (b)(c) | | 500 | 398,750 |
| Hartford Financial Services Group, Inc., 8.13%, 6/15/68 (b) | | 5,050 | 5,517,125 |
| **Capital Trusts** | | **Par** | **Value** |

| | | (000) | |
|---|---|---|---|
| **Insurance (continued)** | | | |
| MetLife, Inc., 6.40%, 12/15/66 | USD | 5,000 | $ 5,600,000 |
| Principal Financial Group, Inc., 4.70%, 5/15/55 (b) | | 5,000 | 4,950,000 |
| Reinsurance Group of America, Inc., 3.52%, 12/15/65 (b) | | 12,000 | 10,128,000 |
| | | | 75,295,287 |
| **Media 0.4%** | | | |
| NBCUniversal Enterprise, Inc., 5.25% (c)(e) | | 5,600 | 5,965,680 |
| **Oil, Gas & Consumable Fuels 1.3%** | | | |
| Enterprise Products Operating LLC (b): | | | |
| 7.00%, 6/1/67 | | 2,500 | 2,118,750 |
| Series A, 4.59%, 8/1/66 | | 9,325 | 8,870,406 |
| TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b) | | 9,400 | 7,520,000 |
| TransCanada Trust, 5.63%, 5/20/75 (b) | | 2,755 | 2,785,994 |
| | | | 21,295,150 |
| **Real Estate Investment Trusts (REITs) 0.6%** | | | |
| Sovereign Real Estate Investment Trust, 12.00% (c)(e) | | 7,000 | 8,968,750 |
| **Road & Rail 0.4%** | | | |
| BNSF Funding Trust I, 6.61%, 12/15/55 (b) | | 6,125 | 7,051,406 |
| **Total Capital Trusts 19.0%** | | | 299,379,539 |

| **Preferred Stocks** | **Shares** | |
|---|---|---|
| **Banks 1.8%** | | |
| Citigroup, Inc., Series K, 6.88% (b)(e) | 488,320 | 14,009,901 |
| Wells Fargo & Co., 5.85% (b)(e) | 550,500 | 14,665,320 |
| | | 28,675,221 |
| **Capital Markets 0.7%** | | |
| Goldman Sachs Group, Inc., Series J, 5.50% (b)(e) | 162,450 | 4,235,071 |
| SCE Trust III, 5.75% (b)(e) | 31,650 | 908,355 |
| State Street Corp., Series D, 5.90% (b)(e) | 220,495 | 6,184,885 |
| | | 11,328,311 |
| **Electric Utilities 0.2%** | | |
| Entergy Louisiana LLC, 5.25% (e) | 90,000 | 2,322,900 |
| **Machinery 0.1%** | | |
| Stanley Black & Decker, Inc., 6.25% (e)(j) | 11,107 | 1,300,408 |
| **Real Estate Investment Trusts (REITs) 0.2%** | | |
| Ventas Realty LP/Ventas Capital Corp., 5.45% (e) | 75,000 | 1,989,000 |
| Vornado Realty Trust, Series K, 5.70% (e) | 50,000 | 1,266,500 |
| | | 3,255,500 |
| **Wireless Telecommunication Services 1.1%** | | |
| Centaur Funding Corp., 9.08% (c)(e) | 15,143 | 17,868,740 |
| **Total Preferred Stocks 4.1%** | | 64,751,080 |
| | | |
| **Trust Preferred 0.5%** | | |
| **Diversified Financial Services 0.5%** | | |
| GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b) | 300,141 | 7,561,166 |
| **Total Preferred Securities 23.6%** | | 371,691,785 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

| | | Par (000) | | Value |
|---|---|---|---|---|
| **U.S. Government Sponsored Agency Securities** | | | | |
| **Agency Obligations 0.2%** | | | | |
| Fannie Mae, 0.00%, 10/09/19 (d)(k) | USD | 3,945 | $ | 3,779,476 |
| **U.S. Treasury Obligations** | | | | |
| U.S. Treasury Bonds: | | | | |
| 2.88%, 8/15/45 | | 400 | | 423,875 |
| 2.50%, 5/15/46 (d) | | 75,480 | | 74,097,207 |
| U.S. Treasury Notes, 1.63%, 2/15/26 (d) | | 68,325 | | 67,193,401 |
| **Total U.S. Treasury Obligations 9.0%** | | | | 141,714,483 |
| **Total Long-Term Investments (Cost $2,064,858,170) 138.4%** | | | | 2,186,337,761 |
| **Short-Term Securities 0.6%** | | **Shares** | | **Value** |
| BlackRock Liquidity Funds, T-Fund, Institutional Class, 0.22% (l)(m) | | 9,872,272 | $ | 9,872,272 |
| **Total Short-Term Securities (Cost $9,872,272) 0.6%** | | | | 9,872,272 |
| **Options Purchased (Cost $3,515,234) 0.2%** | | | | 2,517,779 |
| **Total Investments Before Options Written (Cost $2,078,245,676) 139.2%** | | | | 2,198,727,812 |
| **Options Written (Premiums Received $951,118) (0.0)%** | | | | (678,865) |
| **Total Investments, Net of Options Written (Cost $2,077,294,558) 139.2%** | | | | 2,198,048,947 |
| **Liabilities in Excess of Other Assets (39.2)%** | | | | (618,878,590) |
| **Net Assets 100.0%** | | | $ | 1,579,170,357 |

**Notes to Schedule of Investments**

(a) Restricted security as to resale, excluding 144A securities. As of period end, the Trust held restricted securities with a current value of $2,951 and an original cost of $45,445, which was less than 0.05% of its net assets.

(b) Variable rate security. Rate as of period end.

(c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(d) All or a portion of security has been pledged as collateral in connection with outstanding reverse repurchase agreements.

(e) Perpetual security with no stated maturity date.

(f) When-issued security.

(g) Issuer filed for bankruptcy and/or is in default.

(h) Step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate as of period end.

(i) Convertible security.

(j) Non-income producing security.

(k) Zero-coupon bond.

(l) During the year ended October 31, 2016, investments in issuers considered to be affiliates of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at October 31, 2015 | Net Activity | Shares Held at October 31, 2016 | Value at October 31, 2016 | Income |
|---|---|---|---|---|---|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 610,104 | (610,104) | | | $ 50,698 |
| BlackRock Liquidity Funds, T-Fund, Institutional Class | | 9,872,272 | $ 9,872,272 | $ 9,872,272 | 5,257 |
| **Total** | | | | $ 9,872,272 | $ 55,955 |

(m) Current yield as of period end.

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

**Reverse Repurchase Agreements**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| Deutsche Bank Securities, Inc. | 0.19% | 3/05/15 | Open | $ 3,570,225 | $ 3,581,644 | U.S. Government Sponsored Agency Securities | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 6,863,500 | 6,896,950 | Capital Trusts | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 10,770,000 | 10,822,489 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 4,499,250 | 4,521,178 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 710,625 | 714,088 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 5,906,250 | 5,935,035 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 1,184,375 | 1,190,147 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 4,691,813 | 4,714,679 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 2,514,500 | 2,526,755 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 4,867,413 | 4,891,134 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | $ 8,268,750 | $ 8,309,049 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.55% | 12/17/15 | Open | 2,768,500 | 2,781,993 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.60% | 12/17/15 | Open | 9,843,750 | 9,896,086 | Capital Trusts | Open/Demand |
| Barclays Capital, Inc. | 0.60% | 12/17/15 | Open | 11,820,000 | 11,882,843 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.65% | 12/17/15 | Open | 2,199,375 | 2,212,043 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.65% | 12/17/15 | Open | 2,664,063 | 2,679,407 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.65% | 12/17/15 | Open | 522,500 | 525,509 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.70% | 12/17/15 | Open | 5,113,969 | 5,145,690 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.70% | 12/17/15 | Open | 6,318,969 | 6,358,164 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.70% | 12/17/15 | Open | 4,978,969 | 5,009,852 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.70% | 12/17/15 | Open | 2,641,781 | 2,658,168 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 8,008,000 | 8,053,414 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 4,507,938 | 4,533,503 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,202,500 | 3,220,662 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,202,500 | 3,220,662 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 21,125,880 | 21,245,687 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,319,388 | 3,338,212 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 17,613,000 | 17,712,885 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 6,405,000 | 6,441,323 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 6,675,000 | 6,712,855 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 4,056,625 | 4,079,631 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,336,375 | 3,355,296 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 17,212,500 | 17,310,114 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,595,688 | 3,616,079 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,940,000 | 3,962,344 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 9,989,438 | 10,046,089 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 13,740,000 | 13,817,921 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 4,594,625 | 4,620,682 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 4,930,000 | 4,957,959 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 6,413,813 | 6,450,186 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,285,000 | 3,303,630 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 3,801,038 | 3,822,594 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 12,630,000 | 12,701,626 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 7,395,000 | 7,436,938 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/17/15 | Open | 10,175,000 | 10,232,704 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 1.00% | 12/17/15 | Open | 5,460,000 | 5,508,382 | Corporate Bonds | Open/Demand |
| HSBC Securites (USA), Inc. | 0.65% | 12/18/15 | Open | 11,575,000 | 11,641,042 | Capital Trusts | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/22/15 | Open | 9,022,500 | 9,073,026 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 12/22/15 | Open | 3,995,370 | 4,017,744 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.75% | 12/22/15 | Open | 8,400,000 | 8,454,950 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.75% | 12/22/15 | Open | 3,227,188 | 3,248,299 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.75% | 12/22/15 | Open | 5,784,800 | 5,822,642 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.85% | 3/22/16 | Open | 8,847,167 | 8,884,050 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.85% | 4/29/16 | Open | 649,142 | 650,309 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.85% | 5/05/16 | Open | 42,462,500 | 42,578,588 | U.S. Treasury Obligations | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 2,953,000 | 2,963,212 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 5,432,000 | 5,450,786 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 9,685,000 | 9,718,494 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 4,479,000 | 4,494,490 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 4,984,000 | 5,001,236 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 5,055,000 | 5,072,482 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 10,853,000 | 10,890,533 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 3,043,000 | 3,053,524 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 4,668,000 | 4,684,144 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 16,684,000 | 16,741,699 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 3,210,000 | 3,221,101 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 10,157,000 | 10,192,126 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 5,097,000 | 5,114,627 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 3,291,000 | 3,302,381 | Corporate Bonds | Open/Demand |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 1,941,000 | 1,947,713 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 6,237,000 | 6,258,570 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 7,208,000 | 7,232,928 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 5,698,000 | 5,717,706 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| Deutsche Bank Securities, Inc. | 0.85% | 6/09/16 | Open | $ 25,000,000 | $ 25,063,354 | U.S. Treasury Obligations | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.85% | 6/15/16 | Open | 3,776,032 | 3,786,180 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.85% | 6/27/16 | Open | 1,257,469 | 1,260,855 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.85% | 7/11/16 | Open | 7,404,000 | 7,420,124 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.85% | 9/14/16 | Open | 76,406,250 | 76,471,450 | U.S. Treasury Obligations | Open/Demand |
| RBC Capital Markets LLC | 0.85% | 9/14/16 | Open | 5,000,000 | 5,005,200 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.85% | 9/22/16 | Open | 4,566,000 | 4,570,116 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 9/23/16 | Open | 475,875 | 476,213 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | (0.50)% | 9/29/16 | Open | 4,844,938 | 4,842,784 | Capital Trusts | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.70% | 10/06/16 | Open | 4,645,500 | 4,647,758 | Corporate Bonds | Open/Demand |
| RBC Capital Markets LLC | 0.64% | 10/24/16 | Open | 6,399,795 | 6,400,478 | Corporate Bonds | Open/Demand |
| **Total** | | | | $ 635,747,411 | $ 638,327,195 | | |

[1] Certain agreements have no stated maturity and can be terminated by either party at any time.

**Derivative Financial Instruments Outstanding as of Period End**

**Futures Contracts**

| Contracts Long (Short) | Issue | Expiration | Notional Value | | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|
| 60 | 2-Year U.S. Treasury Note | December 2016 | USD | 13,088,438 | $ (2,268) |
| 800 | 5-Year U.S. Treasury Note | December 2016 | USD | 96,637,500 | 30,250 |
| (219) | 10-Year U.S. Treasury Note | December 2016 | USD | 28,387,875 | 296,300 |
| (309) | Long U.S. Treasury Bond | December 2016 | USD | 50,280,094 | 2,274,954 |
| (128) | Ultra U.S. Treasury Bond | December 2016 | USD | 22,520,000 | 1,415,536 |
| **Total** | | | | | $ 4,014,772 |

**OTC Interest Rate Swaptions Purchased**

| Description | Counterparty | Put/ Call | Exercise Rate | Pay/ Receive Exercise Rate | Floating Rate Index | Expiration Date | | Notional Amount (000) | Value |
|---|---|---|---|---|---|---|---|---|---|
| 30-Year Interest Swap | Bank of America N.A. | Put | 2.20% | Pay | 3-month LIBOR | 1/13/17 | USD | 28,000 | $ 474,962 |
| 10-Year Interest Swap | Citibank N.A. | Put | 1.75% | Pay | 3-month LIBOR | 2/23/17 | USD | 75,000 | 1,053,100 |
| 30-Year Interest Swap | Goldman Sachs Bank USA | Put | 2.65% | Pay | 3-month LIBOR | 4/13/17 | USD | 98,225 | 831,129 |
| **Total** | | | | | | | | | $ 2,359,191 |

**OTC Options Purchased**

| Description | Put/ Call | Counterparty | Expiration Date | Strike Price | | Notional Amount (000) | | Value |
|---|---|---|---|---|---|---|---|---|
| USD Currency | Put | Barclays Bank PLC | 12/23/16 | JPY | 98.00 | USD | 82,000 | $ 158,588 |

**OTC Interest Rate Swaptions Written**

| Description | Counterparty | Put/ Call | Exercise Rate | Pay/ Receive Exercise Rate | Floating Rate Index | Expiration Date | Notional Amount (000) | | Value |
|---|---|---|---|---|---|---|---|---|---|
| 2-Year Interest Rate Swap | Bank of America N.A. | Call | 0.70% | Pay | 3-month LIBOR | 3/15/18 | USD | 77,900 | $ (104,243) |
| 2-Year Interest Rate Swap | Bank of America N.A. | Call | 0.80% | Pay | 3-month LIBOR | 3/19/18 | USD | 77,900 | (138,368) |
| 2-Year Interest Rate Swap | Bank of America N.A. | Put | 1.70% | Receive | 3-month LIBOR | 3/15/18 | USD | 77,900 | (216,471) |
| 2-Year Interest Rate Swap | Bank of America N.A. | Put | 1.70% | Receive | 3-month LIBOR | 3/19/18 | USD | 77,900 | (219,783) |
| **Total** | | | | | | | | | $ (678,865) |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

**OTC Credit Default Swaps Buy Protection**

| Issuer/Index | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | | Value | Premiums Paid (Received) | Unrealized Depreciation |
|---|---|---|---|---|---|---|---|---|
| Southwest Airlines Co. | 1.00% | Goldman Sachs Bank USA | 12/20/16 | USD | 2,535 | $ (6,132) | $ 3,629 | $ (9,761) |
| Southwest Airlines Co. | 1.00% | Goldman Sachs International | 12/20/16 | USD | 1,465 | (3,544) | 1,978 | (5,522) |
| Southwest Airlines Co. | 1.00% | Royal Bank of Scotland PLC | 12/20/16 | USD | 4,000 | (9,779) | 5,869 | (15,648) |
| STMicro Electronics | 1.00% | Barclays Bank PLC | 6/20/17 | EUR | 1,500 | (11,147) | 11,088 | (22,235) |
| Cigna Corp. | 1.00% | Goldman Sachs Bank USA | 9/20/17 | USD | 4,500 | (43,056) | (1,944) | (41,112) |
| Cigna Corp. | 1.00% | Goldman Sachs International | 9/20/17 | USD | 2,800 | (26,791) | (1,301) | (25,490) |
| General Dynamics Corp. | 1.00% | Credit Suisse International | 9/20/17 | USD | 5,585 | (53,581) | (26,114) | (27,467) |
| Humana, Inc. | 1.00% | Goldman Sachs Bank USA | 9/20/17 | USD | 4,500 | (42,346) | 13,382 | (55,728) |
| Humana, Inc. | 1.00% | Goldman Sachs International | 9/20/17 | USD | 2,800 | (26,348) | 8,955 | (35,303) |
| Lockheed Martin Corp. | 1.00% | Credit Suisse International | 9/20/17 | USD | 5,585 | (53,074) | (8,982) | (44,092) |
| Northrop Grumman Corp. | 1.00% | Credit Suisse International | 9/20/17 | USD | 4,715 | (45,819) | (20,292) | (25,527) |
| Raytheon Co. | 1.00% | Credit Suisse International | 9/20/17 | USD | 4,715 | (45,500) | (20,837) | (24,663) |
| Citigroup, Inc. | 1.00% | Deutsche Bank AG | 3/20/19 | USD | 16,700 | (240,622) | (34,923) | (205,699) |
| Prudential Financial, Inc. | 1.00% | Citibank N.A. | 6/20/21 | USD | 1,920 | (11,359) | 25,752 | (37,111) |
| Prudential Financial, Inc. | 1.00% | Goldman Sachs International | 6/20/21 | USD | 1,155 | (6,833) | 16,477 | (23,310) |
| Prudential Financial, Inc. | 1.00% | JPMorgan Chase Bank N.A. | 6/20/21 | USD | 9,500 | (56,202) | 111,524 | (167,726) |
| **Total** | | | | | | $ (682,133) | $ 84,261 | $ (766,394) |

**OTC Credit Default Swaps Sell Protection**

| Issuer/Index | Receive Fixed Rate | Counterparty | Expiration Date | Credit Rating[1] | Notional Amount (000)[2] | | Value | Premiums Paid (Received) | Unrealized Appreciation |
|---|---|---|---|---|---|---|---|---|---|
| Anadarko Petroleum Corp. | 1.00% | Credit Suisse International | 6/20/17 | BBB | USD | 2,425 | $ 13,566 | $ (16,288) | $ 29,854 |
| Anadarko Petroleum Corp. | 1.00% | Morgan Stanley Capital Services LLC | 6/20/17 | BBB | USD | 10 | 56 | (79) | 135 |
| Anadarko Petroleum Corp. | 1.00% | UBS AG | 6/20/17 | BBB | USD | 994 | 5,560 | (7,738) | 13,298 |
| Anthem, Inc. (FKA WellPoint, Inc.) | 1.00% | Goldman Sachs Bank USA | 9/20/17 | A- | USD | 4,500 | 40,197 | (7,696) | 47,893 |
| Anthem, Inc. (FKA WellPoint, Inc.) | 1.00% | Goldman Sachs International | 9/20/17 | A- | USD | 2,800 | 25,011 | (5,150) | 30,161 |
| Comcast Corp. | 1.00% | Credit Suisse International | 9/20/17 | A- | USD | 12,200 | 114,746 | 9,875 | 104,871 |
| United Health Group, Inc. | 1.00% | Goldman Sachs Bank USA | 9/20/17 | A+ | USD | 4,500 | 42,241 | (1,936) | 44,177 |
| United Health Group, Inc. | 1.00% | Goldman Sachs International | 9/20/17 | A+ | USD | 2,800 | 26,284 | (1,296) | 27,580 |
| MetLife, Inc. | 1.00% | Deutsche Bank AG | 3/20/18 | A- | USD | 3,025 | 33,968 | (36,303) | 70,271 |
| Bank of America Corp. | 1.00% | Deutsche Bank AG | 3/20/19 | BBB+ | USD | 16,700 | 243,653 | 62,268 | 181,385 |
| American Tower Corp. | 1.00% | Morgan Stanley Capital Services LLC | 6/20/21 | BBB- | USD | 10,000 | (218,291) | (380,047) | 161,756 |
| **Total** | | | | | | | $ 326,991 | $ (384,390) | $ 711,381 |

[1] Using Standard & Poor s rating of the issuer or the underlying securities of the index, as applicable.
[2] The maximum potential amount the Trust may pay should a negative credit event take place as defined under the terms of the agreement.

**Transactions in Options Written for the Year Ended October 31, 2016**

| | Calls | | Puts | |
|---|---|---|---|---|
| | Contracts | Notional (000) USD | Contracts | Notional (000) USD |

| | | Premiums Received | | | Premiums Received |
|---|---|---|---|---|---|
| Outstanding options, beginning of year | | | 3,396 | | $ 1,061,185 |
| Options written | 311,600 | $ 1,911,135 | | 863,600 | 2,662,644 |
| Options exercised | | | | | |
| Options expired | | | (3,396) | | (1,061,185) |
| Options closed | (155,800) | (1,397,330) | | (707,800) | (2,225,331) |
| Outstanding options, end of year | 155,800 | $ 513,805 | | 155,800 | $ 437,313 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

**Derivative Financial Instruments Categorized by Risk Exposure**

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|---|
| Futures contracts | Net unrealized appreciation[1] | | | | | $ 4,017,040 | | $ 4,017,040 |
| Options purchased | Investments at value – unaffiliated[2] | | | | $ 158,588 | 2,359,191 | | 2,517,779 |
| Swaps – OTC | Unrealized appreciation on OTC swaps; Swap premiums paid | | $ 982,178 | | | | | 982,178 |
| **Total** | | | $ 982,178 | | $ 158,588 | $ 6,376,231 | | $ 7,516,997 |

| Liabilities | Derivative Financial Instruments | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Futures contracts | Net unrealized depreciation[1] | | | | | $ 2,268 | | $ 2,268 |
| Options written | Options written at value | | | | | 678,865 | | 678,865 |
| Swaps – OTC | Unrealized depreciation on OTC swaps; Swap premiums received | | $ 1,337,320 | | | | | 1,337,320 |
| **Total** | | | $ 1,337,320 | | | $ 681,133 | | $ 2,018,453 |

[1] Includes cumulative appreciation (depreciation) on futures contracts and centrally cleared swaps, if any, as reported in the Schedule of Investments. Only current day s variation margin is reported within the Statements of Assets and Liabilities.

[2] Includes options purchased at value as reported in the Schedule of Investments.

For the year ended October 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|
| Futures contracts | | | | | $ 2,037,293 | | $ 2,037,293 |
| Options purchased[1] | | | $ 868,677 | | (7,565,293) | | (6,696,616) |
| Options written | | | | | 2,227,280 | | 2,227,280 |
| Swaps | | $ 396,121 | | | (16,734,108) | | (16,337,987) |
| **Total** | | $ 396,121 | $ 868,677 | | $ (20,034,828) | | $ (18,770,030) |

[1] Options purchased are included in net realized gain (loss) from investments.

| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | | |
|---|---|---|---|---|---|---|---|
| Futures contracts | | | | | $ 6,831,632 | | $ 6,831,632 |
| Options purchased[1] | | | $ 85,760 | $ (1,101,752) | 3,614,646 | | 2,598,654 |
| Options written | | | | | (767,707) | | (767,707) |
| Swaps | | $ (461,960) | | | 12,111,749 | | 11,649,789 |
| **Total** | | $ (461,960) | $ 85,760 | $ (1,101,752) | $ 21,790,320 | | $ 20,312,368 |

[1] Options purchased are included in net change in unrealized appreciation (depreciation) on investments.

**Average Quarterly Balances of Outstanding Derivative Financial Instruments**

| | |
|---|---|
| Futures contracts: | |
| Average notional value of contracts long | $ 170,178,563 |
| Average notional value of contracts short | $ 269,012,540 |
| Options: | |
| Average value of option contracts purchased | $ 199,210 |
| Average market value of option contracts written | $ 1,037,850[1] |
| Average notional amount of swaption contracts purchased | $ 276,256,250 |
| Average notional amount of swaption contracts written | $ 371,700,000 |
| Credit default swaps: | |
| Average notional value buy protection | $ 96,540,288 |
| Average notional value sell protection | $ 54,954,000 |
| Interest rate swaps: | |
| Average notional value pays fixed rate | $ 59,575,000 |
| Average notional value receives fixed rate | $ 10,900,000[1] |

[1] Actual amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter end.

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

For more information about the Trust s investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

**Derivative Financial Instruments Offsetting as of Period End**

The Trust s derivative assets and liabilities (by type) were as follows:

| | Assets | Liabilities |
|---|---|---|
| **Derivative Financial Instruments:** | | |
| Futures contracts | $ 52,813 | $ 301,265 |
| Options | 2,517,779[2] | 678,865 |
| Swaps OTC | 982,178 | 1,337,320 |
| Total derivative assets and liabilities in the Statements of Assets and Liabilities | $ 3,552,770 | $ 2,317,450 |
| Derivatives not subject to a Master Netting Agreement or similar agreement ( MNA ) | (52,813) | (301,265) |
| Total derivative assets and liabilities subject to an MNA | $ 3,499,957 | $ 2,016,185 |

[1] Includes unrealized appreciation (depreciation) on OTC swaps and swap premiums paid/received in the Statements of Assets and Liabilities.
[2] Includes options purchased at value as reported in the Schedule of Investments.

The following tables present the Trust s derivative assets and liabilities by counterparty net of amounts available for offset under an MNA and net of the related collateral received and pledged by the Trust:

| Counterparty | Derivative Assets Subject to an MNA by Counterparty | Derivatives Available for Offset[1] | Non-cash Collateral Received | Cash Collateral Received[2] | Net Amount of Derivative Assets[3] |
|---|---|---|---|---|---|
| Bank of America N.A. | $ 474,962 | $ (474,962) | | | |
| Barclays Bank PLC | 169,676 | (22,235) | | | $ 147,441 |
| Citibank N.A. | 1,078,852 | (37,111) | | $ (1,041,741) | |
| Credit Suisse International | 144,600 | (144,600) | | | |
| Deutsche Bank AG | 313,925 | (276,925) | | (37,000) | |
| Goldman Sachs Bank USA | 940,210 | (118,177) | | (700,000) | 122,033 |
| Goldman Sachs International | 85,150 | (85,150) | | | |
| JPMorgan Chase Bank N.A. | 111,524 | (111,524) | | | |
| Morgan Stanley Capital Services LLC | 161,891 | (161,891) | | | |
| Royal Bank of Scotland PLC | 5,869 | (5,869) | | | |
| UBS AG | 13,298 | (7,738) | | | 5,560 |
| **Total** | $ 3,499,957 | $ (1,446,182) | | $ (1,778,741) | $ 275,034 |

| Counterparty | Derivative Liabilities Subject to an MNA by Counterparty | Derivatives Available for Offset[1] | Non-cash Collateral Pledged | Cash Collateral Pledged[4] | Net Amount of Derivative Liabilities[5] |
|---|---|---|---|---|---|
| Bank of America N.A. | $ 678,865 | $ (474,962) | | $ (80,000) | $ 123,903 |
| Barclays Bank PLC | 22,235 | (22,235) | | | |
| Citibank N.A. | 37,111 | (37,111) | | | |
| Credit Suisse International | 214,262 | (144,600) | | | 69,662 |
| Deutsche Bank AG | 276,925 | (276,925) | | | |
| Goldman Sachs Bank USA | 118,177 | (118,177) | | | |

| | | | | |
|---|---|---|---|---|
| Goldman Sachs International | 97,372 | (85,150) | | 12,222 |
| JPMorgan Chase Bank N.A. | 167,726 | (111,524) | | 56,202 |
| Morgan Stanley Capital Services LLC | 380,126 | (161,891) | | 218,235 |
| Royal Bank of Scotland PLC | 15,648 | (5,869) | | 9,779 |
| UBS AG | 7,738 | (7,738) | | |
| **Total** | $ 2,016,185 | $ (1,446,182) | $ (80,000) | $ 490,003 |

[1] The amount of derivatives available for offset is limited to the amount of derivative assets and/or liabilities that are subject to an MNA.
[2] Excess of collateral received from the individual counterparty is not shown for financial reporting purposes.
[3] Net amount represents the net amount receivable from the counterparty in the event of default.
[4] Excess of collateral pledged to the individual counterparty is not shown for financial reporting purposes.
[5] Net amount represents the net amount payable due to the counterparty in the event of default.

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust (BTZ)**

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust s policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust s investments and derivative financial instruments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets:** | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | | $ 73,656,797 | $ 15,186,952 | $ 88,843,749 |
| Common Stocks | | 29,014 | 2,951 | 31,965 |
| Corporate Bonds | | 1,544,953,075 | 5,113,500 | 1,550,066,575 |
| Foreign Agency Obligations | | 11,391,928 | | 11,391,928 |
| Municipal Bonds | | 18,817,800 | | 18,817,800 |
| Preferred Securities | $ 46,882,340 | 317,248,279 | | 364,130,619 |
| Trust Preferred | 7,561,166 | | | 7,561,166 |
| U.S. Government Sponsored Agency Securities | | 3,779,476 | | 3,779,476 |
| U.S. Treasury Obligations | | 141,714,483 | | 141,714,483 |
| Short-Term Securities | 9,872,272 | | | 9,872,272 |
| Options Purchased: | | | | |
| Foreign currency exchange contracts | | 158,588 | | 158,588 |
| Interest rate contracts | | 2,359,191 | | 2,359,191 |
| **Total** | $ 64,315,778 | $ 2,114,108,631 | $ 20,303,403 | $ 2,198,727,812 |

| | | | | |
|---|---|---|---|---|
| Derivative Financial Instruments[1] | | | | |
| **Assets:** | | | | |
| Credit contracts | | $ 711,381 | | $ 711,381 |
| Interest rate contracts | $ 4,017,040 | | | 4,017,040 |
| **Liabilities:** | | | | |
| Credit contracts | | (766,394) | | (766,394) |
| Interest rate contracts | (2,268) | (678,865) | | (681,133) |
| **Total** | $ 4,014,772 | $ (733,878) | | $ 3,280,894 |

[1] Derivative financial instruments are swaps, futures contracts, forward foreign currency exchange contracts, and options written. Swaps, futures contracts and forward foreign currency exchange contracts are valued at the unrealized appreciation (depreciation) on the instrument and options written are shown at value.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount or face value, including accrued interest, for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets:** | | | | |
| Foreign currency at value | $ 17,051 | | | $ 17,051 |
| Cash pledged: | | | | |
| Collateral OTC derivatives | 80,000 | | | 80,000 |
| Collateral reverse repurchase agreements | 1,521,000 | | | 1,521,000 |
| Futures contracts | 1,776,000 | | | 1,776,000 |
| **Liabilities:** | | | | |
| Bank overdraft | | $ (132,344) | | (132,344) |

| | | | |
|---|---|---|---|
| Cash received: | | | |
| Collateral OTC derivatives | | (2,330,000) | (2,330,000) |
| Collateral reverse repurchase agreements | | (3,632,000) | (3,632,000) |
| Reverse repurchase agreements | | (638,327,195) | (638,327,195) |
| **Total** | $ 3,394,051 | $ (644,421,539) | $ (641,027,488) |

During the year ended October 31, 2016, there were no transfers between Level 1 and Level 2.

See Notes to Financial Statements.

## Schedule of Investments (concluded)

**BlackRock Credit Allocation Income Trust (BTZ)**

A reconciliation of Level 3 investments is presented when the Trust had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

| | Asset-Backed Securities | Corporate Bonds | Common Stocks | Total |
|---|---|---|---|---|
| **Assets:** | | | | |
| Opening Balance, as of October 31, 2015 | $ 11,525,615 | $ 5,079,000 | | $ 16,604,615 |
| Transfers into Level 3 | | | | |
| Transfers out of Level 3 | (4,913,200) | | | (4,913,200) |
| Accrued discounts/premiums | 14,355 | | | 14,355 |
| Net realized gain (loss) | (53,539) | | | (53,539) |
| Net change in unrealized appreciation (depreciation)[1,2] | 312,466 | 34,500 | $ (42,494) | 304,472 |
| Purchases | 12,606,755 | | 45,445 | 12,652,200 |
| Sales | (4,305,500) | | | (4,305,500) |
| **Closing Balance, as of October 31, 2016** | $ 15,186,952 | $ 5,113,500 | $ 2,951 | $ 20,303,403 |
| Net change in unrealized appreciation (depreciation) on investments still held at October 31, 2016[2] | $ 342,375 | $ 34,500 | $ (42,494) | $ 334,381 |

[1] Included in the related net change in unrealized appreciation (depreciation) in the Statements of Operations.
[2] Any difference between net change in unrealized appreciation (depreciation) and net change in unrealized appreciation (depreciation) on derivative financial instruments still held at October 31, 2016 is generally due to derivative financial instruments s no longer held or categorized as Level 3 at period end.
The Trust s investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information could result in a significantly lower or higher value of such Level 3 investments.

See Notes to Financial Statements.

# Schedule of Investments October 31, 2016

**BlackRock Floating Rate Income Trust (BGT)**

**(Percentages shown are based on Net Assets)**

| Common Stocks | Shares | Value |
|---|---|---|
| **Construction & Engineering 0.4%** | | |
| USI United Subcontractors | 8,067 | $ 1,210,121 |
| **Electric Utilities 0.1%** | | |
| Vistra Energy Corp | 28,707 | 436,346 |
| **Health Care Management Services 0.0%** | | |
| New Millennium HoldCo, Inc. (a) | 9,191 | 16,084 |
| **Household Durables 0.0%** | | |
| Berkline Benchcraft Equity LLC (a) | 6,155 | |
| **Oil, Gas & Consumable Fuels 0.0%** | | |
| Southcross Holdings LP | 63 | 22,050 |
| **Specialty Retail 0.0%** | | |
| Things Remembered, Inc. | 551,052 | 6 |
| **Total Common Stocks 0.5%** | | 1,684,607 |

| Asset-Backed Securities (b)(c) | | Par (000) | |
|---|---|---|---|
| ALM Loan Funding: | | | |
| Series 2012-5A, Class BR, 3.88%, 10/18/27 | USD | 310 | 311,857 |
| Series 2013-7RA, Class C, 4.33%, 4/24/24 | | 630 | 624,490 |
| Series 2013-7RA, Class D, 5.88%, 4/24/24 | | 550 | 516,298 |
| ALM XIV Ltd., Series 2014-14A, Class C, 4.34%, 7/28/26 | | 463 | 451,243 |
| ALM XVII Ltd., Series 2015-17A, Class C1, 5.03%, 1/15/28 | | 250 | 245,000 |
| AMMC CLO Ltd., Series 2014-15A, Class D, 5.03%, 12/09/26 | | 250 | 245,625 |
| Apidos CDO XI, Series 2012-11A, Class D, 5.13%, 1/17/23 | | 500 | 500,136 |
| Atlas Senior Loan Fund Ltd., Series 2014-6A, Class D, 4.58%, 10/15/26 | | 525 | 507,623 |
| Atrium CDO Corp., Series 9A, Class D, 4.33%, 2/28/24 | | 500 | 491,276 |
| Carlyle Global Market Strategies CLO Ltd., Class C: | | | |
| Series 2013-1A, 4.82%, 2/14/25 | | 250 | 249,991 |
| Series 2014-5A, 5.03%, 10/16/25 | | 1,250 | 1,250,342 |
| CIFC Funding Ltd., Series 2014-2A, Class A3L, 3.68%, 5/24/26 | | 275 | 274,505 |
| Highbridge Loan Management Ltd., Series 2015-7A, Class C, 4.20%, 11/15/26 | | 250 | 250,550 |
| LCM XVIII LP, Series 18A, Class INC, 3.45%, 4/20/27 | | 750 | 486,297 |
| Symphony CLO Ltd., Series 2016-17A, Class D, 5.76%, 4/15/28 | | 250 | 253,000 |
| Treman Park CLO LLC, Series 2015-1A, Class D, 4.74%, 4/20/27 | | 700 | 690,108 |
| Webster Park CLO Ltd., Series 2015-1A: | | | |
| Class B1, 3.98%, 1/20/27 | | 250 | 253,447 |
| Class C, 4.93%, 1/20/27 | | 250 | 250,152 |
| | | | 7,851,940 |
| **Total Asset-Backed Securities 2.3%** | | | 7,851,940 |

| Corporate Bonds | | | |
|---|---|---|---|
| **Airlines 0.6%** | | | |
| American Airlines Pass-Through Trust, Series 2013-2, Class C, 6.00%, 1/15/17 (c) | | 585 | 588,237 |
| US Airways Pass-Through Trust, Series 2012-2, Class C, 5.45%, 6/03/18 | | 1,585 | 1,616,700 |
| | | | 2,204,937 |

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Capital Markets 0.2%** | | | |
| Blackstone CQP Holdco LP, 2.32%, 3/19/19 | USD | 634 | $ 640,760 |
| **Commercial Services & Supplies 0.1%** | | | |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 3.59%, 12/01/17 (b) | | 179 | 179,151 |
| **Communications Equipment 0.1%** | | | |
| Avaya, Inc., 7.00%, 4/01/19 (c) | | 225 | 182,813 |

| | | |
|---|---|---|
| **Containers & Packaging 1.4%** | | |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc. (b)(c): | | |
| 3.85%, 12/15/19 | 920 | 934,950 |
| 4.15%, 5/15/21 | 680 | 693,600 |
| Reynolds Group Issuer, Inc., 4.38%, 7/15/21 (b)(c) | 3,125 | 3,187,500 |
| | | 4,816,050 |
| **Diversified Telecommunication Services 0.3%** | | |
| Level 3 Financing, Inc.: | | |
| 4.76%, 1/15/18 (b) | 607 | 607,759 |
| 6.13%, 1/15/21 | 337 | 347,952 |
| | | 955,711 |
| **Electric Utilities 0.0%** | | |
| Texas Competitive Holdings Co., 11.50%, 10/01/20 (a)(d) | 654 | 13,080 |
| **Health Care Providers & Services 0.0%** | | |
| RegionalCare Hospital Partners Holdings, Inc., 8.25%, 5/01/23 (c) | 45 | 45,619 |
| **Household Durables 0.0%** | | |
| Berkline/Benchcraft LLC, 4.50%, 6/01/17 (a)(d) | 400 | |
| **Independent Power and Renewable Electricity Producers 0.3%** | | |
| NRG Energy, Inc., 6.25%, 7/15/22 | 925 | 927,312 |
| **IT Services 0.0%** | | |
| WEX, Inc., 4.75%, 2/01/23 (c) | 155 | 154,225 |
| **Media 1.2%** | | |
| Altice Financing SA (c): | | |
| 6.63%, 2/15/23 | 335 | 345,050 |
| 7.50%, 5/15/26 | 515 | 530,450 |
| Clear Channel Worldwide Holdings, Inc., 6.50%, 11/15/22 | 989 | 1,007,297 |
| CSC Holdings LLC, 5.50%, 4/15/27 (c) | 435 | 441,253 |
| SFR Group SA (c): | | |
| 6.00%, 5/15/22 | 512 | 524,964 |
| 6.25%, 5/15/24 | 630 | 629,603 |
| 7.38%, 5/01/26 | 820 | 828,200 |
| | | 4,306,817 |
| **Metals & Mining 0.5%** | | |
| Freeport-McMoRan, Inc.: | | |
| 2.38%, 3/15/18 | 1,143 | 1,128,712 |
| 3.10%, 3/15/20 | 295 | 283,938 |
| Teck Resources Ltd., 4.50%, 1/15/21 | 184 | 184,920 |
| | | 1,597,570 |
| **Oil, Gas & Consumable Fuels 1.3%** | | |
| Cheniere Corpus Christi Holdings LLC, 7.00%, 6/30/24 (c) | 415 | 439,900 |
| Concho Resources, Inc., 5.50%, 4/01/23 | 50 | 51,150 |
| CONSOL Energy, Inc., 5.88%, 4/15/22 | 1,085 | 1,002,947 |
| CrownRock LP/CrownRock Finance, Inc., 7.13%, 4/15/21 (c) | 50 | 51,500 |
| Extraction Oil & Gas Holdings LLC/Extraction Finance Corp., 7.88%, 7/15/21 (c) | 125 | 132,187 |
| Great Western Petroleum LLC/Great Western Finance, Inc., 9.00%, 9/30/21 (c) | 615 | 639,600 |
| Gulfport Energy Corp., 6.00%, 10/15/24 (c) | 110 | 112,063 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Oil, Gas & Consumable Fuels (continued)** | | | |
| Newfield Exploration Co., 5.63%, 7/01/24 | USD | 50 | $ 52,000 |
| NGPL PipeCo LLC, 7.12%, 12/15/17 (c) | | 234 | 244,530 |
| RSP Permian, Inc., 6.63%, 10/01/22 | | 50 | 52,688 |
| Sabine Pass Liquefaction LLC: | | | |
| 5.63%, 4/15/23 | | 945 | 1,004,062 |
| 5.88%, 6/30/26 (c) | | 390 | 420,303 |
| Tallgrass Energy Partners LP/Tallgrass Energy Finance Corp., 5.50%, 9/15/24 (c) | | 195 | 194,025 |
| | | | 4,396,955 |
| **Total Corporate Bonds 6.0%** | | | 20,421,000 |
| | | | |
| **Floating Rate Loan Interests (b)** | | | |
| **Aerospace & Defense 2.3%** | | | |
| BE Aerospace, Inc., 2014 Term Loan B, 3.85%, 12/16/21 | | 1,355 | 1,362,354 |
| Camp International Holding Co.: | | | |
| 2016 1st Lien Term Loan, 4.75%, 8/11/23 | | 640 | 640,000 |
| 2016 2nd Lien Term Loan, 8.25%, 8/12/24 | | 195 | 198,900 |
| Engility Corp.: | | | |
| Term Loan B1, 4.78%, 8/12/20 | | 220 | 221,925 |
| Term Loan B2, 5.75%, 8/12/23 | | 414 | 418,951 |
| TransDigm, Inc.: | | | |
| 2015 Term Loan E, 3.75%, 5/14/22 | | 501 | 499,018 |
| 2016 Extended Term Loan F, 3.75%, 6/09/23 | | 3,955 | 3,937,314 |
| Term Loan D, 3.84%, 6/04/21 | | 701 | 699,012 |
| | | | 7,977,474 |
| **Air Freight & Logistics 1.1%** | | | |
| CEVA Group PLC, Synthetic LOC, 6.50%, 3/19/21 | | 538 | 428,010 |
| CEVA Intercompany BV, Dutch Term Loan, 6.50%, 3/19/21 | | 552 | 439,046 |
| CEVA Logistics Canada ULC, Canadian Term Loan, 6.50%, 3/19/21 | | 93 | 74,358 |
| CEVA Logistics US Holdings, Inc., Term Loan, 6.50%, 3/19/21 | | 752 | 598,261 |
| XPO Logistics, Inc., Term Loan B2, 4.25%, 10/30/21 | | 2,195 | 2,205,584 |
| | | | 3,745,259 |
| **Airlines 0.1%** | | | |
| Northwest Airlines, Inc.: | | | |
| 3.08%, 3/10/17 | | 79 | 78,605 |
| 2.46%, 9/10/18 | | 289 | 283,873 |
| | | | 362,478 |
| **Auto Components 1.7%** | | | |
| Autoparts Holdings Ltd.: | | | |
| 1st Lien Term Loan, 7.00%, 7/29/17 | | 1,446 | 1,395,268 |
| 2nd Lien Term Loan, 11.00%, 1/29/18 | | 546 | 472,290 |
| FPC Holdings, Inc., 1st Lien Term Loan, 5.25%, 11/19/19 | | 880 | 791,875 |
| Gates Global, Inc., Term Loan B, 4.25%, 7/06/21 | | 2,440 | 2,404,086 |
| Goodyear Tire & Rubber Co., 2nd Lien Term Loan, 3.86%, 4/30/19 | | 562 | 564,835 |
| GPX International Tire Corp., Term Loan (a)(d): | | | |
| 12.25%, 3/31/2012 | | 274 | |
| PIK, 13.00%, 3/30/2012 (e) | | 4 | |
| | | | 5,628,354 |
| **Automobiles 0.6%** | | | |
| FCA US LLC, Term Loan B: | | | |
| 2018, 3.25%, 12/31/18 | | 291 | 290,822 |
| 3.50%, 5/24/17 | | 1,642 | 1,643,100 |

| | | | |
|---|---|---|---|
| | | | 1,933,922 |
| **Floating Rate Loan Interests** | | **Par (000)** | **Value** |
| **Banks 0.3%** | | | |
| Redtop Acquisitions Ltd., 1st Lien Term Loan, 4.50%, 12/03/20 | USD | 856 | $ 852,607 |
| **Biotechnology 0.2%** | | | |
| AMAG Pharmaceuticals, Inc., 2015 1st Lien Term Loan, 4.75%, 8/13/21 | | 494 | 494,000 |
| **Building Materials 1.2%** | | | |
| Forterra, Inc., Term Loan B, 5.00%, 10/18/23 | | 495 | 494,228 |
| USAGM HoldCo LLC: | | | |
| 2015 2nd Lien Term Loan, 9.50%, 7/28/23 | | 395 | 392,037 |
| 2015 Term Loan, 4.75%, 7/28/22 | | 519 | 518,529 |
| 2016 Incremental Delayed Draw Term Loan, 5.50%, 7/28/22 | | 449 | 450,185 |
| 2016 Incremental Term Loan, 5.50%, 7/28/22 | | 2,040 | 2,047,447 |
| | | | 3,902,426 |
| **Building Products 3.0%** | | | |
| Continental Building Products LLC, 1st Lien Term Loan, 3.59%, 8/10/23 | | 688 | 689,244 |
| CPG International, Inc., Term Loan, 4.75%, 9/30/20 | | 3,204 | 3,216,482 |
| GYP Holdings III Corp., 1st Lien Term Loan, 4.50%, 4/01/21 | | 958 | 956,551 |
| Jeld-Wen, Inc., Term Loan B: | | | |
| Consolidated, 4.42%, 10/14/22 | | 285 | 284,288 |
| 5.25%, 10/15/21 | | 1,143 | 1,150,389 |
| Ply Gem Industries, Inc., Term Loan, 4.00%, 2/01/21 | | 785 | 788,597 |
| Quikrete Holdings, Inc., 1st Lien Term Loan, 4.00%, 9/28/20 | | 1,366 | 1,366,772 |
| Wilsonart LLC: | | | |
| Incremental Term Loan B2, 4.00%, 10/31/19 | | 501 | 500,682 |
| Term Loan B, 4.00%, 10/31/19 | | 1,139 | 1,139,120 |
| | | | 10,092,125 |
| **Capital Markets 0.6%** | | | |
| Affinion Group, Inc., Term Loan B, 6.75%, 4/30/18 | | 390 | 379,547 |
| RPI Finance Trust, Term Loan B5, 3.03%, 10/14/22 | | 1,644 | 1,658,204 |
| | | | 2,037,751 |
| **Chemicals 4.4%** | | | |
| Allnex (Luxembourg) & Cy SCA, 2016 Term Loan B2, 5.13%, 9/13/23 | | 262 | 264,534 |
| Allnex USA, Inc., Term Loan B3, 5.13%, 9/13/23 | | 198 | 199,298 |
| Axalta Coating Systems US Holdings, Inc., Term Loan, 3.75%, 2/01/20 | | 1,140 | 1,147,755 |
| CeramTec Acquisition Corp., Term Loan B2, 4.25%, 8/30/20 | | 70 | 69,955 |
| Charter NEX US Holdings, Inc., Term Loan B, 5.25%, 2/07/22 | | 685 | 686,375 |
| Chemours Co., Term Loan B, 3.75%, 5/12/22 | | 764 | 753,709 |
| Evergreen Acqco 1 LP, Term Loan, 5.00%, 7/09/19 | | 182 | 168,238 |
| Huntsman International LLC: | | | |
| 2013 Incremental Term Loan, 3.75%, 10/01/21 | | 856 | 859,353 |
| 2016 Term Loan B, 4.25%, 4/01/23 | | 498 | 500,609 |
| Klockner-Pentaplast of America, Inc.: | | | |
| 1st Lien Term Loan, 4.25%, 4/28/20 | | 683 | 689,915 |
| German Borrower, 4.25%, 4/28/20 | | 292 | 294,835 |
| MacDermid, Inc.: | | | |
| 2016 Term Loan, 5.00%, 6/07/23 | | 1,039 | 1,046,965 |
| Term Loan B3, 5.50%, 6/07/20 | | 2,007 | 2,021,665 |
| OXEA Finance LLC, Term Loan B2, 4.25%, 1/15/20 | | 1,781 | 1,698,236 |
| PQ Corp., Term Loan, 5.75%, 11/04/22 | | 855 | 853,789 |
| Royal Holdings, Inc.: | | | |
| 2015 1st Lien Term Loan, 4.50%, 6/19/22 | | 686 | 689,099 |
| 2015 2nd Lien Term Loan, 8.50%, 6/19/23 | | 285 | 279,300 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Floating Rate Loan Interests | | Par (000) | Value |
|---|---|---|---|
| **Chemicals (continued)** | | | |
| Solenis International LP: | | | |
| 1st Lien Term Loan, 4.25%, 7/31/21 | USD | 926 | $ 924,609 |
| 2nd Lien Term Loan, 7.75%, 7/31/22 | | 1,055 | 1,029,680 |
| Tata Chemicals North America, Inc., Term Loan B, 3.75%, 8/07/20 | | 277 | 276,285 |
| Versum Materials, Inc., Term Loan, 3.34%, 9/20/23 | | 590 | 592,702 |
| | | | 15,046,906 |
| **Commercial Services & Supplies 6.7%** | | | |
| ADMI Corp., 2015 Term Loan B, 5.25%, 4/30/22 | | 720 | 724,659 |
| ADS Waste Holdings, Inc., Term Loan B2, 3.75%, 10/09/19 | | 1,445 | 1,445,181 |
| Aramark Services, Inc.: | | | |
| Term Loan E, 3.25%, 9/07/19 | | 1,059 | 1,062,888 |
| Term Loan F, 3.34%, 2/24/21 | | 519 | 521,943 |
| Brand Energy & Infrastructure Services, Inc., Term Loan B, 4.75%, 11/26/20 | | 1,730 | 1,705,587 |
| Camelot UK Holdco Ltd., Term Loan B, 4.75%, 10/03/23 | | 1,320 | 1,321,096 |
| Casella Waste Systems, Inc., Term Loan B, 4.00%, 10/03/23 | | 580 | 580,725 |
| Catalent Pharma Solutions, Inc., Term Loan B, 4.25%, 5/20/21 | | 2,600 | 2,612,578 |
| Creative Artists Agency LLC, Term Loan B, 5.00%, 12/17/21 | | 629 | 632,770 |
| Dealer Tire LLC, 2016 Term Loan B, 5.50%, 12/22/21 | | 639 | 642,265 |
| Employbridge LLC, Exit Term Loan, 7.50%, 5/16/20 | | 230 | 204,314 |
| GCA Services Group, Inc., 2016 Term Loan, 5.98%, 3/01/23 | | 1,164 | 1,173,242 |
| KAR Auction Services, Inc.: | | | |
| Term Loan B2, 4.06%, 3/11/21 | | 806 | 809,992 |
| Term Loan B3, 4.38%, 3/09/23 | | 1,070 | 1,080,653 |
| Livingston International, Inc., 1st Lien Term Loan, 5.50%, 4/18/19 | | 793 | 756,657 |
| Prime Security Services Borrower LLC: | | | |
| 1st Lien Term Loan, 4.75%, 7/01/21 | | 116 | 116,409 |
| 2016 Incremental Term Loan B1, 4.75%, 5/02/22 | | 737 | 742,283 |
| PSSI Holdings LLC, Term Loan B, 4.75%, 12/02/21 | | 987 | 989,881 |
| Spin Holdco, Inc., Term Loan B, 4.25%, 11/14/19 | | 2,221 | 2,207,414 |
| TruGreen Limited Partnership, 1st Lien Term Loan B, 6.50%, 4/13/23 | | 628 | 633,138 |
| US Ecology, Inc., Term Loan, 3.75%, 6/17/21 | | 393 | 394,478 |
| US Security Associates Holdings, Inc., 2016 Term Loan, 6.00%, 7/14/23 | | 1,311 | 1,308,885 |
| Waste Industries USA, Inc., 2016 Term Loan, 3.50%, 2/27/20 | | 1,248 | 1,249,600 |
| | | | 22,916,638 |
| **Communications Equipment 2.2%** | | | |
| Applied Systems, Inc.: | | | |
| 1st Lien Term Loan, 4.00%, 1/25/21 | | 562 | 562,523 |
| 2nd Lien Term Loan, 7.50%, 1/24/22 | | 227 | 228,839 |
| CommScope, Inc., Term Loan B5, 3.75%, 12/29/22 | | 554 | 556,712 |
| Riverbed Technology, Inc., 2016 Term Loan, 5.00%, 4/24/22 | | 1,209 | 1,217,709 |
| Telesat Canada, Term Loan A, 3.88%, 3/28/17 | CAD | 1,868 | 1,385,622 |
| Zayo Group LLC, Term Loan B, 3.75%, 5/06/21 | USD | 3,407 | 3,422,735 |
| | | | 7,374,140 |
| **Construction & Engineering 0.9%** | | | |
| AECOM Technology Corp., 2014 Term Loan B, 3.75%, 10/15/21 | | 88 | 88,154 |
| CNT Holdings III Corp., Term Loan B, 5.25%, 1/22/23 | | 826 | 831,012 |

| Floating Rate Loan Interests | | Par (000) | Value |
|---|---|---|---|
| **Construction & Engineering (continued)** | | | |
| Safway Group Holding LLC, Term Loan B, 5.75%, 8/19/23 | USD | 2,090 | $ 2,090,000 |
| | | | 3,009,166 |
| **Construction Materials 0.8%** | | | |
| Filtration Group Corp., 1st Lien Term Loan, 4.25%, 11/21/20 | | 2,157 | 2,156,134 |
| Headwaters, Inc., 2016 Term Loan B, 4.00%, 3/24/22 | | 444 | 446,119 |
| McJunkin Red Man Corp., Term Loan, 5.00%, 11/08/19 | | 262 | 259,466 |

| | | | |
|---|---|---|---|
| | | | 2,861,719 |
| **Containers & Packaging 2.0%** | | | |
| Ardagh Holdings USA, Inc., Incremental Term Loan, 4.00%, 12/17/21 | | 1,101 | 1,111,063 |
| Berlin Packaging LLC, 2014 1st Lien Term Loan, 4.50%, 10/01/21 | | 195 | 195,731 |
| Berry Plastics Holding Corp., Term Loan H, 3.75%, 10/01/22 | | 3,219 | 3,228,796 |
| BWAY Holding Co., Inc., Term Loan B, 5.50%, 8/14/20 | | 2,325 | 2,339,331 |
| | | | 6,874,921 |
| **Distributors 0.6%** | | | |
| American Builders & Contractors Supply Co., Term Loan B, 3.50%, 9/23/23 | | 1,621 | 1,626,811 |
| American Tire Distributors Holdings, Inc., 2015 Term Loan, 5.25%, 9/01/21 | | 572 | 565,495 |
| | | | 2,192,306 |
| **Diversified Consumer Services 4.8%** | | | |
| AssuredPartners, Inc., 2015 1st Lien Term Loan, 5.75%, 10/21/22 | | 1,922 | 1,929,642 |
| Bright Horizons Family Solutions, Inc.: | | | |
| Incremental Term Loan B1, 5.75%, 1/30/20 | | 314 | 315,186 |
| Term Loan B, 5.25%, 1/30/20 | | 1,695 | 1,701,410 |
| CT Technologies Intermediate Holdings, Inc., 1st Lien Term Loan, 5.25%, 12/01/21 | | 729 | 720,796 |
| J.D. Power and Associates, 1st Lien Term Loan, 5.25%, 9/07/23 | | 780 | 784,875 |
| Laureate Education, Inc., Term Loan B, 8.87%, 3/17/21 | | 148 | 146,808 |
| Nomad Foods Europe Midco Ltd., Term Loan C1, 3.50%, 6/30/20 | EUR | 606 | 664,022 |
| ROC Finance LLC, Term Loan, 5.00%, 6/20/19 | USD | 1,038 | 1,036,415 |
| Serta Simmons Holdings LLC: | | | |
| 1st Lien Term Loan, 4.50%, 10/20/23 | | 2,920 | 2,918,949 |
| 2nd Lien Term Loan, 9.00%, 10/20/24 | | 655 | 659,506 |
| ServiceMaster Co., 2014 Term Loan B, 4.25%, 7/01/21 | | 4,599 | 4,601,543 |
| Wand Intermediate I LP, 1st Lien Term Loan, 4.75%, 9/17/21 | | 794 | 797,235 |
| | | | 16,276,387 |
| **Diversified Financial Services 1.3%** | | | |
| AlixPartners LLP, 2016 Term Loan B, 4.00%, 7/28/22 | | 1,168 | 1,170,022 |
| Diamond US Holding LLC, Term Loan B, 4.75%, 12/17/21 | | 590 | 589,253 |
| Jefferies Finance LLC, Term Loan, 4.50%, 5/14/20 | | 1,679 | 1,666,159 |
| SAM Finance Luxembourg Sarl, Term Loan, 4.25%, 12/17/20 | | 1,015 | 1,020,956 |
| | | | 4,446,390 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Floating Rate Loan Interests | | Par (000) | Value |
|---|---|---|---|
| **Diversified Telecommunication Services 3.6%** | | | |
| Consolidated Communications, Inc., 2016 Term Loan B, 4.00%, 10/04/23 | USD | 415 | $ 417,855 |
| Hawaiian Telcom Communications, Inc., Term Loan B, 5.25%, 6/06/19 | | 1,412 | 1,418,335 |
| Integra Telecom, Inc.: | | | |
| 2015 1st Lien Term Loan, 5.25%, 8/14/20 | | 1,374 | 1,366,647 |
| 2nd Lien Term Loan, 9.75%, 2/12/21 | | 459 | 440,623 |
| Level 3 Financing, Inc.: | | | |
| 2013 Term Loan B, 4.00%, 1/15/20 | | 4,685 | 4,706,082 |
| 2019 Term Loan, 4.00%, 8/01/19 | | 2,452 | 2,462,619 |
| Telenet International Finance Sarl, Term Loan AD, 4.36%, 6/30/24 | | 1,492 | 1,492,513 |
| | | | 12,304,674 |
| **Electric Utilities 2.0%** | | | |
| Energy Future Intermediate Holding Co. LLC, 2016 DIP Term Loan, 4.25%, 6/30/17 | | 3,761 | 3,782,528 |
| PrimeLine Utility Services LLC, Term Loan, 6.50%, 11/12/22 | | 849 | 853,226 |
| TEX Operations Co. LLC: | | | |
| Exit Term Loan B, 5.00%, 8/04/23 | | 1,678 | 1,690,152 |
| Exit Term Loan C, 5.00%, 8/04/23 | | 383 | 385,717 |
| Texas Competitive Electric Holding, 5.00%, 10/10/17 (a)(d) | | 1,050 | 19,882 |
| | | | 6,731,505 |
| **Electronic Equipment, Instruments & Components 0.1%** | | | |
| CPI Acquisition, Inc., Term Loan B, 5.50%, 8/17/22 | | 481 | 472,095 |
| **Energy Equipment & Services 0.5%** | | | |
| Exgen Texas Power LLC, Term Loan B, 5.75%, 9/16/21 | | 530 | 423,977 |
| Weatherford International Ltd., Term Loan, 1.97%, 7/13/20 | | 1,159 | 1,100,904 |
| | | | 1,524,881 |
| **Food & Staples Retailing 3.2%** | | | |
| Albertsons LLC: | | | |
| 2016 Term Loan B4, 4.50%, 8/25/21 | | 2,774 | 2,794,046 |
| 2016 Term Loan B5, 4.75%, 12/21/22 | | 217 | 219,459 |
| Hostess Brands LLC: | | | |
| 1st Lien Term Loan, 4.50%, 8/03/22 | | 1,327 | 1,335,302 |
| 2nd Lien Term Loan, 8.50%, 8/03/23 | | 316 | 317,796 |
| Rite Aid Corp.: | | | |
| 5.75%, 8/21/20 | | 681 | 683,218 |
| 4.88%, 6/21/21 | | 1,629 | 1,633,452 |
| US Foods, Inc., 2016 Term Loan B, 4.00%, 6/27/23 | | 4,040 | 4,063,670 |
| | | | 11,046,943 |
| **Food Products 2.7%** | | | |
| Blue Ribbon LLC, Term Loan, 5.00%, 11/13/21 | | 1,076 | 1,081,004 |
| Chobani LLC, 1st Lien Term Loan, 5.25%, 9/30/23 | | 965 | 975,258 |
| CTI Foods Holding Co. LLC, 1st Lien Term Loan, 4.50%, 6/29/20 | | 486 | 472,906 |
| Dole Food Co., Inc., Term Loan B, 4.50%, 11/01/18 | | 1,510 | 1,514,091 |
| Pinnacle Foods Finance LLC: | | | |
| 2016 Term Loan I, 3.28%, 1/13/23 | | 481 | 485,093 |
| Term Loan G, 3.39%, 4/29/20 | | 995 | 999,722 |
| Reddy Ice Corp.: | | | |
| 1st Lien Term Loan, 6.75%, 5/01/19 | | 970 | 917,003 |
| 2nd Lien Term Loan, 10.75%, 11/01/19 | | 328 | 268,960 |
| Reynolds Group Holdings, Inc., 2016 Term Loan, 4.25%, 2/05/23 | | 2,553 | 2,558,484 |
| | | | 9,272,521 |

| Floating Rate Loan Interests | Par (000) | Value |
|---|---|---|
| **Health Care Equipment & Supplies 3.8%** | | |
| Alere, Inc.: | | |

| | | | |
|---|---|---|---|
| 2015 Term Loan A, 3.53%, 6/18/20 | USD | 285 | $ 283,709 |
| 2015 Term Loan B, 4.25%, 6/18/22 | | 1,171 | 1,165,501 |
| Auris Luxembourg III Sarl, Term Loan B4, 4.25%, 1/15/22 | | 1,510 | 1,516,819 |
| Capsugel Holdings US, Inc., Term Loan B, 4.00%, 7/31/21 | | 2,361 | 2,369,784 |
| Cotiviti Corp., Term Loan B, 3.61%, 9/28/23 | | 1,603 | 1,603,530 |
| DJO Finance LLC, 2015 Term Loan, 4.25%, 6/08/20 | | 1,389 | 1,373,334 |
| Immucor, Inc., Refinancing Term Loan B2, 5.00%, 8/17/18 | | 1,395 | 1,361,572 |
| National Vision, Inc., 1st Lien Term Loan, 4.00%, 3/12/21 | | 1,906 | 1,891,653 |
| Ortho-Clinical Diagnostics, Inc., Term Loan B, 4.75%, 6/30/21 | | 1,387 | 1,353,535 |
| | | | 12,919,437 |
| **Health Care Providers & Services 10.6%** | | | |
| Acadia Healthcare Co., Inc.: | | | |
| Term Loan B, 3.75%, 2/11/22 | | 289 | 288,855 |
| Term Loan B2, 3.75%, 2/16/23 | | 1,315 | 1,318,902 |
| Air Medical Group Holdings, Inc., Term Loan B, 4.25%, 4/28/22 | | 280 | 277,550 |
| Amsurg Corp., 1st Lien Term Loan B, 3.50%, 7/16/21 | | 1,762 | 1,761,086 |
| CHG Healthcare Services, Inc., 2016 Term Loan B, 4.75%, 6/07/23 | | 2,099 | 2,114,671 |
| Community Health Systems, Inc.: | | | |
| Term Loan F, 4.08%, 12/31/18 | | 866 | 844,139 |
| Term Loan G, 3.75%, 12/31/19 | | 1,204 | 1,137,360 |
| Curo Health Services Holdings, Inc., 2015 1st Lien Term Loan, 6.50%, 2/07/22 | | 936 | 937,696 |
| DaVita HealthCare Partners, Inc., Term Loan B, 3.50%, 6/24/21 | | 5,801 | 5,796,009 |
| Envision Healthcare Corp., Term Loan: | | | |
| 4.25%, 5/25/18 | | 1,640 | 1,641,428 |
| B2, 4.50%, 10/28/22 | | 591 | 592,386 |
| Genoa, a QoL Healthcare Co. LLC, 2016 1st Lien Term Loan, 4.75%, 10/25/23 | | 585 | 585,000 |
| HC Group Holdings III, Inc., Term Loan B, 6.00%, 4/07/22 | | 886 | 893,121 |
| HCA, Inc.: | | | |
| Term Loan B6, 3.78%, 3/17/23 | | 3,191 | 3,222,876 |
| Term Loan B7, 3.59%, 2/15/24 | | 490 | 493,902 |
| inVentiv Health, Inc., 2016 Term Loan B, 4.75%, 9/28/23 | | 2,528 | 2,526,502 |
| MPH Acquisition Holdings LLC, 2016 Term Loan B, 5.00%, 6/07/23 | | 1,617 | 1,633,616 |
| National Mentor Holdings, Inc., Term Loan B, 4.25%, 1/31/21 | | 297 | 296,830 |
| NVA Holdings, Inc.: | | | |
| 1st Lien Term Loan, 4.75%, 8/14/21 | | 302 | 302,321 |
| 2016 Term Loan, 5.50%, 8/14/21 | | 561 | 560,519 |
| Precyse Acquisition Corp., 2016 1st Lien Term Loan, 6.50%, 10/20/22 | | 1,006 | 1,012,657 |
| Sterigenics-Nordion Holdings LLC, 2015 Term Loan B, 4.25%, 5/15/22 | | 1,866 | 1,856,819 |
| Surgery Center Holdings, Inc., 1st Lien Term Loan, 4.75%, 11/03/20 | | 1,183 | 1,185,618 |
| Surgical Care Affiliates, Inc., Incremental Term Loan B, 3.75%, 3/17/22 | | 1,552 | 1,555,906 |
| Team Health, Inc., 2016 Term Loan, 3.84%, 11/23/22 | | 1,333 | 1,334,557 |
| U.S. Renal Care, Inc., 2015 Term Loan B, 5.25%, 12/31/22 | | 1,030 | 985,453 |
| Vizient, Inc., 2016 Term Loan B, 5.00%, 2/13/23 | | 1,117 | 1,128,934 |
| | | | 36,284,713 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Floating Rate Loan Interests | | Par (000) | Value |
|---|---|---|---|
| **Health Care Technology 1.0%** | | | |
| Emdeon Business Services LLC, Term Loan B3, 3.75%, 11/02/18 | USD | 196 | $ 196,123 |
| IMS Health, Inc., Term Loan, 3.50%, 3/17/21 | | 1,960 | 1,969,549 |
| Press Ganey Holdings, Inc.: | | | |
| 1st Lien Term Loan, 4.25%, 10/21/23 | | 840 | 840,000 |
| 2nd Lien Term Loan, 8.25%, 10/21/24 | | 310 | 313,875 |
| | | | 3,319,547 |
| **Hotels, Restaurants & Leisure 7.7%** | | | |
| Amaya Holdings BV: | | | |
| 1st Lien Term Loan, 5.00%, 8/01/21 | | 1,637 | 1,635,098 |
| 2nd Lien Term Loan, 8.00%, 8/01/22 | | 602 | 599,301 |
| AMF Bowling Centers, Inc., 2016 Term Loan, 6.00%, 8/17/23 | | 718 | 714,108 |
| Boyd Gaming Corp.: | | | |
| Term Loan B, 4.00%, 8/14/20 | | 483 | 486,586 |
| Term Loan B2, 3.52%, 9/15/23 | | 1,050 | 1,057,287 |
| Bronco Midstream Funding LLC, Term Loan B, 5.00%, 8/15/20 | | 1,473 | 1,406,614 |
| Burger King Newco Unlimited Liability Co., Term Loan B2, 3.75%, 12/10/21 | | 2,868 | 2,879,596 |
| Caesars Entertainment Operating Co., Inc., Term Loan B7, 11.50%, 3/01/17 | | 1,015 | 1,185,804 |
| Caesars Entertainment Resort Properties LLC, Term Loan B, 7.00%, 10/11/20 | | 4,599 | 4,622,104 |
| CCM Merger, Inc., Term Loan B, 4.50%, 8/08/21 | | 848 | 850,350 |
| Eldorado Resorts LLC, Term Loan B, 4.25%, 7/23/22 | | 1,473 | 1,478,600 |
| ESH Hospitality, Inc., 2016 Term Loan B, 3.75%, 8/30/23 | | 2,000 | 2,010,260 |
| Hilton Worldwide Finance LLC: | | | |
| Term Loan B1, 3.50%, 10/26/20 | | 140 | 140,932 |
| Term Loan B2, 3.03%, 10/25/23 | | 1,011 | 1,016,101 |
| La Quinta Intermediate Holdings LLC, Term Loan B, 3.75%, 4/14/21 | | 507 | 505,358 |
| RHP Hotel Properties LP, Term Loan B, 3.59%, 1/15/21 | | 772 | 775,762 |
| Sabre, Inc.: | | | |
| Incremental Term Loan, 4.50%, 2/19/19 | | 250 | 250,918 |
| Term Loan B, 4.00%, 2/19/19 | | 1,332 | 1,336,728 |
| Scientific Games International, Inc.: | | | |
| 2014 Term Loan B1, 6.00%, 10/18/20 | | 714 | 717,415 |
| 2014 Term Loan B2, 6.00%, 10/01/21 | | 495 | 496,596 |
| Station Casinos LLC, 2016 Term Loan B, 3.75%, 6/08/23 | | 1,025 | 1,029,264 |
| Yum! Brands Inc., 1st Lien Term Loan B, 3.29%, 6/16/23 | | 898 | 906,728 |
| | | | 26,101,510 |
| **Household Products 0.7%** | | | |
| Bass Pro Group LLC, 2015 Term Loan, 4.00%, 6/05/20 | | 488 | 487,830 |
| Spectrum Brands, Inc., 2016 Term Loan, 3.25%, 6/23/22 | | 2,014 | 2,029,635 |
| | | | 2,517,465 |
| **Independent Power and Renewable Electricity Producers 3.1%** | | | |
| Aria Energy Operating LLC, Term Loan, 5.50%, 5/27/22 | | 756 | 732,711 |
| Calpine Construction Finance Co., LP, Term Loan B1, 3.09%, 5/03/20 | | 980 | 972,523 |
| Calpine Corp.: | | | |
| Term Loan B5, 3.59%, 5/27/22 | | 313 | 313,721 |
| Term Loan B6, 4.00%, 1/15/23 | | 1,310 | 1,315,720 |
| Term Loan B7, 3.84%, 5/31/23 | | 799 | 804,126 |
| Dynegy, Inc., Escrow, 5.00%, 6/27/23 | | 2,674 | 2,680,886 |
| **Floating Rate Loan Interests** | | **Par (000)** | **Value** |
| **Independent Power and Renewable Electricity Producers (continued)** | | | |
| Granite Acquisition, Inc.: | | | |
| Term Loan B, 5.00%, 12/19/21 | USD | 2,036 | $ 2,013,717 |
| Term Loan C, 5.00%, 12/19/21 | | 91 | 90,181 |
| NRG Energy, Inc., 2016 Term Loan B, 3.50%, 6/30/23 | | 1,052 | 1,053,678 |
| Terra-Gen Finance Co. LLC, Term Loan B, 5.25%, 12/09/21 | | 676 | 605,429 |

| | | |
|---|---|---|
| | | 10,582,692 |
| **Industrial Conglomerates 0.6%** | | |
| Sequa Corp., Term Loan B, 5.25%, 6/19/17 | 318 | 291,582 |
| Vertiv Co., Term Loan B, 6.00%, 9/29/23 | 1,865 | 1,853,344 |
| | | 2,144,926 |
| **Insurance 2.9%** | | |
| Acrisure LLC, 2015 1st Lien Term Loan, 6.50%, 5/19/22 | 492 | 492,079 |
| Alliant Holdings I, Inc., Incremental Term Loan B2, 5.25%, 8/12/22 | 1,037 | 1,042,587 |
| AmWINS Group LLC, 2014 2nd Lien Term Loan, 9.50%, 9/04/20 | 349 | 353,126 |
| Asurion LLC: | | |
| Term Loan B1, 5.00%, 5/24/19 | 1,582 | 1,582,169 |
| Term Loan B4, 5.00%, 8/04/22 | 1,246 | 1,251,333 |
| Term Loan B5, 4.75%, 11/3/23 | 1,500 | 1,500,000 |
| Lonestar Intermediate Super Holdings LLC, PIK Term Loan B, 10.00%, 8/31/21 (e) | 720 | 724,802 |
| Sedgwick Claims Management Services, Inc.: | | |
| 1st Lien Term Loan, 3.75%, 3/01/21 | 1,146 | 1,136,678 |
| 2016 1st Lien Term Loan, 5.25%, 3/01/21 | 529 | 528,839 |
| 2nd Lien Term Loan, 6.75%, 2/28/22 | 1,230 | 1,219,237 |
| | | 9,830,850 |
| **Internet & Direct Marketing Retail 0.6%** | | |
| Harbor Freight Tools USA, Inc., 2016 Term Loan B, 4.14%, 8/19/23 | 1,882 | 1,893,941 |
| **Internet Software & Services 1.5%** | | |
| Go Daddy Operating Co. LLC, Term Loan B, 4.25%, 5/13/21 | 1,540 | 1,548,230 |
| Rackspace Hosting, Inc., 1st Lien Term Loan, 5.00%, 10/26/23 | 2,460 | 2,447,700 |
| W3 Co., 2nd Lien Term Loan, 9.25%, 9/11/20 | 419 | 169,675 |
| WaveDivision Holdings LLC, Term Loan B, 4.00%, 10/15/19 | 896 | 898,413 |
| | | 5,064,018 |
| **IT Services 4.4%** | | |
| Abacus Innovations Corp., Term Loan B, 3.28%, 8/16/23 | 2,510 | 2,527,043 |
| Cision US Inc., Term Loan B, 7.00%, 6/16/23 | 758 | 731,187 |
| First Data Corp., 2016 Term Loan, 3.52%, 3/24/21 | 7,577 | 7,607,641 |
| Global Payments Inc., Reprice Term Loan B, 4.03%, 10/19/22 | 1,013 | 1,019,217 |
| Vantiv LLC, 2014 Term Loan B, 3.25%, 10/14/23 | 675 | 678,848 |
| WEX, Inc., Term Loan B, 4.25%, 7/01/23 | 2,324 | 2,348,881 |
| | | 14,912,817 |
| **Leisure Products 0.2%** | | |
| Bauer Performance Sports Ltd., Term Loan B, 5.00%, 4/15/21 | 668 | 663,843 |
| **Machinery 2.2%** | | |
| Faenza Acquisition GmbH: | | |
| Term Loan B1, 4.25%, 8/30/20 | 628 | 631,121 |
| Term Loan B3, 4.25%, 8/30/20 | 192 | 192,900 |
| Global Brass & Copper, Inc., 2016 Term Loan B, 5.25%, 7/18/23 | 700 | 707,875 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Floating Rate Loan Interests | | Par (000) | Value |
|---|---|---|---|
| **Machinery (continued)** | | | |
| Infiltrator Systems, Inc., 2016 Term Loan B, 4.50%, 5/27/22 | USD | 917 | $ 916,723 |
| Mueller Water Products, Inc., Term Loan B, 4.00%, 11/26/21 | | 491 | 495,244 |
| Navistar International Corp., Term Loan B, 6.50%, 8/07/20 | | 587 | 589,598 |
| Rexnord LLC, 1st Lien Term Loan B, 4.00%, 8/21/20 | | 1,498 | 1,501,504 |
| Silver II US Holdings LLC, Term Loan, 4.00%, 12/13/19 | | 2,199 | 2,018,278 |
| Wabash National Corp., 2015 Term Loan B, 4.25%, 3/16/22 | | 568 | 568,192 |
| | | | 7,621,435 |
| **Media 13.5%** | | | |
| Altice US Finance I Corp., 2016 Term Loan B, 4.00%, 12/31/25 | | 3,066 | 3,074,625 |
| AMC Entertainment, Inc., New Term Loan B, 3.50%, 12/15/23 | | 445 | 443,887 |
| CBS Radio, Inc., Term Loan B, 4.50%, 10/17/23 | | 925 | 929,625 |
| Cengage Learning Acquisitions, Inc., 2016 Term Loan B, 5.25%, 6/07/23 | | 128 | 125,439 |
| Charter Communications Operating LLC, 2016 Term Loan I, 3.50%, 1/24/23 | | 3,950 | 3,972,626 |
| CSC Holdings, LLC, 2016 Term Loan, 3.88%, 10/11/24 | | 2,155 | 2,161,745 |
| Entercom Radio, LLC, 2016 Term Loan, 4.50%, 10/25/23 | | 340 | 341,700 |
| Hemisphere Media Holdings LLC, Term Loan B, 5.00%, 7/30/20 | | 978 | 976,917 |
| Houghton Mifflin Harcourt Publishing Co., 2015 Term Loan B, 4.00%, 5/31/21 | | 1,361 | 1,344,975 |
| iHeartCommunications, Inc.: | | | |
| Extended Term Loan E, 8.03%, 7/30/19 | | 315 | 237,299 |
| Term Loan D, 7.28%, 1/30/19 | | 3,806 | 2,875,157 |
| Intelsat Jackson Holdings SA, Term Loan B2, 3.75%, 6/30/19 | | 2,317 | 2,212,928 |
| Liberty Cablevision of Puerto Rico LLC, 1st Lien Term Loan, 4.50%, 1/07/22 | | 735 | 722,748 |
| Live Nation Entertainment, Inc, Term Loan B1, 3.59%, 10/26/23 | | 296 | 295,850 |
| MCC Iowa LLC, Term Loan J, 3.75%, 6/30/21 | | 318 | 318,482 |
| Mediacom Communications Corp., Term Loan F, 2.96%, 3/31/18 | | 497 | 496,628 |
| MGOC, Inc., Term Loan B, 4.00%, 7/31/20 | | 1,251 | 1,250,486 |
| Mission Broadcasting, Inc., 2016 Term Loan B2, 3.00%, 9/26/23 | | 247 | 248,018 |
| Nexstar Broadcasting, Inc., 2016 Term Loan B, 3.85%, 9/21/23 | | 2,773 | 2,783,307 |
| Numericable Group SA, Term Loan B5, 4.56%, 7/31/22 | | 174 | 174,194 |
| Numericable U.S. LLC: | | | |
| Term Loan B10, 4.00%, 1/13/25 | | 1,610 | 1,602,401 |
| Term Loan B6, 4.75%, 2/10/23 | | 2,432 | 2,431,911 |
| Term Loan B7, 5.14%, 1/15/24 | | 746 | 752,407 |
| SBA Senior Finance II LLC, Term Loan B1, 3.34%, 3/24/21 | | 2,682 | 2,684,455 |
| Sinclair Television Group, Inc., Term Loan B, 3.00%, 4/09/20 | | 120 | 120,129 |
| Trader Corp., Term Loan, 5.00%, 9/28/23 | | 965 | 969,825 |
| Tribune Media Co., Term Loan, 3.75%, 12/27/20 | | 2,390 | 2,401,609 |
| Univision Communications, Inc., Term Loan C4, 4.00%, 3/01/20 | | 4,296 | 4,303,054 |
| UPC Financing Partnership, Term Loan AN, 4.08%, 8/31/24 | | 754 | 757,439 |
| Virgin Media Investment Holdings Ltd.: | | | |
| Term Loan E, 4.25%, 6/30/23 | GBP | 1,105 | 1,354,211 |
| Term Loan F, 3.50%, 6/30/23 | USD | 2,405 | 2,414,780 |
| **Floating Rate Loan Interests** | | **Par (000)** | **Value** |
| **Media (continued)** | | | |
| Ziggo Financing Partnership: | | | |
| Term Loan B1, 3.50%, 1/15/22 | USD | 741 | $ 740,852 |
| Term Loan B2A, 3.50%, 1/15/22 | | 444 | 444,116 |
| Term Loan B3, 3.70%, 1/15/22 | | 138 | 137,807 |
| | | | 46,101,632 |
| **Metals & Mining 0.8%** | | | |
| Ameriforge Group, Inc., 2nd Lien Term Loan, 8.75%, 12/19/20 | | 265 | 35,333 |
| FMG Resources August 2006 Property Ltd., Term Loan B, 3.75%, 6/30/19 | | 170 | 170,245 |
| Novelis, Inc., 2015 Term Loan B, 4.00%, 6/02/22 | | 2,195 | 2,200,584 |
| WireCo WorldGroup, Inc., 2016 1st Lien Term Loan, 6.50%, 7/13/23 | | 460 | 462,300 |
| | | | 2,868,462 |

| | | |
|---|---|---|
| **Multiline Retail 1.7%** | | |
| BJ s Wholesale Club, Inc.: | | |
| 1st Lien Term Loan, 4.50%, 9/26/19 | 2,161 | 2,163,244 |
| 2nd Lien Term Loan, 8.50%, 3/26/20 | 387 | 388,400 |
| Dollar Tree, Inc., Term Loan B3, 3.06%, 7/06/22 | 744 | 750,422 |
| Hudson s Bay Co., 2015 Term Loan B, 4.25%, 9/30/22 | 1,360 | 1,359,212 |
| Neiman Marcus Group, Inc., 2020 Term Loan, 4.25%, 10/25/20 | 1,109 | 1,019,177 |
| | | 5,680,455 |
| **Oil, Gas & Consumable Fuels 5.1%** | | |
| Advanced Disposal Services Inc, Term Loan, 3.50%, 11/10/23 | 613 | 613,900 |
| California Resources Corp.: | | |
| Second Out Term Loan, 11.38%, 12/31/21 | 1,575 | 1,691,156 |
| Term Loan A, 3.53%, 10/01/19 | 1,047 | 1,012,227 |
| Chesapeake Energy Corp., Term Loan, 8.50%, 8/23/21 | 2,025 | 2,162,995 |
| CITGO Holding, Inc., 2015 Term Loan B, 9.50%, 5/12/18 | 652 | 659,480 |
| Drillships Financing Holding, Inc., Term Loan B1, 6.00%, 3/31/21 | 629 | 320,789 |
| Energy Transfer Equity LP, Term Loan: | | |
| 2015, 4.04%, 12/02/19 | 642 | 642,116 |
| 3.29%, 12/02/19 | 120 | 118,980 |
| EWT Holdings III Corp., 1st Lien Term Loan, 4.75%, 1/15/21 | 1,021 | 1,023,678 |
| Green Energy Partners/Stonewall LLC, Term Loan B1, 6.50%, 11/13/21 | 545 | 528,650 |
| MEG Energy Corp., Refinancing Term Loan, 3.75%, 3/31/20 | 1,948 | 1,834,637 |
| Panda Patriot LLC, Term Loan B1, 6.75%, 12/19/20 | 849 | 828,659 |
| Power Buyer LLC, 1st Lien Term Loan, 4.25%, 5/06/20 | 306 | 305,482 |
| PowerTeam Services LLC, 2nd Lien Term Loan, 8.25%, 11/06/20 | 285 | 283,575 |
| Samchully Midstream 3 LLC, Term Loan B, 5.75%, 10/20/21 | 875 | 833,797 |
| Seventy Seven Operating LLC, Term Loan B, 3.89%, 6/25/20 | 159 | 146,568 |
| Southcross Energy Partners LP, 1st Lien Term Loan, 5.25%, 8/04/21 | 33 | 26,431 |
| Southcross Holdings Borrower LP, Exit Term Loan B, 3.50%, 4/13/23 | 58 | 48,076 |
| Stonewall Gas Gathering LLC, Term Loan B, 8.75%, 1/28/22 | 483 | 491,061 |
| TPF II Power LLC, Term Loan B, 5.00%, 10/02/21 | 1,226 | 1,237,153 |
| Ultra Resources, Inc., Revolver, 4.61%, 4/06/17 (a)(d) | 754 | 730,249 |
| Veresen Midstream Limited Partnership, Term Loan B1, 5.25%, 3/31/22 | 1,685 | 1,676,275 |
| | | 17,215,934 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Floating Rate Loan Interests | | Par (000) | Value |
|---|---|---|---|
| **Personal Products 0.9%** | | | |
| Prestige Brands, Inc., Term Loan B3, 3.50%, 9/03/21 | USD | 1,360 | $ 1,367,078 |
| Revlon Consumer Products Corp., 2016 Term Loan B, 4.25%, 9/07/23 | | 1,850 | 1,853,274 |
| | | | 3,220,352 |
| **Pharmaceuticals 5.5%** | | | |
| Akorn, Inc., Term Loan B, 5.25%, 4/16/21 | | 1,535 | 1,544,897 |
| CCC Information Services, Inc., Term Loan, 4.00%, 12/20/19 | | 501 | 500,030 |
| DPx Holdings BV, 2014 Incremental Term Loan, 4.25%, 3/11/21 | | 3,736 | 3,737,593 |
| Endo Luxembourg Finance Co. I Sarl, 2015 Term Loan B, 3.75%, 9/26/22 | | 858 | 856,645 |
| Grifols Worldwide Operations USA, Inc., Term Loan B, 3.46%, 2/27/21 | | 2,566 | 2,586,685 |
| Jaguar Holding Co. II, 2015 Term Loan B, 4.25%, 8/18/22 | | 3,926 | 3,919,227 |
| NBTY, Inc., Term Loan B, 5.00%, 5/05/23 | | 1,079 | 1,081,761 |
| Valeant Pharmaceuticals International, Inc.: | | | |
| Series A3 Tranche A, 4.29%, 10/20/18 | | 278 | 277,123 |
| Series C2 Term Loan B, 5.25%, 12/11/19 | | 2,924 | 2,917,479 |
| Series D2 Term Loan B, 5.00%, 2/13/19 | | 415 | 413,317 |
| Series E Term Loan B, 5.25%, 8/05/20 | | 669 | 666,457 |
| Series F1 Term Loan B, 5.60%, 4/01/22 | | 325 | 323,781 |
| | | | 18,824,995 |
| **Professional Services 2.8%** | | | |
| Acosta Holdco, Inc., 2015 Term Loan, 4.25%, 9/26/21 | | 371 | 356,186 |
| Advantage Sales & Marketing, Inc.: | | | |
| 2014 1st Lien Term Loan, 4.25%, 7/23/21 | | 688 | 681,229 |
| 2014 2nd Lien Term Loan, 7.50%, 7/25/22 | | 267 | 252,204 |
| Emdeon Business Services LLC, Term Loan B2, 3.75%, 11/02/18 | | 1,735 | 1,738,529 |
| SIRVA Worldwide, Inc., Term Loan, 7.50%, 3/27/19 | | 1,058 | 1,050,292 |
| Sterling Infosystems, Inc., 1st Lien Term Loan B, 5.75%, 6/20/22 | | 1,002 | 996,561 |
| TransUnion LLC, Term Loan B2, 3.50%, 4/09/21 | | 4,484 | 4,495,353 |
| | | | 9,570,354 |
| **Real Estate Investment Trusts (REITs) 1.4%** | | | |
| Communications Sales & Leasing, Inc., Term Loan B, 4.50%, 10/24/22 | | 1,463 | 1,468,256 |
| MGM Growth Properties LLC, 2016 Term Loan B, 4.00%, 4/25/23 | | 3,344 | 3,349,836 |
| | | | 4,818,092 |
| **Real Estate Management & Development 1.5%** | | | |
| CityCenter Holdings LLC, Term Loan B, 4.25%, 10/16/20 | | 1,319 | 1,325,428 |
| DTZ U.S. Borrower LLC, 2015 1st Lien Term Loan, 4.25%, 11/04/21 | | 1,151 | 1,148,102 |
| Realogy Corp.: | | | |
| 2016 Term Loan B, 3.75%, 7/20/22 | | 1,919 | 1,933,996 |
| Term Loan A, 2.53%, 10/23/20 | | 673 | 669,727 |
| | | | 5,077,253 |
| **Road & Rail 0.2%** | | | |
| Road Infrastructure Investment LLC, 2016 1st Lien Term Loan, 5.00%, 6/13/23 | | 770 | 774,335 |
| **Semiconductors & Semiconductor Equipment 2.8%** | | | |
| Avago Technologies Cayman Ltd., Term Loan B3, 3.53%, 2/01/23 | | 5,373 | 5,425,919 |
| Cavium, Inc., Term Loan B, 3.75%, 8/16/22 | | 575 | 576,437 |
| Microsemi Corp., 2015 Term Loan B, 3.75%, 1/15/23 | | 272 | 274,056 |
| **Floating Rate Loan Interests** | | **Par (000)** | **Value** |
| **Semiconductors & Semiconductor Equipment (continued)** | | | |
| NXP B.V., Term Loan F, 3.41%, 12/07/20 | USD | 2,713 | $ 2,720,974 |
| ON Semiconductor Corp., Incremental Term Loan, 3.78%, 3/31/23 | | 660 | 663,630 |
| | | | 9,661,016 |
| **Software 8.7%** | | | |

| | | |
|---|---|---|
| BMC Software Finance, Inc., Term Loan, 5.00%, 9/10/20 | 1,655 | 1,629,058 |
| DTI Holdco, Inc., 2016 Term Loan B, 6.25%, 9/21/23 | 960 | 950,698 |
| Infor US, Inc., Term Loan B5, 3.75%, 6/03/20 | 2,292 | 2,284,238 |
| Informatica Corp., Term Loan, 4.50%, 8/05/22 | 2,502 | 2,454,148 |
| IQOR US, Inc., Term Loan B, 6.00%, 4/01/21 | 454 | 418,655 |
| Kronos, Inc.: | | |
| 1st Lien Term Loan, 5.00%, 10/04/23 | 2,835 | 2,846,283 |
| 2nd Lien Term Loan, 9.75%, 4/30/20 | 1,088 | 1,100,210 |
| 2nd Lien Term Loan, 9.25%, 10/04/24 | 1,045 | 1,076,204 |
| Initial Incremental Term Loan, 4.50%, 10/30/19 | 1,275 | 1,279,854 |
| Landslide Holdings, Inc., 2016 1st Lien Term Loan, 5.50%, 9/27/22 | 660 | 664,950 |
| Mitchell International, Inc.: | | |
| 1st Lien Term Loan, 4.50%, 10/13/20 | 1,310 | 1,304,594 |
| 2nd Lien Term Loan, 8.50%, 10/11/21 | 1,000 | 986,250 |
| RP Crown Parent LLC, 2016 Term Loan B, 4.50%, 10/12/23 | 1,365 | 1,364,229 |
| SolarWinds, Inc., 2016 Term Loan, 5.50%, 2/05/23 | 1,995 | 2,003,977 |
| Solera LLC, Term Loan B, 5.75%, 3/03/23 | 597 | 603,251 |
| Sophia LP, 2015 Term Loan B, 4.75%, 9/30/22 | 1,464 | 1,465,614 |
| SS&C Technologies, Inc.: | | |
| 2015 Term Loan B1, 4.00%, 7/08/22 | 2,946 | 2,966,811 |
| 2015 Term Loan B2, 4.00%, 7/08/22 | 358 | 360,822 |
| Tibco Software Inc., Term Loan B, 6.50%, 12/04/20 | 1,042 | 1,042,138 |
| Vertafore, Inc., 2016 1st Lien Term Loan, 4.75%, 6/30/23 | 2,965 | 2,973,806 |
| | | 29,775,790 |
| **Specialty Retail 2.6%** | | |
| Academy Ltd., 2015 Term Loan B, 5.00%, 7/01/22 | 702 | 680,428 |
| Aspen Merger Sub Inc, 1st Lien Term Loan, 5.25%, 9/27/23 | 500 | 504,585 |
| Equinox Holdings, Inc., Repriced Term Loan B, 5.00%, 1/31/20 | 788 | 792,659 |
| Leslie s Poolmart, Inc., 2016 Term Loan, 5.25%, 8/16/23 | 745 | 749,656 |
| Michaels Stores, Inc., 2016 Term Loan B1, 3.75%, 1/27/23 | 2,719 | 2,738,765 |
| Party City Holdings, Inc., Term Loan B, 4.49%, 8/19/22 | 1,753 | 1,757,014 |
| Petco Animal Supplies, Inc.: | | |
| 2016 Term Loan B1, 5.00%, 1/26/23 | 506 | 510,209 |
| 2016 Term Loan B2, 5.14%, 1/26/23 | 993 | 1,000,251 |
| Things Remembered, Inc., 2016 Term Loan, 1.00%, 2/29/20 | 556 | 239,198 |
| | | 8,972,765 |
| **Technology Hardware, Storage & Peripherals 0.6%** | | |
| Dell Inc., 2016 Term Loan B, 4.00%, 9/07/23 | 1,595 | 1,605,894 |
| Linxens France SA, Term Loan, 5.00%, 10/14/22 | 476 | 476,400 |
| | | 2,082,294 |
| **Textiles, Apparel & Luxury Goods 0.6%** | | |
| Ascend Performance Materials LLC, Term Loan B, 6.50%, 8/12/22 | 1,493 | 1,486,857 |
| J. Crew Group, Inc., Term Loan B, 4.00%, 3/05/21 | 209 | 159,018 |
| Samsonite International SA, Term Loan B, 4.00%, 5/12/23 | 305 | 307,669 |
| | | 1,953,544 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Floating Rate Loan Interests | | Par (000) | Value |
|---|---|---|---|
| **Thrifts & Mortgage Finance 0.5%** | | | |
| IG Investment Holdings LLC, Term Loan B, 6.00%, 10/29/21 | USD | 1,698 | $ 1,712,807 |
| **Trading Companies & Distributors 1.2%** | | | |
| Beacon Roofing Supply, Inc., Term Loan B, 3.50%, 10/01/22 | | 867 | 869,083 |
| HD Supply, Inc.: | | | |
| Incremental Term Loan B1, 3.59%, 8/13/21 | | 2,302 | 2,303,945 |
| Incremental Term Loan B2, 3.63%, 10/17/23 | | 625 | 625,394 |
| Nexeo Solutions LLC, 2016 Term Loan, 5.25%, 6/09/23 | | 155 | 155,579 |
| | | | 3,954,001 |
| **Transportation 0.2%** | | | |
| Gruden Acquisition, Inc., 1st Lien Term Loan, 5.75%, 8/18/22 | | 774 | 692,222 |
| **Wireless Telecommunication Services 2.8%** | | | |
| Ligado Networks LLC, PIK Exit Term Loan (9.75% PIK), 9.75%, 6/15/20 (a)(d)(e) | | 4,672 | 4,347,859 |
| LTS Buyer LLC: | | | |
| 1st Lien Term Loan, 4.09%, 4/13/20 | | 3,001 | 3,004,190 |
| 2nd Lien Term Loan, 8.00%, 4/12/21 | | 548 | 548,137 |
| T-Mobile USA, Inc., Term Loan B, 3.50%, 11/09/22 | | 1,695 | 1,707,307 |
| | | | 9,607,493 |
| **Total Floating Rate Loan Interests 139.6%** | | | 475,798,578 |

| Investment Companies | Shares | |
|---|---|---|
| **Capital Markets 0.4%** | | |
| Eaton Vance Floating-Rate Income Trust | 34 | 490 |
| Eaton Vance Senior Income Trust | 8,925 | 57,031 |
| iShares iBoxx $ High Yield Corporate Bond ETF (f) | 16,868 | 1,450,985 |
| | | 1,508,506 |
| **Total Investment Companies 0.4%** | | 1,508,506 |

| Non-Agency Mortgage-Backed Securities | | Par (000) | |
|---|---|---|---|
| **Collateralized Mortgage Obligations 0.2%** | | | |
| Hilton USA Trust, Series 2013-HLT, Class EFX, 4.60%, 11/05/30 (b)(c) | USD | 598 | 597,971 |

| Other Interests (g) | | Beneficial Interest (000) | Value |
|---|---|---|---|
| **Auto Components 0.0%** | | | |
| Lear Corp. Escrow | USD | 500 | $ 5 |
| **Construction Materials 0.1%** | | | |
| USI Senior Holdings | | 8 | 242,024 |
| **Total Other Interests 0.1%** | | | 242,029 |

| Warrants | Shares | |
|---|---|---|
| **Chemicals 0.0%** | | |
| British Vita Holdings Co. (Non-Expiring) | 166 | |
| **Software 0.0%** | | |
| Bankruptcy Management Solutions, Inc.: | | |
| Expires 7/01/18 | 181 | 1,493 |
| Expires 7/01/19 | 195 | 731 |
| Expires 7/01/20 | 292 | 803 |
| | 1,501 | 1,323 |

| | | |
|---|---|---|
| HMH Holdings/EduMedia (Issued/exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 6/22/19, Strike Price $42.27) | | 4,350 |
| **Total Warrants 0.0%** | | 4,350 |
| **Total Long-Term Investments (Cost $508,069,013) 149.1%** | | 508,108,981 |
| **Short-Term Securities** | | |
| BlackRock Liquidity Funds, T-Fund, Institutional Class, 0.22% (f)(h) | 7,275,589 | 7,275,589 |
| **Total Short-Term Securities (Cost $7,275,589) 2.1%** | | 7,275,589 |
| **Options Purchased (Cost $25,422) 0.0%** | | |
| **Total Investments (Cost $515,370,024) 151.2%** | | 515,384,570 |
| **Liabilities in Excess of Other Assets (51.2)%** | | (174,440,476) |
| **Net Assets 100.0%** | | $ 340,944,094 |

**Notes to Schedule of Investments**

(a) Non-Income producing security.

(b) Variable rate security. Rate as of period end.

(c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(d) Issuer filed for bankruptcy and/or is in default.

(e) Payment-in-kind security which may pay interest/dividends in additional par/shares and/or in cash. Rates shown are the current rate and possible payment rates.

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

(f) During the year ended October 31, 2016, investments in issuers considered to be affiliates of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at October 31, 2015 | Shares Purchased | Shares Sold | Shares Held at October 31, 2016 | Value at October 31, 2016 | Income |
|---|---|---|---|---|---|---|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 1,094,113 | | (1,094,113)[1] | | | $ 1,322 |
| BlackRock Liquidity Funds, T-Fund, Institutional Class | | 7,275,589[2] | | $ 7,275,589 | $ 7,275,589 | 260 |
| iShares iBoxx $ High Yield Corporate Bond ETF | | 16,868 | | 16,868 | 1,450,985 | 18,254 |
| **Total** | | | | | $ 8,726,574 | $ 19,836 |

[1] Represents net shares sold.
[2] Represents net shares purchased.

(g) Other interests represent beneficial interests in liquidation trusts and other reorganization or private entities.

(h) Current yield as of period end.

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

**Derivative Financial Instruments Outstanding as of Period End**

**Forward Foreign Currency Exchange Contracts**

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|
| USD | 1,030,065 | CAD | 1,352,000 | JPMorgan Chase Bank N.A. | 11/03/16 | $ 22,073 |
| USD | 83,065 | EUR | 74,000 | Royal Bank of Scotland PLC | 11/03/16 | 1,828 |
| USD | 1,436,576 | GBP | 1,107,000 | Nomura International PLC | 11/03/16 | 81,582 |
| USD | 1,004,515 | CAD | 1,346,000 | BNP Paribas S.A. | 12/05/16 | 779 |
| USD | 78,904 | EUR | 72,000 | Goldman Sachs International | 12/05/16 | (241) |
| USD | 1,317,218 | GBP | 1,083,000 | Royal Bank of Scotland PLC | 12/05/16 | (9,268) |
| **Total** | | | | | | $ 96,753 |

**OTC Options Purchased**

| Description | Put/ Call | Counterparty | Expiration Date | Strike Price | Contracts | Value |
|---|---|---|---|---|---|---|
| Marsico Parent Superholdco LLC | Call | Goldman Sachs & Co. | 12/14/19 | USD 942.86 | USD 26 | |

**OTC Total Return Swaps**

| Reference Entity | Fixed Rate Floating Rate | Counterparty | Effective Date | Expiration Date | Notional Amount (000) | Value | Premiums Paid (Received) | Unrealized Appreciation |
|---|---|---|---|---|---|---|---|---|
| IBoxx USD Liquid High Yield Index | 3-Month LIBOR[1] | JPMorgan Chase Bank N.A. | N/A | 12/20/16 | USD 345 | $ 20,215 | | $ 20,215 |

[1] Trust pays the floating rate and receives the total return of the reference entity.

**Derivative Financial Instruments Categorized by Risk Exposure**

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|---|
| Forward foreign currency exchange contracts | Unrealized appreciation on forward foreign currency exchange contracts | | | | $ 106,262 | | | $ 106,262 |
| Swaps OTC | Unrealized appreciation on OTC swaps | | | | | $ 20,215 | | 20,215 |
| **Total** | | | | | $ 106,262 | $ 20,215 | | $ 126,477 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Liabilities | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|---|
| Forward foreign currency exchange contracts | Unrealized depreciation on forward foreign currency exchange contracts | | | | $ 9,509 | | | $ 9,509 |

For the year ended October 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|
| Forward foreign currency exchange contracts | | | | $ 286,497 | | | $ 286,497 |
| Swaps | | $ (15,862) | | | $ (881) | | (16,743) |
| **Total** | | $ (15,862) | | $ 286,497 | $ (881) | | $ 269,754 |
| **Net Change in Unrealized Appreciation (Depreciation) on:** | | | | | | | |
| Forward foreign currency exchange contracts | | | | $ 85,697 | | | $ 85,697 |
| Swaps | | | | | $ 20,215 | | 20,215 |
| **Total** | | | | $ 85,697 | $ 20,215 | | $ 105,912 |

**Average Quarterly Balances of Outstanding Derivative Financial Instruments**

| | |
|---|---|
| Forward foreign currency exchange contracts: | |
| Average amounts purchased in USD | $ 7,112,173 |
| Average amounts sold in USD | $ 83,919 |
| Credit default swaps: | |
| Average notional value buy protection | $ 400,000 |
| Total return swaps: | |
| Average notional value | $ 258,750 |

For more information about the Trust s investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

**Derivative Financial Instruments Offsetting as of Period End**

The Trust s derivative assets and liabilities (by type) were as follows:

| | Assets | Liabilities |
|---|---|---|
| Forward foreign currency exchange contracts | $ 106,262 | $ 9,509 |
| Swaps OTC | 20,215 | |
| Total derivative assets and liabilities in the Statements of Assets and Liabilities | $ 126,477 | $ 9,509 |

Derivatives not subject to a Master Netting Agreement or similar agreement ( MNA )

| | | |
|---|---|---|
| Total derivative assets and liabilities subject to an MNA | $ 126,477 | $ 9,509 |

[1] Includes unrealized appreciation (depreciation) on OTC swaps and swap premiums paid/received in the Statements of Assets and Liabilities.

The following table presents the Trust s derivative assets and liabilities by counterparty net of amounts available for offset under an MNA and net of the related collateral received and pledged by the Trust:

| Counterparty | Derivative Assets Subject to an MNA by Counterparty | Derivatives Available for Offset[1] | Non-cash Collateral Received | Cash Collateral Received | Net Amount of Derivative Assets[2] |
|---|---|---|---|---|---|
| BNP Paribas S.A. | $ 779 | | | | $ 779 |
| JPMorgan Chase Bank N.A. | 42,288 | | | | 42,288 |
| Nomura International PLC | 81,582 | | | | 81,582 |
| Royal Bank of Scotland PLC | 1,828 | $ (1,828) | | | |
| **Total** | $ 126,477 | $ (1,828) | | | $ 124,649 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Floating Rate Income Trust (BGT)**

| Counterparty | Derivative Liabilities Subject to an MNA by Counterparty | Derivatives Available for Offset | Non-cash Collateral Pledged | Cash Collateral Pledged | Net Amount of Derivative Liabilities[3] |
|---|---|---|---|---|---|
| Goldman Sachs International | $ 241 | | | | $ 241 |
| Royal Bank of Scotland PLC | 9,268 | $ (1,828) | | | 7,440 |
| **Total** | $ 9,509 | $ (1,828) | | | $ 7,681 |

[1] The amount of derivatives available for offset is limited to the amount of derivative assets and/or liabilities that are subject to an MNA.
[2] Net amount represents the net amount receivable from the counterparty in the event of default.
[3] Net amount represents the net amount payable due to the counterparty in the event of default.

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments. For information about the Trust s policy regarding valuation of investments, refer to the Notes to Financial Statements.

The following tables summarize the Trust s investments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets:** | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | | $ 6,354,166 | $ 1,497,774 | $ 7,851,940 |
| Common Stocks | $ 436,346 | 16,084 | 1,232,177 | 1,684,607 |
| Corporate Bonds | | 20,407,920 | 13,080 | 20,421,000 |
| Floating Rate Loan Interests | | 453,371,002 | 22,427,576 | 475,798,578 |
| Investment Companies | 1,508,506 | | | 1,508,506 |
| Non-Agency Mortgage-Backed Securities | | 597,971 | | 597,971 |
| Other Interests | | 242,024 | 5 | 242,029 |
| Warrants | | | 4,350 | 4,350 |
| Options Purchased | | | | |
| Unfunded Floating Rate Loan Interests[1] | | 3,211 | | 3,211 |
| Short-Term Securities | 7,275,589 | | | 7,275,589 |
| **Total** | $ 9,220,441 | $ 480,992,378 | $ 25,174,962 | $ 515,387,781 |
| | | | | |
| Derivative Financial Instruments [2] | | | | |
| **Assets:** | | | | |
| Foreign currency contracts | | $ 106,262 | | $ 106,262 |
| Interest rate contracts | | 20,215 | | 20,215 |
| **Liabilities:** | | | | |
| Foreign currency contracts | | (9,509) | | (9,509) |
| **Total** | | $ 116,968 | | $ 116,968 |

[1] Unfunded floating rate loan interests are valued at the unrealized appreciation (depreciation) on the commitment.
[2] Derivative financial instruments are swaps and forward foreign currency exchange contracts, which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets:** | | | | |
| Foreign currency at value | $ 37,360 | | | $ 37,360 |
| Cash | 1,061,042 | | | 1,061,042 |
| **Liabilities:** | | | | |
| Bank borrowings payable | | $ (148,000,000) | | (148,000,000) |
| **Total** | $ 1,098,402 | $ (148,000,000) | | $ (146,901,598) |

During the year ended October 31, 2016, there were no transfers between Level 1 and Level 2.

See Notes to Financial Statements.

# Schedule of Investments (concluded)

**BlackRock Floating Rate Income Trust (BGT)**

A reconciliation of Level 3 investments is presented when the Trust had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

| | Common Stocks | Asset-Backed Securities | Corporate Bonds | Floating Rate Loan Interests | Other Interests | Warrants | Total |
|---|---|---|---|---|---|---|---|
| **Assets:** | | | | | | | |
| Opening Balance, as of October 31, 2015 | $ 242,024 | $ 4,308,660 | $ 584,504 | $ 20,360,572 | $ 173,792 | $ 8,643 | $ 25,678,195 |
| Transfers into Level 3[1] | | 248,783 | | 7,212,173 | | | 7,460,956 |
| Transfers out of Level 3[2] | | (1,211,028) | (584,504) | (5,976,292) | (169,417) | | (7,941,241) |
| Accrued discounts/premiums | | 2,196 | | 46,841 | | | 49,037 |
| Net realized gain (loss) | | (186,454) | | (983,469) | | | (1,169,923) |
| Net change in unrealized appreciation (depreciation)[3,4] | 983,889 | 59,673 | 13,080 | 503,396 | (4,370) | (4,293) | 1,551,375 |
| Purchases | 6,264 | 959,447 | | 9,423,848 | | | 10,389,559 |
| Sales | | (2,683,503) | | (8,159,493) | | | (10,842,996) |
| **Closing Balance, as of October 31, 2016** | $ 1,232,177 | $ 1,497,774 | $ 13,080 | $ 22,427,576 | $ 5 | $ 4,350 | $ 25,174,962 |
| Net change in unrealized appreciation/depreciation on investments still held at October 31, 2016[4] | $ 983,889 | $ 40,997 | $ 13,080 | $ 142,791 | $ (4,370) | $ (4,293) | $ 1,172,094 |

[1] As of October 31, 2015, the Trust used observable inputs in determining the value of certain investments. As of October 31, 2016, the Trust used significant unobservable inputs in determining the value of the same investments. As a result, investments at beginning of period value were transferred from Level 2 to Level 3 in the disclosure hierarchy.

[2] As of October 31, 2015, the Trust used significant unobservable inputs in determining the value of certain investments. As of October 31, 2016, the Trust used observable inputs in determining the value of the same investments. As a result, investments at beginning of period value were transferred from Level 3 to Level 2 in the disclosure hierarchy.

[3] Included in the related net change in unrealized appreciation (depreciation) in the Statement of Operations.

[4] Any difference between net change in unrealized appreciation (depreciation) on investments still held at October 31, 2016 is generally due to investments no longer held or categorized as Level 3 at period end.

The Trust s investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information could result in a significantly lower or higher value of such Level 3 investments.

See Notes to Financial Statements.

# Consolidated Schedule of Investments October 31, 2016

**BlackRock Multi-Sector Income Trust (BIT)**

**(Percentages shown are based on Net Assets)**

| Common Stocks | Shares | Value |
|---|---|---|
| **Aerospace & Defense 0.4%** | | |
| United Technologies Corp. | 25,650 | $ 2,621,430 |
| **Oil, Gas & Consumable Fuels 0.0%** | | |
| Denbury Resources, Inc. | 43,560 | 103,935 |
| **Real Estate Investment Trusts (REITs) 0.0%** | | |
| Ovation Acquisition I LLC, (Acquired 12/28/15, cost $8,635) (a) | 561 | 561 |
| **Total Common Stocks 0.4%** | | 2,725,926 |

| Asset-Backed Securities | | Par (000) | |
|---|---|---|---|
| **Asset-Backed Securities 30.4%** | | | |
| ACE Securities Corp. Home Equity Loan Trust, Series 2006-HE1, Class A2D, 0.83%, 2/25/36 (b) | USD | 6,190 | 5,643,961 |
| Adirondack Park CLO Ltd., Series 2013-1A, Class E, 5.53%, 4/15/24 (b)(c) | | 2,000 | 1,793,775 |
| ALM Loan Funding, Series 2013-7RA, Class D, 5.88%, 4/24/24 (b)(c) | | 1,000 | 938,724 |
| ALM VI Ltd., Series 2012-6A (b)(c)(d): | | | |
| Class B2R, 3.48%, 7/15/26 | | 1,300 | 1,296,111 |
| Class CR, 4.43%, 7/15/26 | | 1,000 | 996,900 |
| ALM XIV Ltd., Series 2014-14A, Class C, 4.34%, 7/28/26 (b)(c) | | 3,610 | 3,522,137 |
| American Homes 4 Rent, Series 2014-SFR2, Class E, 6.23%, 10/17/36 (c) | | 2,000 | 2,193,923 |
| AMMC CDO (b)(c): | | | |
| Series 2015-16A, Class C, 3.98%, 4/14/27 | | 1,250 | 1,253,523 |
| Series 2016-1A, Class E, 7.88%, 10/15/28 (e) | | 1,000 | 934,500 |
| AMMC CLO IX, Ltd., Series 2011-9A, Class ER, 8.53%, 1/15/22 (b)(c) | | 1,000 | 1,002,143 |
| AMMC CLO XII Ltd., Series 2013-12A, Class D1, 4.56%, 5/10/25 (b)(c)(d) | | 1,000 | 980,494 |
| Anchorage Capital CLO 2012-1, Ltd., Series 2012-1A, Class DR, 8.12%, 1/13/27 (b)(c) | | 1,000 | 962,900 |
| Anchorage Capital CLO 3 Ltd., Series 2014-3A, Class BR, 3.51%, 4/28/26 (b)(c) | | 1,000 | 1,000,000 |
| Anchorage Capital CLO 6 Ltd., Series 2015-6A (b)(c): | | | |
| Class C, 3.73%, 4/15/27 | | 700 | 701,960 |
| Class D, 4.28%, 4/15/27 | | 1,000 | 959,524 |
| Apidos CDO, Series 2012-9AR, Class CR, 3.78%, 7/15/23 (b)(c) | | 1,250 | 1,250,097 |
| Apidos CLO XII, Series 2013-12A, Class D, 3.93%, 4/15/25 (b)(c)(d) | | 1,000 | 949,381 |
| Ares CLO Ltd., Series 2015-1A, Class D, 7.07%, 12/05/25 (b)(c) | | 1,000 | 922,500 |
| Atrium X, Series 10A (b)(c): | | | |
| Class D, 4.38%, 7/16/25 (d) | | 1,000 | 975,555 |
| Class E, 5.38%, 7/16/25 | | 2,000 | 1,768,733 |
| Bear Stearns Asset-Backed Securities I Trust, Series 2006-HE9, Class 2A, 0.67%, 11/25/36 (b) | | 5,163 | 4,453,303 |
| Benefit Street Partners CLO II Ltd., Series 2013-IIA, Class C, 4.38%, 7/15/24 (b)(c)(d) | | 1,750 | 1,679,116 |
| Benefit Street Partners CLO VI Ltd., Series 2015-VIA (b)(c): | | | |
| Class B, 3.93%, 4/18/27 (d) | | 1,000 | 1,002,500 |
| Class C, 4.58%, 4/18/27 | | 1,000 | 959,134 |

| Asset-Backed Securities | | Par (000) | Value |
|---|---|---|---|
| **Asset-Backed Securities (continued)** | | | |
| Betony CLO Ltd., Series 2015-1A, Class D, 4.48%, 4/15/27 (b)(c) | USD | 1,000 | $ 916,786 |
| C-BASS Trust, Series 2006-CB7, Class A4, 0.69%, 10/25/36 (b) | | 8,548 | 5,763,047 |
| Carlyle Global Market Strategies CLO Ltd. (b)(c)(d): | | | |
| Series 2012-1AR, Class DR, 4.63%, 4/20/22 | | 1,000 | 1,000,617 |
| Series 2013-2A, Class D, 4.63%, 4/18/25 | | 1,250 | 1,244,302 |
| Carrington Mortgage Loan Trust, Series 2006-FRE2 (b): | | | |
| Class A2, 0.65%, 10/25/36 | | 5,977 | 3,596,616 |
| Class A5, 0.61%, 10/25/36 | | 12,314 | 7,369,755 |
| CIFC Funding Ltd. (b)(c): | | | |

| | | |
|---|---|---|
| Series 2012-1AR, Class B1R, 4.46%, 8/14/24 (d) | 2,000 | 2,000,017 |
| Series 2014-3A, Class D, 4.28%, 7/22/26 | 480 | 455,123 |
| DCP Rights LLC, Series 2014-1A, Class A, 5.46%, 10/25/44 (c) | 3,642 | 3,568,888 |
| Flatiron CLO Ltd., Series 2012-1A, Class CR, 5.35%, 10/25/21 (b)(c) | 1,375 | 1,375,000 |
| Fremont Home Loan Trust, Class 2A3 (b): | | |
| Series 2006-A, 0.69%, 5/25/36 | 25,762 | 15,608,044 |
| Series 2006-D, 0.68%, 11/25/36 | 23,247 | 10,230,860 |
| GoldenTree Loan Opportunities VII Ltd., Series 2013-7A, Class D, 4.18%, 4/25/25 (b)(c) | 1,250 | 1,207,415 |
| GSAMP Trust (b): | | |
| Series 2006-FM2, Class A2C, 0.68%, 9/25/36 | 11,745 | 5,545,023 |
| Series 2007-FM2, Class A2B, 0.62%, 1/25/37 | 8,227 | 5,125,816 |
| Highbridge Loan Management Ltd. (b)(c): | | |
| Series 4A-2014, Class B, 3.89%, 7/28/25 | 2,000 | 2,000,494 |
| Series 8A-2016, Class E, 8.78%, 4/20/27 | 1,000 | 998,393 |
| Home Equity Mortgage Loan Asset-Backed Trust, Series 2006-E, Class 2A3, 0.70%, 4/25/37 (b) | 13,587 | 9,171,893 |
| LCM XVI LP, Series 16A, Class E, 5.48%, 7/15/26 (b)(c) | 1,000 | 865,147 |
| Lehman ABS Manufactured Housing Contract Trust, Series 2001-B, Class M2, 7.17%, 4/15/40 (b) | 5,991 | 4,443,186 |
| Long Beach Mortgage Loan Trust, Series 2006-1, Class 1A, 0.75%, 2/25/36 (b) | 6,134 | 5,377,764 |
| Madison Park Funding IX Ltd., Series 2012-9AR, Class C1R, 3.67%, 8/15/22 (b)(c)(d) | 1,000 | 1,000,397 |
| Madison Park Funding Ltd., Series 2012-8X, Class E, 6.23%, 4/22/22 (b) | 3,000 | 2,995,240 |
| Madison Park Funding X Ltd., Series 2012-10A, Class ER, 8.46%, 1/20/29 (b)(c) | 1,000 | 979,800 |
| Madison Park Funding XV Ltd., Series 2014-15A, Class B1, 4.14%, 1/27/26 (b)(c) | 1,600 | 1,601,298 |
| Madison Park Funding XVI Ltd., Series 2015-16A (b)(c)(d): | | |
| Class B, 3.88%, 4/20/26 | 1,000 | 1,002,800 |
| Class C, 4.58%, 4/20/26 | 1,000 | 985,141 |
| Mastr Asset-Backed Securities Trust (b): | | |
| Series 2006-HE2, Class A3, 0.68%, 6/25/36 | 11,526 | 6,391,680 |
| Series 2006-WMC2, Class A5, 0.78%, 4/25/36 | 8,823 | 3,909,728 |
| Morgan Stanley IXIS Real Estate Capital Trust, Series 2006-2, Class A3, 0.68%, 11/25/36 (b) | 14,673 | 6,846,959 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Asset-Backed Securities | | Par (000) | Value |
|---|---|---|---|
| **Asset-Backed Securities (continued)** | | | |
| Octagon Investment Partners XIV Ltd., Series 2012-1A, Class C, 4.88%, 1/15/24 (b)(c)(d) | USD | 1,000 | $ 999,965 |
| Octagon Investment Partners XXI Ltd., Series 2014-1A, Class C, 4.47%, 11/14/26 (b)(c) | | 1,000 | 971,915 |
| OHA Credit Partners VII Ltd., Series 2012-7A, Class D, 4.81%, 11/20/23 (b)(c)(d) | | 3,000 | 2,999,816 |
| OneMain Financial Issuance Trust, Series 2015-2A, Class C, 4.32%, 7/18/25 (c) | | 5,000 | 4,950,219 |
| OZLM Funding II Ltd., Series 2012-2A (b)(c): | | | |
| Class CR, 4.87%, 10/30/27 | | 1,250 | 1,239,250 |
| Class DR, 8.17%, 10/30/27 | | 1,250 | 1,203,250 |
| OZLM Funding IV Ltd., Series 2013-4A, Class C, 4.08%, 7/22/25 (b)(c)(d) | | 1,250 | 1,202,706 |
| Pretium Mortgage Credit Partners LLC, Series 2016-NPL3, Class A1, 4.38%, 5/27/31 (c)(f) | | 6,361 | 6,422,122 |
| Race Point CLO Ltd., Series 2011-5AR, Class ER, 6.34%, 12/15/22 (b)(c) | | 1,500 | 1,500,177 |
| Renaissance Home Equity Loan Trust, Series 2007-3, Class AF2, 7.00%, 9/25/37 (f) | | 4,554 | 2,785,565 |
| Saxon Asset Securities Trust, Series 2007-3, Class 2A3, 0.93%, 9/25/47 (b) | | 5,000 | 3,819,991 |
| Scholar Funding Trust, Series 2013-A, Class R, 0.00% | | (g) | 2,849,898 |
| SMB Private Education Loan Trust, Series 2015-C, Class C, 4.50%, 9/17/46 (c) | | 4,100 | 4,090,266 |
| Sound Point CLO X Ltd., Series 2015-3A, Class E, 7.63%, 1/20/28 (b)(c) | | 1,000 | 942,676 |
| Sound Point CLO XIV Ltd, Series 2016-3A, Class E, 7.53%, 1/23/29 (b)(c)(e) | | 1,000 | 918,100 |
| Symphony CLO XV Ltd., Series 2014-15A, Class D, 4.63%, 10/17/26 (b)(c) | | 3,500 | 3,470,109 |
| TICP CLO I Ltd., Series 2015-1A, Class C, 3.88%, 7/20/27 (b)(c) | | 1,000 | 988,238 |
| Treman Park CLO LLC, Series 2015-1A, Class D, 4.74%, 4/20/27 (b)(c) | | 1,500 | 1,478,803 |
| Tyron Park CLO Ltd., Series 2013-1A (b)(c): | | | |
| Class C, 4.38%, 7/15/25 (d) | | 1,250 | 1,225,264 |
| Class D, 5.28%, 7/15/25 | | 1,000 | 870,593 |
| US Residential Opportunity Fund III Trust, Series 2016-2III, Class A, 3.47%, 8/27/36 (c)(f) | | 4,839 | 4,830,853 |
| Venture XX CLO Ltd., Series 2015-20A (b)(c): | | | |
| Class C, 4.03%, 4/15/27 (d) | | 1,000 | 1,000,198 |
| Class D, 4.73%, 4/15/27 | | 520 | 496,544 |
| Venture XXI CLO Ltd., Series 2015-21A, Class D, 4.48%, 7/15/27 (b)(c) | | 480 | 436,751 |
| VOLT XLVI LLC, Series 2016-NPL6, Class A1, 3.84%, 6/25/46 (c)(f) | | 4,514 | 4,537,133 |
| Voya CLO Ltd. (b)(c): | | | |
| Series 2012-2AR, Class CR, 3.63%, 10/15/22 (d) | | 1,350 | 1,350,675 |
| Series 2016-3A, Class C, 4.67%, 10/18/27 | | 435 | 425,474 |
| Series 2016-3A, Class D, 7.67%, 10/18/27 | | 385 | 364,826 |
| WaMu Asset-Backed Certificates Trust, Series 2007-HE3, Class 2A3, 0.77%, 5/25/47 (b) | | 10,979 | 7,371,428 |
| Westvue Mortgage Loan Trust, Series 2015-1A, Class A, 4.50%, 9/25/20 (c)(f) | | 2,309 | 2,341,641 |

| Asset-Backed Securities | | Par (000) | Value |
|---|---|---|---|
| **Asset-Backed Securities (continued)** | | | |
| York CLO-3 Ltd., Series 2016-1A, Class E, 6.56%, 7/20/25 (b)(c) | USD | 1,000 | $ 894,848 |
| **Total Asset-Backed Securities 30.4%** | | | 220,697,417 |

| Corporate Bonds | | |
|---|---|---|
| **Aerospace & Defense 1.1%** | | |
| Accudyne Industries Borrower/Accudyne Industries LLC, 7.75%, 12/15/20 (c)(d) | 840 | 667,800 |
| Bombardier, Inc. (c): | | |
| 7.50%, 3/15/18 | 21 | 22,247 |
| 5.50%, 9/15/18 | 502 | 517,447 |
| 4.75%, 4/15/19 | 149 | 148,255 |
| 6.00%, 10/15/22 | 33 | 29,288 |
| 6.13%, 1/15/23 | 369 | 320,299 |
| 7.50%, 3/15/25 | 706 | 631,870 |
| Harris Corp., 3.83%, 4/27/25 (d) | 750 | 783,800 |
| KLX, Inc., 5.88%, 12/01/22 (c)(d) | 345 | 351,106 |
| Lockheed Martin Corp., 4.70%, 5/15/46 (d) | 400 | 453,630 |

| | | | |
|---|---|---|---|
| TransDigm, Inc.: | | | |
| 5.50%, 10/15/20 | | 262 | 269,205 |
| 7.50%, 7/15/21 (d) | | 312 | 329,940 |
| 6.00%, 7/15/22 (d) | | 1,833 | 1,910,902 |
| 6.50%, 7/15/24 (d) | | 356 | 374,690 |
| 6.38%, 6/15/26 (c) | | 541 | 553,227 |
| United Technologies Corp., 3.75%, 11/01/46 | | 700 | 694,319 |
| | | | 8,058,025 |
| **Air Freight & Logistics 0.3%** | | | |
| FedEx Corp.: | | | |
| 3.90%, 2/01/35 | | 500 | 496,753 |
| 4.75%, 11/15/45 (d) | | 500 | 543,725 |
| XPO Logistics, Inc.: | | | |
| 5.75%, 6/15/21 | EUR | 100 | 114,353 |
| 6.50%, 6/15/22 (c)(d) | USD | 760 | 790,400 |
| 6.13%, 9/01/23 (c) | | 341 | 350,804 |
| | | | 2,296,035 |
| **Airlines 3.2%** | | | |
| Air Canada Pass-Through Trust, Series 2013-1, Class B, 5.38%, 11/15/22 (c)(d) | | 2,747 | 2,877,466 |
| American Airlines Pass-Through Trust (d): | | | |
| Series 2013-1, Class C, 6.13%, 7/15/18 (c) | | 1,080 | 1,120,500 |
| Series 2013-2, Class A, 4.95%, 7/15/24 | | 1,998 | 2,180,083 |
| Continental Airlines Pass-Through Trust (d): | | | |
| Series 2003-ERJ1, 7.88%, 1/02/20 | | 365 | 380,536 |
| Series 2007-1, Class B, 6.90%, 10/19/23 | | 383 | 406,474 |
| Series 2012-1, Class B, 6.25%, 10/11/21 | | 371 | 393,289 |
| Series 2012-3, Class C, 6.13%, 4/29/18 | | 408 | 428,400 |
| Delta Air Lines Pass-Through Trust, Class B (d): | | | |
| Series 2007-1, 8.02%, 2/10/24 | | 1,860 | 2,120,473 |
| Series 2012-1, 6.88%, 5/07/19 (c) | | 3,330 | 3,595,865 |
| United Airlines Pass-Through Trust (d): | | | |
| Series 2014-2, Class B, 4.63%, 3/03/24 | | 2,487 | 2,530,140 |
| Series 2015-1, Class A, 3.70%, 6/01/24 | | 3,570 | 3,784,200 |
| US Airways Pass-Through Trust, Class B (d): | | | |
| Series 2011-1, 9.75%, 4/22/20 | | 1,997 | 2,242,029 |
| Series 2013-1, 5.38%, 5/15/23 | | 816 | 842,513 |
| | | | 22,901,968 |
| **Auto Components 0.4%** | | | |
| Allison Transmission, Inc., 5.00%, 10/01/24 (c) | | 461 | 470,220 |
| CNH Industrial Finance Europe SA, 2.88%, 5/17/23 | EUR | 175 | 198,254 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Auto Components (continued)** | | | |
| Delphi Automotive PLC (d): | | | |
| 4.25%, 1/15/26 | USD | 400 | $ 432,699 |
| 4.40%, 10/01/46 | | 280 | 275,899 |
| Faurecia, 3.63%, 6/15/23 | EUR | 111 | 126,286 |
| Fiat Chrysler Finance Europe: | | | |
| 4.75%, 3/22/21 | | 133 | 161,878 |
| 4.75%, 7/15/22 | | 100 | 121,345 |
| FTE Verwaltungs GmbH, 9.00%, 7/15/20 | | 100 | 115,297 |
| Goodyear Tire & Rubber Co., 5.00%, 5/31/26 | USD | 77 | 77,674 |
| Icahn Enterprises LP/Icahn Enterprises Finance Corp., 4.88%, 3/15/19 (d) | | 481 | 478,836 |
| IHO Verwaltungs GmbH (h): | | | |
| (2.75% Cash or 3.50% PIK), 2.75%, 9/15/21 | EUR | 100 | 112,296 |
| (3.25% Cash or 4.00% PIK), 3.25%, 9/15/23 | | 100 | 111,435 |
| (4.13% Cash or 4.88% PIK), 4.13%, 9/15/21 (c) | USD | 214 | 218,126 |
| (3.75% Cash or 4.50% PIK), 3.75%, 9/15/26 | EUR | 100 | 108,412 |
| (4.50% Cash or 5.25% PIK), 4.50%, 9/15/23 (c) | USD | 229 | 230,746 |
| | | | 3,239,403 |
| **Automobiles 0.3%** | | | |
| General Motors Co., 6.25%, 10/02/43 (d) | | 2,194 | 2,512,121 |
| **Banks 1.1%** | | | |
| Allied Irish Banks PLC, 4.13%, 11/26/25 (b) | EUR | 100 | 107,305 |
| Bank of Ireland, 4.25%, 6/11/24 (b) | | 100 | 110,346 |
| Bankia SA, 4.00%, 5/22/24 (b) | | 300 | 330,351 |
| CIT Group, Inc.: | | | |
| 5.25%, 3/15/18 (d) | USD | 588 | 608,968 |
| 5.50%, 2/15/19 (c) | | 280 | 294,700 |
| 5.00%, 8/01/23 (d) | | 880 | 937,288 |
| Commerzbank AG: | | | |
| 7.75%, 3/16/21 | EUR | 100 | 130,627 |
| 4.00%, 3/23/26 | | 47 | 52,056 |
| Intesa Sanpaolo SpA, 2.86%, 4/23/25 | | 115 | 123,330 |
| Rizal Commercial Banking Corp., 4.25%, 1/22/20 | USD | 100 | 104,993 |
| Sberbank of Russia Via SB Capital SA, 5.25%, 5/23/23 (c) | | 5,000 | 4,900,000 |
| | | | 7,699,964 |
| **Beverages 0.3%** | | | |
| Anheuser-Busch InBev Finance, Inc., 4.90%, 2/01/46 (d) | | 2,160 | 2,470,040 |
| **Biotechnology 0.3%** | | | |
| Amgen, Inc., 4.40%, 5/01/45 (d) | | 1,100 | 1,118,472 |
| Gilead Sciences, Inc., 4.75%, 3/01/46 (d) | | 700 | 755,909 |
| Senvion Holding GmbH, 6.63%, 11/15/20 | EUR | 145 | 166,003 |
| | | | 2,040,384 |
| **Building Materials 0.0%** | | | |
| Dry Mix Solutions Investissements SAS, 3.95%, 6/15/21 (b) | | 100 | 109,841 |
| Titan Global Finance PLC, 3.50%, 6/17/21 | | 100 | 113,343 |
| | | | 223,184 |
| **Building Products 0.5%** | | | |
| American Builders & Contractors Supply Co., Inc. (c)(d): | | | |
| 5.63%, 4/15/21 | USD | 375 | 387,187 |
| 5.75%, 12/15/23 | | 155 | 161,588 |
| Builders FirstSource, Inc., 5.63%, 9/01/24 (c) | | 94 | 94,940 |
| Building Materials Corp. of America (c): | | | |
| 5.38%, 11/15/24 | | 110 | 113,713 |
| **Corporate Bonds** | | **Par** | **Value** |

| | | (000) | |
|---|---|---|---|
| **Building Products (continued)** | | | |
| Building Materials Corp. of America (c) (continued): | | | |
| 6.00%, 10/15/25 (d) | USD | 247 | $ 263,660 |
| HeidelbergCement AG, 2.25%, 3/30/23 | EUR | 100 | 114,989 |
| Louisiana-Pacific Corp., 4.88%, 9/15/24 (c) | USD | 106 | 104,145 |
| Masonite International Corp., 5.63%, 3/15/23 (c)(d) | | 360 | 372,600 |
| Ply Gem Industries, Inc., 6.50%, 2/01/22 (d) | | 729 | 760,784 |
| Standard Industries, Inc. (c)(d): | | | |
| 5.13%, 2/15/21 | | 47 | 49,350 |
| 5.50%, 2/15/23 | | 257 | 267,280 |
| USG Corp.: | | | |
| 9.50%, 1/15/18 (d) | | 652 | 702,530 |
| 5.88%, 11/01/21 (c) | | 80 | 83,800 |
| 5.50%, 3/01/25 (c)(d) | | 435 | 463,275 |
| | | | 3,939,841 |
| **Capital Markets 0.1%** | | | |
| AE-Rotor Holding BV, 4.97%, 3/28/18 (d) | | 140 | 140,176 |
| E*Trade Financial Corp. (d): | | | |
| 5.38%, 11/15/22 | | 185 | 197,738 |
| 4.63%, 9/15/23 | | 490 | 508,375 |
| | | | 846,289 |
| **Chemicals 0.8%** | | | |
| Axalta Coating Systems Dutch Holding B BV, 3.75%, 1/15/25 | EUR | 100 | 109,912 |
| Axalta Coating Systems LLC, 4.88%, 8/15/24 (c) | USD | 265 | 268,975 |
| CF Industries, Inc., 4.95%, 6/01/43 (d) | | 430 | 356,744 |
| Chemours Co.: | | | |
| 6.63%, 5/15/23 (d) | | 430 | 417,100 |
| 7.00%, 5/15/25 | | 165 | 160,463 |
| Huntsman International LLC, 4.88%, 11/15/20 | | 180 | 186,786 |
| Ineos Finance PLC, 4.00%, 5/01/23 | EUR | 115 | 128,663 |
| Inovyn Finance PLC, 6.25%, 5/15/21 | | 100 | 114,908 |
| Momentive Performance Materials, Inc., 3.88%, 10/24/21 (d) | USD | 1,140 | 1,014,600 |
| Montichem Holdco 3 SA, 5.25%, 6/15/21 | EUR | 109 | 120,702 |
| NOVA Chemicals Corp., 5.25%, 8/01/23 (c) | USD | 145 | 147,719 |
| Platform Specialty Products Corp. (c)(d): | | | |
| 10.38%, 5/01/21 | | 65 | 70,200 |
| 6.50%, 2/01/22 | | 1,427 | 1,384,190 |
| PQ Corp., 6.75%, 11/15/22 (c)(d) | | 355 | 382,956 |
| PSPC Escrow Corp., 6.00%, 2/01/23 | EUR | 153 | 162,077 |
| Versum Materials, Inc., 5.50%, 9/30/24 (c) | USD | 185 | 189,162 |
| WR Grace & Co-Conn, 5.63%, 10/01/24 (c)(d) | | 300 | 324,750 |
| | | | 5,539,907 |
| **Commercial Services & Supplies 1.4%** | | | |
| AA Bond Co., Ltd., 5.50%, 7/31/43 | GBP | 100 | 121,788 |
| ADT Corp.: | | | |
| 3.50%, 7/15/22 | USD | 506 | 479,435 |
| 4.13%, 6/15/23 | | 86 | 84,092 |
| 4.88%, 7/15/32 (c) | | 149 | 126,650 |
| Advanced Disposal Services, Inc., 5.63%, 11/15/24 (c)(e) | | 267 | 268,335 |
| Aviation Capital Group Corp., 6.75%, 4/06/21 (c)(d) | | 5,000 | 5,932,650 |
| Bilbao Luxembourg SA, (10.50% Cash or 11.25% PIK), 11.06%, 12/01/18 (h) | EUR | 100 | 110,550 |
| Brand Energy & Infrastructure Services, Inc., 8.50%, 12/01/21 (c) | USD | 782 | 783,955 |
| Intelsat Jackson Holdings SA, 7.25%, 4/01/19 | | 347 | 279,769 |
| Iron Mountain, Inc., 6.00%, 10/01/20 (c)(d) | | 435 | 460,556 |
| Mobile Mini, Inc., 5.88%, 7/01/24 | | 515 | 536,887 |
| Silk Bidco AS, 7.50%, 2/01/22 | EUR | 108 | 124,390 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Commercial Services & Supplies (continued)** | | | |
| United Rentals North America, Inc.: | | | |
| 7.63%, 4/15/22 | USD | 144 | $ 153,127 |
| 5.75%, 11/15/24 (d) | | 450 | 466,875 |
| 5.88%, 9/15/26 | | 90 | 91,674 |
| 5.50%, 5/15/27 (e) | | 178 | 177,110 |
| | | | 10,197,843 |
| **Communications Equipment 0.5%** | | | |
| Alcatel-Lucent USA, Inc., 6.45%, 3/15/29 (d) | | 1,565 | 1,725,412 |
| CommScope Technologies Finance LLC, 6.00%, 6/15/25 (c)(d) | | 610 | 640,500 |
| CommScope, Inc., 5.00%, 6/15/21 (c) | | 170 | 173,825 |
| Nokia OYJ, 6.63%, 5/15/39 (d) | | 245 | 264,600 |
| Zayo Group LLC/Zayo Capital, Inc., 6.38%, 5/15/25 (d) | | 1,107 | 1,165,472 |
| | | | 3,969,809 |
| **Construction & Engineering 0.2%** | | | |
| Aeropuerto Internacional de Tocumen SA, 5.63%, 5/18/36 (c) | | 808 | 852,440 |
| BlueLine Rental Finance Corp., 7.00%, 2/01/19 (c)(d) | | 643 | 561,017 |
| Engility Corp., 8.88%, 9/01/24 (c) | | 298 | 303,960 |
| | | | 1,717,417 |
| **Construction Materials 0.5%** | | | |
| American Tire Distributors, Inc., 10.25%, 3/01/22 (c)(d) | | 295 | 271,217 |
| Beacon Roofing Supply, Inc., 6.38%, 10/01/23 (d) | | 353 | 377,710 |
| HD Supply, Inc. (c)(d): | | | |
| 5.25%, 12/15/21 | | 1,265 | 1,344,063 |
| 5.75%, 4/15/24 | | 1,157 | 1,214,850 |
| LKQ Italia Bondco SpA, 3.88%, 4/01/24 | EUR | 202 | 235,882 |
| PulteGroup, Inc.: | | | |
| 5.50%, 3/01/26 | USD | 213 | 221,520 |
| 6.00%, 2/15/35 | | 48 | 47,760 |
| Rexel SA, 3.50%, 6/15/23 | EUR | 223 | 250,918 |
| | | | 3,963,920 |
| **Consumer Finance 1.0%** | | | |
| Ally Financial, Inc., 8.00%, 11/01/31 (d) | USD | 4,555 | 5,443,225 |
| Navient Corp.: | | | |
| 5.00%, 10/26/20 (d) | | 370 | 365,375 |
| 6.63%, 7/26/21 | | 173 | 174,297 |
| 5.50%, 1/25/23 | | 162 | 147,015 |
| 7.25%, 9/25/23 | | 471 | 469,234 |
| 6.13%, 3/25/24 | | 132 | 120,780 |
| 5.88%, 10/25/24 | | 138 | 123,165 |
| 5.63%, 8/01/33 | | 105 | 83,213 |
| OneMain Financial Holdings LLC (c): | | | |
| 6.75%, 12/15/19 | | 186 | 192,510 |
| 7.25%, 12/15/21 | | 130 | 134,550 |
| | | | 7,253,364 |
| **Containers & Packaging 1.5%** | | | |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc.: | | | |
| 6.75%, 1/31/21 (c)(d) | | 630 | 648,900 |
| 4.25%, 1/15/22 | EUR | 100 | 113,068 |
| 6.75%, 5/15/24 | | 156 | 182,380 |
| Ardagh Packaging Finance PLC/Ardagh MP Holdings USA, Inc. (c): | | | |
| 6.25%, 1/31/19 | USD | 403 | 410,556 |
| 4.63%, 5/15/23 | | 252 | 254,520 |
| 7.25%, 5/15/24 (d) | | 1,574 | 1,660,570 |

| | | | |
|---|---|---|---|
| Bahia Sul Holdings GmbH, 5.75%, 7/14/26 (c) | | 354 | 350,035 |
| | | **Par** | |
| **Corporate Bonds** | | **(000)** | **Value** |
| **Containers & Packaging (continued)** | | | |
| Ball Corp., 5.00%, 3/15/22 (d) | USD | 440 | $ 473,000 |
| Crown European Holdings SA: | | | |
| 4.00%, 7/15/22 | EUR | 103 | 123,810 |
| 3.38%, 5/15/25 | | 154 | 173,331 |
| Fibria Overseas Finance Ltd., 5.25%, 5/12/24 | USD | 538 | 550,778 |
| JH-Holding Finance SA, 8.25%, 12/01/22 (h) | EUR | 102 | 120,376 |
| Reynolds Group Issuer, Inc.: | | | |
| 9.88%, 8/15/19 | USD | 245 | 251,125 |
| 5.75%, 10/15/20 | | 590 | 605,505 |
| 8.25%, 2/15/21 | | 1,191 | 1,244,298 |
| 4.38%, 7/15/21 (b)(c) | | 866 | 883,320 |
| 5.13%, 7/15/23 (c) | | 139 | 142,692 |
| 7.00%, 7/15/24 (c) | | 714 | 763,087 |
| Sappi Papier Holding GmbH, 4.00%, 4/01/23 | EUR | 200 | 228,058 |
| Sealed Air Corp.: | | | |
| 4.88%, 12/01/22 (c)(d) | USD | 100 | 105,375 |
| 4.50%, 9/15/23 | EUR | 100 | 121,301 |
| 6.88%, 7/15/33 (c) | USD | 99 | 106,425 |
| Signode Industrial Group Lux SA/Signode Industrial Group US, Inc., 6.38%, 5/01/22 (c) | | 498 | 502,980 |
| Suzano Trading Ltd., 5.88%, 1/23/21 (c) | | 583 | 601,948 |
| Verallia Packaging SASU, 5.13%, 8/01/22 | EUR | 100 | 115,154 |
| | | | 10,732,592 |
| **Diversified Consumer Services 0.4%** | | | |
| APX Group, Inc.: | | | |
| 6.38%, 12/01/19 | USD | 455 | 469,219 |
| 8.75%, 12/01/20 | | 125 | 120,938 |
| 7.88%, 12/01/22 | | 144 | 151,561 |
| Prime Security Services Borrower LLC/Prime Finance, Inc., 9.25%, 5/15/23 (c)(d) | | 1,196 | 1,270,750 |
| Service Corp. International, 5.38%, 5/15/24 (d) | | 385 | 404,250 |
| Tereos Finance Groupe I SA, 4.13%, 6/16/23 | EUR | 100 | 112,591 |
| | | | 2,529,309 |
| **Diversified Financial Services 1.1%** | | | |
| AerCap Ireland Capital Ltd./AerCap Global Aviation Trust, 3.95%, 2/01/22 (d) | USD | 1,750 | 1,783,635 |
| Aircastle Ltd., 6.25%, 12/01/19 (d) | | 784 | 853,580 |
| Deutsche Bank AG: | | | |
| 4.25%, 10/14/21 (c)(d) | | 1,150 | 1,157,574 |
| 4.50%, 5/19/26 | EUR | 100 | 105,090 |
| Double Eagle Acquisition, Inc., 7.50%, 10/01/24 (c) | USD | 300 | 309,000 |
| FBM Finance, Inc., 8.25%, 8/15/21 (c) | | 130 | 135,850 |
| Ford Motor Credit Co. LLC, 4.39%, 1/08/26 (d) | | 1,250 | 1,316,174 |
| Garfunkelux Holdco 3 SA, 8.50%, 11/01/22 | GBP | 100 | 120,870 |
| General Motors Financial Co., Inc., 4.25%, 5/15/23 (d) | USD | 326 | 338,334 |
| Jefferies Finance LLC/JFIN Co-Issuer Corp., 7.38%, 4/01/20 (c)(d) | | 845 | 838,662 |
| Mercury Bondco PLC, (8.25% Cash, 9.00% PIK), 8.25%, 5/30/21 (h) | EUR | 358 | 413,003 |
| UniCredit SpA: | | | |
| 6.95%, 10/31/22 | | 270 | 335,190 |
| 5.75%, 10/28/25 (b) | | 207 | 238,825 |
| | | | 7,945,787 |
| **Diversified Telecommunication Services 2.8%** | | | |
| AT&T, Inc., 4.75%, 5/15/46 (d) | USD | 2,545 | 2,490,476 |
| CenturyLink, Inc.: | | | |
| 6.45%, 6/15/21 (d) | | 709 | 756,857 |
| Series U, 7.65%, 3/15/42 | | 174 | 154,860 |
| Series Y, 7.50%, 4/01/24 | | 70 | 72,888 |
| Cincinnati Bell, Inc., 7.00%, 7/15/24 (c) | | 651 | 681,922 |
| Consolidated Communications, Inc., 6.50%, 10/01/22 | | 113 | 111,305 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Diversified Telecommunication Services (continued)** | | | |
| Frontier Communications Corp.: | | | |
| 7.13%, 3/15/19 | USD | 195 | $ 208,650 |
| 7.13%, 1/15/23 (d) | | 65 | 58,459 |
| 7.63%, 4/15/24 (d) | | 650 | 578,500 |
| 6.88%, 1/15/25 (d) | | 1,155 | 967,312 |
| 11.00%, 9/15/25 | | 485 | 496,592 |
| Level 3 Financing, Inc.: | | | |
| 5.38%, 8/15/22 | | 140 | 143,850 |
| 5.63%, 2/01/23 (d) | | 296 | 304,140 |
| 5.13%, 5/01/23 (d) | | 900 | 909,000 |
| 5.38%, 1/15/24 (d) | | 294 | 299,880 |
| 5.38%, 5/01/25 (d) | | 550 | 558,250 |
| 5.25%, 3/15/26 (c) | | 186 | 188,790 |
| OTE PLC, 3.50%, 7/09/20 | EUR | 200 | 222,624 |
| SBA Communications Corp., 4.88%, 9/01/24 (c)(d) | USD | 641 | 641,000 |
| Telecom Italia Capital SA: | | | |
| 6.38%, 11/15/33 | | 91 | 93,230 |
| 6.00%, 9/30/34 (d) | | 834 | 829,830 |
| Telecom Italia Finance SA, 7.75%, 1/24/33 | EUR | 81 | 116,634 |
| Telecom Italia SpA: | | | |
| 3.25%, 1/16/23 | | 273 | 315,321 |
| 3.63%, 1/19/24 | | 146 | 168,934 |
| Verizon Communications, Inc., 6.55%, 9/15/43 (d) | USD | 6,500 | 8,516,917 |
| Windstream Corp., 7.75%, 10/01/21 | | 31 | 30,729 |
| Windstream Services LLC, 7.50%, 6/01/22 | | 94 | 88,830 |
| | | | 20,005,780 |
| **Electric Utilities 1.0%** | | | |
| AES Corp., 4.88%, 5/15/23 (d) | | 350 | 347,267 |
| AES Gener SA, 5.00%, 7/14/25 (c)(d) | | 1,032 | 1,057,809 |
| Baltimore Gas & Electric Co., 3.50%, 8/15/46 | | 500 | 488,145 |
| Duke Energy Corp., 4.80%, 12/15/45 (d) | | 1,500 | 1,680,553 |
| Southern Co., 4.40%, 7/01/46 (d) | | 1,000 | 1,056,122 |
| Star Energy Geothermal Wayang Windu Ltd., 6.13%, 3/27/20 (d) | | 1,700 | 1,763,750 |
| Virginia Electric & Power Co., Series A, 6.00%, 5/15/37 (d) | | 750 | 982,958 |
| | | | 7,376,604 |
| **Electrical Equipment 0.1%** | | | |
| Belden, Inc., 5.50%, 4/15/23 | EUR | 111 | 129,161 |
| Trionista TopCo GmbH, 6.88%, 4/30/21 | | 213 | 246,214 |
| | | | 375,375 |
| **Electronic Equipment, Instruments & Components 0.2%** | | | |
| CDW LLC/CDW Finance Corp.: | | | |
| 6.00%, 8/15/22 (d) | USD | 770 | 816,200 |
| 5.00%, 9/01/23 (d) | | 550 | 564,795 |
| 5.50%, 12/01/24 | | 357 | 374,961 |
| | | | 1,755,956 |
| **Energy Equipment & Services 0.4%** | | | |
| Ensco PLC, 4.50%, 10/01/24 | | 162 | 129,600 |
| Gates Global LLC/Gates Global Co., 6.00%, 7/15/22 (c)(d) | | 418 | 395,010 |
| Genesis Energy LP/Genesis Energy Finance Corp., 6.75%, 8/01/22 | | 150 | 154,125 |
| Halliburton Co., 3.80%, 11/15/25 (d) | | 750 | 780,210 |
| Noble Holding International Ltd.: | | | |
| 4.63%, 3/01/21 | | 30 | 25,334 |
| 7.20%, 4/01/25 | | 40 | 32,600 |

| | | | |
|---|---|---|---|
| Transocean, Inc.: | | | |
| 6.00%, 3/15/18 | | 195 | 195,585 |
| 7.38%, 4/15/18 | | 35 | 35,438 |
| 8.13%, 12/15/21 | | 221 | 213,309 |
| | | **Par** | |
| **Corporate Bonds** | | **(000)** | **Value** |
| **Energy Equipment & Services (continued)** | | | |
| Transocean, Inc. (continued): | | | |
| 5.55%, 10/15/22 | USD | 722 | $ 617,310 |
| Weatherford International Ltd., 7.75%, 6/15/21 | | 210 | 212,100 |
| | | | 2,790,621 |
| **Environmental, Maintenance, & Security Service 0.0%** | | | |
| Befesa Zinc SAU Via Zinc Capital SA, 8.88%, 5/15/18 | EUR | 100 | 111,970 |
| **Food & Staples Retailing 1.1%** | | | |
| Albertsons Cos. LLC/Safeway, Inc./New Albertson s, Inc./Albertson s LLC (c): | | | |
| 6.63%, 6/15/24 | USD | 254 | 263,525 |
| 5.75%, 3/15/25 (d) | | 347 | 342,555 |
| Casino Guichard Perrachon SA: | | | |
| 5.98%, 5/26/21 | EUR | 200 | 258,520 |
| 3.31%, 1/25/23 | | 200 | 243,155 |
| CVS Health Corp., 5.13%, 7/20/45 (d) | USD | 750 | 874,943 |
| Dollar Tree, Inc., 5.75%, 3/01/23 (d) | | 2,510 | 2,673,150 |
| Pinnacle Foods Finance LLC/Pinnacle Foods Finance Corp., 5.88%, 1/15/24 | | 75 | 80,438 |
| Rite Aid Corp.: | | | |
| 6.75%, 6/15/21 (d) | | 329 | 345,450 |
| 6.13%, 4/01/23 (c)(d) | | 1,648 | 1,738,640 |
| 7.70%, 2/15/27 | | 359 | 445,160 |
| Tesco PLC, 6.00%, 12/14/29 | GBP | 50 | 67,082 |
| Walgreens Boots Alliance, Inc., 4.80%, 11/18/44 (d) | USD | 750 | 803,038 |
| | | | 8,135,656 |
| **Food Products 0.9%** | | | |
| Acosta, Inc., 7.75%, 10/01/22 (c)(d) | | 464 | 397,880 |
| Aramark Services, Inc.: | | | |
| 5.13%, 1/15/24 | | 483 | 505,942 |
| 5.13%, 1/15/24 (c) | | 137 | 143,508 |
| 4.75%, 6/01/26 (c) | | 252 | 252,000 |
| Arcor SAIC, 6.00%, 7/06/23 (c) | | 470 | 498,200 |
| Darling Global Finance BV, 4.75%, 5/30/22 | EUR | 107 | 123,039 |
| FAGE International SA/FAGE USA Dairy Industry, Inc., 5.63%, 8/15/26 (c) | USD | 200 | 206,500 |
| JBS USA LLC/JBS USA Finance, Inc. (c): | | | |
| 7.25%, 6/01/21 | | 40 | 41,000 |
| 5.88%, 7/15/24 | | 169 | 169,845 |
| 5.75%, 6/15/25 | | 558 | 546,840 |
| Marfrig Holdings Europe BV, 8.00%, 6/08/23 (c)(d) | | 486 | 501,795 |
| Minerva Luxembourg SA, 6.50%, 9/20/26 (c) | | 511 | 500,473 |
| Post Holdings, Inc. (c): | | | |
| 6.75%, 12/01/21 | | 120 | 128,400 |
| 7.75%, 3/15/24 (d) | | 840 | 928,368 |
| 8.00%, 7/15/25 | | 395 | 450,300 |
| 5.00%, 8/15/26 (d) | | 143 | 138,710 |
| Smithfield Foods, Inc., 5.88%, 8/01/21 (c)(d) | | 307 | 320,047 |
| TreeHouse Foods, Inc., 6.00%, 2/15/24 (c)(d) | | 159 | 170,766 |
| WhiteWave Foods Co., 5.38%, 10/01/22 (d) | | 211 | 237,375 |
| | | | 6,260,988 |
| **Health Care Equipment & Supplies 0.5%** | | | |
| Crimson Merger Sub, Inc., 6.63%, 5/15/22 (c)(d) | | 641 | 549,658 |
| DJO Finco, Inc./DJO Finance LLC/DJO Finance Corp., 8.13%, 6/15/21 (c)(d) | | 1,235 | 1,133,112 |
| IDH Finance PLC, 6.25%, 8/15/22 | GBP | 100 | 119,891 |
| Mallinckrodt International Finance SA/Mallinckrodt CB LLC, 5.63%, 10/15/23 (c)(d) | USD | 193 | 181,420 |
| Medtronic, Inc., 4.50%, 3/15/42 | | 1,000 | 1,103,507 |
| Teleflex, Inc.: | | | |
| 3.88%, 8/01/17 (i) | | 110 | 255,956 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Health Care Equipment & Supplies (continued)** | | | |
| Teleflex, Inc. (continued): | | | |
| 4.88%, 6/01/26 | USD | 63 | $ 64,575 |
| | | | 3,408,119 |
| **Health Care Providers & Services 2.4%** | | | |
| Acadia Healthcare Co., Inc.: | | | |
| 5.63%, 2/15/23 (d) | | 455 | 455,569 |
| 6.50%, 3/01/24 | | 69 | 70,380 |
| Aetna, Inc., 4.38%, 6/15/46 | | 600 | 608,442 |
| Alere, Inc., 6.38%, 7/01/23 (c) | | 315 | 324,450 |
| Amsurg Corp., 5.63%, 7/15/22 (d) | | 810 | 826,200 |
| Centene Corp.: | | | |
| 5.63%, 2/15/21 (d) | | 403 | 422,751 |
| 4.75%, 5/15/22 (d) | | 487 | 494,305 |
| 6.13%, 2/15/24 | | 40 | 42,600 |
| CHS/Community Health Systems, Inc., 6.88%, 2/01/22 | | 463 | 353,038 |
| DaVita HealthCare Partners, Inc.: | | | |
| 5.13%, 7/15/24 (d) | | 772 | 755,112 |
| 5.00%, 5/01/25 | | 7 | 6,755 |
| Envision Healthcare Corp., 5.13%, 7/01/22 (c)(d) | | 205 | 205,000 |
| HCA, Inc.: | | | |
| 6.50%, 2/15/20 (d) | | 1,103 | 1,221,572 |
| 7.50%, 2/15/22 (d) | | 800 | 910,400 |
| 5.88%, 3/15/22 (d) | | 124 | 136,400 |
| 4.75%, 5/01/23 | | 56 | 58,310 |
| 5.88%, 5/01/23 | | 90 | 95,485 |
| 5.00%, 3/15/24 (d) | | 450 | 468,675 |
| 5.38%, 2/01/25 | | 562 | 573,633 |
| 5.25%, 4/15/25 (d) | | 1,220 | 1,277,950 |
| 5.88%, 2/15/26 (d) | | 508 | 533,400 |
| 5.25%, 6/15/26 (d) | | 520 | 543,400 |
| 4.50%, 2/15/27 (d) | | 511 | 504,613 |
| HealthSouth Corp.: | | | |
| 5.75%, 11/01/24 (d) | | 836 | 862,125 |
| 5.75%, 9/15/25 (d) | | 126 | 130,410 |
| 2.00%, 12/01/43 (i) | | 375 | 435,938 |
| Hologic, Inc., 5.25%, 7/15/22 (c)(d) | | 502 | 530,915 |
| MEDNAX, Inc., 5.25%, 12/01/23 (c)(d) | | 239 | 249,755 |
| MPH Acquisition Holdings LLC, 7.13%, 6/01/24 (c) | | 345 | 369,116 |
| RegionalCare Hospital Partners Holdings, Inc., 8.25%, 5/01/23 (c) | | 350 | 354,813 |
| Surgery Center Holdings, Inc., 8.88%, 4/15/21 (c) | | 82 | 87,330 |
| Tenet Healthcare Corp. (d): | | | |
| 6.00%, 10/01/20 | | 1,150 | 1,211,387 |
| 8.13%, 4/01/22 | | 637 | 622,667 |
| 6.75%, 6/15/23 | | 974 | 894,862 |
| UnitedHealth Group, Inc., 4.38%, 3/15/42 (d) | | 750 | 813,230 |
| | | | 17,450,988 |
| **Hotels, Restaurants & Leisure 3.9%** | | | |
| Boyd Gaming Corp., 6.88%, 5/15/23 | | 290 | 310,300 |
| Caesars Entertainment Resort Properties LLC/Caesars Entertainment Resort Property, 8.00%, 10/01/20 (d) | | 1,840 | 1,909,000 |
| Cemex Finance LLC, 9.38%, 10/12/22 (c)(d) | | 1,103 | 1,205,028 |
| CPUK Finance Ltd., 7.00%, 2/28/42 | GBP | 168 | 217,129 |
| Enterprise Inns PLC, 6.00%, 10/06/23 | | 3,320 | 4,141,441 |
| ESH Hospitality, Inc., 5.25%, 5/01/25 (c)(d) | USD | 484 | 479,160 |
| Gala Electric Casinos Ltd., 11.50%, 6/01/19 | GBP | 64 | 80,391 |
| International Game Technology PLC, 4.75%, 2/15/23 | EUR | 107 | 127,296 |

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Hotels, Restaurants & Leisure (continued)** | | | |
| KFC Holding Co/Pizza Hut Holdings LLC/Taco Bell of America LLC (c): | | | |
| 5.00%, 6/01/24 | USD | 45 | $ 46,800 |
| 5.25%, 6/01/26 | | 159 | 165,758 |
| McDonald s Corp., 3.70%, 1/30/26 (d) | | 750 | 793,772 |
| MGM Resorts International: | | | |
| 8.63%, 2/01/19 | | 170 | 190,719 |
| 6.75%, 10/01/20 | | 32 | 35,520 |
| 6.63%, 12/15/21 (d) | | 1,550 | 1,731,164 |
| 7.75%, 3/15/22 | | 10 | 11,575 |
| 4.63%, 9/01/26 | | 256 | 246,400 |
| MGP Escrow Issuer LLC/MGP Escrow Co-Issuer, Inc., 5.63%, 5/01/24 (c)(d) | | 1,397 | 1,486,967 |
| New Red Finance, Inc., 6.00%, 4/01/22 (c)(d) | | 1,130 | 1,180,850 |
| PortAventura Entertainment Barcelona BV, 7.25%, 12/01/20 | EUR | 208 | 237,237 |
| RHP Hotel Properties LP/RHP Finance Corp., 5.00%, 4/15/21 (d) | USD | 460 | 473,800 |
| Sabre GLBL, Inc., 5.25%, 11/15/23 (c)(d) | | 317 | 325,321 |
| Scientific Games International, Inc.: | | | |
| 7.00%, 1/01/22 (c)(d) | | 185 | 196,766 |
| 10.00%, 12/01/22 | | 545 | 504,125 |
| Six Flags Entertainment Corp. (c): | | | |
| 5.25%, 1/15/21 (d) | | 310 | 319,300 |
| 4.88%, 7/31/24 | | 161 | 161,403 |
| Station Casinos LLC, 7.50%, 3/01/21 (d) | | 1,085 | 1,141,440 |
| Unique Pub Finance Co. PLC: | | | |
| Series A3, 6.54%, 3/30/21 | GBP | 1,969 | 2,581,494 |
| Series M, 7.40%, 3/28/24 | | 6,400 | 7,937,039 |
| Vue International Bidco PLC, 7.88%, 7/15/20 | | 117 | 148,793 |
| Yum! Brands, Inc., 3.88%, 11/01/23 | USD | 110 | 109,175 |
| | | | 28,495,163 |
| **Household Durables 0.8%** | | | |
| Brookfield Residential Properties, Inc./Brookfield Residential US Corp., 6.13%, 7/01/22 (c)(d) | | 750 | 761,250 |
| CalAtlantic Group, Inc.: | | | |
| 8.38%, 1/15/21 | | 144 | 171,000 |
| 5.38%, 10/01/22 | | 6 | 6,338 |
| 5.25%, 6/01/26 | | 10 | 9,900 |
| Century Communities, Inc., 6.88%, 5/15/22 (d) | | 830 | 844,525 |
| DR Horton, Inc., 4.00%, 2/15/20 (d) | | 80 | 83,454 |
| Lennar Corp.: | | | |
| 4.50%, 11/15/19 (d) | | 320 | 337,200 |
| 4.75%, 4/01/21 | | 68 | 72,038 |
| 4.75%, 11/15/22 | | 184 | 191,360 |
| 4.88%, 12/15/23 (d) | | 146 | 148,920 |
| 4.75%, 5/30/25 (d) | | 410 | 415,945 |
| Newell Brands, Inc., 4.20%, 4/01/26 (d) | | 1,000 | 1,080,513 |
| PulteGroup, Inc., 6.38%, 5/15/33 (d) | | 600 | 619,500 |
| Riverbed Technology, Inc., 8.88%, 3/01/23 (c) | | 180 | 191,700 |
| Standard Pacific Corp., 5.88%, 11/15/24 | | 35 | 37,363 |
| Tempur Sealy International, Inc., 5.50%, 6/15/26 | | 80 | 82,400 |
| TRI Pointe Group, Inc.: | | | |
| 4.38%, 6/15/19 (d) | | 225 | 230,062 |
| 4.88%, 7/01/21 | | 210 | 216,300 |
| 5.88%, 6/15/24 (d) | | 140 | 145,075 |
| | | | 5,644,843 |
| **Household Products 0.2%** | | | |
| Prestige Brands, Inc., 6.38%, 3/01/24 (c) | | 176 | 187,000 |
| Spectrum Brands, Inc. (d): | | | |
| 6.63%, 11/15/22 | | 710 | 761,035 |
| 6.13%, 12/15/24 | | 681 | 745,695 |
| | | | 1,693,730 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Independent Power and Renewable Electricity Producers 0.5%** | | | |
| Calpine Corp. (d): | | | |
| 6.00%, 1/15/22 (c) | USD | 64 | $ 66,900 |
| 5.38%, 1/15/23 | | 240 | 237,600 |
| 5.88%, 1/15/24 (c) | | 240 | 253,200 |
| Dynegy, Inc.: | | | |
| 6.75%, 11/01/19 (d) | | 1,030 | 1,042,453 |
| 7.38%, 11/01/22 | | 30 | 28,931 |
| 7.63%, 11/01/24 | | 140 | 134,050 |
| 8.00%, 1/15/25 (c) | | 26 | 25,090 |
| NRG Energy, Inc.: | | | |
| 7.88%, 5/15/21 | | 82 | 85,690 |
| 6.63%, 3/15/23 | | 45 | 44,887 |
| 7.25%, 5/15/26 (c) | | 233 | 229,251 |
| 6.63%, 1/15/27 (c)(d) | | 676 | 633,115 |
| NRG Yield Operating LLC, 5.38%, 8/15/24 (d) | | 130 | 132,600 |
| QEP Resources, Inc., 5.38%, 10/01/22 (d) | | 1,020 | 1,009,800 |
| | | | 3,923,567 |
| **Industrial Conglomerates 0.2%** | | | |
| Cortes NP Acquisition Corp., 9.25%, 10/15/24 (c) | | 380 | 396,862 |
| General Electric Co., 4.13%, 10/09/42 | | 750 | 796,141 |
| | | | 1,193,003 |
| **Insurance 0.5%** | | | |
| American International Group, Inc., 4.80%, 7/10/45 | | 500 | 532,157 |
| Aon PLC, 3.88%, 12/15/25 (d) | | 1,280 | 1,357,905 |
| Assicurazioni Generali SpA, 5.00%, 6/08/48 (b) | EUR | 100 | 110,598 |
| HUB International Ltd. (c): | | | |
| 9.25%, 2/15/21 | USD | 195 | 201,825 |
| 7.88%, 10/01/21 (d) | | 738 | 754,384 |
| TMF Group Holding BV, 9.88%, 12/01/19 | EUR | 101 | 117,525 |
| Wayne Merger Sub LLC, 8.25%, 8/01/23 (c) | USD | 705 | 717,337 |
| | | | 3,791,731 |
| **Internet & Direct Marketing Retail 0.0%** | | | |
| Netflix, Inc., 4.38%, 11/15/26 (c) | | 153 | 150,514 |
| **Internet Software & Services 0.2%** | | | |
| Equinix, Inc. (d): | | | |
| 4.88%, 4/01/20 | | 144 | 149,040 |
| 5.88%, 1/15/26 | | 636 | 679,833 |
| Netflix, Inc.: | | | |
| 5.50%, 2/15/22 | | 15 | 16,238 |
| 5.75%, 3/01/24 (d) | | 423 | 460,012 |
| 5.88%, 2/15/25 | | 26 | 28,828 |
| | | | 1,333,951 |
| **IT Services 0.9%** | | | |
| Ceridian HCM Holding, Inc., 11.00%, 3/15/21 (c)(d) | | 287 | 302,067 |
| Fidelity National Information Services, Inc., 3.00%, 8/15/26 (d) | | 1,000 | 977,395 |
| First Data Corp. (c)(d): | | | |
| 7.00%, 12/01/23 | | 2,308 | 2,417,630 |
| 5.75%, 1/15/24 | | 2,738 | 2,779,070 |
| Western Digital Corp., 10.50%, 4/01/24 (c) | | 121 | 139,755 |
| | | | 6,615,917 |
| **Machinery 0.1%** | | | |
| Gardner Denver, Inc., 6.88%, 8/15/21 (c) | | 155 | 151,900 |

| | | | |
|---|---|---|---|
| SPX FLOW, Inc. (c): | | | |
| 5.63%, 8/15/24 | | 330 | 334,538 |
| 5.88%, 8/15/26 | | 175 | 177,625 |
| **Corporate Bonds** | | **Par (000)** | **Value** |
| **Machinery (continued)** | | | |
| Trinseo Materials Operating SCA/Trinseo Materials Finance, Inc., 6.38%, 5/01/22 | EUR | 142 | $ 165,311 |
| | | | 829,374 |
| **Media 6.7%** | | | |
| Adria Bidco BV, 7.88%, 11/15/20 | | 100 | 114,440 |
| Altice Financing SA: | | | |
| 5.25%, 2/15/23 | | 108 | 123,744 |
| 7.50%, 5/15/26 (c) | USD | 264 | 271,920 |
| Altice US Finance I Corp. (c): | | | |
| 5.38%, 7/15/23 (d) | | 980 | 1,002,589 |
| 5.50%, 5/15/26 | | 488 | 497,760 |
| AMC Networks, Inc.: | | | |
| 4.75%, 12/15/22 (d) | | 344 | 350,880 |
| 5.00%, 4/01/24 | | 161 | 163,013 |
| Bharti Airtel International Netherlands BV, 5.13%, 3/11/23 (d) | | 1,500 | 1,612,723 |
| Cablevision SA, 6.50%, 6/15/21 (c) | | 389 | 404,560 |
| Cablevision Systems Corp.: | | | |
| 8.63%, 9/15/17 | | 126 | 131,670 |
| 7.75%, 4/15/18 | | 517 | 544,789 |
| 8.00%, 4/15/20 | | 202 | 214,120 |
| CBS Radio, Inc., 7.25%, 11/01/24 (c) | | 264 | 274,230 |
| CCO Holdings LLC/CCO Holdings Capital Corp.: | | | |
| 5.25%, 9/30/22 (d) | | 560 | 583,100 |
| 5.13%, 2/15/23 (d) | | 709 | 733,815 |
| 5.13%, 5/01/23 (c)(d) | | 719 | 742,367 |
| 5.88%, 4/01/24 (c)(d) | | 147 | 155,453 |
| 5.75%, 2/15/26 (c)(d) | | 233 | 242,757 |
| 5.50%, 5/01/26 (c) | | 470 | 481,459 |
| 5.88%, 5/01/27 (c)(d) | | 1,010 | 1,057,975 |
| Cellnex Telecom SA, 2.38%, 1/16/24 | EUR | 100 | 111,504 |
| Cequel Communications Holdings I LLC/Cequel Capital Corp. (c): | | | |
| 6.38%, 9/15/20 | USD | 145 | 149,350 |
| 5.13%, 12/15/21 | | 662 | 644,570 |
| 7.75%, 7/15/25 (d) | | 1,630 | 1,744,100 |
| Charter Communications Operating LLC/Charter Communications Operating Capital, 6.48%, 10/23/45 (c)(d) | | 3,000 | 3,515,550 |
| Clear Channel International BV, 8.75%, 12/15/20 (c)(d) | | 508 | 533,400 |
| Clear Channel Worldwide Holdings, Inc.: | | | |
| 6.50%, 11/15/22 (d) | | 3,013 | 3,068,740 |
| 6.50%, 11/15/22 | | 185 | 185,925 |
| Series B, 7.63%, 3/15/20 (d) | | 884 | 855,270 |
| Columbus Cable Barbados Ltd., 7.38%, 3/30/21 (c)(d) | | 1,195 | 1,278,650 |
| Comcast Corp., 4.60%, 8/15/45 (d) | | 1,750 | 1,942,913 |
| CSC Holdings LLC: | | | |
| 10.13%, 1/15/23 (c)(d) | | 1,188 | 1,339,470 |
| 5.25%, 6/01/24 (d) | | 1,556 | 1,454,860 |
| 6.63%, 10/15/25 (c)(d) | | 350 | 379,313 |
| 10.88%, 10/15/25 (c) | | 393 | 451,950 |
| Discovery Communications LLC, 4.95%, 5/15/42 (d) | | 400 | 389,900 |
| DISH DBS Corp. (d): | | | |
| 6.75%, 6/01/21 | | 430 | 461,983 |
| 5.88%, 7/15/22 | | 219 | 226,118 |
| 5.88%, 11/15/24 | | 158 | 159,086 |
| 7.75%, 7/01/26 | | 1,100 | 1,207,943 |
| DISH Network Corp., 3.38%, 8/15/26 (c)(i) | | 293 | 335,668 |
| eircom Finance DAC, 4.50%, 5/31/22 | EUR | 100 | 113,069 |
| Hughes Satellite Systems Corp. (c): | | | |
| 5.25%, 8/01/26 | USD | 244 | 240,340 |
| 6.63%, 8/01/26 | | 321 | 317,790 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Media (continued)** | | | |
| iHeartCommunications, Inc. (d): | | | |
| 9.00%, 12/15/19 | USD | 254 | $ 192,723 |
| 10.63%, 3/15/23 | | 936 | 675,090 |
| Intelsat Jackson Holdings SA (d): | | | |
| 7.25%, 10/15/20 | | 163 | 123,574 |
| 5.50%, 8/01/23 | | 867 | 574,387 |
| Interpublic Group of Cos., Inc., 4.20%, 4/15/24 (d) | | 1,000 | 1,066,638 |
| LG Finance Co. Corp., 5.88%, 11/01/24 (c) | | 101 | 101,947 |
| LGE HoldCo VI BV, 7.13%, 5/15/24 | EUR | 177 | 219,561 |
| McGraw-Hill Global Education Holdings LLC/McGraw-Hill Global Education Finance, 7.88%, 5/15/24 (c) | USD | 101 | 109,333 |
| MDC Partners, Inc., 6.50%, 5/01/24 (c)(d) | | 423 | 360,608 |
| Midcontinent Communications & Midcontinent Finance Corp., 6.25%, 8/01/21 (c)(d) | | 250 | 261,875 |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., 5.00%, 8/01/18 (c)(d) | | 629 | 635,290 |
| National CineMedia LLC, 5.75%, 8/15/26 (c) | | 98 | 100,940 |
| Nexstar Escrow Corp., 5.63%, 8/01/24 (c) | | 267 | 264,998 |
| Nielsen Finance LLC/Nielsen Finance Co., 5.00%, 4/15/22 (c)(d) | | 710 | 724,200 |
| Numericable Group SA, 5.38%, 5/15/22 | EUR | 116 | 132,788 |
| Outfront Media Capital LLC/Outfront Media Capital Corp. (d): | | | |
| 5.25%, 2/15/22 | USD | 102 | 105,570 |
| 5.63%, 2/15/24 | | 364 | 378,560 |
| RCN Telecom Services LLC/RCN Capital Corp., 8.50%, 8/15/20 (c)(d) | | 350 | 372,969 |
| SFR Group SA (c)(d): | | | |
| 6.00%, 5/15/22 | | 1,492 | 1,529,777 |
| 7.38%, 5/01/26 | | 2,371 | 2,394,710 |
| Sirius XM Radio, Inc., 4.25%, 5/15/20 (c)(d) | | 704 | 719,488 |
| Time Warner, Inc.: | | | |
| 4.65%, 6/01/44 | | 111 | 114,903 |
| 4.85%, 7/15/45 | | 158 | 167,799 |
| Tribune Media Co., 5.88%, 7/15/22 (d) | | 776 | 776,000 |
| Unitymedia Hessen GmbH & Co. KG/Unitymedia NRW GmbH: | | | |
| 4.00%, 1/15/25 | EUR | 117 | 132,611 |
| 3.50%, 1/15/27 | | 188 | 202,507 |
| 6.25%, 1/15/29 | | 100 | 121,852 |
| Univision Communications, Inc. (c)(d): | | | |
| 5.13%, 5/15/23 | USD | 1,029 | 1,044,435 |
| 5.13%, 2/15/25 | | 800 | 802,000 |
| UPCB Finance IV Ltd., 4.00%, 1/15/27 | EUR | 114 | 122,797 |
| Virgin Media Finance PLC, 5.75%, 1/15/25 (c)(d) | USD | 850 | 841,500 |
| Virgin Media Receivables Financing Notes I DAC, 5.50%, 9/15/24 | GBP | 100 | 120,070 |
| Virgin Media Secured Finance PLC: | | | |
| 5.50%, 8/15/26 (c) | USD | 200 | 201,750 |
| 4.88%, 1/15/27 | GBP | 130 | 155,540 |
| 6.25%, 3/28/29 | | 175 | 224,289 |
| WaveDivision Escrow LLC/WaveDivision Escrow Corp., 8.13%, 9/01/20 (c)(d) | USD | 980 | 1,021,650 |
| Wind Acquisition Finance SA: | | | |
| 7.00%, 4/23/21 | EUR | 122 | 139,450 |
| 7.38%, 4/23/21 (c) | USD | 930 | 955,575 |
| | | | 49,000,580 |
| **Metals & Mining 2.8%** | | | |
| Alcoa Nederland Holding BV (c): | | | |
| 6.75%, 9/30/24 | | 200 | 207,000 |
| 7.00%, 9/30/26 | | 200 | 205,960 |

| Corporate Bonds | Par (000) | Value |
|---|---|---|

| | | | |
|---|---|---|---|
| **Metals & Mining (continued)** | | | |
| Alcoa, Inc.: | | | |
| 5.87%, 2/23/22 (d) | USD | 900 | $ 962,280 |
| 5.13%, 10/01/24 | | 140 | 145,953 |
| 5.90%, 2/01/27 | | 120 | 126,563 |
| Anglo American Capital PLC: | | | |
| 4.45%, 9/27/20 (c) | | 100 | 102,000 |
| 4.13%, 4/15/21 (c) | | 200 | 202,175 |
| 3.50%, 3/28/22 | EUR | 100 | 116,358 |
| 4.13%, 9/27/22 (c)(d) | USD | 400 | 396,000 |
| 3.25%, 4/03/23 | EUR | 100 | 113,861 |
| ArcelorMittal: | | | |
| 7.25%, 2/25/22 | USD | 24 | 27,240 |
| 8.00%, 10/15/39 | | 108 | 116,100 |
| 7.75%, 3/01/41 | | 352 | 369,600 |
| Constellium NV (c)(d): | | | |
| 8.00%, 1/15/23 | | 1,500 | 1,462,500 |
| 5.75%, 5/15/24 | | 500 | 442,500 |
| First Quantum Minerals Ltd., 7.00%, 2/15/21 (c) | | 515 | 488,928 |
| Freeport-McMoRan, Inc.: | | | |
| 2.30%, 11/14/17 | | 322 | 318,780 |
| 2.38%, 3/15/18 (d) | | 2,528 | 2,496,400 |
| 3.10%, 3/15/20 | | 695 | 668,937 |
| 4.00%, 11/14/21 | | 331 | 312,795 |
| 3.55%, 3/01/22 | | 491 | 450,492 |
| 3.88%, 3/15/23 | | 1,668 | 1,505,370 |
| 5.40%, 11/14/34 | | 140 | 120,575 |
| 5.45%, 3/15/43 | | 1,151 | 955,330 |
| Glencore Finance Europe SA, 3.38%, 9/30/20 | EUR | 100 | 119,765 |
| Joseph T Ryerson & Son, Inc., 11.00%, 5/15/22 (c) | USD | 192 | 209,760 |
| Kaiser Aluminum Corp., 5.88%, 5/15/24 | | 124 | 130,975 |
| Novelis Corp. (c): | | | |
| 6.25%, 8/15/24 | | 1,024 | 1,064,960 |
| 5.88%, 9/30/26 | | 1,241 | 1,256,512 |
| Rio Tinto Finance USA Ltd., 4.75%, 3/22/42 (d) | | 400 | 437,930 |
| Steel Dynamics, Inc.: | | | |
| 5.13%, 10/01/21 (d) | | 970 | 1,011,225 |
| 5.25%, 4/15/23 | | 525 | 543,375 |
| Teck Resources Ltd.: | | | |
| 3.00%, 3/01/19 (d) | | 240 | 236,400 |
| 3.75%, 2/01/23 (d) | | 338 | 319,621 |
| 8.50%, 6/01/24 (c)(d) | | 418 | 483,835 |
| 6.00%, 8/15/40 (d) | | 401 | 386,965 |
| 6.25%, 7/15/41 | | 218 | 215,820 |
| 5.20%, 3/01/42 | | 673 | 607,382 |
| 5.40%, 2/01/43 | | 181 | 163,353 |
| Teck Resources, Ltd., 6.13%, 10/01/35 | | 102 | 101,490 |
| United States Steel Corp., 8.38%, 7/01/21 (c)(d) | | 357 | 379,313 |
| Wise Metals Group LLC/Wise Alloys Finance Corp., 8.75%, 12/15/18 (c)(d) | | 442 | 437,580 |
| | | | 20,419,958 |
| **Multi-Utilities 0.1%** | | | |
| NGL Energy Partners LP/NGL Energy Finance Corp.: | | | |
| 6.88%, 10/15/21 | | 240 | 236,400 |
| 7.50%, 11/01/23 (c) | | 225 | 225,562 |
| | | | 461,962 |
| **Multiline Retail 0.2%** | | | |
| Neiman Marcus Group Ltd. (c)(d): | | | |
| 8.00%, 10/15/21 | | 722 | 595,650 |
| (8.75% Cash or 9.50% PIK), 8.75%, 10/15/21 (h) | | 963 | 757,761 |
| Target Corp., 4.00%, 7/01/42 | | 300 | 315,415 |
| | | | 1,668,826 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Oil, Gas & Consumable Fuels 9.3%** | | | |
| Anadarko Petroleum Corp., 4.50%, 7/15/44 (d) | USD | 500 | $ 470,701 |
| Antero Midstream Partners LP/Antero Midstream Finance Corp., 5.38%, 9/15/24 (c) | | 65 | 65,487 |
| Antero Resources Corp., 5.63%, 6/01/23 | | 43 | 43,860 |
| Apache Corp., 4.75%, 4/15/43 (d) | | 800 | 835,494 |
| California Resources Corp., 8.00%, 12/15/22 (c) | | 320 | 216,000 |
| Callon Petroleum Co., 6.13%, 10/01/24 (c) | | 197 | 202,910 |
| Carrizo Oil & Gas, Inc., 6.25%, 4/15/23 (d) | | 790 | 811,725 |
| Cenovus Energy, Inc.: | | | |
| 5.70%, 10/15/19 | | 51 | 55,110 |
| 5.20%, 9/15/43 | | 25 | 23,819 |
| Cheniere Corpus Christi Holdings LLC, 7.00%, 6/30/24 (c)(d) | | 698 | 739,880 |
| Chesapeake Energy Corp.: | | | |
| 6.50%, 8/15/17 | | 45 | 45,731 |
| 7.25%, 12/15/18 | | 45 | 46,238 |
| 4.13%, 4/15/19 (b) | | 402 | 370,845 |
| 6.63%, 8/15/20 | | 239 | 225,855 |
| 6.88%, 11/15/20 | | 224 | 211,120 |
| 4.88%, 4/15/22 | | 520 | 442,000 |
| 8.00%, 12/15/22 (c) | | 60 | 60,863 |
| ConocoPhillips Co., 4.95%, 3/15/26 (d) | | 700 | 785,253 |
| CONSOL Energy, Inc.: | | | |
| 5.88%, 4/15/22 (d) | | 2,750 | 2,542,031 |
| 8.00%, 4/01/23 | | 76 | 75,240 |
| Continental Resources, Inc.: | | | |
| 5.00%, 9/15/22 | | 289 | 283,220 |
| 4.50%, 4/15/23 | | 228 | 217,170 |
| 3.80%, 6/01/24 (d) | | 579 | 532,680 |
| Crestwood Midstream Partners LP/Crestwood Midstream Finance Corp.: | | | |
| 6.00%, 12/15/20 | | 35 | 35,613 |
| 6.25%, 4/01/23 | | 35 | 35,438 |
| CrownRock LP/CrownRock Finance, Inc. (c): | | | |
| 7.13%, 4/15/21 (d) | | 961 | 989,830 |
| 7.75%, 2/15/23 | | 160 | 170,800 |
| DCP Midstream LLC (c): | | | |
| 4.75%, 9/30/21 | | 160 | 163,600 |
| 6.45%, 11/03/36 | | 193 | 200,720 |
| 6.75%, 9/15/37 | | 278 | 290,510 |
| Denbury Resources, Inc., 9.00%, 5/15/21 (c)(d) | | 625 | 643,750 |
| Devon Energy Corp., 5.85%, 12/15/25 (d) | | 1,350 | 1,547,454 |
| Diamondback Energy, Inc., 4.75%, 11/01/24 (c) | | 91 | 91,000 |
| Encana Corp. (d): | | | |
| 3.90%, 11/15/21 | | 84 | 84,991 |
| 5.15%, 11/15/41 | | 216 | 198,020 |
| Energy Transfer Equity LP (d): | | | |
| 5.88%, 1/15/24 | | 960 | 975,720 |
| 5.50%, 6/01/27 | | 415 | 404,625 |
| Energy Transfer Partners LP, 6.13%, 12/15/45 (d) | | 500 | 521,278 |
| Enterprise Products Operating LLC, 3.75%, 2/15/25 (d) | | 1,250 | 1,291,816 |
| Extraction Oil & Gas Holdings LLC/Extraction Finance Corp., 7.88%, 7/15/21 (c)(d) | | 415 | 438,862 |
| Gazprom OAO Via Gaz Capital SA, 4.95%, 7/19/22 (c) | | 476 | 488,779 |
| Genesis Energy LP/Genesis Energy Finance Corp.: | | | |
| 6.00%, 5/15/23 | | 59 | 59,148 |
| 5.63%, 6/15/24 | | 449 | 444,510 |
| GNL Quintero SA: | | | |
| 4.63%, 7/31/29 (c)(d) | | 535 | 561,750 |
| 4.63%, 7/31/29 | | 279 | 292,950 |
| Great Western Petroleum LLC/Great Western Finance, Inc., 9.00%, 9/30/21 (c) | | 331 | 344,240 |
| Gulfport Energy Corp.: | | | |
| 6.63%, 5/01/23 | | 84 | 88,200 |

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Oil, Gas & Consumable Fuels (continued)** | | | |
| Gulfport Energy Corp. (continued): | | | |
| 6.00%, 10/15/24 (c) | USD | 488 | $ 497,150 |
| Halcon Resources Corp., 8.63%, 2/01/20 (c) | | 185 | 188,700 |
| Hess Corp., 4.30%, 4/01/27 (d) | | 750 | 746,638 |
| Hilcorp Energy I LP/Hilcorp Finance Co. (c): | | | |
| 7.63%, 4/15/21 | | 50 | 51,250 |
| 5.75%, 10/01/25 | | 197 | 197,492 |
| Kinder Morgan Energy Partners LP, 4.25%, 9/01/24 (d) | | 2,500 | 2,577,525 |
| Matador Resources Co., 6.88%, 4/15/23 | | 460 | 483,000 |
| MEG Energy Corp., 6.50%, 3/15/21 (c)(d) | | 2,036 | 1,756,050 |
| MPLX LP, 4.88%, 6/01/25 (d) | | 790 | 824,088 |
| Murphy Oil Corp., 6.88%, 8/15/24 (d) | | 288 | 303,827 |
| NGPL PipeCo LLC (c): | | | |
| 7.12%, 12/15/17 (d) | | 2,866 | 2,994,970 |
| 7.77%, 12/15/37 | | 383 | 419,385 |
| Noble Energy, Inc., 5.63%, 5/01/21 (d) | | 1,700 | 1,762,631 |
| Oasis Petroleum, Inc.: | | | |
| 6.50%, 11/01/21 | | 450 | 447,187 |
| 6.88%, 3/15/22 (d) | | 490 | 485,100 |
| 6.88%, 1/15/23 | | 115 | 112,700 |
| ONEOK, Inc.: | | | |
| 4.25%, 2/01/22 | | 80 | 79,000 |
| 7.50%, 9/01/23 (d) | | 377 | 431,665 |
| Paramount Resources, Ltd., 6.88%, 6/30/23 (c) | | 1,235 | 1,312,187 |
| Parsley Energy LLC/Parsley Finance Corp. (c): | | | |
| 7.50%, 2/15/22 (d) | | 667 | 709,521 |
| 6.25%, 6/01/24 | | 201 | 211,050 |
| PDC Energy, Inc.: | | | |
| 7.75%, 10/15/22 | | 236 | 250,750 |
| 6.13%, 9/15/24 (c) | | 220 | 228,800 |
| Pertamina Persero PT, 5.63%, 5/20/43 (c)(d) | | 2,000 | 2,006,174 |
| Petrobras Argentina SA, 7.38%, 7/21/23 (c) | | 895 | 917,375 |
| Petrobras Global Finance BV: | | | |
| 3.00%, 1/15/19 (d) | | 665 | 651,035 |
| 3.02%, 1/15/19 (b) | | 560 | 549,500 |
| 8.38%, 5/23/21 (d) | | 1,479 | 1,636,218 |
| 6.25%, 12/14/26 | GBP | 194 | 225,672 |
| 6.85%, 6/05/49 (d) | USD | 1,214 | 1,031,900 |
| Petrobras International Finance Co.: | | | |
| 7.88%, 3/15/19 | | 273 | 293,475 |
| 5.75%, 1/20/20 | | 868 | 895,776 |
| 5.38%, 1/27/21 | | 1,256 | 1,243,691 |
| Petroleos de Venezuela SA: | | | |
| 6.00%, 5/16/24 | | 1,158 | 434,251 |
| 6.00%, 11/15/26 | | 124 | 45,946 |
| Petroleos Mexicanos, 4.63%, 9/21/23 (c) | | 309 | 308,166 |
| QEP Resources, Inc.: | | | |
| 6.88%, 3/01/21 | | 50 | 52,625 |
| 5.25%, 5/01/23 | | 40 | 39,300 |
| Range Resources Corp. (c): | | | |
| 5.75%, 6/01/21 | | 25 | 25,375 |
| 5.88%, 7/01/22 (d) | | 579 | 589,132 |
| 5.00%, 8/15/22 (d) | | 91 | 88,725 |
| 5.00%, 3/15/23 | | 280 | 270,900 |
| Resolute Energy Corp., 8.50%, 5/01/20 | | 250 | 248,125 |
| Rockies Express Pipeline LLC (c): | | | |
| 5.63%, 4/15/20 (d) | | 685 | 718,394 |
| 6.88%, 4/15/40 | | 596 | 621,330 |
| RSP Permian, Inc., 6.63%, 10/01/22 | | 290 | 305,587 |
| Sabine Pass Liquefaction LLC: | | | |
| 6.25%, 3/15/22 (d) | | 752 | 823,440 |
| 5.63%, 4/15/23 (d) | | 1,980 | 2,103,750 |
| 5.63%, 3/01/25 (d) | | 311 | 329,085 |
| 5.88%, 6/30/26 (c) | | 196 | 211,229 |
| 5.00%, 3/15/27 (c)(d) | | 324 | 329,670 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Oil, Gas & Consumable Fuels (continued)** | | | |
| Sanchez Energy Corp.: | | | |
| 7.75%, 6/15/21 | USD | 536 | $ 498,480 |
| 6.13%, 1/15/23 (d) | | 1,008 | 861,840 |
| Seven Generations Energy Ltd. (c): | | | |
| 8.25%, 5/15/20 (d) | | 196 | 207,760 |
| 6.75%, 5/01/23 | | 59 | 62,392 |
| Shell International Finance BV, 4.38%, 5/11/45 (d) | | 450 | 469,107 |
| SM Energy Co.: | | | |
| 6.13%, 11/15/22 (d) | | 22 | 22,110 |
| 5.00%, 1/15/24 | | 15 | 13,950 |
| 5.63%, 6/01/25 (d) | | 350 | 333,375 |
| 6.75%, 9/15/26 | | 165 | 169,125 |
| Southwestern Energy Co.: | | | |
| 7.50%, 2/01/18 | | 40 | 41,900 |
| 5.80%, 1/23/20 | | 644 | 640,780 |
| 4.10%, 3/15/22 | | 216 | 193,320 |
| 6.70%, 1/23/25 | | 65 | 61,913 |
| Suncor Energy, Inc., 6.50%, 6/15/38 (d) | | 800 | 1,025,717 |
| Tallgrass Energy Partners LP/Tallgrass Energy Finance Corp. (c): | | | |
| 5.50%, 9/15/24 | | 490 | 487,550 |
| 5.13%, 2/01/25 | | 95 | 94,762 |
| 5.38%, 2/01/27 | | 55 | 55,000 |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp.: | | | |
| 6.38%, 8/01/22 | | 95 | 97,850 |
| 5.25%, 5/01/23 | | 16 | 15,882 |
| 6.75%, 3/15/24 | | 82 | 87,740 |
| Tesoro Logistics LP/Tesoro Logistics Finance Corp.: | | | |
| 6.13%, 10/15/21 | | 44 | 46,035 |
| 6.38%, 5/01/24 | | 124 | 133,610 |
| Transcanada Trust, Series 16-A, 5.88%, 8/15/76 (b) | | 205 | 219,350 |
| Weatherford International LLC, 6.80%, 6/15/37 | | 30 | 24,000 |
| Weatherford International Ltd.: | | | |
| 4.50%, 4/15/22 | | 107 | 96,300 |
| 6.50%, 8/01/36 | | 85 | 67,150 |
| 7.00%, 3/15/38 | | 94 | 77,550 |
| 5.95%, 4/15/42 | | 83 | 62,665 |
| Whiting Petroleum Corp.: | | | |
| 5.00%, 3/15/19 | | 87 | 82,650 |
| 1.25%, 6/05/20 (i) | | 823 | 759,142 |
| 5.75%, 3/15/21 (i) | | 421 | 416,461 |
| 6.25%, 4/01/23 (i) | | 173 | 169,344 |
| Williams Cos., Inc.: | | | |
| 3.70%, 1/15/23 | | 63 | 60,953 |
| 4.55%, 6/24/24 | | 138 | 140,415 |
| 5.75%, 6/24/44 | | 930 | 950,344 |
| Williams Partners LP, 4.50%, 11/15/23 (d) | | 1,750 | 1,829,964 |
| WPX Energy, Inc.: | | | |
| 5.25%, 1/15/17 | | 45 | 45,113 |
| 7.50%, 8/01/20 | | 80 | 84,300 |
| 6.00%, 1/15/22 | | 312 | 311,220 |
| 8.25%, 8/01/23 | | 215 | 232,200 |
| 5.25%, 9/15/24 (d) | | 435 | 413,250 |
| YPF SA: | | | |
| 8.50%, 3/23/21 | | 83 | 91,275 |
| 8.75%, 4/04/24 (c) | | 519 | 571,393 |
| 8.50%, 7/28/25 (c) | | 1,104 | 1,203,360 |
| 8.50%, 7/28/25 | | 97 | 105,730 |
| | | | 67,367,675 |

| | | | |
|---|---|---|---|
| **Paper & Forest Products 0.1%** | | | |
| Pfleiderer GmbH, 7.88%, 8/01/19 | EUR | 168 | 191,412 |

| **Corporate Bonds** | | **Par (000)** | **Value** |
|---|---|---|---|
| **Paper & Forest Products (continued)** | | | |
| Unifrax I LLC/Unifrax Holding Co., 7.50%, 2/15/19 (c)(d) | USD | 390 | $ 375,375 |
| | | | 566,787 |
| **Pharmaceuticals 1.8%** | | | |
| AbbVie, Inc. (d): | | | |
| 3.20%, 5/14/26 | | 775 | 762,123 |
| 4.45%, 5/14/46 | | 1,000 | 986,825 |
| Actavis Funding SCS (d): | | | |
| 3.80%, 3/15/25 | | 1,000 | 1,037,814 |
| 4.75%, 3/15/45 | | 500 | 524,466 |
| Concordia International Corp., 9.00%, 4/01/22 (c) | | 35 | 34,125 |
| DPx Holdings BV, 7.50%, 2/01/22 (c) | | 135 | 142,088 |
| Endo Finance LLC/Endo Finco, Inc. (c)(d): | | | |
| 5.38%, 1/15/23 | | 620 | 527,000 |
| 6.00%, 7/15/23 | | 459 | 399,330 |
| Forest Laboratories, Inc., 5.00%, 12/15/21 (c)(d) | | 718 | 801,493 |
| Grifols Worldwide Operations Ltd., 5.25%, 4/01/22 (d) | | 314 | 327,345 |
| Jaguar Holding Co. II/Pharmaceutical Product Development LLC, 6.38%, 8/01/23 (c)(d) | | 1,166 | 1,172,413 |
| Mylan NV, 3.95%, 6/15/26 (c)(d) | | 1,000 | 997,420 |
| NBTY, Inc., 7.63%, 5/15/21 (c)(d) | | 733 | 716,507 |
| Shire Acquisitions Investments Ireland DAC, 3.20%, 9/23/26 | | 300 | 294,592 |
| Synlab Bondco PLC, 6.25%, 7/01/22 | EUR | 145 | 171,924 |
| Synlab Unsecured Bondco PLC, 8.25%, 7/01/23 | | 100 | 118,294 |
| Teva Pharmaceutical Finance Netherlands III BV, 3.15%, 10/01/26 | USD | 500 | 486,268 |
| Valeant Pharmaceuticals International, Inc. (c): | | | |
| 6.75%, 8/15/18 | | 1,517 | 1,480,592 |
| 5.38%, 3/15/20 | | 161 | 139,265 |
| 6.75%, 8/15/21 | | 1,276 | 1,103,740 |
| 5.63%, 12/01/21 | | 932 | 764,240 |
| 5.88%, 5/15/23 | | 82 | 64,575 |
| 6.13%, 4/15/25 | | 125 | 98,750 |
| | | | 13,151,189 |
| **Real Estate Investment Trusts (REITs) 0.1%** | | | |
| American Tower Corp., 3.38%, 10/15/26 | | 250 | 248,790 |
| Hilton Domestic Operating Co., Inc., 4.25%, 9/01/24 (c) | | 204 | 204,510 |
| MGM Growth Properties Operating Partnership LP/MGP Finance Co-Issuer, Inc., 4.50%, 9/01/26 (c) | | 521 | 511,883 |
| | | | 965,183 |
| **Real Estate Management & Development 3.1%** | | | |
| Caifu Holdings Ltd., 8.75%, 1/24/20 | | 3,000 | 3,146,400 |
| Lai Sun International Finance 2012 Ltd., 5.70%, 1/18/18 | | 2,000 | 2,039,942 |
| Northwest Florida Timber Finance LLC, 4.75%, 3/04/29 (c)(d) | | 4,360 | 3,930,457 |
| Punch Taverns Finance B Ltd.: | | | |
| 7.37%, 9/30/21 | GBP | 2,394 | 2,985,933 |
| Series A6, 5.94%, 9/30/22 | | 6,446 | 7,540,638 |
| Series A7, 5.27%, 3/30/24 | | 127 | 140,206 |
| Realogy Group LLC/Realogy Co-Issuer Corp. (c): | | | |
| 4.50%, 4/15/19 (d) | USD | 205 | 212,688 |
| 5.25%, 12/01/21 | | 706 | 742,183 |
| 4.88%, 6/01/23 (d) | | 1,575 | 1,575,000 |
| Vingroup JSC, 11.63%, 5/07/18 (d) | | 250 | 264,500 |
| | | | 22,577,947 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Road & Rail 1.1%** | | | |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc. (c): | | | |
| 5.13%, 6/01/22 (d) | USD | 850 | $ 833,000 |
| 6.38%, 4/01/24 | | 30 | 30,150 |
| 5.25%, 3/15/25 (d) | | 725 | 688,750 |
| Avis Budget Finance PLC, 4.13%, 11/15/24 | EUR | 100 | 108,677 |
| Burlington Northern Santa Fe LLC, 4.38%, 9/01/42 | USD | 500 | 541,417 |
| Herc Rentals, Inc. (c): | | | |
| 7.50%, 6/01/22 | | 106 | 106,000 |
| 7.75%, 6/01/24 | | 10 | 10,050 |
| Hertz Corp.: | | | |
| 4.25%, 4/01/18 (d) | | 400 | 410,000 |
| 7.38%, 1/15/21 (d) | | 265 | 272,950 |
| 5.50%, 10/15/24 (c) | | 385 | 373,797 |
| Lima Metro Line 2 Finance Ltd., 5.88%, 7/05/34 (c)(d) | | 4,000 | 4,430,000 |
| Union Pacific Corp., 4.05%, 11/15/45 | | 500 | 525,311 |
| | | | 8,330,102 |
| **Semiconductors & Semiconductor Equipment 0.5%** | | | |
| Advanced Micro Devices, Inc., 7.50%, 8/15/22 | | 89 | 94,118 |
| Micron Technology, Inc. (c): | | | |
| 5.25%, 8/01/23 (d) | | 343 | 336,140 |
| 5.63%, 1/15/26 | | 82 | 79,540 |
| Microsemi Corp., 9.13%, 4/15/23 (c) | | 41 | 47,253 |
| NXP BV/NXP Funding LLC (c): | | | |
| 4.13%, 6/15/20 (d) | | 760 | 801,800 |
| 4.13%, 6/01/21 | | 203 | 216,702 |
| 4.63%, 6/15/22 (d) | | 410 | 446,900 |
| 3.88%, 9/01/22 | | 200 | 211,500 |
| 4.63%, 6/01/23 | | 224 | 245,280 |
| ON Semiconductor Corp., Series B, 2.63%, 12/15/26 (i) | | 280 | 321,475 |
| QUALCOMM, Inc., 4.65%, 5/20/35 (d) | | 400 | 434,760 |
| Sensata Technologies BV, 5.00%, 10/01/25 (c) | | 15 | 15,375 |
| Sensata Technologies UK Financing Co. PLC, 6.25%, 2/15/26 (c)(d) | | 540 | 584,550 |
| | | | 3,835,393 |
| **Software 1.4%** | | | |
| ACI Worldwide, Inc., 6.38%, 8/15/20 (c)(d) | | 580 | 597,400 |
| BMC Software Finance, Inc., 8.13%, 7/15/21 (c) | | 392 | 358,680 |
| Inception Merger Sub, Inc./Rackspace Hosting, Inc., 8.63%, 11/15/24 (c)(e) | | 794 | 794,000 |
| Infinity Acquisition LLC/Infinity Acquisition Finance Corp., 7.25%, 8/01/22 (c) | | 51 | 44,115 |
| Infor US, Inc., 6.50%, 5/15/22 (d) | | 1,505 | 1,555,794 |
| Informatica LLC, 7.13%, 7/15/23 (c)(d) | | 521 | 485,832 |
| JDA Escrow LLC/JDA Bond Finance, Inc., 7.38%, 10/15/24 (c) | | 159 | 164,167 |
| Microsoft Corp., 3.70%, 8/08/46 (d) | | 1,750 | 1,710,051 |
| Nuance Communications, Inc. (c): | | | |
| 5.38%, 8/15/20 (d) | | 115 | 118,163 |
| 6.00%, 7/01/24 | | 220 | 231,000 |
| Oracle Corp., 4.00%, 7/15/46 (d) | | 1,500 | 1,481,295 |
| PTC, Inc., 6.00%, 5/15/24 | | 119 | 125,843 |
| Rolta Americas LLC, 8.88%, 7/24/19 (d)(j)(k) | | 200 | 25,750 |
| Solera LLC/Solera Finance, Inc., 10.50%, 3/01/24 (c)(d) | | 1,020 | 1,140,176 |
| SS&C Technologies Holdings, Inc., 5.88%, 7/15/23 (d) | | 584 | 611,740 |
| TIBCO Software, Inc., 11.38%, 12/01/21 (c) | | 422 | 407,230 |
| Veritas US, Inc./Veritas Bermuda Ltd., 7.50%, 2/01/23 | EUR | 100 | 104,977 |
| | | | 9,956,213 |
| **Corporate Bonds** | | **Par** | **Value** |

| | | (000) | |
|---|---|---|---|
| **Specialty Retail 0.5%** | | | |
| Asbury Automotive Group, Inc., 6.00%, 12/15/24 (d) | USD | 740 | $ 762,200 |
| JC Penney Corp., Inc.: | | | |
| 6.38%, 10/15/36 | | 143 | 121,550 |
| 7.40%, 4/01/37 | | 261 | 238,815 |
| L Brands, Inc., 6.88%, 11/01/35 (d) | | 479 | 507,740 |
| Lowe s Cos., Inc., 4.65%, 4/15/42 | | 400 | 450,805 |
| Penske Automotive Group, Inc.: | | | |
| 5.38%, 12/01/24 (d) | | 613 | 616,065 |
| 5.50%, 5/15/26 | | 212 | 210,410 |
| Sally Holdings LLC/Sally Capital, Inc., 5.75%, 6/01/22 (d) | | 427 | 444,080 |
| THOM Europe SAS Senior Secured 7.38%, 7/15/19 | EUR | 100 | 115,659 |
| | | | 3,467,324 |
| **Technology Hardware, Storage & Peripherals 0.5%** | | | |
| Apple, Inc., 4.65%, 2/23/46 (d) | USD | 1,500 | 1,653,216 |
| Diamond 1 Finance Corp./Diamond 2 Finance Corp. (c): | | | |
| 4.42%, 6/15/21 | | 145 | 151,628 |
| 7.13%, 6/15/24 | | 514 | 563,064 |
| 6.02%, 6/15/26 | | 170 | 185,309 |
| 8.35%, 7/15/46 | | 150 | 181,754 |
| Western Digital Corp., 7.38%, 4/01/23 (c)(d) | | 495 | 541,406 |
| | | | 3,276,377 |
| **Textiles, Apparel & Luxury Goods 0.1%** | | | |
| BiSoho SAS, 5.88%, 5/01/23 | EUR | 100 | 117,481 |
| Hanesbrands, Inc. (c): | | | |
| 4.63%, 5/15/24 | USD | 59 | 59,995 |
| 4.88%, 5/15/26 | | 120 | 122,100 |
| Springs Industries, Inc., 6.25%, 6/01/21 | | 59 | 61,360 |
| | | | 360,936 |
| **Thrifts & Mortgage Finance 0.1%** | | | |
| Jerrold Finco PLC, 6.25%, 9/15/21 | GBP | 100 | 121,176 |
| MGIC Investment Corp., 5.75%, 8/15/23 | USD | 181 | 190,955 |
| Radian Group, Inc., 5.25%, 6/15/20 (d) | | 390 | 409,988 |
| | | | 722,119 |
| **Tobacco 0.4%** | | | |
| Altria Group, Inc., 4.50%, 5/02/43 (d) | | 750 | 811,177 |
| Philip Morris International, Inc., 4.38%, 11/15/41 (d) | | 900 | 954,742 |
| Reynolds American, Inc., 5.85%, 8/15/45 (d) | | 715 | 888,964 |
| | | | 2,654,883 |
| **Trading Companies & Distributors 0.4%** | | | |
| Doric Nimrod Air Alpha Ltd. Pass-Through Trust (c): | | | |
| Series 2012-1, Class B, 6.50%, 5/30/21 | | 424 | 440,935 |
| Series 2013-1, Class A, 5.25%, 5/30/25 (d) | | 2,326 | 2,448,032 |
| | | | 2,888,967 |
| **Transportation Infrastructure 0.2%** | | | |
| CEVA Group PLC, 7.00%, 3/01/21 (c) | | 510 | 413,100 |
| Penske Truck Leasing Co. LP/PTL Finance Corp., 3.40%, 11/15/26 (c)(e) | | 390 | 389,563 |
| Transurban Finance Co., 4.13%, 2/02/26 (c)(d) | | 520 | 550,952 |
| | | | 1,353,615 |
| **Utilities 0.2%** | | | |
| AES Panama SRL, 6.00%, 6/25/22 (c) | | 291 | 303,038 |
| ContourGlobal Power Holdings SA, 5.13%, 6/15/21 | EUR | 100 | 114,935 |
| Emera US Finance LP, 4.75%, 6/15/46 (c) | USD | 200 | 212,539 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Corporate Bonds | | Par (000) | Value |
|---|---|---|---|
| **Utilities (continued)** | | | |
| Generacion Mediterranea SA/Generacion Frias SA/Central Termica Roca SA, 9.63%, 7/27/23 (c) | USD | 778 | $ 828,570 |
| | | | 1,459,082 |
| **Wireless Telecommunication Services 2.6%** | | | |
| Communications Sales & Leasing, Inc./CSL Capital LLC: | | | |
| 6.00%, 4/15/23 (c) | | 77 | 79,888 |
| 8.25%, 10/15/23 (d) | | 1,099 | 1,159,445 |
| Digicel Ltd., 6.00%, 4/15/21 (c)(d) | | 5,389 | 4,821,538 |
| GEO Group, Inc.: | | | |
| 5.13%, 4/01/23 (d) | | 440 | 383,350 |
| 6.00%, 4/15/26 | | 71 | 61,238 |
| Softbank Corp., 4.50%, 4/15/20 (c)(d) | | 1,500 | 1,541,250 |
| Sprint Capital Corp.: | | | |
| 6.90%, 5/01/19 | | 155 | 163,137 |
| 6.88%, 11/15/28 (d) | | 2,084 | 1,917,280 |
| Sprint Communications, Inc.: | | | |
| 9.00%, 11/15/18 (c)(d) | | 2,191 | 2,410,100 |
| 7.00%, 8/15/20 | | 510 | 530,400 |
| Sprint Corp.: | | | |
| 7.25%, 9/15/21 | | 115 | 117,731 |
| 7.88%, 9/15/23 | | 1,526 | 1,510,740 |
| 7.13%, 6/15/24 (d) | | 1,024 | 962,560 |
| Sprint Spectrum Co. LLC/Sprint Spectrum Co. II LLC/Sprint Spectrum Co. III LLC, 3.36%, 3/20/23 (c) | | 490 | 493,675 |
| T-Mobile USA, Inc.: | | | |
| 6.63%, 4/28/21 (d) | | 250 | 262,187 |
| 6.73%, 4/28/22 (d) | | 945 | 987,525 |
| 6.00%, 3/01/23 | | 40 | 42,100 |
| 6.84%, 4/28/23 (d) | | 610 | 651,480 |
| 6.50%, 1/15/24 (d) | | 440 | 470,800 |
| Wind Acquisition Finance SA, 4.00%, 7/15/20 | EUR | 100 | 111,422 |
| | | | 18,677,846 |
| **Total Corporate Bonds 63.9%** | | | 464,584,016 |
| | | | |
| **Floating Rate Loan Interests (b)** | | | |
| **Aerospace & Defense 0.0%** | | | |
| Engility Corp., Term Loan B1, 4.78%, 8/12/20 | USD | 25 | 25,285 |
| **Air Freight & Logistics 0.0%** | | | |
| CEVA Group PLC, Synthetic LOC, 6.50%, 3/19/21 | | 30 | 24,257 |
| CEVA Intercompany BV, Dutch Term Loan, 6.50%, 3/19/21 | | 31 | 24,974 |
| CEVA Logistics Canada ULC, Canadian Term Loan, 6.50%, 3/19/21 | | 5 | 4,064 |
| CEVA Logistics US Holdings, Inc., Term Loan, 6.50%, 3/19/21 | | 44 | 34,991 |
| | | | 88,286 |
| **Auto Components 0.1%** | | | |
| Gates Global, Inc., Term Loan B, 4.25%, 7/06/21 | | 517 | 508,905 |
| **Chemicals 0.0%** | | | |
| Chemours Co., Term Loan B, 3.75%, 5/12/22 | | 27 | 26,579 |
| MacDermid, Inc., Term Loan B3, 5.50%, 6/07/20 | | 183 | 184,524 |
| | | | 211,103 |
| **Commercial Services & Supplies 0.1%** | | | |
| ADS Waste Holdings, Inc., Term Loan B2, 3.75%, 10/09/19 | | 289 | 289,365 |
| Brand Energy & Infrastructure Services, Inc., Term Loan B, 4.75%, 11/26/20 | | 208 | 204,967 |

| Floating Rate Loan Interests (b) | | Par (000) | Value |
|---|---|---|---|
| **Commercial Services & Supplies (continued)** | | | |
| Camelot UK Holdco Ltd., Term Loan B, 4.75%, 10/03/23 | USD | 353 | $ 353,293 |
| | | | 847,625 |
| **Containers & Packaging 0.0%** | | | |
| BWAY Holding Co., Inc., Term Loan B, 5.50%, 8/14/20 | | 197 | 197,787 |
| **Diversified Consumer Services 0.2%** | | | |
| AssuredPartners, Inc., 2015 1st Lien Term Loan, 5.75%, 10/21/22 | | 194 | 194,314 |
| Bright Horizons Family Solutions, Inc., Term Loan B, 5.25%, 1/30/20 | | 481 | 482,968 |
| Laureate Education, Inc., Term Loan B, 8.87%, 3/17/21 | | 477 | 472,333 |
| | | | 1,149,615 |
| **Diversified Financial Services 0.6%** | | | |
| Aviron Capital LLC, Term Loan, 15.00%, 10/20/17 | | 11,081 | 4,266,266 |
| Lone Star LSPT Future Funding, Mortgage Loan, 0.33%, 9/09/20 | | 202 | 202,000 |
| | | | 4,468,266 |
| **Diversified Telecommunication Services 0.0%** | | | |
| Telenet International Finance Sarl, Term Loan AD, 4.36%, 6/30/24 | | 213 | 213,045 |
| **Electric Utilities 0.1%** | | | |
| TEX Operations Co. LLC: | | | |
| Exit Term Loan B, 5.00%, 8/04/23 | | 591 | 595,481 |
| Exit Term Loan C, 5.00%, 8/04/23 | | 129 | 129,497 |
| | | | 724,978 |
| **Energy Equipment & Services 0.1%** | | | |
| Weatherford International Ltd., Term Loan, 1.97%, 7/13/20 | | 387 | 367,669 |
| **Food Products 0.1%** | | | |
| Chobani LLC, 1st Lien Term Loan, 5.25%, 10/07/23 | | 368 | 371,912 |
| **Health Care Equipment & Supplies 0.1%** | | | |
| Alere, Inc., 2015 Term Loan B, 4.25%, 6/18/22 | | 310 | 308,603 |
| DJO Finance LLC, 2015 Term Loan, 4.25%, 6/08/20 | | 279 | 275,480 |
| Immucor, Inc., Refinancing Term Loan B2, 5.00%, 8/17/18 | | 366 | 357,692 |
| | | | 941,775 |
| **Health Care Providers & Services 0.1%** | | | |
| inVentiv Health, Inc., 2016 Term Loan B, 4.75%, 9/28/23 | | 385 | 384,792 |
| MPH Acquisition Holdings LLC, 2016 Term Loan B, 5.00%, 6/07/23 | | 344 | 347,989 |
| Vizient, Inc., 2016 Term Loan B, 5.00%, 2/13/23 | | 113 | 114,352 |
| | | | 847,133 |
| **Hotels, Restaurants & Leisure 3.1%** | | | |
| Amaya Holdings BV, 1st Lien Term Loan, 5.00%, 8/01/21 | | 313 | 313,041 |
| Caesars Entertainment Resort Properties LLC, Term Loan B, 7.00%, 10/11/20 | | 3,323 | 3,339,532 |
| Hilton Ft. Lauderdale, Mezzanine Term Loan 5, 6.54%, 8/04/19 | | 6,500 | 6,435,000 |
| Hilton Los Cabos, B-Note, 8.78%, 9/18/18 | | 5,375 | 5,267,500 |
| Hilton Orlando, Mezzanine A3, 6.78%, 7/09/19 | | 7,250 | 7,250,000 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Floating Rate Loan Interests (b) | | Par (000) | Value |
|---|---|---|---|
| **Hotels, Restaurants & Leisure (continued)** | | | |
| Scientific Games International, Inc., 2014 Term Loan B1, 6.00%, 10/18/20 | USD | 259 | $ 260,377 |
| | | | 22,865,450 |
| **Industrial Conglomerates 0.1%** | | | |
| Vertiv Co., Term Loan B, 6.00%, 9/29/23 | | 878 | 872,512 |
| **Insurance 0.6%** | | | |
| Alliant Holdings I, Inc., Incremental Term Loan B2, 5.25%, 8/12/22 | | 276 | 277,689 |
| Dallas Design District, Mezzanine Term Loan, 7.23%, 11/09/19 | | 4,000 | 3,900,000 |
| Sedgwick Claims Management Services, Inc., 1st Lien Term Loan, 3.75%, 3/01/21 | | 472 | 468,433 |
| | | | 4,646,122 |
| **Internet Software & Services 0.0%** | | | |
| Rackspace Hosting, Inc., 1st Lien Term Loan, 5.00%, 10/26/23 | | 260 | 258,700 |
| **IT Services 0.0%** | | | |
| WEX, Inc., Term Loan B, 4.25%, 7/01/23 | | 158 | 159,280 |
| **Machinery 0.1%** | | | |
| Silver II US Holdings LLC, Term Loan, 4.00%, 12/13/19 | | 482 | 442,248 |
| **Media 0.3%** | | | |
| iHeartCommunications, Inc., Term Loan D, 7.28%, 1/30/19 | | 1,169 | 883,305 |
| Intelsat Jackson Holdings SA, Term Loan B2, 3.75%, 6/30/19 | | 1,091 | 1,042,105 |
| | | | 1,925,410 |
| **Metals & Mining 0.1%** | | | |
| FMG Resources August 2006 Property Ltd., Term Loan B, 3.75%, 6/30/19 | | 428 | 427,526 |
| **Oil, Gas & Consumable Fuels 0.3%** | | | |
| California Resources Corp., Term Loan A, 3.53%, 10/01/19 | | 283 | 273,390 |
| Chesapeake Energy Corp., Term Loan, 8.50%, 8/23/21 | | 1,679 | 1,793,870 |
| MEG Energy Corp., Refinancing Term Loan, 3.75%, 3/31/20 | | 97 | 91,085 |
| | | | 2,158,345 |
| **Pharmaceuticals 0.2%** | | | |
| DPx Holdings BV, 2014 Incremental Term Loan, 4.25%, 3/11/21 | | 318 | 318,465 |
| Jaguar Holding Co. II, 2015 Term Loan B, 4.25%, 8/18/22 | | 724 | 723,332 |
| NBTY, Inc., Term Loan B, 5.00%, 5/05/23 | | 177 | 177,039 |
| Valeant Pharmaceuticals International, Inc.: | | | |
| Series A3 Tranche A, 4.29%, 10/20/18 | | 84 | 83,350 |
| Series C2 Term Loan B, 5.25%, 12/11/19 | | 40 | 40,177 |
| Series D2 Term Loan B, 5.00%, 2/13/19 | | 25 | 24,920 |
| Series E Term Loan B, 5.25%, 8/05/20 | | 302 | 300,719 |
| Series F1 Term Loan B, 5.50%, 4/01/22 | | 86 | 85,250 |
| | | | 1,753,252 |
| **Professional Services 0.1%** | | | |
| Advantage Sales & Marketing, Inc.: | | | |
| 2014 1st Lien Term Loan, 4.25%, 7/23/21 | | 298 | 295,367 |
| 2014 2nd Lien Term Loan, 7.50%, 7/25/22 | | 91 | 86,247 |
| | | | 381,614 |
| **Semiconductors & Semiconductor Equipment 0.1%** | | | |
| Avago Technologies Cayman Ltd., Term Loan B3, 3.53%, 2/01/23 | | 545 | 550,362 |

| Floating Rate Loan Interests (b) | | Par (000) | Value |
|---|---|---|---|
| **Semiconductors & Semiconductor Equipment (continued)** | | | |
| Microsemi Corp., 2015 Term Loan B, 3.75%, 1/15/23 | USD | 46 | $ 46,009 |

| | | | |
|---|---|---|---|
| | | | 596,371 |
| **Software 0.4%** | | | |
| BMC Software Finance, Inc., Term Loan, 5.00%, 9/10/20 | | 776 | 763,492 |
| Kronos, Inc.: | | | |
| 1st Lien Term Loan, 9.25%, 10/04/23 | | 639 | 641,543 |
| 2nd Lien Term Loan, 5.00%, 10/04/24 | | 664 | 683,827 |
| RP Crown Parent LLC, 2016 Term Loan B, 4.50%, 10/12/23 | | 198 | 197,859 |
| Solera LLC, Term Loan B, 5.75%, 3/03/23 | | 442 | 446,405 |
| Tibco Software Inc., Term Loan B, 6.50%, 12/04/20 | | 534 | 533,547 |
| | | | 3,266,673 |
| **Specialty Retail 0.0%** | | | |
| Leslie s Poolmart, Inc., 2016 Term Loan, 5.25%, 8/16/23 | | 164 | 165,025 |
| **Textiles, Apparel & Luxury Goods 0.1%** | | | |
| Ascend Performance Materials LLC, Term Loan B, 6.50%, 8/12/22 | | 297 | 295,856 |
| J. Crew Group, Inc., Term Loan B, 4.00%, 3/05/21 | | 134 | 101,966 |
| | | | 397,822 |
| **Total Floating Rate Loan Interests 7.0%** | | | 51,279,734 |
| **Foreign Agency Obligations** | | | |
| Argentina Bonar Bonds: | | | |
| 24.51%, 3/28/17 (b) | ARS | 23,955 | 1,579,586 |
| 9.00%, 11/29/18 | USD | 144 | 159,318 |
| Argentine Bonos del Tesoro: | | | |
| 22.75%, 3/05/18 | ARS | 9,149 | 619,298 |
| 21.20%, 9/19/18 | | 18,297 | 1,270,918 |
| 18.20%, 10/03/21 | | 176 | 12,382 |
| 16.00%, 10/17/23 | | 88 | 5,844 |
| 15.50%, 10/17/26 | | 70 | 4,676 |
| Argentine Republic Government International Bond: | | | |
| 6.25%, 4/22/19 (c)(d) | USD | 6,667 | 7,067,020 |
| 6.88%, 4/22/21 | | 361 | 390,602 |
| 3.88%, 1/15/22 | EUR | 561 | 604,753 |
| 7.50%, 4/22/26 (c)(d) | USD | 3,437 | 3,754,922 |
| 5.83%, 12/31/33 (b) | ARS | 54 | 24,947 |
| 7.82%, 12/31/33 | EUR | 1,152 | 1,360,593 |
| 7.63%, 4/22/46 (c)(d) | USD | 2,767 | 3,021,564 |
| Brazilian Government International Bond: | | | |
| 2.88%, 4/01/21 | EUR | 261 | 294,380 |
| 7.13%, 1/20/37 (d) | USD | 222 | 253,080 |
| 5.00%, 1/27/45 (d) | | 595 | 525,088 |
| Cyprus Government International Bond, 4.63%, 2/03/20 (c) | EUR | 2,950 | 3,502,290 |
| Development Bank of Mongolia LLC, 5.75%, 3/21/17 | USD | 800 | 780,000 |
| Iceland Government International Bond, 5.88%, 5/11/22 (d) | | 3,415 | 4,002,824 |
| Jordan Government International Bond, 5.75%, 1/31/27 (c)(e) | | 326 | 324,403 |
| Mexican Udibonos, Inflation Protected, 3.50%, 12/14/17 | MXN | 292 | 87,666 |
| Portugal Government International Bond, 5.13%, 10/15/24 (c)(d) | USD | 5,430 | 5,375,700 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| | | Par (000) | Value |
|---|---|---|---|
| **Foreign Agency Obligations** | | | |
| Saudi Arabia Government Bond (c): | | | |
| 2.38%, 10/26/21 | USD | 1,182 | $ 1,179,045 |
| 4.50%, 10/26/46 | | 363 | 357,101 |
| Slovenia Government International Bond, 5.85%, 5/10/23 (c) | | 766 | 907,710 |
| Sri Lanka Government International Bond, 5.88%, 7/25/22 (d) | | 3,000 | 3,056,616 |
| Turkey Government Bond: | | | |
| 8.50%, 7/10/19 | TRY | 1,430 | 454,291 |
| 10.50%, 1/15/20 | | 2,143 | 714,391 |
| Turkey Government International Bond: | | | |
| 6.75%, 4/03/18 (d) | USD | 4,164 | 4,387,815 |
| 7.00%, 3/11/19 (d) | | 1,300 | 1,405,625 |
| 7.50%, 11/07/19 (d) | | 2,550 | 2,830,500 |
| 5.63%, 3/30/21 | | 331 | 349,559 |
| Venezuela Government International Bond, 8.25%, 10/13/24 | | 128 | 56,272 |
| **Total Foreign Agency Obligations 7.0%** | | | 50,720,779 |

| | Par (000) | Value |
|---|---|---|
| **Non-Agency Mortgage-Backed Securities** | | |
| **Collateralized Mortgage Obligations 21.5%** | | |
| American Home Mortgage Assets Trust, Series 2006-5, Class A1, 1.44%, 11/25/46 (b) | 6,292 | 3,293,153 |
| CHL Mortgage Pass-Through Trust: | | |
| Series 2006-3, Class 1A1, 0.77%, 3/25/36 (b) | 12,985 | 10,334,035 |
| Series 2007-J2, Class 2A1, 1.18%, 7/25/37 (b) | 5,322 | 2,706,600 |
| Series 2007-J2, Class 2A8, 6.00%, 7/25/37 | 2,939 | 2,270,447 |
| Citigroup Mortgage Loan Trust, Series 2006-AR7, Class 2A3A, 3.10%, 11/25/36 (b) | 7,644 | 6,442,174 |
| Countrywide Alternative Loan Trust: | | |
| Series 2005-61, Class 2A1, 0.81%, 12/25/35 (b) | 3,712 | 3,252,661 |
| Series 2005-9CB, Class 1A3, 0.98%, 5/25/35 (b) | 4,557 | 3,700,946 |
| Series 2006-40T1, Class 2A5, 0.93%, 12/25/36 (b) | 2,896 | 870,574 |
| Series 2006-7CB, Class 2A1, 6.50%, 5/25/36 | 3,368 | 2,382,527 |
| Series 2006-J7, Class 2A1, 2.20%, 11/20/36 (b) | 7,435 | 4,403,020 |
| Series 2006-J8, Class A5, 6.00%, 2/25/37 | 2,360 | 1,642,240 |
| Series 2006-OA14, Class 3A1, 1.37%, 11/25/46 (b) | 11,752 | 9,711,041 |
| Series 2006-OA16, Class A2, 0.72%, 10/25/46 (b) | 7,807 | 6,629,358 |
| Series 2006-OA18, Class A1, 0.65%, 12/25/46 (b) | 4,705 | 4,074,654 |
| Series 2006-OA22, Class A1, 0.69%, 2/25/47 (b) | 4,364 | 3,652,153 |
| Series 2006-OA6, Class 1A1A, 0.74%, 7/25/46 (b) | 8,687 | 6,346,344 |
| Series 2006-OA8, Class 1A1, 0.72%, 7/25/46 (b) | 3,464 | 2,830,709 |
| Series 2007-12T1, Class A22, 5.75%, 6/25/37 | 6,361 | 4,763,998 |
| Series 2007-12T1, Class A5, 6.00%, 6/25/37 | 3,087 | 2,361,928 |
| Series 2007-22, Class 2A16, 6.50%, 9/25/37 | 11,042 | 7,971,455 |
| Series 2007-23CB, Class A1, 6.00%, 9/25/37 | 9,051 | 7,357,382 |

| | | Par (000) | Value |
|---|---|---|---|
| **Non-Agency Mortgage-Backed Securities** | | | |
| **Collateralized Mortgage Obligations (continued):** | | | |
| Countrywide Alternative Loan Trust (continued): | | | |
| Series 2007-4CB, Class 1A3, 0.88%, 4/25/37 (b) | USD | 5,661 | $ 4,288,682 |
| Series 2007-OA2, Class 1A1, 1.36%, 3/25/47 (b) | | 5,976 | 4,691,542 |
| Countrywide Home Loan Mortgage Pass-Through Trust, Series 2006-OA5, Class 3A1, 0.73%, 4/25/46 (b) | | 10,516 | 9,251,981 |
| Fannie Mae Connecticut Avenue Securities, Class 1M2 (b): | | | |
| Series 2014-C02, 3.13%, 5/25/24 | | 7,872 | 7,687,560 |
| Series 2014-C03, 3.53%, 7/25/24 | | 5,950 | 5,958,299 |
| Freddie Mac Mortgage-Backed Securities, Series 4480, Class ZX, 4.00%, 11/15/44 | | 4,746 | 5,234,938 |
| Morgan Stanley Re-REMIC Trust, Series 2010-R5, Class 7B, 0.88%, 5/26/37 (b)(c) | | 16,103 | 11,191,432 |
| Nomura Asset Acceptance Corp. Alternative Loan Trust, Series 2006-AF1, Class 1A2, 6.16%, 5/25/36 (b) | | 9,132 | 4,073,556 |
| Residential Asset Securitization Trust, Series 2006-A8, Class 2A5, 1.13%, 8/25/36 (b) | | 7,637 | 2,138,411 |

| | | |
|---|---|---|
| WaMu Mortgage Pass-Through Certificates, Series 2007-OA4, Class 1A, 1.29%, 5/25/47 (b) | 5,583 | 4,891,022 |
| | | 156,404,822 |
| **Commercial Mortgage-Backed Securities 7.3%** | | |
| Bank of America Merrill Lynch Commercial Mortgage Securities Trust, Series 2013-DSMZ, Class M, 6.22%, 9/15/18 (b)(c) | 7,500 | 7,085,250 |
| CD Commercial Mortgage Trust, Series 2007-CD5, Class C, 6.12%, 11/15/44 (b) | 3,372 | 3,343,008 |
| CDGJ Commercial Mortgage Trust, Series 2014-BXCH, Class EPA, 4.78%, 12/15/27 (b)(c) | 4,678 | 4,635,765 |
| CG-CCRE Commercial Mortgage Trust, Series 2014-FL1 (b)(c): | | |
| Class D, 3.28%, 6/15/31 | 3,000 | 2,976,543 |
| Class E, 5.18%, 6/15/31 | 1,931 | 1,926,939 |
| Commercial Mortgage Pass-Through Certificates (b)(c): | | |
| Series 2014-FL5, Class HFL1, 3.78%, 7/15/31 | 6,057 | 5,739,007 |
| Series 2014-LC15, Class D, 4.94%, 4/10/47 | 3,000 | 2,467,081 |
| Series 2014-PAT, Class E, 3.68%, 8/13/27 | 1,000 | 985,893 |
| Series 2014-PAT, Class F, 2.97%, 8/13/27 | 3,000 | 2,806,155 |
| Series 2014-PAT, Class G, 2.12%, 8/13/27 | 2,000 | 1,801,040 |
| Credit Suisse First Boston Mortgage Securities Corp., Series 2005-C3, Class B, 4.88%, 7/15/37 | 2,000 | 1,997,540 |
| GAHR Commercial Mortgage Trust, Series 2015-NRF, Class GFX, 3.38%, 12/15/34 (b)(c) | 2,500 | 2,301,936 |
| Goldman Sachs Mortgage Securities Trust, Series 2014-GSFL (b)(c): | | |
| Class D, 4.43%, 7/15/31 | 1,325 | 1,326,722 |
| Class E, 6.48%, 7/15/31 | 700 | 693,227 |
| Great Wolf Trust, Series 2015-WFMZ, Class M, 7.52%, 5/15/32 (b)(c) | 3,300 | 3,186,630 |
| JPMorgan Chase Commercial Mortgage Securities Trust, Series 2014-DSTY, Class E, 3.80%, 6/10/27 (b)(c) | 5,000 | 4,642,881 |
| Madison Avenue Trust, Series 2013-650M, Class E, 4.03%, 10/12/32 (b)(c) | 5,000 | 4,939,997 |
| | | 52,855,614 |
| **Total Non-Agency Mortgage-Backed Securities 28.8%** | | 209,260,436 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Preferred Securities | | Par (000) | Value |
|---|---|---|---|
| **Capital Trusts** | | | |
| **Banks 4.2%** | | | |
| Banco Bilbao Vizcaya Argentaria SA: | | | |
| 7.00% (b)(l) | USD | 200 | $ 212,153 |
| 8.88% (b)(l) | | 200 | 236,565 |
| Banco Nacional de Comercio Exterior SNC, 3.80% (b)(c)(l) | | 583 | 577,170 |
| Banco Santander SA, 6.25%, 8/11/26 (b) | | 200 | 204,060 |
| Bank of Ireland, 7.38% (b)(l) | | 200 | 212,981 |
| BNP Paribas SA, 7.20% (b)(c)(d)(l) | | 4,000 | 4,515,000 |
| Capital One Financial Corp., Series E, 5.55% (b)(d)(l) | | 3,500 | 3,538,882 |
| Citigroup, Inc.: | | | |
| 5.90% (b)(d)(l) | | 2,250 | 2,343,375 |
| 5.95% (b)(d)(l) | | 3,700 | 3,783,250 |
| Series R, 6.13% (b)(d)(l) | | 1,170 | 1,223,118 |
| Cooperatieve Rabobank UA, 6.63% (b)(l) | | 200 | 234,611 |
| Fifth Third Bancorp, Series J, 4.90% (b)(d)(l) | | 3,000 | 2,904,000 |
| Intesa Sanpaolo SpA, 7.00% (b)(l) | | 234 | 248,911 |
| Wells Fargo & Co. (b)(d)(l): | | | |
| Series S, 5.90% | | 8,800 | 9,207,000 |
| Series U, 5.88% | | 997 | 1,071,152 |
| | | | 30,512,228 |
| **Capital Markets 1.2%** | | | |
| Goldman Sachs Group, Inc., Series L, 5.70% (b)(d)(l) | | 1,287 | 1,303,088 |
| Morgan Stanley, Series H, 5.45% (b)(d)(l) | | 5,007 | 5,020,018 |
| State Street Corp., Series F, 5.25% (b)(d)(l) | | 1,875 | 1,969,687 |
| UBS Group AG, 5.75% (b)(l) | | 200 | 229,430 |
| | | | 8,522,223 |
| **Chemicals 0.0%** | | | |
| Solvay Finance SA, 5.12% (b)(l) | | 100 | 117,611 |
| **Diversified Financial Services 5.6%** | | | |
| Bank of America Corp. (b)(d)(l): | | | |
| Series AA, 6.10% | | 2,865 | 2,993,237 |
| Series U, 5.20% | | 1,750 | 1,708,438 |
| Series V, 5.13% | | 705 | 694,989 |
| Series X, 6.25% | | 6,175 | 6,468,313 |
| Bank of New York Mellon Corp., Series D, 4.50% (b)(d)(l) | | 6,067 | 5,907,741 |
| Barclays PLC, 7.88% (b)(l) | | 200 | 198,800 |
| HBOS Capital Funding LP, 6.85% (l) | | 100 | 101,000 |
| JPMorgan Chase & Co.: | | | |
| Series Q, 5.15% (b)(d)(l) | | 5,500 | 5,486,250 |
| Series V, 5.00% (b)(d)(l) | | 3,830 | 3,753,400 |
| Macquarie Bank Ltd., 10.25%, 6/20/57 (b)(d) | | 10,000 | 10,402,000 |
| Royal Bank of Scotland Group PLC, 8.63% (b)(l) | | 200 | 199,000 |
| Societe Generale SA (b)(c)(d)(l): | | | |
| 6.00% | | 3,000 | 2,756,100 |
| 7.38% | | 200 | 198,300 |
| | | | 40,867,568 |
| **Diversified Telecommunication Services 0.1%** | | | |
| Telefonica Europe BV (b)(l): | | | |
| 3.75% | | 100 | 108,216 |
| 4.20% | | 300 | 336,653 |
| | | | 444,869 |

| | | | | |
|---|---|---|---|---|
| **Electric Utilities 1.1%** | | | | |
| Electricite de France SA, 5.25% (b)(c)(d)(l) | | 7,500 | | 7,425,000 |
| Enel SpA (b): | | | | |
| 6.50%, 1/10/74 | | 102 | | 121,335 |
| 7.75%, 9/10/75 | | 100 | | 135,773 |
| Gas Natural Fenosa Finance BV, 4.13% (b)(l) | | 100 | | 113,233 |
| | | | | 7,795,341 |
| **Industrial Conglomerates 0.9%** | | | | |
| General Electric Co., Series D, 5.00% (b)(d)(l) | | 5,921 | | 6,272,707 |
| | | **Par** | | |
| **Capital Trusts** | | **(000)** | | **Value** |
| **Insurance 1.3%** | | | | |
| Allstate Corp, 5.75%, 8/15/53 (b)(d) | USD | 2,000 | $ | 2,145,400 |
| Prudential Financial, Inc., 5.63%, 6/15/43 (b)(d) | | 6,000 | | 6,450,000 |
| Voya Financial, Inc., 5.65%, 5/15/53 (b)(d) | | 1,090 | | 1,084,550 |
| | | | | 9,679,950 |
| **Oil, Gas & Consumable Fuels 0.0%** | | | | |
| DCP Midstream LLC, 5.85% (b)(c)(l) | | 50 | | 42,500 |
| TOTAL SA, 3.88% (b)(l) | | 100 | | 116,647 |
| | | | | 159,147 |
| **Total Capital Trusts 14.4%** | | | | 104,371,644 |
| **Preferred Stocks** | | **Shares** | | |
| **Banks 0.3%** | | | | |
| Citigroup, Inc., Series K, 6.88% (b)(l) | | 75,000 | | 2,151,750 |
| **Capital Markets 1.9%** | | | | |
| Goldman Sachs Group, Inc., Series J, 5.50% (b)(l) | | 395,017 | | 10,298,093 |
| Morgan Stanley, 6.88% (b)(l) | | 100,000 | | 2,906,000 |
| SCE Trust III, 5.75% (b)(l) | | 23,730 | | 681,051 |
| | | | | 13,885,144 |
| **Real Estate Investment Trusts (REITs) 2.0%** | | | | |
| Firstar Realty LLC, 8.88% (c)(l) | | 10,000 | | 12,550,000 |
| SunTrust Real Estate Investment Corp., 9.00% (c)(l) | | 15 | | 1,631,265 |
| | | | | 14,181,265 |
| **Total Preferred Stocks 4.2%** | | | | 30,218,159 |
| **Total Preferred Securities 18.6%** | | | | 134,589,803 |
| | | **Par** | | |
| **U.S. Treasury Obligations 0.5%** | | **(000)** | | |
| U.S. Treasury Notes, 1.63%, 2/15/26 (d) | USD | 3,700 | $ | 3,638,721 |
| **Warrants 0.0%** | | **Shares** | | |
| **Diversified Financial Services 0.0%** | | | | |
| Aviron Capital LLC (Expires 10/20/17) (m) | | 10 | | |
| **Total Long-Term Investments** | | | | |
| **(Cost $1,136,363,945) 156.6%** | | | | 1,137,496,832 |
| **Short-Term Securities** | | | | |
| BlackRock Liquidity Funds, T-Fund, Institutional Class, 0.22% (n)(o) | | 6,322,410 | | 6,322,410 |
| **Total Short-Term Securities** | | | | |
| **(Cost $6,322,410) 0.9%** | | | | 6,322,410 |

| | |
|---|---|
| **Options Purchased** | |
| **(Cost $1,769,768) 0.3%** | 1,973,849 |
| **Total Investments Before Options Written** | |
| **(Cost $1,144,456,123) 157.8%** | 1,145,793,091 |
| **Options Written** | |
| **(Premiums Received $1,449,105) (0.3)%** | (2,076,207) |
| **Total Investments, Net of Options Written** | |
| **(Cost $1,143,007,018) 157.5%** | 1,143,716,884 |
| **Liabilities in Excess of Other Assets (57.5)%** | (417,335,839) |
| **Net Assets 100.0%** | $ 726,381,045 |

See Notes to Financial Statements.

# Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Notes to Schedule of Investments**

(a) Restricted security as to resale, excluding 144A securities. As of period end, the Trust held restricted securities with a current value of $561 and an original cost of $8,635, which was less than 0.05% of its net assets.

(b) Variable rate security. Rate as of period end.

(c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(d) All or a portion of security has been pledged as collateral in connection with outstanding reverse repurchase agreements.

(e) When-issued security.

(f) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.

(g) Amount is less than $500.

(h) Payment-in-kind security which may pay interest/dividends in additional par/shares and/or in cash. Rates shown are the current rate and possible payment rates.

(i) Convertible security.

(j) Non-income producing security.

(k) Issuer filed for bankruptcy and/or is in default.

(l) Perpetual security with no stated maturity date.

(m) All or a portion of security is held by a wholly owned subsidiary. See Note 1 of the Notes to Financial Statements for details on the wholly owned subsidiary.

(n) During the year ended October 31, 2016, investments in issuers considered to be affiliates of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Income |
|---|---|

| | Shares Held at October 31, 2015 | Net Activity | Shares Held at October 31, 2016 | Value at October 31, 2016 | |
|---|---|---|---|---|---|
| BlackRock Liquidity Funds, T-Fund, Institutional Class | | 6,322,410 | 6,322,410 | $ 6,322,410 | $ 7,949 |
| BlackRock Liquidity Funds, TempFund, Institutional Class | 6,140,532 | (6,140,532) | | | 79,751 |
| **Total** | | | | $ 6,322,410 | $ 87,700 |

(o) Current yield as of period end.

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

**Reverse Repurchase Agreements**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| UBS Ltd. | 0.80% | 6/03/15 | Open | $ 158,000 | $ 159,770 | Corporate Bonds | Open/Demand |
| UBS Ltd. | 0.85% | 6/03/15 | Open | 232,500 | 235,333 | Corporate Bonds | Open/Demand |
| UBS Ltd. | 0.70% | 11/10/15 | Open | 5,117,775 | 5,153,301 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 450,215 | 453,477 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 708,037 | 713,167 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 542,430 | 546,360 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 789,750 | 795,471 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 688,750 | 693,740 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 549,750 | 553,733 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 2,095,144 | 2,110,322 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 680,600 | 685,531 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/09/15 | Open | 545,200 | 549,150 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 12/10/15 | Open | 1,504,800 | 1,515,568 | Corporate Bonds | Open/Demand |
| Barclays Bank PLC | 0.75% | 12/17/15 | Open | 3,504,644 | 3,527,935 | Corporate Bonds | Open/Demand |
| Barclays Bank PLC | 0.85% | 12/17/15 | Open | 1,387,625 | 1,398,077 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.60% | 12/17/15 | Open | 5,887,500 | 5,925,573 | Capital Trusts | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 12/17/15 | Open | 975,550 | 982,466 | Capital Trusts | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 12/17/15 | Open | 1,988,437 | 2,002,533 | Capital Trusts | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 12/17/15 | Open | 230,313 | 231,945 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 12/17/15 | Open | 867,300 | 873,448 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 12/17/15 | Open | 702,406 | 707,388 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.95% | 12/17/15 | Open | 3,224,398 | 3,251,541 | Corporate Bonds | Open/Demand |
| HSBC Securities (USA), Inc. | 0.65% | 12/17/15 | Open | 2,685,000 | 2,700,465 | Capital Trusts | Open/Demand |
| HSBC Securities (USA), Inc. | 0.65% | 12/17/15 | Open | 3,456,000 | 3,475,906 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 12/17/15 | Open | 484,900 | 487,650 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.90% | 12/17/15 | Open | 202,125 | 203,737 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 0.90% | 12/17/15 | Open | $ 123,488 | $ 124,472 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/17/15 | Open | 737,200 | 743,406 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/17/15 | Open | 1,973,420 | 1,990,032 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/17/15 | Open | 315,900 | 318,559 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/17/15 | Open | 179,878 | 181,392 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/17/15 | Open | 275,200 | 277,517 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/17/15 | Open | 167,860 | 169,273 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/17/15 | Open | 462,075 | 465,965 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 767,350 | 774,150 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 492,900 | 497,268 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 398,475 | 402,006 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 492,800 | 497,167 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 241,425 | 243,564 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 45,390 | 45,792 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 45,338 | 45,739 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 193,590 | 195,305 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 103,500 | 104,417 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 323,900 | 326,770 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 124,000 | 125,099 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 120,080 | 121,144 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 80,250 | 80,961 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 270,100 | 272,493 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 373,500 | 376,810 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 243,000 | 245,153 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/17/15 | Open | 323,900 | 326,770 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 12/17/15 | Open | 133,200 | 134,439 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 12/17/15 | Open | 245,700 | 247,986 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 12/18/15 | Open | 406,400 | 409,789 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 12/18/15 | Open | 1,050,000 | 1,059,304 | Corporate Bonds | Open/Demand |
| UBS Ltd. | 1.00% | 12/21/15 | Open | 1,464,000 | 1,476,810 | Corporate Bonds | Open/Demand |
| UBS Ltd. | 1.00% | 12/21/15 | Open | 9,175,000 | 9,255,281 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 0.75% | 12/21/15 | Open | 3,540,000 | 3,563,231 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.75% | 12/21/15 | Open | 4,963,750 | 4,996,325 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 0.75% | 12/21/15 | Open | 5,125,000 | 5,158,633 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.75% | 12/21/15 | Open | 8,206,000 | 8,259,852 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 0.75% | 12/21/15 | Open | 7,068,750 | 7,115,139 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 1.00% | 12/21/15 | Open | 3,062,500 | 3,089,297 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 1.00% | 12/21/15 | Open | 3,135,750 | 3,163,188 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 1.00% | 12/21/15 | Open | 4,071,000 | 4,106,621 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 1.00% | 12/21/15 | Open | 3,812,500 | 3,845,859 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 12/21/15 | Open | 2,385,000 | 2,405,869 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.65% | 12/22/15 | Open | 52,981 | 53,282 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 12/28/15 | Open | 1,042,335 | 1,051,282 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.60% | 1/21/16 | Open | 1,587,375 | 1,594,915 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.90% | 1/26/16 | Open | 88,075 | 88,692 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 1/26/16 | Open | 845,975 | 852,555 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 2/09/16 | Open | 978,412 | 985,642 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 2/10/16 | Open | 416,000 | 419,062 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 2/10/16 | Open | 178,000 | 179,310 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 2/10/16 | Open | 640,000 | 644,711 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 2/10/16 | Open | 496,000 | 499,651 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 2/10/16 | Open | 1,034,426 | 1,042,041 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 1.00% | 2/16/16 | Open | 1,049,510 | 1,057,031 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 2/17/16 | Open | 203,000 | 204,455 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 3/01/16 | Open | 3,795,000 | 3,820,827 | Capital Trusts | Open/Demand |
| UBS Securities LLC | 1.00% | 3/01/16 | Open | 2,287,500 | 2,303,068 | Capital Trusts | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 3/02/16 | Open | 2,187,000 | 2,196,487 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 3/02/16 | Open | 1,389,760 | 1,395,788 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 3/02/16 | Open | 717,200 | 722,061 | Corporate Bonds | Open/Demand |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 1.00% | 3/10/16 | Open | 325,000 | 327,122 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 3/17/16 | Open | 713,000 | 717,456 | Corporate Bonds | Open/Demand |
| HSBC Securities (USA), Inc. | 0.95% | 3/22/16 | Open | 1,178,000 | 1,184,963 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 3/22/16 | Open | 1,219,200 | 1,224,055 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 0.64% | 3/22/16 | Open | $ 534,750 | $ 536,879 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.75% | 3/22/16 | Open | 242,223 | 243,353 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 3/22/16 | Open | 701,250 | 705,613 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 3/22/16 | Open | 732,000 | 736,555 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 3/23/16 | Open | 321,000 | 322,988 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 3/30/16 | Open | 395,000 | 397,348 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 3/30/16 | Open | 919,537 | 925,004 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 4/06/16 | Open | 38,100 | 38,241 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 4/06/16 | Open | 511,010 | 513,815 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.75% | 4/07/16 | Open | 150,120 | 150,758 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/07/16 | Open | 135,450 | 136,229 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 4/08/16 | Open | 1,315,843 | 1,323,262 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 4/13/16 | Open | 465,750 | 468,220 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/13/16 | Open | 628,350 | 631,858 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/13/16 | Open | 483,000 | 485,697 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/13/16 | Open | 608,000 | 611,395 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/13/16 | Open | 909,150 | 914,226 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 4/13/16 | Open | 402,675 | 405,148 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 4/13/16 | Open | 483,840 | 486,812 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 4/13/16 | Open | 490,245 | 493,256 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/20/16 | Open | 217,120 | 218,284 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.05% | 4/21/16 | Open | 544,000 | 547,062 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.05% | 4/21/16 | Open | 1,409,000 | 1,416,932 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.05% | 4/21/16 | Open | 1,953,000 | 1,963,994 | Capital Trusts | Open/Demand |
| RBC Capital Markets, LLC | 0.75% | 4/21/16 | Open | 494,000 | 495,986 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 4/21/16 | Open | 381,700 | 383,644 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 4/21/16 | Open | 347,600 | 349,370 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 4/21/16 | Open | 288,000 | 289,467 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 4/21/16 | Open | 354,900 | 356,708 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/21/16 | Open | 480,375 | 482,950 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 4/21/16 | Open | 899,020 | 904,322 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 4/21/16 | Open | 280,688 | 282,343 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 4/21/16 | Open | 3,477,100 | 3,495,741 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 4/22/16 | Open | 311,500 | 313,054 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/28/16 | Open | 586,704 | 589,686 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.25% | 4/29/16 | Open | 499,392 | 500,023 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 4/29/16 | Open | 915,800 | 920,430 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/02/16 | Open | 464,800 | 467,137 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.05% | 5/04/16 | Open | 665,824 | 669,300 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/04/16 | Open | 120,085 | 120,682 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 5/04/16 | Open | 784,550 | 788,646 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 5/04/16 | Open | 690,858 | 694,331 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/05/16 | Open | 638,000 | 641,119 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/05/16 | Open | 451,000 | 453,205 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/06/16 | Open | 813,400 | 817,156 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 5/09/16 | Open | 412,000 | 413,991 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 5/09/16 | Open | 1,134,000 | 1,139,481 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.75% | 5/09/16 | Open | 425,685 | 427,228 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/09/16 | Open | 379,500 | 381,243 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/09/16 | Open | 211,185 | 212,155 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/09/16 | Open | 318,250 | 319,788 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 5/09/16 | Open | 608,970 | 611,913 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 5/09/16 | Open | 287,525 | 288,915 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 5/10/16 | Open | 659,120 | 661,654 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 1.04% | 5/10/16 | Open | 1,149,000 | 1,154,742 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 5/10/16 | Open | 292,000 | 293,403 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 5/10/16 | Open | 1,025,000 | 1,029,926 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 5/10/16 | Open | 851,000 | 855,090 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 5/10/16 | Open | 250,000 | 251,201 | Corporate Bonds | Open/Demand |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Deutsche Bank Securities, Inc. | 1.00% | 5/10/16 | Open | 728,000 | 731,498 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/10/16 | Open | 270,400 | 271,642 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/10/16 | Open | 452,880 | 454,948 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/10/16 | Open | 135,548 | 136,166 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 0.95% | 5/10/16 | Open | $ 562,237 | $ 564,804 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/10/16 | Open | 620,400 | 623,381 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 5/10/16 | Open | 89,505 | 89,935 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 5/11/16 | Open | 2,175,554 | 2,188,698 | Foreign Agency Obligations | Open/Demand |
| Barclays Bank PLC | 0.65% | 5/12/16 | Open | 1,396,875 | 1,401,137 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 5/12/16 | Open | 401,625 | 403,510 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.05% | 5/16/16 | Open | 2,612,000 | 2,624,799 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/16/16 | Open | 1,747,655 | 1,755,811 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/17/16 | Open | 595,875 | 598,623 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.75% | 5/18/16 | Open | 8,200,000 | 8,228,358 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 1.04% | 5/18/16 | Open | 1,560,000 | 1,567,481 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 1.04% | 5/18/16 | Open | 633,000 | 636,036 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 5/19/16 | Open | 185,000 | 185,533 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 1.04% | 5/20/16 | Open | 360,000 | 361,674 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 5/20/16 | Open | 2,839,821 | 2,855,697 | Foreign Agency Obligations | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/23/16 | Open | 343,400 | 344,850 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/23/16 | Open | 949,701 | 953,974 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.90% | 5/24/16 | Open | 215,000 | 215,855 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.75% | 5/25/16 | Open | 2,763,354 | 2,772,565 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/25/16 | Open | 346,768 | 348,309 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 5/25/16 | Open | 371,900 | 373,532 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 5/26/16 | Open | 236,931 | 237,925 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 5/27/16 | Open | 433,732 | 435,576 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 5/31/16 | Open | 317,285 | 318,625 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 6/01/16 | Open | 354,750 | 356,164 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.90% | 6/07/16 | Open | 63,550 | 63,784 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.90% | 6/07/16 | Open | 478,800 | 480,536 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 6/15/16 | Open | 106,000 | 106,403 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 6/21/16 | Open | 4,822,606 | 4,840,155 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 6/29/16 | Open | 170,150 | 170,736 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 0.80% | 7/07/16 | Open | 2,683,000 | 2,689,916 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 0.80% | 7/07/16 | Open | 2,512,000 | 2,518,475 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 0.80% | 7/07/16 | Open | 1,812,000 | 1,816,671 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 0.80% | 7/07/16 | Open | 1,890,000 | 1,894,872 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 556,000 | 557,792 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 2,283,000 | 2,290,356 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 729,000 | 731,349 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 4,614,000 | 4,628,867 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 2,835,000 | 2,844,135 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 3,137,000 | 3,147,108 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 2,528,000 | 2,536,146 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 1,489,000 | 1,493,798 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 310,000 | 310,999 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 1,168,000 | 1,171,764 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 2,373,000 | 2,380,646 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 2,638,000 | 2,646,500 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 1,811,000 | 1,816,835 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 313,000 | 314,009 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 355,000 | 356,144 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 137,000 | 137,441 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 234,000 | 234,754 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 1,412,000 | 1,416,550 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 587,000 | 588,891 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 1,127,000 | 1,130,631 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 719,000 | 721,317 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 99,000 | 99,319 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 849,000 | 851,736 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 373,000 | 374,202 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 300,000 | 300,967 | Corporate Bonds | Open/Demand |

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|---|---|---|---|---|---|---|---|
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 124,000 | 124,400 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 7/07/16 | Open | 1,704,000 | 1,709,491 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 7/07/16 | Open | 2,766,000 | 2,775,804 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 0.95% | 7/08/16 | Open | $ 181,770 | $ 182,307 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 7/13/16 | Open | 128,296 | 128,665 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 7/19/16 | Open | 342,336 | 343,284 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 7/20/16 | Open | 805,800 | 807,969 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 7/22/16 | Open | 305,100 | 305,931 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 8/02/16 | Open | 324,675 | 325,438 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/02/16 | Open | 2,140,789 | 2,146,201 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/05/16 | Open | 1,279,387 | 1,282,373 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 8/08/16 | Open | 17,985 | 18,027 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | (0.25)% | 8/10/16 | Open | 1,384,000 | 1,383,212 | Capital Trusts | Open/Demand |
| BNP Paribas Securities Corp. | 1.04% | 8/16/16 | Open | 223,000 | 223,483 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.00% | 8/19/16 | Open | 5,762,000 | 5,773,204 | Capital Trusts | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 576,000 | 577,232 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 314,000 | 314,672 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 2,576,000 | 2,581,510 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 457,000 | 457,977 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 337,000 | 337,721 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 604,000 | 605,292 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 311,318 | 311,983 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 608,000 | 609,375 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 556,000 | 557,257 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 454,000 | 455,027 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 525,000 | 526,187 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 528,000 | 529,194 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 762,000 | 763,723 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 768,000 | 769,737 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 1,032,000 | 1,034,333 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 8/19/16 | Open | 971,000 | 973,196 | Corporate Bonds | Open/Demand |
| HSBC Securities (USA), Inc. | 0.95% | 8/19/16 | Open | 567,000 | 568,107 | Corporate Bonds | Open/Demand |
| HSBC Securities (USA), Inc. | 0.95% | 8/19/16 | Open | 1,709,000 | 1,712,157 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 8/19/16 | Open | 494,997 | 495,912 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 8/19/16 | Open | 789,600 | 791,059 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/19/16 | Open | 971,800 | 973,690 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/19/16 | Open | 507,000 | 507,986 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/19/16 | Open | 714,780 | 716,170 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/19/16 | Open | 306,563 | 307,159 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/19/16 | Open | 312,405 | 313,012 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 8/19/16 | Open | 759,720 | 761,197 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 8/19/16 | Open | 1,020,305 | 1,022,487 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 8/19/16 | Open | 1,556,105 | 1,559,433 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 8/19/16 | Open | 1,128,150 | 1,130,563 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 8/19/16 | Open | 1,166,375 | 1,168,870 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 8/19/16 | Open | 397,600 | 398,373 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 8/19/16 | Open | 795,900 | 797,448 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 8/19/16 | Open | 829,855 | 831,469 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 8/19/16 | Open | 640,475 | 641,720 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 8/19/16 | Open | 1,528,125 | 1,531,096 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 8/19/16 | Open | 438,909 | 439,762 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 1.15% | 8/22/16 | Open | 752,000 | 753,682 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 8/25/16 | Open | 803,305 | 804,876 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 3,643,500 | 3,650,205 | Foreign Agency Obligations | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 873,311 | 874,918 | Foreign Agency Obligations | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 2,346,000 | 2,350,317 | Foreign Agency Obligations | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 407,844 | 408,594 | Foreign Agency Obligations | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 454,431 | 455,268 | Foreign Agency Obligations | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 166,140 | 166,446 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 505,196 | 506,126 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/08/16 | Open | 260,360 | 260,839 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/09/16 | Open | 4,315,500 | 4,322,842 | Foreign Agency Obligations | Open/Demand |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 0.95% | 9/13/16 | Open | 154,400 | 154,592 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.85% | 9/14/16 | Open | 404,110 | 404,549 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.90% | 9/14/16 | Open | 633,040 | 633,768 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 9/15/16 | Open | 329,560 | 329,934 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| Deutsche Bank Securities, Inc. | 1.00% | 9/16/16 | Open | $ 71,321 | $ 71,412 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 9/19/16 | Open | 476,138 | 478,064 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.10% | 9/20/16 | Open | 133,000 | 133,163 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 0.75% | 9/22/16 | Open | 915,065 | 915,808 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/22/16 | Open | 717,194 | 718,165 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 9/22/16 | Open | 526,887 | 527,601 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 9/23/16 | Open | 740,720 | 741,404 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 9/23/16 | Open | 67,200 | 67,265 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 9/29/16 | Open | 511,406 | 511,852 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/04/16 | Open | 105,210 | 105,285 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 1.53% | 10/05/16 | 11/07/16 | 827,000 | 827,911 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.53% | 10/05/16 | 11/07/16 | 1,073,000 | 1,074,182 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.53% | 10/05/16 | 11/07/16 | 826,000 | 826,910 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.53% | 10/05/16 | 11/07/16 | 826,000 | 826,910 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.53% | 10/05/16 | 11/07/16 | 1,116,000 | 1,117,230 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.53% | 10/05/16 | 11/07/16 | 824,000 | 824,908 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 779,000 | 779,943 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/01/16 | 808,000 | 808,978 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 800,000 | 800,968 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 1,615,000 | 1,616,954 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 762,000 | 762,922 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 980,000 | 981,186 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 795,000 | 795,962 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/01/16 | 800,000 | 800,968 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 1,611,000 | 1,612,950 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 782,000 | 782,946 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 1,333,000 | 1,334,613 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 779,000 | 779,943 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 956,000 | 957,157 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 2,361,000 | 2,363,857 | Asset-Backed Securities | Up to 30 Days |
| BNP Paribas Securities Corp. | 1.68% | 10/05/16 | 11/07/16 | 985,000 | 986,192 | Asset-Backed Securities | Up to 30 Days |
| Barclays Capital, Inc. | 2.02% | 10/06/16 | 11/04/16 | 9,450,094 | 9,464,436 | Asset-Backed Securities | Up to 30 Days |
| J.P. Morgan Securities LLC | 1.88% | 10/06/16 | 11/04/16 | 5,822,000 | 5,829,599 | Asset-Backed Securities | Up to 30 Days |
| Morgan Stanley & Co. LLC | 1.55% | 10/06/16 | 11/10/16 | 4,086,000 | 4,089,694 | Asset-Backed Securities | Up to 30 Days |
| Deutsche Bank Securities, Inc. | 1.10% | 10/07/16 | Open | 853,230 | 853,882 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.75% | 10/11/16 | Open | 43,593 | 43,610 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.05% | 10/13/16 | Open | 61,843 | 61,870 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/13/16 | Open | 172,480 | 172,552 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/14/16 | Open | 1,425,520 | 1,426,102 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 10/14/16 | Open | 619,650 | 619,915 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/17/16 | Open | 459,250 | 459,408 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 10/18/16 | Open | 325,960 | 326,069 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | (2.00)% | 10/19/16 | Open | 495,512 | 495,210 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 515,000 | 515,119 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 1,473,750 | 1,474,091 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 536,337 | 536,461 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 511,250 | 511,368 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 955,000 | 955,221 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 623,750 | 623,894 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 1,019,100 | 1,019,336 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 609,000 | 609,141 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 1,462,500 | 1,462,838 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 1,503,750 | 1,504,098 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 1,072,500 | 1,072,748 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 1,087,500 | 1,087,751 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 1,080,000 | 1,080,250 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 992,500 | 992,729 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 513,750 | 513,869 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/19/16 | Open | 950,000 | 950,186 | Corporate Bonds | Open/Demand |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 436,837 | 437,003 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 415,188 | 415,345 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 270,570 | 270,673 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 268,110 | 268,212 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 383,625 | 383,770 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Reverse Repurchase Agreements (continued)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | $ 605,625 | $ 605,855 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 1,461,250 | 1,461,804 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 705,000 | 705,267 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/19/16 | Open | 387,500 | 387,647 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 304,500 | 304,560 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 947,250 | 947,435 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 465,750 | 465,841 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 375,000 | 375,073 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 817,500 | 817,660 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 756,000 | 756,148 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 990,000 | 990,194 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 252,500 | 252,549 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 967,500 | 967,689 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 793,125 | 793,280 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 415,000 | 415,081 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 1,010,000 | 1,010,198 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 543,750 | 543,856 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 450,000 | 450,088 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 783,750 | 783,903 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 376,500 | 376,574 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 1,275,000 | 1,275,249 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 745,937 | 746,083 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 567,000 | 567,111 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 716,250 | 716,390 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 759,375 | 759,524 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 950,625 | 950,811 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 982,500 | 982,692 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 1,234,375 | 1,234,616 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 1,022,500 | 1,022,700 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 536,250 | 536,355 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 751,875 | 752,022 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 503,750 | 503,849 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 860,625 | 860,793 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 473,625 | 473,718 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 791,250 | 791,405 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 420,000 | 420,082 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 537,500 | 537,605 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 930,000 | 930,182 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 755,625 | 755,773 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 263,900 | 263,952 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/20/16 | Open | 1,030,000 | 1,030,201 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/20/16 | Open | 160,950 | 160,984 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.05% | 10/20/16 | Open | 249,120 | 249,200 | Corporate Bonds | Open/Demand |
| BNP Paribas Securities Corp. | 0.40% | 10/21/16 | Open | 3,676,875 | 3,677,324 | U.S. Treasury Obligations | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.05% | 10/21/16 | Open | 162,000 | 162,038 | Corporate Bonds | Open/Demand |
| Credit Suisse Securities (USA) LLC | 1.25% | 10/24/16 | Open | 415,530 | 415,617 | Corporate Bonds | Open/Demand |
| Barclays Capital, Inc. | 0.80% | 10/25/16 | Open | 173,250 | 173,269 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.64% | 10/25/16 | Open | 446,000 | 446,040 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/25/16 | Open | 480,700 | 480,763 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/25/16 | Open | 333,750 | 333,794 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/25/16 | Open | 399,840 | 399,893 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/25/16 | Open | 498,465 | 498,531 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/25/16 | Open | 364,000 | 364,048 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/25/16 | Open | 344,715 | 344,760 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/25/16 | Open | 423,300 | 423,356 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 452,350 | 452,413 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 350,470 | 350,519 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 435,000 | 435,060 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 367,425 | 367,476 | Corporate Bonds | Open/Demand |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 438,600 | 438,661 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 396,990 | 397,045 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 394,050 | 394,105 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 393,390 | 393,445 | Corporate Bonds | Open/Demand |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Reverse Repurchase Agreements (concluded)**

| Counterparty | Interest Rate | Trade Date | Maturity Date[1] | Face Value | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral | Remaining Contractual Maturity of the Agreements[1] |
|---|---|---|---|---|---|---|---|
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | $ 409,640 | $ 409,697 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 360,500 | 360,550 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 327,860 | 327,906 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/25/16 | Open | 874,650 | 874,820 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/26/16 | Open | 1,569,048 | 1,569,222 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.10% | 10/26/16 | Open | 2,031,040 | 2,031,288 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/27/16 | Open | 114,400 | 114,403 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/27/16 | Open | 1,201,420 | 1,201,453 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 0.80% | 10/27/16 | Open | 840,375 | 840,394 | Corporate Bonds | Open/Demand |
| HSBC Securities (USA), Inc. | 0.95% | 10/28/16 | Open | 589,000 | 589,000 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 0.75% | 10/28/16 | Open | 78,120 | 78,120 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/28/16 | Open | 132,525 | 132,525 | Corporate Bonds | Open/Demand |
| RBC Capital Markets, LLC | 1.00% | 10/28/16 | Open | 124,950 | 124,950 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 10/28/16 | Open | 221,059 | 221,059 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 10/28/16 | Open | 424,710 | 424,710 | Corporate Bonds | Open/Demand |
| UBS Securities LLC | 1.00% | 10/28/16 | Open | 1,531,744 | 1,531,744 | Corporate Bonds | Open/Demand |
| Deutsche Bank Securities, Inc. | 1.15% | 10/31/16 | Open | 877,000 | 877,000 | Capital Trusts | Open/Demand |
| RBC Capital Markets, LLC | 0.95% | 10/31/16 | Open | 434,250 | 434,250 | Corporate Bonds | Open/Demand |
| **Total** | | | | $ 425,717,843 | $ 427,328,896 | | |

[1] Certain agreements have no stated maturity and can be terminated by either party at any time.

**Derivative Financial Instruments Outstanding as of Period End**

**Futures Contracts**

| Contracts Long (Short) | Issue | Expiration | Notional Value | | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|
| (46) | 2-Year U.S. Treasury Note | December 2016 | USD | 10,034,469 | $ 9,066 |
| 104 | 5-Year U.S. Treasury Note | December 2016 | USD | 12,562,875 | (35,618) |
| (86) | 10-Year U.S. Treasury Note | December 2016 | USD | 11,147,750 | (6,329) |
| (71) | 10-Year U.S. Ultra Long Treasury Note | December 2016 | USD | 10,047,610 | 185,081 |
| (7) | Euro BOBL | December 2016 | USD | 1,007,482 | 4,879 |
| (8) | Euro Bund Futures | December 2016 | USD | 1,424,177 | 21,344 |
| (77) | Long U.S. Treasury Bond | December 2016 | USD | 12,529,344 | 107,697 |
| (1) | UK Long Gilt Bond | December 2016 | USD | 153,416 | 7,502 |
| (22) | Ultra U.S. Treasury Bond | December 2016 | USD | 3,870,625 | 43,488 |
| **Total** | | | | | $ 337,110 |

**Forward Foreign Currency Exchange Contracts**

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|
| BRL | 2,165,824 | USD | 688,000 | Bank of America N.A. | 11/03/16 | $ (9,484) |
| BRL | 1,360,950 | USD | 430,000 | BNP Paribas S.A. | 11/03/16 | (3,637) |
| BRL | 1,387,610 | USD | 436,204 | Goldman Sachs International | 11/03/16 | (1,490) |
| BRL | 21,314,948 | USD | 6,700,496 | Morgan Stanley & Co. International PLC | 11/03/16 | (22,881) |
| BRL | 19,919,776 | USD | 6,101,751 | Royal Bank of Scotland PLC | 11/03/16 | 138,780 |
| BRL | 147,647 | USD | 45,249 | Royal Bank of Scotland PLC | 11/03/16 | 1,007 |
| EUR | 2,830,000 | USD | 3,096,991 | Citibank N.A. | 11/03/16 | 9,764 |
| EUR | 13,488,000 | USD | 14,760,498 | Citibank N.A. | 11/03/16 | 46,535 |
| EUR | 500,000 | USD | 543,701 | Morgan Stanley & Co. International PLC | 11/03/16 | 5,195 |

| | | | | | | |
|---|---|---|---|---|---|---|
| GBP | 21,362,000 | USD | 25,968,203 | Citibank N.A. | 11/03/16 | 179,388 |
| GBP | 1,373,000 | USD | 1,669,055 | Citibank N.A. | 11/03/16 | 11,530 |
| USD | 680,841 | BRL | 2,165,824 | Bank of America N.A. | 11/03/16 | 2,325 |
| USD | 427,824 | BRL | 1,360,950 | BNP Paribas S.A. | 11/03/16 | 1,461 |
| USD | 430,000 | BRL | 1,387,610 | Goldman Sachs International | 11/03/16 | (4,715) |
| USD | 6,835,000 | BRL | 21,314,948 | Morgan Stanley & Co. International PLC | 11/03/16 | 157,385 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Forward Foreign Currency Exchange Contracts (continued)**

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|
| USD | 6,261,915 | BRL | 19,919,776 | Royal Bank of Scotland PLC | 11/03/16 | $ 21,383 |
| USD | 46,414 | BRL | 147,647 | Royal Bank of Scotland PLC | 11/03/16 | 159 |
| USD | 3,186,407 | EUR | 2,830,000 | Citibank N.A. | 11/03/16 | 79,653 |
| USD | 15,186,665 | EUR | 13,488,000 | Citibank N.A. | 11/03/16 | 379,632 |
| USD | 92,098 | EUR | 82,000 | Deutsche Bank AG | 11/03/16 | 2,079 |
| USD | 17,960 | EUR | 16,000 | Royal Bank of Scotland PLC | 11/03/16 | 395 |
| USD | 145,925 | EUR | 130,000 | Royal Bank of Scotland PLC | 11/03/16 | 3,212 |
| USD | 27,755,091 | GBP | 21,362,000 | Citibank N.A. | 11/03/16 | 1,607,500 |
| USD | 1,783,903 | GBP | 1,373,000 | Citibank N.A. | 11/03/16 | 103,319 |
| USD | 398,515 | GBP | 307,000 | Citibank N.A. | 11/03/16 | 22,740 |
| MXN | 7,762,659 | USD | 400,000 | Citibank N.A. | 11/04/16 | 10,656 |
| MXN | 14,858,591 | USD | 800,000 | Citibank N.A. | 11/04/16 | (13,960) |
| MXN | 16,011,142 | USD | 821,000 | Royal Bank of Scotland PLC | 11/04/16 | 26,012 |
| USD | 116,942 | JPY | 11,877,500 | Barclays Bank PLC | 11/04/16 | 3,675 |
| USD | 117,461 | JPY | 11,877,500 | UBS AG | 11/04/16 | 4,195 |
| USD | 366,300 | MXN | 7,080,804 | Deutsche Bank AG | 11/04/16 | (8,284) |
| USD | 341,880 | MXN | 6,499,114 | Deutsche Bank AG | 11/04/16 | (1,932) |
| USD | 394,000 | MXN | 7,377,429 | Deutsche Bank AG | 11/04/16 | 3,724 |
| CNH | 1,003,210 | USD | 150,000 | BNP Paribas S.A. | 11/07/16 | (2,065) |
| CNH | 1,003,145 | USD | 150,000 | Goldman Sachs International | 11/07/16 | (2,075) |
| CNH | 1,231,654 | USD | 184,200 | Goldman Sachs International | 11/07/16 | (2,579) |
| CNH | 1,036,531 | USD | 155,000 | Goldman Sachs International | 11/07/16 | (2,152) |
| CNH | 3,148,986 | USD | 474,000 | Goldman Sachs International | 11/07/16 | (9,647) |
| CNH | 1,003,390 | USD | 150,000 | Royal Bank of Canada | 11/07/16 | (2,039) |
| KRW | 625,900,000 | USD | 550,000 | Bank of America N.A. | 11/07/16 | (2,970) |
| USD | 1,973,000 | CNH | 13,024,957 | Deutsche Bank AG | 11/07/16 | 52,324 |
| USD | 635,200 | CNH | 4,246,557 | Morgan Stanley & Co. International PLC | 11/07/16 | 8,997 |
| USD | 550,000 | KRW | 611,435,000 | HSBC Bank PLC | 11/07/16 | 15,612 |
| RUB | 34,287,000 | USD | 550,000 | Deutsche Bank AG | 11/08/16 | (10,030) |
| USD | 550,000 | RUB | 34,864,500 | JPMorgan Chase Bank N.A. | 11/08/16 | 935 |
| RUB | 23,881,100 | USD | 380,000 | JPMorgan Chase Bank N.A. | 11/10/16 | (4,099) |
| USD | 380,000 | RUB | 24,160,400 | Bank of America N.A. | 11/10/16 | (298) |
| CAD | 2,404,701 | USD | 1,820,000 | BNP Paribas S.A. | 11/14/16 | (27,027) |
| JPY | 286,437,870 | CHF | 2,700,000 | Barclays Bank PLC | 11/14/16 | 2,302 |
| JPY | 92,364,272 | CHF | 870,000 | BNP Paribas S.A. | 11/14/16 | 1,387 |
| NOK | 60,900,000 | SEK | 66,823,834 | BNP Paribas S.A. | 11/14/16 | (31,501) |
| NOK | 14,975,000 | SEK | 15,396,696 | Citibank N.A. | 11/14/16 | 106,900 |
| NOK | 21,200,000 | SEK | 22,259,364 | Goldman Sachs International | 11/14/16 | 100,118 |
| SEK | 19,911,486 | NOK | 18,600,000 | Goldman Sachs International | 11/14/16 | (45,519) |
| USD | 1,820,000 | CAD | 2,386,302 | BNP Paribas S.A. | 11/14/16 | 40,745 |
| USD | 1,366,551 | EUR | 1,238,439 | HSBC Bank PLC | 11/14/16 | 6,408 |
| USD | 297,015 | EUR | 269,171 | HSBC Bank PLC | 11/14/16 | 1,393 |
| USD | 1,795,000 | KRW | 2,023,113,985 | Nomura International PLC | 11/14/16 | 26,809 |
| USD | 1,795,000 | KRW | 2,022,480,350 | Nomura International PLC | 11/14/16 | 27,363 |
| INR | 43,020,420 | USD | 642,000 | HSBC Bank PLC | 11/15/16 | 1,802 |
| USD | 1,340,000 | INR | 89,836,816 | HSBC Bank PLC | 11/16/16 | (4,219) |
| COP | 610,080,000 | USD | 205,000 | BNP Paribas S.A. | 11/18/16 | (2,639) |
| COP | 799,871,500 | USD | 269,000 | HSBC Bank PLC | 11/18/16 | (3,686) |
| USD | 21,611 | ARS | 339,827 | BNP Paribas S.A. | 11/18/16 | (582) |
| USD | 10,000 | ARS | 157,500 | BNP Paribas S.A. | 11/18/16 | (286) |
| USD | 474,000 | COP | 1,379,577,000 | BNP Paribas S.A. | 11/18/16 | 16,399 |
| AUD | 1,920,000 | NZD | 1,979,155 | HSBC Bank PLC | 11/21/16 | 45,619 |
| EUR | 60,000 | SEK | 575,027 | HSBC Bank PLC | 11/21/16 | 2,197 |
| EUR | 4,120,000 | SEK | 40,726,365 | Royal Bank of Scotland PLC | 11/21/16 | 13,304 |
| RUB | 207,194,055 | USD | 3,257,000 | BNP Paribas S.A. | 11/21/16 | (4,735) |
| SEK | 21,544,691 | EUR | 2,250,000 | BNP Paribas S.A. | 11/21/16 | (84,461) |
| SEK | 18,459,871 | EUR | 1,930,000 | JPMorgan Chase Bank N.A. | 11/21/16 | (74,741) |
| USD | 646,000 | TWD | 20,563,795 | Royal Bank of Scotland PLC | 11/21/16 | (5,829) |
| KRW | 502,408,200 | USD | 444,000 | JPMorgan Chase Bank N.A. | 11/23/16 | (4,913) |
| MYR | 2,890,968 | USD | 692,000 | JPMorgan Chase Bank N.A. | 11/23/16 | (3,859) |

| | | | | | | |
|---|---|---|---|---|---|---|
| USD | 444,000 | KRW | 506,515,200 | Bank of America N.A. | 11/23/16 | 1,324 |
| USD | 418,630 | AUD | 551,000 | Morgan Stanley & Co. International PLC | 11/25/16 | (260) |
| USD | 413,000 | CLP | 276,358,950 | Credit Suisse International | 11/25/16 | (9,403) |
| USD | 205,000 | ZAR | 2,864,598 | BNP Paribas S.A. | 11/25/16 | (6,482) |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Forward Foreign Currency Exchange Contracts (concluded)**

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|
| USD | 205,000 | ZAR | 2,860,340 | Deutsche Bank AG | 11/25/16 | $ (6,168) |
| ZAR | 5,708,237 | USD | 410,000 | Morgan Stanley & Co. International PLC | 11/25/16 | 11,417 |
| USD | 1,210,798 | TRY | 3,748,297 | BNP Paribas S.A. | 11/28/16 | 6,339 |
| JPY | 28,312,154 | USD | 271,200 | Citibank N.A. | 11/29/16 | (989) |
| USD | 410,000 | ZAR | 5,738,831 | Deutsche Bank AG | 11/29/16 | (13,340) |
| CAD | 2,456,454 | NZD | 2,565,000 | JPMorgan Chase Bank N.A. | 11/30/16 | (381) |
| USD | 140,800 | ARS | 2,297,856 | BNP Paribas S.A. | 12/01/16 | (8,000) |
| BRL | 1,104,430 | USD | 344,220 | Goldman Sachs International | 12/02/16 | (1,151) |
| BRL | 21,504,277 | USD | 6,835,000 | Morgan Stanley & Co. International PLC | 12/02/16 | (155,126) |
| USD | 413,000 | BRL | 1,328,869 | Goldman Sachs International | 12/02/16 | 213 |
| USD | 19,300 | ARS | 299,729 | BNP Paribas S.A. | 12/05/16 | (66) |
| USD | 692,670 | CLP | 453,026,960 | Credit Suisse International | 12/05/16 | 730 |
| USD | 340,000 | CLP | 222,275,000 | Royal Bank of Scotland PLC | 12/05/16 | 504 |
| USD | 170,129 | EUR | 155,000 | Barclays Bank PLC | 12/05/16 | (255) |
| USD | 3,100,950 | EUR | 2,830,000 | Citibank N.A. | 12/05/16 | (9,925) |
| USD | 14,779,368 | EUR | 13,488,000 | Citibank N.A. | 12/05/16 | (47,303) |
| USD | 25,984,096 | GBP | 21,362,000 | Citibank N.A. | 12/05/16 | (180,635) |
| USD | 1,670,076 | GBP | 1,373,000 | Citibank N.A. | 12/05/16 | (11,610) |
| USD | 369,745 | GBP | 304,000 | Royal Bank of Scotland PLC | 12/05/16 | (2,602) |
| USD | 98,906 | JPY | 10,399,500 | Bank of America N.A. | 12/05/16 | (372) |
| USD | 99,189 | JPY | 10,399,500 | HSBC Bank PLC | 12/05/16 | (89) |
| RUB | 25,756,610 | USD | 410,000 | BNP Paribas S.A. | 12/07/16 | (7,337) |
| AUD | 4,830,000 | CAD | 4,848,513 | Citibank N.A. | 12/15/16 | 54,187 |
| CAD | 2,384,667 | AUD | 2,425,000 | JPMorgan Chase Bank N.A. | 12/15/16 | (64,217) |
| CAD | 2,431,061 | AUD | 2,405,000 | Toronto-Dominion Bank | 12/15/16 | (14,421) |
| EUR | 3,340,000 | CAD | 4,818,979 | UBS AG | 12/15/16 | 79,554 |
| JPY | 197,698,725 | CHF | 1,890,000 | UBS AG | 12/15/16 | (26,249) |
| GBP | 104,109 | USD | 136,377 | Citibank N.A. | 12/21/16 | (8,798) |
| GBP | 470,000 | USD | 612,627 | Royal Bank of Scotland PLC | 12/21/16 | (36,670) |
| INR | 183,401,400 | USD | 2,730,000 | JPMorgan Chase Bank N.A. | 12/21/16 | 927 |
| KRW | 171,464,280 | USD | 156,000 | HSBC Bank PLC | 12/21/16 | (6,167) |
| KRW | 89,046,000 | USD | 77,600 | Nomura International PLC | 12/21/16 | 212 |
| USD | 621,948 | GBP | 470,000 | Bank of America N.A. | 12/21/16 | 45,991 |
| USD | 382,311 | GBP | 288,951 | Bank of America N.A. | 12/21/16 | 28,218 |
| USD | 2,730,000 | INR | 183,456,000 | Nomura International PLC | 12/21/16 | (1,740) |
| USD | 194,800 | KRW | 219,763,620 | Deutsche Bank AG | 12/21/16 | 2,761 |
| USD | 261,261 | MXN | 5,063,997 | Royal Bank of Scotland PLC | 12/21/16 | (5,250) |
| INR | 185,285,100 | USD | 2,730,000 | UBS AG | 12/23/16 | 28,232 |
| USD | 2,730,000 | INR | 183,483,300 | JPMorgan Chase Bank N.A. | 12/23/16 | (1,410) |
| GBP | 1,720,000 | USD | 2,126,823 | Goldman Sachs International | 12/28/16 | (18,602) |
| USD | 1,808,436 | GBP | 1,480,000 | Royal Bank of Canada | 12/28/16 | (5,615) |
| USD | 625,833 | EUR | 557,814 | Goldman Sachs International | 1/12/17 | 11,441 |
| MXN | 12,802,911 | USD | 680,000 | Citibank N.A. | 2/03/17 | (9,429) |
| USD | 1,020,000 | MXN | 18,744,989 | HSBC Bank PLC | 2/03/17 | 38,204 |
| USD | 4,310,000 | MXN | 82,976,896 | JPMorgan Chase Bank N.A. | 2/03/17 | (36,035) |
| USD | 362,400 | ARS | 6,468,840 | BNP Paribas S.A. | 7/28/17 | (9,896) |
| **Total** | | | | | | $ 2,498,245 |

**OTC Barrier Options Purchased**

| Description | Put/ Call | Type of Option | Counterparty | Expiration Date | Barrier Price/Range | | Notional | | Value |
|---|---|---|---|---|---|---|---|---|---|
| CAD Currency | Call | One touch | Morgan Stanley & Co. International PLC | 11/30/16 | CAD | 1.43 | USD | 60,000 | $ 3,039 |
| USD Currency | Call | One touch | Morgan Stanley & Co. International PLC | 11/30/16 | MXN | 23 | | 47,976 | 924 |
| **Total** | | | | | | | | | $ 3,963 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**OTC Options Purchased**

| Description | Put/ Call | Counterparty | Expiration Date | Strike Price | | Notional Amount (000) | | Value |
|---|---|---|---|---|---|---|---|---|
| USD Currency | Call | Deutsche Bank AG | 11/08/16 | MXN | 20.00 | USD | 1,470 | $ 1,743 |
| USD Currency | Call | Goldman Sachs International | 11/14/16 | MXN | 19.00 | USD | 870 | 17,427 |
| USD Currency | Call | Deutsche Bank AG | 11/15/16 | KRW | 1,120.00 | USD | 890 | 22,245 |
| USD Currency | Call | Goldman Sachs International | 11/16/16 | MXN | 18.75 | USD | 730 | 19,232 |
| AUD Currency | Call | HSBC Bank PLC | 11/17/16 | NZD | 1.05 | AUD | 14,380 | 209,359 |
| AUD Currency | Call | HSBC Bank PLC | 11/17/16 | NZD | 1.06 | AUD | 14,465 | 130,777 |
| USD Currency | Call | BNP Paribas S.A. | 11/23/16 | TWD | 32.00 | USD | 820 | 2,385 |
| USD Currency | Call | Deutsche Bank AG | 11/23/16 | MXN | 19.90 | USD | 820 | 8,553 |
| USD Currency | Call | Deutsche Bank AG | 11/23/16 | MXN | 20.00 | USD | 870 | 8,282 |
| EUR Currency | Call | Deutsche Bank AG | 11/24/16 | ZAR | 15.65 | EUR | 10,095 | 56,052 |
| AUD Currency | Call | Barclays Bank PLC | 11/25/16 | CAD | 1.04 | AUD | 14,240 | 25,499 |
| NZD Currency | Call | JPMorgan Chase Bank N.A. | 11/28/16 | CAD | 0.97 | NZD | 15,375 | 65,737 |
| EUR Currency | Call | UBS AG | 11/29/16 | USD | 1.10 | EUR | 1,033 | 6,291 |
| CAD Currency | Call | BNP Paribas S.A. | 12/12/16 | CAD | 1.48 | EUR | 9,800 | 109,580 |
| AUD Currency | Call | Deutsche Bank AG | 12/13/16 | CAD | 1.04 | AUD | 9,650 | 36,461 |
| USD Currency | Call | UBS AG | 12/14/16 | USD | 14.65 | USD | 1,120 | 9,047 |
| USD Currency | Call | Deutsche Bank AG | 12/15/16 | CNH | 6.75 | USD | 240 | 2,680 |
| USD Currency | Call | HSBC Bank PLC | 12/15/16 | KRW | 1,145.00 | USD | 743 | 12,147 |
| EUR Currency | Call | Deutsche Bank AG | 12/22/16 | ZAR | 16.20 | EUR | 6,475 | 54,930 |
| GBP Currency | Call | Deutsche Bank AG | 12/29/16 | USD | 1.35 | GBP | 5,585 | 1,087 |
| EUR Currency | Call | Morgan Stanley & Co. International PLC | 12/01/16 | CAD | 1.47 | EUR | 10,040 | 120,100 |
| NOK Currency | Put | Citibank N.A. | 11/10/16 | SEK | 1.01 | NOK | 89,855 | |
| USD Currency | Put | Morgan Stanley & Co. International PLC | 11/10/16 | INR | 67.80 | USD | 1,340 | 19,256 |
| EUR Currency | Put | JPMorgan Chase Bank N.A. | 11/17/16 | SEK | 9.45 | EUR | 9,655 | 117 |
| USD Currency | Put | Morgan Stanley & Co. International PLC | 11/23/16 | BRL | 3.30 | USD | 670 | 26,184 |
| NZD Currency | Put | JPMorgan Chase Bank N.A. | 11/28/16 | CAD | 0.93 | NZD | 15,375 | 29,697 |
| USD Currency | Put | Deutsche Bank AG | 12/01/16 | INR | 67.50 | USD | 804 | 7,969 |
| USD Currency | Put | JPMorgan Chase Bank N.A. | 12/15/16 | BRL | 3.15 | USD | 519 | 7,107 |
| USD Currency | Put | Goldman Sachs International | 12/21/16 | BRL | 3.20 | USD | 516 | 10,022 |
| GBP Currency | Put | Deutsche Bank AG | 12/22/16 | GBP | 1.23 | GBP | 5,620 | 150,593 |
| GBP Currency | Put | HSBC Bank PLC | 12/22/16 | GBP | 1.27 | GBP | 8,340 | 433,684 |
| CAD Currency | Put | BNP Paribas S.A. | 12/23/16 | JPY | 75.10 | CAD | 14,320 | 85,356 |
| GBP Currency | Put | Royal Bank of Scotland PLC | 12/29/16 | USD | 1.26 | GBP | 5,585 | 249,037 |
| USD Currency | Put | Nomura International PLC | 01/06/17 | INR | 67.40 | USD | 740 | 6,876 |
| USD Currency | Put | JPMorgan Chase Bank N.A. | 02/01/17 | MXN | 17.06 | USD | 16,775 | 24,374 |
| **Total** | | | | | | | | $ 1,969,886 |

**OTC Options Written**

| Description | Put/ Call | Counterparty | Expiration Date | Strike Price | | Notional Amount (000) | | Value |
|---|---|---|---|---|---|---|---|---|
| USD Currency | Call | Goldman Sachs International | 11/08/16 | MXN | 20.00 | USD | 1,470 | $ (1,850) |
| NOK Currency | Call | Citibank N.A. | 11/10/16 | SEK | 1.05 | NOK | 89,855 | (419,556) |
| USD Currency | Call | Goldman Sachs International | 11/10/16 | ZAR | 14.50 | USD | 410 | (347) |
| USD Currency | Call | Deutsche Bank AG | 11/15/16 | KRW | 1,160.00 | USD | 1,340 | (6,929) |
| USD Currency | Call | Goldman Sachs International | 11/16/16 | MXN | 20.00 | USD | 1,170 | (9,275) |
| AUD Currency | Call | HSBC Bank PLC | 11/17/16 | NZD | 1.06 | AUD | 28,765 | (198,662) |
| AUD Currency | Call | HSBC Bank PLC | 11/17/16 | NZD | 1.05 | AUD | 14,465 | (208,902) |
| USD Currency | Call | Deutsche Bank AG | 11/23/16 | MXN | 21.50 | USD | 1,310 | (3,525) |
| EUR Currency | Call | Morgan Stanley & Co. International PLC | 12/01/16 | CAD | 1.49 | EUR | 15,055 | (101,622) |
| EUR Currency | Call | BNP Paribas S.A. | 12/12/16 | CAD | 1.50 | EUR | 14,700 | (100,033) |
| USD Currency | Call | UBS AG | 12/14/16 | ZAR | 15.50 | USD | 1,120 | (3,065) |
| USD Currency | Call | Deutsche Bank AG | 12/15/16 | CNH | 7.10 | USD | 240 | (45) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| USD Currency | Call | HSBC Bank PLC | 12/15/16 | KRW | 1,180.00 | USD | 1,115 | (7,341) |
| USD Currency | Call | JPMorgan Chase Bank N.A. | 12/15/16 | BRL | 3.40 | USD | 519 | (3,529) |
| EUR Currency | Call | Deutsche Bank AG | 12/22/16 | ZAR | 16.60 | EUR | 6,475 | (35,625) |
| GBP Currency | Call | Deutsche Bank AG | 12/22/16 | USD | 1.32 | GBP | 5,620 | (2,628) |
| GBP Currency | Call | Royal Bank of Scotland PLC | 12/29/16 | USD | 1.35 | GBP | 5,585 | (1,094) |
| USD Currency | Call | JPMorgan Chase Bank N.A. | 02/01/17 | MXN | 21.22 | USD | 16,775 | (154,347) |
| USD Currency | Put | Morgan Stanley & Co. International PLC | 11/10/16 | INR | 66.50 | USD | 740 | (605) |
| USD Currency | Put | Goldman Sachs International | 11/16/16 | MXN | 18.10 | USD | 890 | (3,833) |
| GBP Currency | Put | Bank of America N.A. | 12/22/16 | USD | 1.18 | GBP | 5,620 | (43,736) |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**OTC Options Written (concluded)**

| Description | Put/ Call | Counterparty | Expiration Date | Strike Price | Notional Amount (000) | Value |
|---|---|---|---|---|---|---|
| GBP Currency | Put | HSBC Bank PLC | 12/22/16 | USD 1.26 | GBP 10,025 | $ (463,031) |
| CAD Currency | Put | BNP Paribas S.A. | 12/23/16 | JPY 73.60 | CAD 14,320 | (53,936) |
| GBP Currency | Put | Deutsche Bank AG | 12/29/16 | USD 1.26 | GBP 5,585 | (249,338) |
| USD Currency | Put | Nomura International PLC | 01/06/17 | INR 66.40 | USD 1,110 | (3,353) |
| **Total** | | | | | | $ (2,076,207) |

**Centrally Cleared Interest Rate Swaps**

| Fixed Rate | Floating Rate | Effective Date | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|
| 2.13%[1] | 3-Month LIBOR | N/A | 8/25/25 | USD 110 | $ 4,699 |
| 2.27%[2] | 3-Month LIBOR | N/A | 9/11/25 | USD 68 | (3,711) |
| 1.46%[2] | 3-Month LIBOR | N/A | 6/28/26 | USD 1,427 | 26,902 |
| 1.46%[2] | 3-Month LIBOR | N/A | 6/28/26 | USD 357 | 6,709 |
| **Total** | | | | | $ 34,599 |

[1] Trust pays the floating rate and receives the fixed rate.
[2] Trust pays the fixed rate and receives the floating rate.

**OTC Credit Default Swaps Buy Protection**

| Issuer/Index | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Value | Premiums Paid (Received) | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|
| United Mexican States | 1.00% | Citibank N.A. | 6/20/20 | USD 604 | $ 1,786 | $ 4,298 | $ (2,512) |
| United Mexican States | 1.00% | Bank of America N.A. | 9/20/20 | USD 604 | 3,389 | 5,945 | (2,556) |
| Federation of Malaysia | 1.00% | Citibank N.A. | 12/20/21 | USD 873 | 8,474 | 14,664 | (6,190) |
| Federation of Malaysia | 1.00% | Barclays Bank PLC | 12/20/21 | USD 70 | 678 | 771 | (93) |
| Federation of Russia | 1.00% | JPMorgan Chase Bank N.A. | 12/20/21 | USD 1,333 | 75,308 | 77,937 | (2,629) |
| Republic of Argentina | 5.00% | Citibank N.A. | 12/20/21 | USD 1,819 | (98,606) | (61,654) | (36,952) |
| Republic of Argentina | 5.00% | Bank of America N.A. | 12/20/21 | USD 141 | (7,622) | (6,655) | (967) |
| Republic of Philippines | 1.00% | BNP Paribas S.A. | 12/20/21 | USD 564 | 3,001 | 1,496 | 1,505 |
| Republic of Philippines | 1.00% | Barclays Bank PLC | 12/20/21 | USD 553 | 2,943 | 2,531 | 412 |
| Republic of Philippines | 1.00% | Citibank N.A. | 12/20/21 | USD 401 | 2,132 | 1,738 | 394 |
| Republic of Philippines | 1.00% | Barclays Bank PLC | 12/20/21 | USD 277 | 1,472 | 1,066 | 406 |
| Republic of Philippines | 1.00% | Barclays Bank PLC | 12/20/21 | USD 346 | 1,839 | 1,332 | 507 |
| Republic of Philippines | 1.00% | Barclays Bank PLC | 12/20/21 | USD 138 | 736 | 533 | 203 |
| Republic of Philippines | 1.00% | UBS AG | 12/20/21 | USD 341 | 1,817 | 1,316 | 501 |
| Republic of Philippines | 1.00% | Barclays Bank PLC | 12/20/21 | USD 916 | 4,872 | 3,969 | 903 |
| Republic of Philippines | 1.00% | JPMorgan Chase Bank N.A. | 12/20/21 | USD 367 | 1,954 | 1,592 | 362 |
| Republic of Philippines | 1.00% | BNP Paribas S.A. | 12/20/21 | USD 205 | 1,089 | 592 | 497 |
| Republic of Philippines | 1.00% | Citibank N.A. | 12/20/21 | USD 196 | 1,043 | 473 | 570 |
| Republic of Philippines | 1.00% | JPMorgan Chase Bank N.A. | 12/20/21 | USD 989 | 5,264 | 2,387 | 2,877 |
| Republic of Philippines | 1.00% | Barclays Bank PLC | 12/20/21 | USD 2,791 | 14,847 | 10,763 | 4,084 |
| Republic of Philippines | 1.00% | Bank of America N.A. | 12/20/21 | USD 4,640 | 24,686 | 40,150 | (15,464) |
| Republic of Philippines | 1.00% | Citibank N.A. | 12/20/21 | USD 659 | 3,504 | 5,070 | (1,566) |
| Republic of Philippines | 1.00% | Bank of America N.A. | 12/20/21 | USD 910 | 4,839 | 9,149 | (4,310) |
| Republic of South Africa | 1.00% | HSBC Bank PLC | 12/20/21 | USD 175 | 12,339 | 13,351 | (1,012) |
| Republic of South Africa | 1.00% | BNP Paribas S.A. | 12/20/21 | USD 2,221 | 156,564 | 169,647 | (13,083) |
| Republic of South Africa | 1.00% | Barclays Bank PLC | 12/20/21 | USD 3,555 | 250,657 | 267,102 | (16,445) |
| Republic of South Africa | 1.00% | JPMorgan Chase Bank N.A. | 12/20/21 | USD 1,500 | 105,763 | 113,355 | (7,592) |
| Republic of South Africa | 1.00% | Bank of America N.A. | 12/20/21 | USD 590 | 41,600 | 44,586 | (2,986) |
| Republic of South Africa | 1.00% | Goldman Sachs International | 12/20/21 | USD 364 | 25,630 | 27,312 | (1,682) |
| Republic of South Africa | 1.00% | Citibank N.A. | 12/20/21 | USD 1,445 | 101,885 | 109,198 | (7,313) |

| | | | |
|---|---|---|---|
| **Total** | $ 753,883 | $ 864,014 | $ (110,131) |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**OTC Credit Default Swaps Sell Protection**

| Issuer/Index | Receive Fixed Rate | Counterparty | Expiration Date | Credit Rating[1] | Notional Amount (000)[2] | | Value | Premiums Paid (Received) | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|---|---|
| Dow Jones CDX North America Investment Grade, Series 9 | 5.00% | Bank of America N.A. | 12/20/17 | BBB | USD | 10,000 | $ 568,836 | $ (200,830) | $ 769,666 |
| United Mexican States | 1.00% | Bank of America N.A. | 6/20/20 | BBB+ | USD | 604 | (1,786) | (4,505) | 2,719 |
| United Mexican States | 1.00% | Citibank N.A. | 9/20/20 | BBB+ | USD | 604 | (3,389) | (5,638) | 2,249 |
| Markit CMBX North America, Series 7 | 3.00% | Barclays Bank PLC | 1/17/47 | BBB- | USD | 10,000 | (845,102) | (543,547) | (301,555) |
| Markit CMBX North America, Series 7 | 3.00% | Barclays Bank PLC | 1/17/47 | BBB- | USD | 5,000 | (422,551) | (271,392) | (151,159) |
| Markit CMBX North America, Series 7 | 3.00% | Barclays Bank PLC | 1/17/47 | BBB- | USD | 10,000 | (845,102) | (263,216) | (581,886) |
| Markit CMBX North America, Series 8 | 2.00% | Morgan Stanley Capital Services LLC | 10/17/57 | A | USD | 5,000 | (370,480) | (580,295) | 209,815 |
| Markit CMBX North America, Series 8 | 3.00% | Goldman Sachs International | 10/17/57 | BBB- | USD | 10,000 | (1,685,119) | (1,108,483) | (576,636) |
| Markit CMBX North America, Series 9 | 2.00% | Credit Suisse International | 9/17/58 | A | USD | 2,500 | (195,350) | (358,277) | 162,927 |
| Markit CMBX North America, Series 9 | 2.00% | Morgan Stanley Capital Services LLC | 9/17/58 | A | USD | 2,500 | (195,350) | (354,817) | 159,467 |
| Markit CMBX North America, Series 9 | 2.00% | Morgan Stanley Capital Services LLC | 9/17/58 | A | USD | 5,000 | (390,701) | (703,027) | 312,326 |
| Markit CMBX North America, Series 9 | 3.00% | Morgan Stanley Capital Services LLC | 9/17/58 | BBB- | USD | 2,500 | (395,621) | (573,450) | 177,829 |
| **Total** | | | | | | | $ (4,781,715) | $ (4,967,477) | $ 185,762 |

[1] Using Standard & Poor s rating of the issuer.
[2] The maximum potential amount the Trust may pay should a negative credit event take place as defined under the terms of the agreement.

**OTC Interest Rate Swaps**

| Fixed Rate | Floating Rate | Counterparty | Effective Date | Expiration Date | Notional Amount (000) | | Value | Premiums Paid (Received) | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|---|---|
| 12.85%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 7/03/17 | BRL | 582 | $ 230 | | $ 230 |
| 12.85%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 7/03/17 | BRL | 14,565 | 2,836 | | 2,836 |
| 12.93%[1] | 1-day BZDIOVER | Citibank N.A. | N/A | 7/03/17 | BRL | 12,391 | 3,480 | | 3,480 |
| 13.11%[1] | 1-day BZDIOVER | Citibank N.A. | N/A | 7/03/17 | BRL | 7,438 | 151 | | 151 |
| 13.13%[2] | 1-day BZDIOVER | Bank of America N.A. | N/A | 7/03/17 | BRL | 6,198 | (156) | | (156) |
| 1.69%[1] | 3-Month KRWCD | Deutsche Bank AG | N/A | 11/10/17 | KRW | 911,735 | (3,180) | | (3,180) |
| 1.92%[1] | 3-Month KRWCD | Deutsche Bank AG | N/A | 11/10/17 | KRW | 911,735 | 5,458 | | 5,458 |
| 12.08%[2] | 1-day BZDIOVER | Bank of America N.A. | N/A | 1/02/18 | BRL | 11,358 | 4,899 | | 4,899 |
| 12.10%[2] | 1-day BZDIOVER | Bank of America N.A. | N/A | 1/02/18 | BRL | 14,127 | 5,154 | | 5,154 |
| 12.29%[1] | 1-Day BZOVER | Bank of America N.A. | N/A | 1/02/19 | BRL | 2,672 | 9,047 | | 9,047 |
| 12.31%[1] | 1-Day BZOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/19 | BRL | 2,574 | 9,952 | | 9,952 |
| 12.46%[1] | 1-Day BZOVER | Bank of America N.A. | N/A | 1/02/19 | BRL | 2,677 | 12,258 | | 12,258 |
| 12.52%[1] | 1-Day BZOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/19 | BRL | 2,676 | 13,497 | | 13,497 |
| 10.98%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/20 | BRL | 1,483 | (3,038) | | (3,038) |
| 11.00%[1] | 1-day BZDIOVER | Bank of America N.A. | N/A | 1/02/20 | BRL | 2,965 | (5,447) | | (5,447) |
| 11.02%[1] | 1-day BZDIOVER | Citibank N.A. | N/A | 1/02/20 | BRL | 1,580 | (2,671) | | (2,671) |
| 11.03%[1] | 1-day BZDIOVER | Citibank N.A. | N/A | 1/02/20 | BRL | 2,814 | (4,415) | | (4,415) |
| 11.04%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/20 | BRL | 2,861 | (4,325) | | (4,325) |
| 11.10%[1] | 1-day BZDIOVER | Goldman Sachs International | N/A | 1/02/20 | BRL | 5,233 | (6,757) | | (6,757) |
| 11.10%[1] | 1-day BZDIOVER | Goldman Sachs International | N/A | 1/02/20 | BRL | 1,435 | (1,827) | | (1,827) |
| 11.10%[1] | 1-day BZDIOVER | Goldman Sachs International | N/A | 1/02/20 | BRL | 3,797 | (4,471) | | (4,471) |
| 11.38%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/20 | BRL | 335 | 363 | | 363 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 11.65%[1] | 1-day BZDIOVER | Citibank N.A. | N/A | 1/02/20 | BRL | 4,190 | 13,563 | 13,563 |
| 11.68%[1] | 1-day BZDIOVER | Bank of America N.A. | N/A | 1/02/20 | BRL | 5,233 | 18,435 | 18,435 |
| 11.88%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/20 | BRL | 4,011 | 22,150 | 22,150 |
| 11.93%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/20 | BRL | 4,078 | 24,467 | 24,467 |
| 2.75%[1] | 7-day China Fixing Repo Rates | Bank of America N.A. | N/A | 5/12/21 | CNY | 2,270 | (2,547) | (2,547) |
| 2.75%[1] | 7-day China Fixing Repo Rates | Bank of America N.A. | N/A | 5/12/21 | CNY | 1,135 | (1,273) | (1,273) |
| 2.75%[1] | 7-day China Fixing Repo Rates | Bank of America N.A. | N/A | 5/12/21 | CNY | 2,270 | (2,547) | (2,547) |
| 2.75%[1] | 7-day China Fixing Repo Rates | Bank of America N.A. | N/A | 5/12/21 | CNY | 1,816 | (2,037) | (2,037) |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**OTC Interest Rate Swaps (concluded)**

| Fixed Rate | Floating Rate | Counterparty | Effective Date | Expiration Date | Notional Amount (000) | | Value | Premiums Paid (Received) | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|---|---|
| 10.83%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/23 | BRL | 2,376 | $ (11,180) | | $ (11,180) |
| 10.83%[1] | 1-day BZDIOVER | Bank of America N.A. | N/A | 1/02/23 | BRL | 2,263 | (10,697) | | (10,697) |
| 10.85%[1] | 1-day BZDIOVER | Citibank N.A. | N/A | 1/02/23 | BRL | 2,445 | (10,753) | | (10,753) |
| 10.86%[1] | 1-day BZDIOVER | Bank of America N.A. | N/A | 1/02/23 | BRL | 2,186 | (9,203) | | (9,203) |
| 10.96%[1] | 1-day BZDIOVER | Citibank N.A. | N/A | 1/02/23 | BRL | 2,272 | (5,328) | | (5,328) |
| 11.04%[1] | 1-day BZDIOVER | JPMorgan Chase Bank N.A. | N/A | 1/02/23 | BRL | 2,170 | (2,135) | | (2,135) |
| 6.32%[1] | 1-Month MXIBTIIE | Morgan Stanley Capital Services LLC | N/A | 7/17/25 | MXN | 5,813 | (2,294) | $ (23) | (2,271) |
| 6.33%[1] | 1-Month MXIBTIIE | Citibank N.A. | N/A | 7/17/25 | MXN | 2,897 | (1,091) | (15) | (1,076) |
| 6.32%[1] | 1-Month MXIBTIIE | Goldman Sachs International | N/A | 8/06/25 | MXN | 8,688 | (3,389) | (40) | (3,349) |
| 6.31%[1] | 1-Month MXIBTIIE | Deutsche Bank AG | N/A | 8/11/25 | MXN | 6,393 | 2,896 | | 2,896 |
| 6.31%[2] | 1-Month MXIBTIIE | Bank of America N.A. | N/A | 8/11/25 | MXN | 1,723 | 763 | | 763 |
| 6.31%[2] | 1-Month MXIBTIIE | Bank of America N.A. | 8/24/15 | 8/11/25 | MXN | 1,723 | 763 | | 763 |
| 6.26%[2] | 1-Month MXIBTIIE | Bank of America N.A. | 6/27/16 | 6/15/26 | MXN | 38,640 | (34,335) | | (34,335) |
| **Total** | | | | | | | $ 15,266 | $ (78) | $ 15,344 |

[1] Trust pays the floating rate and receives the fixed rate.
[2] Trust pays the fixed rate and receives the floating rate.

**Transactions in Options Written for the Year Ended October 31, 2016**

| | | Calls Notional (000) | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Contracts | AUD | EUR | GBP | KRW | NOK | NZD | USD | Premiums Received |
| Outstanding options, beginning of year | | | | | 911,735 | | | 849 | $ 10,853 |
| Options written | 69 | 80,005 | 55,985 | 11,205 | | 89,855 | 25,170 | 42,408 | 1,736,954 |
| Options expired | | (22,495) | (12,880) | | | | | (16,771) | (497,417) |
| Options exercised | | | (380) | | (911,735) | | (25,170) | (808) | (133,576) |
| Options closed | (69) | (14,280) | (6,495) | | | | | (209) | (105,254) |
| Outstanding options, end of year | | 43,230 | 36,230 | 11,205 | | 89,855 | | 25,469 | $ 1,011,560 |

| | | Puts Notional (000) | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Contracts | AUD | CAD | EUR | GBP | NZD | USD | Premiums Received |
| Outstanding options, beginning of year | | | | | | 22,340 | 564 | $ 101,656 |
| Options written | 35 | 13,215 | 27,810 | 64,186 | 43,086 | 95,470 | 43,851 | 1,814,171 |
| Options expired | | | (13,490) | (28,644) | (21,260) | (70,290) | (18,016) | (857,307) |
| Options exercised | | | | (3,632) | (596) | | (8,674) | (98,092) |
| Options closed | (35) | (13,215) | | (31,910) | | (47,520) | (14,985) | (522,883) |
| Outstanding options, end of year | | | 14,320 | | 21,230 | | 2,740 | $ 437,545 |

**Derivative Financial Instruments Categorized by Risk Exposure**

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets Derivative Financial Instruments | | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|---|
| Futures contracts | Net unrealized appreciation[1] | | | | | $ 379,057 | | $ 379,057 |
| Forward foreign currency exchange contracts | Unrealized appreciation on forward foreign currency exchange contracts | | | | $ 3,602,572 | | | 3,602,572 |
| Options purchased | Investments at value unaffiliated[2] | | | | 1,973,849 | | | 1,973,849 |
| Swaps centrally cleared | Net unrealized appreciation[1] | | | | | 38,310 | | 38,310 |
| Swaps OTC | Unrealized appreciation on OTC swaps; Swap premiums paid | | $ 2,742,542 | | | 150,362 | | 2,892,904 |
| **Total** | | | $ 2,742,542 | | $ 5,576,421 | $ 567,729 | | $ 8,886,692 |

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

| Liabilities Derivative Financial Instruments | | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|---|
| Futures contracts | Net unrealized depreciation[1] | | | | | $ 41,947 | | $ 41,947 |
| Forward foreign currency exchange contracts | Unrealized depreciation on forward foreign currency exchange contracts | | | | $ 1,104,327 | | | 1,104,327 |
| Options written | Options written at value; | | | | 2,076,207 | | | 2,076,207 |
| Swaps centrally cleared | Net unrealized deppreciation[1] | | | | | 3,711 | | 3,711 |
| Swaps OTC | Unrealized depreciation on OTC swaps; Swap premiums received | | $ 6,770,374 | | | 135,096 | | 6,905,470 |
| **Total** | | | $ 6,770,374 | | $ 3,180,534 | $ 180,754 | | $ 10,131,662 |

[1] Includes cumulative appreciation (depreciation) on futures contracts and centrally cleared swaps, if any, as reported in the Schedule of Investments. Only current day s variation margin is reported within the Statements of Assets and Liabilities.
[2] Includes options purchased at value as reported in the Schedule of Investments.
For the year ended October 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---|---|---|---|---|---|---|
| Futures contracts | | | | | $ (1,427,490) | | $ (1,427,490) |
| Forward foreign currency exchange contracts | | | | $ 7,020,834 | | | 7,020,834 |
| Options purchased[1] | | | | (1,927,041) | (11,487) | | (1,938,528) |
| Options written | | | | 1,547,563 | (8,630) | | 1,538,933 |
| Swaps | | $ 1,241,120 | | | 268,710 | | 1,509,830 |
| **Total** | | $ 1,241,120 | | $ 6,641,356 | $ (1,178,897) | | $ 6,703,579 |

[1] Options purchased are included in net realized gain (loss) from investments.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Net Change in Unrealized Appreciation (Depreciation) on:** | | | | | | | |
| Futures contracts | | | | | $ 262,097 | | $ 262,097 |
| Forward foreign currency exchange contracts | | | | $ 2,796,905 | | | 2,796,905 |
| Options purchased[1] | | | | 212,793 | (3,025) | | 209,768 |
| Options written | | | | (634,443) | 502 | | (633,941) |
| Swaps | | $ (1,340,554) | | | 40,321 | | (1,300,233) |
| **Total** | | $ (1,340,554) | | $ 2,375,255 | $ 299,895 | | $ 1,334,596 |

[1] Options purchased are included in net change in unrealized appreciation (depreciation) on investments.

| **Average Quarterly Balances of Outstanding Derivative Financial Instruments** | |
|---|---|
| Futures contracts: | |
| Average notional value of contracts long | $ 3,140,719 |
| Average notional value of contracts short | $ 52,290,909 |
| Forward foreign currency exchange contracts: | |
| Average amounts purchased in USD | $ 137,977,904 |
| Average amounts sold in USD | $ 65,367,545 |
| Options: | |

| | | |
|---|---|---|
| Average value of option contracts purchased | | $ 846,569 |
| Average value of option contracts written | | $ 742,650 |
| Average notional value of swaption contracts purchased | | $ 799,732[1] |
| Average notional value of swaption contracts written | | $ 799,732[1] |
| Credit default swaps: | | |
| Average notional value | buy protection | $ 14,105,305 |
| Average notional value | sell protection | $ 59,294,496 |
| Interest rate swaps: | | |
| Average notional value | pays fixed rate | $ 7,830,084 |
| Average notional value | receives fixed rate | $ 15,545,177 |

[1] Actual amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter.

For more information about the Trust s investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

See Notes to Financial Statements.

# Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Derivative Financial Instruments Offsetting as of Period End**

The Trust s derivative assets and liabilities (by type) were as follows:

| | Assets | Liabilities |
|---|---|---|
| Futures contracts | $ 6,500 | $ 81,792 |
| Forward foreign currency exchange contracts | 3,602,572 | 1,104,327 |
| Options | 1,973,849[1] | 2,076,207 |
| Swaps centrally cleared | | 2,031 |
| Swaps OTC | 2,892,904 | 6,905,470 |
| Total derivative assets and liabilities in the Statements of Assets and Liabilities | $ 8,475,825 | $ 10,169,827 |
| Derivatives not subject to a Master Netting Agreement or similar agreement ( MNA ) | (6,500) | (83,823) |
| Total derivative assets and liabilities subject to an MNA | $ 8,469,325 | $ 10,086,004 |

[1] Includes options purchased at value which is included in Investments at value unaffiliated in the Statements of Assets and Liabilities and reported in the Schedules of Investments.

[2] Includes unrealized appreciation (depreciation) on OTC swaps and swap premiums paid/received in the Statements of Assets and Liabilities.

The following tables present the Trust s derivative assets and liabilities by counterparty net of amounts available for offset under an MNA and net of the related collateral received and pledged by the Trust:

| Counterparty | Derivative Assets Subject to an MNA by Counterparty | Derivatives Available for Offset[1] | Non-cash Collateral Received | Cash Collateral Received[2] | Net Amount of Derivative Assets[3,6] |
|---|---|---|---|---|---|
| Bank of America N.A. | $ 1,001,392 | $ (363,375) | | $ (630,000) | $ 8,017 |
| Barclays Bank PLC | 326,058 | (326,058) | | | |
| BNP Paribas S.A. | 437,389 | (355,766) | | | 81,623 |
| Citibank N.A. | 2,767,652 | (848,288) | | | 1,919,364 |
| Credit Suisse International | 163,657 | (163,657) | | | |
| Deutsche Bank AG | 419,837 | (341,024) | | (10,000) | 68,813 |
| Goldman Sachs International | 185,765 | (185,765) | | | |
| HSBC Bank PLC | 910,553 | (893,109) | | | 17,444 |
| JPMorgan Chase Bank N.A. | 400,899 | (378,430) | | | 22,469 |
| Morgan Stanley & Co. International PLC | 352,497 | (280,494) | | | 72,003 |
| Morgan Stanley Capital Services LLC | 859,437 | (859,437) | | | |
| Nomura International PLC | 61,260 | (5,093) | | | 56,167 |
| Royal Bank of Scotland PLC | 453,793 | (51,445) | | | 402,348 |
| UBS AG | 129,136 | (29,314) | | | 99,822 |
| **Total** | $ 8,469,325 | $ (5,081,255) | | $ (640,000) | $ 2,748,070 |

| Counterparty | Derivative Liabilities Subject to an MNA by Counterparty | Derivatives Available for Offset[1] | Non-cash Collateral Pledged | Cash Collateral Pledged[4] | Net Amount of Derivative Liabilities[5] |
|---|---|---|---|---|---|
| Bank of America N.A. | $ 363,375 | $ (363,375) | | | |
| Barclays Bank PLC | 2,129,548 | (326,058) | | $ (1,803,490) | |
| BNP Paribas S.A. | 355,766 | (355,766) | | | |
| Citibank N.A. | 848,288 | (848,288) | | | |
| Credit Suisse International | 367,680 | (163,657) | | (204,023) | |

| | | | | |
|---|---|---|---|---|
| Deutsche Bank AG | 341,024 | (341,024) | | |
| Goldman Sachs International | 1,806,480 | (185,765) | (1,620,715) | |
| HSBC Bank PLC | 893,109 | (893,109) | | |
| JPMorgan Chase Bank N.A. | 378,430 | (378,430) | | |
| Morgan Stanley & Co. International PLC | 280,494 | (280,494) | | |
| Morgan Stanley Capital Services LLC | 2,213,883 | (859,437) | (1,354,446) | |
| Nomura International PLC. | 5,093 | (5,093) | | |
| Royal Bank of Canada | 7,654 | | | $ 7,654 |
| Royal Bank of Scotland PLC | 51,445 | (51,445) | | |
| Toronto-Dominion Bank | 14,421 | | | 14,421 |
| UBS AG | 29,314 | (29,314) | | |
| **Total** | $ 10,086,004 | $ (5,081,255) | $ (4,982,674) | $ 22,075 |

[1] The amount of derivatives available for offset is limited to the amount of derivative assets and/or liabilities that are subject to an MNA.
[2] Excess of collateral received from the individual counterparty is not shown for financial reporting purposes
[3] Net amount represents the net amount receivable from the counterparty in the event of default.
[4] Excess of collateral pledged from the individual counterparty is not shown for financial reporting purposes.
[5] Net amount represents the net amount payable due to the counterparty in the event of default. Net amount may be offset further by the options written receivable/payable on the Statements of Assets and Liabilities.
[6] Net amount may also include forward foreign currency exchange contracts and currency options that are not required to be collateralized.

See Notes to Financial Statements.

## Consolidated Schedule of Investments (continued)

**BlackRock Multi-Sector Income Trust (BIT)**

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust s policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust s investments and derivative financial instruments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets:** | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | | $ 203,490,443 | $ 17,206,974 | $ 220,697,417 |
| Common Stocks | $ 2,621,430 | 103,935 | 561 | 2,725,926 |
| Corporate Bonds | | 464,584,016 | | 464,584,016 |
| Floating Rate Loan Interests | | 23,793,299 | 27,486,435 | 51,279,734 |
| Foreign Agency Obligations | | 50,720,779 | | 50,720,779 |
| Non-Agency Mortgage-Backed Securities | | 185,244,747 | 24,015,689 | 209,260,436 |
| Preferred Securities | 16,036,894 | 116,921,644 | 1,631,265 | 134,589,803 |
| U.S. Treasury Obligations | | 3,638,721 | | 3,638,721 |
| Short-Term Securities: | | | | |
| Money Market Funds | 6,322,410 | | | 6,322,410 |
| Options Purchased: | | | | |
| Foreign currency exchange contracts | | 1,973,849 | | 1,973,849 |
| Unfunded Floating Rate Loan Interests[1] | | 164,769 | | 164,769 |
| **Total** | $ 24,980,734 | $ 1,050,636,202 | $ 70,340,924 | $ 1,145,957,860 |

| | | | | |
|---|---|---|---|---|
| Derivative Financial Instruments[2] | | | | |
| **Assets:** | | | | |
| Credit contracts | | $ 1,810,219 | | $ 1,810,219 |
| Foreign currency exchange contracts | | 3,602,572 | | 3,602,572 |
| Interest rate contracts | $ 379,057 | 188,672 | | 567,729 |
| **Liabilities:** | | | | |
| Credit contracts | | (1,734,588) | | (1,734,588) |
| Foreign currency exchange contracts | | (3,180,534) | | (3,180,534) |
| Interest rate contracts | (41,947) | (138,729) | | (180,676) |
| **Total** | $ 337,110 | $ 547,612 | | $ 884,722 |

[1] Unfunded floating rate loan interests are valued at the unrealized appreciation (depreciation) on the commitment.

[2] Derivative financial instruments are swaps, futures contracts, forward foreign currency exchange contracts, and options written. Swaps, futures contracts and forward foreign currency exchange contracts are valued at the unrealized appreciation (depreciation) on the instrument and options written are shown at value.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount or face value, including accrued interest, for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets:** | | | | |
| Cash | $ 681,520 | | | $ 681,520 |
| Foreign currency at value | 6,001,976 | | | 6,001,976 |
| Cash pledged: | | | | |
| Collateral OTC derivatives | 5,280,000 | | | 5,280,000 |

| | | | |
|---|---|---|---|
| Centrally cleared swaps | 57,590 | | 57,590 |
| Futures contracts | 647,640 | | 647,640 |
| **Liabilities:** | | | |
| Cash received: | | | |
| Collateral reverse repurchase agreements | | $ (3,204,000) | (3,204,000) |
| Collateral OTC derivatives | | (640,000) | (640,000) |
| Reverse repurchase agreements | | (427,328,896) | (427,328,896) |
| **Total** | $ 12,668,726 | $ (431,172,896) | $ (418,504,170) |

During the year ended October 31, 2016, there were no transfers between Level 1 and Level 2.

See Notes to Financial Statements.

## Consolidated Schedule of Investments (concluded)

**BlackRock Multi-Sector Income Trust (BIT)**

A reconciliation of Level 3 investments is presented when the Trust had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

| | Asset-Backed Securities | Common Stocks | Corporate Bonds | Floating Rate Loan Interests | Non-Agency Mortgage-Backed Securities | Preferred Securities | Total |
|---|---|---|---|---|---|---|---|
| **Assets:** | | | | | | | |
| Opening balance, as of October 31, 2015 | $ 65,179,443 | | $ 515,294 | $ 41,246,750 | $ 26,217,945 | $ 1,833,459 | $ 134,992,891 |
| Transfers into Level 3[1] | 3,957,160 | | | | 7,499,925 | | 11,457,085 |
| Transfers out of Level 3[2] | (21,386,587) | | (515,294) | | | | (21,901,881) |
| Accrued discounts/premiums | (1,391,078) | | | (191,957) | 255,546 | | (1,327,489) |
| Net realized gain (loss) | (9,121,226) | | | (306,433) | 440,545 | | (8,987,114) |
| Net change in unrealized appreciation (depreciation)[3,4] | 2,907,659 | $ (8,074) | | (7,042,953) | 252,704 | (202,194) | (4,092,858) |
| Purchases | 6,960,635 | 8,635 | | 562,258 | | | 7,531,528 |
| Sales | (29,899,032) | | | (6,781,230) | (10,650,976) | | (47,331,238) |
| **Closing Balance, as of October 31, 2016** | $ 17,206,974 | $ 561 | | $ 27,486,435 | $ 24,015,689 | $ 1,631,265 | $ 70,340,924 |
| Net change in unrealized appreciation (depreciation) on investments still held at October 31, 2016[4] | $ 350,939 | $ (8,074) | | $ (7,085,999) | $ 216,367 | $ (202,194) | $ (6,728,961) |

[1] As of October 31, 2015, the Trust used observable inputs in determining the value of certain investments. As of October 31, 2016, the Trust used significant unobservable inputs in determining the value of the same investments. As a result, investments at beginning of period value were transferred from Level 2 to Level 3 in the disclosure hierarchy.

[2] As of October 31, 2015, the Trust used significant unobservable inputs in determining the value of certain investments. As of October 31, 2016, the Trust used observable inputs in determining the value of the same investments. As a result, investments at beginning of period value were transferred from Level 3 to Level 2 in the disclosure hierarchy.

[3] Included in the related net change in unrealized appreciation (depreciation) in the Consolidated Statements of Operations.

[4] Any difference between net change in unrealized appreciation (depreciation) and net change in unrealized appreciation (depreciation) on investments still held October 31, 2016 is generally due to investments no longer held or categorized as Level 3 at period end.

The Trust s investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information inputs could result in a significantly lower or higher value of such Level 3 investments.

See Notes to Financial Statements.

## Statements of Assets and Liabilities

| October 31, 2016 | BlackRock Credit Allocation Income Trust (BTZ) | BlackRock Floating Rate Income Trust (BGT) | BlackRock Multi-Sector Income Trust (BIT)[1] |
|---|---|---|---|
| **Assets** | | | |
| Investments at value unaffiliated[2] | $ 2,188,855,540 | $ 506,657,996 | $ 1,139,470,681 |
| Investments at value affiliated[2] | 9,872,272 | 8,726,574 | 6,322,410 |
| Cash | | 1,061,042 | 681,520 |
| Cash pledged: | | | |
| Collateral OTC derivatives | 80,000 | | 5,280,000 |
| Futures contracts | 1,776,000 | | 647,640 |
| Collateral reverse repurchase agreements | 1,521,000 | | |
| Centrally cleared swaps | | | 57,590 |
| Foreign currency at value[4] | 17,051 | 37,360 | 6,001,976 |
| Receivables: | | | |
| Interest unaffiliated | 27,180,292 | 1,498,899 | 10,517,476 |
| Investments sold unaffiliated | 17,872,081 | 5,909,508 | 7,979,194 |
| Due from broker swap collateral | 520,000 | | |
| Dividends unaffiliated | 55,842 | | 135,787 |
| Variation margin on futures contracts | 52,813 | | 6,500 |
| Dividends affiliated | 3,357 | 107 | 2,866 |
| Options written | | | 2,900 |
| Reverse repurchase agreements | | | 5,866,901 |
| Principal paydowns | | | 32 |
| Swaps | | | 12,941 |
| Other | 217,087 | 29,246 | 48,877 |
| Swap premiums paid | 270,797 | | 932,323 |
| Unrealized appreciation on: | | | |
| Forward foreign currency exchange contracts | | 106,262 | 3,602,572 |
| OTC derivatives | 711,381 | 20,215 | 1,960,581 |
| Unfunded floating rate loan interests | | 3,211 | 164,769 |
| Prepaid expenses | 10,238 | 2,294 | 4,061 |
| Total assets | 2,249,015,751 | 524,052,714 | 1,189,699,597 |
| **Liabilities** | | | |
| Bank overdraft | 132,344 | | |
| Cash received: | | | |
| Collateral reverse repurchase agreements | 3,632,000 | | 3,204,000 |
| Collateral OTC derivatives | 2,330,000 | | 640,000 |
| Options written at value[5] | 678,865 | | 2,076,207 |
| Reverse repurchase agreements | 638,327,195 | | 427,328,896 |
| Payables: | | | |
| Investments purchased unaffiliated | 20,430,459 | 34,145,544 | 13,845,528 |
| Investment advisory fees | 1,205,715 | 303,257 | 782,631 |
| Officer s and Trustees fees | 691,361 | 204,987 | 66,410 |
| Other accrued expenses | 484,671 | 270,079 | 440,035 |
| Variation margin on futures contracts | 301,265 | | 81,792 |
| Income dividends | 294,199 | 28,453 | 178,001 |
| Bank borrowings | | 148,000,000 | |
| Interest expense | | 146,791 | |
| Reverse repurchase agreements | | | 6,639,393 |
| Options written | | | 23,630 |
| Variation margin on centrally cleared swaps | | | 2,031 |
| Swaps | | | 201 |
| Swap premiums received | 570,926 | | 5,035,864 |
| Unrealized depreciation on: | | | |
| Forward foreign currency exchange contracts | | 9,509 | 1,104,327 |
| OTC derivatives | 766,394 | | 1,869,606 |
| Total liabilities | 669,845,394 | 183,108,620 | 463,318,552 |

| | | | |
|---|---|---|---|
| **Net Assets** | $ 1,579,170,357 | $ 340,944,094 | $ 726,381,045 |
| | | | |
| **Net Assets Consist of** | | | |
| Paid-in capital[6,7,8] | $ 1,700,305,287 | $ 413,240,053 | $ 727,781,455 |
| Undistributed net investment income | 1,150,620 | 2,364,266 | 2,287,908 |
| Accumulated net realized loss | (246,999,222) | (74,803,749) | (7,534,658) |
| Net unrealized appreciation | 124,713,672 | 143,524 | 3,846,340 |
| **Net Assets** | $ 1,579,170,357 | $ 340,944,094 | $ 726,381,045 |
| Net asset value | $ 14.61 | $ 14.41 | $ 18.91 |
| [1] Consolidated Statement of Assets and Liabilities | | | |
| [2] Investments at cost unaffiliated | $ 2,068,373,404 | $ 506,648,389 | $ 1,138,133,713 |
| [3] Investments at cost affiliated | $ 9,872,272 | $ 8,721,635 | $ 6,322,410 |
| [4] Foreign currency at cost | $ 17,334 | $ 37,188 | $ 5,983,902 |
| [5] Premiums received | $ 951,118 | | $ 1,449,105 |
| [6] Par value | $ 0.001 | $ 0.001 | $ 0.001 |
| [7] Shares outstanding | 108,088,170 | 23,663,232 | 38,421,624 |
| [8] Shares authorized | unlimited | unlimited | unlimited |

See Notes to Financial Statements.

# Statements of Operations

| Year Ended October 31, 2016 | BlackRock Credit Allocation Income Trust (BTZ) | BlackRock Floating Rate Income Trust (BGT) | BlackRock Multi-Sector Income Trust (BIT)[1] |
|---|---|---|---|
| **Investment Income** | | | |
| Interest unaffiliated | $ 108,017,268 | $ 22,629,318 | $ 75,595,096 |
| Dividends unaffiliated | 5,174,042 | 3,699 | 3,778,462 |
| Other income unaffiliated | 340,445 | 150,771 | 51,733 |
| Dividends affiliated | 55,955 | 19,836 | 87,700 |
| Other income affiliated | | | 23,247 |
| Foreign taxes withheld | (998) | | |
| Total Investment Income | 113,586,712 | 22,803,624 | 79,536,238 |
| **Expenses** | | | |
| Investment advisory | 13,593,941 | 3,370,992 | 9,313,154 |
| Officer and Trustees | 207,594 | 48,694 | 74,114 |
| Accounting services | 206,163 | 50,528 | 136,408 |
| Transfer agent | 149,963 | 39,439 | 55,277 |
| Professional | 142,728 | 126,339 | 178,912 |
| Custodian | 120,570 | 143,524 | 159,732 |
| Printing | 43,106 | 18,313 | 31,275 |
| Registration | 38,114 | 8,568 | 13,547 |
| Miscellaneous | 130,023 | 38,384 | 103,200 |
| Total expenses excluding interest expense | 14,632,202 | 3,844,781 | 10,065,619 |
| Interest expense | 3,758,384 | 1,405,115 | 4,401,025 |
| Total expenses | 18,390,586 | 5,249,896 | 14,466,644 |
| Less: | | | |
| Fees waived by the Manager | (10,828) | (2,207) | (17,578) |
| Fees paid indirectly | (1,660) | | (1,282) |
| Total expenses after fees waived and paid indirectly | 18,378,098 | 5,247,689 | 14,447,784 |
| Net investment income | 95,208,614 | 17,555,935 | 65,088,454 |
| **Realized and Unrealized Gain (Loss)** | | | |
| Net realized gain (loss) from: | | | |
| Investments unaffiliated | (24,826,419) | (5,631,836) | (23,651,903) |
| Litigation proceeds | | | 7,473,541 |
| Futures contracts | 2,037,293 | | (1,427,490) |
| Foreign currency transactions | (115) | 304,504 | 6,363,957 |
| Options written | 2,227,280 | | 1,538,933 |
| Swaps | (16,337,987) | (16,743) | 1,509,830 |
| Borrowed bonds | | | 9,207 |
| | (36,899,948) | (5,344,075) | (8,183,925) |
| Net change in unrealized appreciation (depreciation) on: | | | |
| Investments | 53,952,691 | 9,733,150 | 4,732,420 |
| Investments affiliated | | 4,939 | |
| Futures contracts | 6,831,632 | | 262,097 |
| Foreign currency translations | 30 | 81,742 | 2,688,611 |
| Options written | (767,707) | | (633,941) |
| Swaps | 11,649,789 | 20,215 | (1,300,233) |
| Unfunded floating rate loan interests | | 3,211 | 164,769 |

| | | | |
|---|---|---|---|
| | 71,666,435 | 9,843,257 | 5,913,723 |
| Net realized and unrealized gain (loss) | 34,766,487 | 4,499,182 | (2,270,202) |
| **Net Increase in Net Assets Resulting from Operations** | $ 129,975,101 | $ 22,055,117 | $ 62,818,252 |

[1] Consolidated Statement of Operations.

See Notes to Financial Statements.

# Statements of Changes in Net Assets

| Increase (Decrease) in Net Assets: | BlackRock Credit Allocation Income Trust (BTZ) Year Ended October 31, 2016 | 2015 |
|---|---|---|
| **Operations** | | |
| Net investment income | $ 95,208,614 | $ 103,314,914 |
| Net realized loss | (36,899,948) | (15,668,157) |
| Net change in unrealized appreciation (depreciation) | 71,666,435 | (94,552,781) |
| Net increase (decrease) in net assets resulting from operations | 129,975,101 | (6,906,024) |
| **Distributions to Shareholders[1]** | | |
| From net investment income | (93,623,404) | (97,419,415) |
| From return of capital | (6,304,109) | (6,993,757) |
| Decrease in net assets resulting from distributions to shareholders | (99,927,513) | (104,413,172) |
| **Net Assets** | | |
| Total increase (decrease) in net assets | 30,047,588 | (111,319,196) |
| Beginning of year | 1,549,122,769 | 1,660,441,965 |
| End of year | $ 1,579,170,357 | $ 1,549,122,769 |
| Undistributed net investment income, end of year | $ 1,150,620 | $ 1,190,408 |

[1] Distributions for annual periods determined in accordance with federal income tax regulations.

| Increase (Decrease) in Net Assets: | BlackRock Floating Rate Income Trust (BGT) Year Ended October 31, 2016 | 2015[1] |
|---|---|---|
| **Operations** | | |
| Net investment income | $ 17,555,935 | $ 18,385,851 |
| Net realized loss | (5,344,075) | (6,311,073) |
| Net change in unrealized appreciation (depreciation) | 9,843,257 | (2,117,191) |
| Net increase in net assets resulting from operations | 22,055,117 | 9,957,587 |
| **Distributions to Shareholders[2]** | | |
| From net investment income | (16,554,797) | (19,181,416) |
| **Net Assets** | | |
| Total increase (decrease) in net assets | 5,500,320 | (9,223,829) |
| Beginning of year | 335,443,774 | 344,667,603 |
| End of year | $ 340,944,094 | $ 335,443,774 |

| | | |
|---|---|---|
| Undistributed net investment income, end of year | $ 2,364,266 | $ 82,859 |

[1] Consolidated Statement of Changes in Net Assets

[2] Distributions for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

# Statements of Changes in Net Assets

**BlackRock Multi-Sector Income Trust (BIT)**

| Increase (Decrease) in Net Assets: | Year Ended October 31, 2016[1] | 2015 |
|---|---|---|
| **Operations** | | |
| Net investment income | $ 65,088,454 | $ 59,489,606 |
| Net realized loss | (8,183,925) | (13,674,058) |
| Net change in unrealized appreciation (depreciation) | 5,913,723 | (25,710,530) |
| Net increase in net assets resulting from operations | 62,818,252 | 20,105,018 |
| **Distributions to Shareholders[2]** | | |
| From net investment income | (62,868,881) | (54,109,102) |
| From net realized gain | | (2,923,957) |
| Decrease in net assets resulting from distributions to shareholders | (62,868,881) | (57,033,059) |
| **Net Assets** | | |
| Total decrease in net assets | (50,629) | (36,928,041) |
| Beginning of year | 726,431,674 | 763,359,715 |
| End of year | $ 726,381,045 | $ 726,431,674 |
| Undistributed (distributions in excess of) net investment income, end of year | $ 2,287,908 | $ (695,116) |

[1] Consolidated Statement of Changes in Net Assets.

[2] Distributions for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

# Statements of Cash Flows

| Year Ended October 31, 2016 | BlackRock Credit Allocation Income Trust (BTZ) | BlackRock Floating Rate Income Trust (BGT) | BlackRock Multi-Sector Income Trust (BIT)[1] |
|---|---|---|---|
| **Cash Provided by (Used for) Operating Activities** | | | |
| Net increase in net assets resulting from operations | $ 129,975,101 | $ 22,055,117 | $ 62,818,252 |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used for) operating activities: | | | |
| Proceeds from sales of long term investments and principal paydowns | 651,180,393 | 220,995,988 | 678,102,000 |
| Purchases of long term investments | (621,794,893) | (259,747,508) | (613,244,479) |
| Net purchases of short-term securities | (9,262,168) | (6,181,476) | (181,878) |
| Amortization of premium and accretion of discount on investments | 3,837,112 | (690,758) | (17,473,558) |
| Premiums paid on closing options written | (2,456,568) | | (430,648) |
| Premiums received from options written | 4,573,779 | | 3,548,225 |
| Net realized loss on investments, options written and borrowed bonds | 22,682,233 | 5,758,685 | 21,768,568 |
| Net unrealized loss on investments, options written, swaps, foreign currency translations and unfunded floating rate loan interests | (52,723,054) | (9,843,257) | (5,616,465) |
| **(Increase) Decrease in Assets:** | | | |
| Cash pledged: | | | |
| Collateral OTC derivatives | (80,000) | | (5,280,000) |
| Collateral reverse repurchase agreements | 1,183,000 | | 1,881,755 |
| Futures contracts | 2,526,780 | | 133,760 |
| Centrally cleared swaps | 9,035,930 | | (55,990) |
| Receivables: | | | |
| Dividends affiliated | (3,357) | (107) | (2,866) |
| Dividends unaffiliated | 5,430 | | |
| Interest | 2,159,457 | 200,830 | 192,821 |
| Swaps | 51,769 | | 89,734 |
| Variation margin on futures contracts | 662,395 | | 7,542 |
| Variation margin on centrally cleared swaps | | | 299 |
| Due from broker swap collateral | (520,000) | | |
| Other | (217,087) | (29,246) | (48,877) |
| Swap premiums paid | (7,191) | | (655,101) |
| Prepaid expenses | (3,707) | (852) | (1,741) |
| **Increase (Decrease) in Liabilities:** | | | |
| Cash received: | | | |
| Collateral reverse repurchase agreements | 3,632,000 | | 3,204,000 |
| Collateral OTC derivatives | 1,330,000 | | (20,000) |
| Payables: | | | |
| Swaps | (126,776) | | (68,212) |
| Interest expense | 540,048 | 60,505 | 500,757 |
| Investment advisory fees | 33,069 | 21,090 | (55,978) |
| Officer s and Trustees fees | 81,614 | 16,506 | 28,440 |
| Other accrued expenses | 218,024 | 83,113 | 202,239 |
| Variation margin on futures contracts | 140,948 | | 55,172 |
| Variation margin on centrally cleared swaps | (498,178) | | 1,844 |
| Swap premiums received | (56,384) | | 2,611,330 |
| Net cash provided by (used for) operating activities | 146,099,719 | (27,301,370) | 132,010,945 |
| **Cash Provided by (Used for) Financing Activities** | | | |
| Cash dividends paid to Common Shareholders | (99,992,788) | (16,554,423) | (62,972,222) |
| Payments on bank borrowings | | (127,000,000) | |
| Proceeds from bank borrowings | | 171,000,000 | |
| Increase in bank overdraft | 132,344 | | |
| Net borrowing of reverse repurchase agreements | (47,928,794) | | (65,527,739) |

| | | | |
|---|---|---|---|
| Net cash provided by (used for) financing activities | (147,789,238) | 27,445,577 | (128,499,961) |
| **Cash Impact from Foreign Exchange Fluctuations** | | | |
| Cash impact from foreign exchange fluctuations | $ 50 | $ 231 | $ 22,838 |
| **Cash and Foreign Currency** | | | |
| Net increase (decrease) in cash and foreign currency at value | (1,689,469) | 144,438 | 3,533,822 |
| Cash and foreign currency at value at beginning of year | 1,706,520 | 953,964 | 3,149,674 |
| Cash and foreign currency at value at end of year | $ 17,051 | $ 1,098,402 | $ 6,683,496 |
| **Supplemental Disclosure of Cash Flow Information** | | | |
| Cash paid during the year for interest expense | $ 3,218,336 | $ $1,344,610 | $ 3,900,268 |

[1] Consolidated Statement of Cash Flows.

See Notes to Financial Statements.

# Financial Highlights

**BlackRock Credit Allocation Income Trust (BTZ)**

| | Year Ended October 31, | | | | |
|---|---|---|---|---|---|
| | **2016** | **2015** | **2014** | **2013** | **2012** |
| **Per Share Operating Performance** | | | | | |
| Net asset value, beginning of year | $ 14.33 | $ 15.36 | $ 14.99 | $ 15.37 | $ 13.94 |
| Net investment income[1] | 0.88 | 0.96 | 0.99 | 0.97 | 0.94 |
| Net realized and unrealized gain (loss) | 0.32 | (1.02) | 0.35 | (0.37) | 1.43 |
| Net increase (decrease) from investment operations | 1.20 | (0.06) | 1.34 | 0.60 | 2.37 |
| Distributions:[2] | | | | | |
| From net investment income | (0.86) | (0.91) | (0.97) | (0.98) | (0.94) |
| From return of capital | (0.06) | (0.06) | | | |
| Total distributions | (0.92) | (0.97) | (0.97) | (0.98) | (0.94) |
| Net asset value, end of year | $ 14.61 | $ 14.33 | $ 15.36 | $ 14.99 | $ 15.37 |
| Market price, end of year | $ 12.87 | $ 12.53 | $ 13.54 | $ 12.97 | $ 14.23 |
| **Total Return[3]** | | | | | |
| Based on net asset value | 9.61% | 0.48% | 10.11% | 4.86% | 18.35% |
| Based on market price | 10.43% | (0.33)% | 12.18% | (2.01)% | 26.44% |
| **Ratios to Average Net Assets** | | | | | |
| Total expenses | 1.20% | 1.16% | 1.11% | 1.15%[4] | 1.20%[5] |
| Total expenses after fees waived and paid indirectly | 1.20% | 1.15% | 1.11% | 1.15%[4] | 1.20%[5] |
| Total expenses after fees waived and paid indirectly and excluding interest expense | 0.95% | 0.97% | 0.96% | 1.00%[4] | 1.07%[5] |
| Net investment income | 6.21% | 6.40% | 6.48% | 6.43% | 6.53% |
| **Supplemental Data** | | | | | |
| Net assets, end of year (000) | $ 1,579,170 | $ 1,549,123 | $ 1,660,442 | $ 1,619,703 | $ 796,836 |
| Borrowings outstanding, end of year (000) | $ 638,327 | $ 685,716 | $ 759,752 | $ 812,028 | $ 373,716 |
| Portfolio turnover rate | 29% | 19% | 29% | 43% | 37% |

[1] Based on average shares outstanding.

[2] Distributions for annual periods determined in accordance with federal income tax regulations.

[3] Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.

[4] Includes reorganization costs associated with the Trust s reorganization. Without these costs, total expenses, total expenses after fees waived and paid indirectly, and total expenses after fees waived and paid indirectly and excluding interest expense would have been 1.15%, 1.15% and 1.00%, respectively.

[5] Includes reorganization costs associated with the Trust s reorganization. Without these costs, total expenses, total expenses after fees waived and paid indirectly, and total expenses after fees waived and paid indirectly and excluding interest expense would have been 1.16%, 1.16% and 1.02%, respectively.

See Notes to Financial Statements.

# Financial Highlights

**BlackRock Floating Rate Income Trust (BGT)**

| | Year Ended October 31, | | | | |
|---|---|---|---|---|---|
| | **2016** | **2015[1]** | **2014[1]** | **2013[1]** | **2012[1]** |
| **Per Share Operating Performance** | | | | | |
| Net asset value, beginning of year | $ 14.18 | $ 14.57 | $ 14.79 | $ 14.52 | $ 13.97 |
| Net investment income[2] | 0.74 | 0.78 | 0.84 | 0.94 | 0.97 |
| Net realized and unrealized gain (loss) | 0.19 | (0.36) | (0.22) | 0.38 | 0.68 |
| Net increase from investment operations | 0.93 | 0.42 | 0.62 | 1.32 | 1.65 |
| Distributions from net investment income[3] | (0.70) | (0.81) | (0.84) | (1.05) | (1.10) |
| Net asset value, end of year | $ 14.41 | $ 14.18 | $ 14.57 | $ 14.79 | $ 14.52 |
| Market price, end of year | $ 13.58 | $ 12.77 | $ 13.18 | $ 14.12 | $ 15.07 |
| **Total Return[4]** | | | | | |
| Based on net asset value | 7.27% | 3.54% | 4.60% | 9.37% | 12.37% |
| Based on market price | 12.25% | 3.08% | (0.89)% | 0.60% | 25.33% |
| **Ratios to Average Net Assets** | | | | | |
| Total expenses | 1.58% | 1.55% | 1.52% | 1.57% | 1.66% |
| Total expenses after fees waived and paid indirectly | 1.58% | 1.54% | 1.52% | 1.57% | 1.61% |
| Total expenses after fees waived and paid indirectly and excluding interest expense. | 1.16% | 1.19% | 1.18% | 1.19% | 1.25%[5] |
| Net investment income | 5.29% | 5.37% | 5.71% | 6.39% | 6.87% |
| **Supplemental Data** | | | | | |
| Net assets, end of year (000) | $ 340,944 | $ 335,444 | $ 344,668 | $ 349,941 | $ 343,282 |
| Borrowings outstanding, end of year (000) | $ 148,000 | $ 104,000 | $ 145,000 | $ 152,000 | $ 145,000 |
| Asset coverage, end of year per $1,000 of bank borrowings | $ 3,304 | $ 4,225 | $ 3,377 | $ 3,302 | $ 3,367 |
| Portfolio turnover rate | 47% | 42% | 64% | 72% | 65% |

[1] Consolidated Financial Highlights.

[2] Based on average shares outstanding.

[3] Distributions for annual periods determined in accordance with federal income tax regulations.

[4] Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.

[5] For the year ended October 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense and borrowing costs was 1.14%.

See Notes to Financial Statements.

# Financial Highlights

**BlackRock Multi-Sector Income Trust (BIT)**

| | Year Ended October 31, | | | Period February 27, 2013[2] to October 31, |
|---|---|---|---|---|
| | 2016[1] | 2015 | 2014 | 2013 |
| **Per Share Operating Performance** | | | | |
| Net asset value, beginning of period | $ 18.91 | $ 19.87 | $ 18.95 | $ 19.10[3] |
| Net investment income[4] | 1.69 | 1.55 | 1.62 | 1.02 |
| Net realized and unrealized gain (loss) | (0.05) | (1.03) | 0.70 | (0.35) |
| Net increase from investment operations | 1.64 | 0.52 | 2.32 | 0.67 |
| Distributions[5]: | | | | |
| From net investment income | (1.64) | (1.40) | (1.40) | (0.70) |
| From net realized gain | | (0.08) | | |
| From return of capital | | | | (0.12) |
| Total distributions | (1.64) | (1.48) | (1.40) | (0.82) |
| Net asset value, end of period | $ 18.91 | $ 18.91[6] | $ 19.87 | $ 18.95 |
| Market price, end of period | $ 16.76 | $ 16.31 | $ 17.79 | $ 17.04 |
| **Total Return[7]** | | | | |
| Based on net asset value | 10.51%[8] | 3.87%[6] | 13.40% | 4.04%[9] |
| Based on market price | 13.56% | 0.06% | 12.91% | (10.66)%[9] |
| **Ratios to Average Net Assets** | | | | |
| Total expenses | 2.05%[10] | 2.09%[10] | 2.04% | 1.67%[11] |
| Total expenses after fees waived and paid indirectly | 2.05%[10] | 2.09%[10] | 2.04% | 1.67%[11] |
| Total expenses after fees waived and paid indirectly and excluding interest expense | 1.43%[10] | 1.53%[10] | 1.52% | 1.33%[11] |
| Net investment income | 9.24%[10] | 7.97%[10] | 8.27% | 8.05%[11] |
| **Supplemental Data** | | | | |
| Net assets, end of period (000) | $ 726,381 | $ 726,432 | $ 763,360 | $ 727,908 |
| Borrowings outstanding, end of period (000) | $ 427,329 | $ 510,352 | $ 707,294 | $ 552,040 |
| Portfolio turnover rate | 52% | 21% | 29% | 77%[12] |

[1] Consolidated Financial Highlights.

[2] Commencement of operations.

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

[4] Based on average shares outstanding.

[5] Distributions for annual periods determined in accordance with federal income tax regulations.

[6] For financial reporting purposes, the market value of certain investments were adjusted as of report date. Accordingly, the net asset value ( NAV ) per share and total return performance based on net asset value presented herein are different than the information previously published on October 31, 2015.

[7] Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.

[8] Includes payment received from an affiliate, which had no impact on the Trust s total return.

[9] Aggregate total return.

[10] Ratios do not include expenses incurred indirectly as a result of investments in underlying funds of approximately 0.01% for the years ended October 31, 2016 and October 31, 2015.

[11] Annualized.

[12] Includes mortgage dollar roll transactions. Excluding these transactions, the portfolio turnover would have been 54%.

See Notes to Financial Statements.

# Notes to Financial Statements

**1. Organization:**

The following are registered under the Investment Company Act of 1940, as amended (the 1940 Act ), as closed-end management investment companies and are referred to herein collectively as the Trusts , or individually, a Trust :

| Trust Name | Herein Referred To As | Organized | Diversification Classification |
|---|---|---|---|
| BlackRock Credit Allocation Income Trust | BTZ | Delaware | Non-diversified |
| BlackRock Floating Rate Income Trust | BGT | Delaware | Non-diversified |
| BlackRock Multi-Sector Income Trust | BIT | Delaware | Non-diversified |

The Boards of Trustees of the Trusts are collectively referred to throughout this report as the Board of Trustees or the Board, and the trustees thereof are collectively referred to throughout this report as Trustees. The Trusts determine and make available for publication the net asset value ( NAV ) of their Common Shares on a daily basis.

The Trusts, together with certain other registered investment companies advised by BlackRock Advisors, LLC (the Manager ) or its affiliates, are included in a complex of closed-end funds referred to as the Closed-End Complex.

Basis of Consolidation: The accompanying consolidated financial statements of BGT include the accounts of BGT Subsidiary, LLC (the Taxable Subsidiary ). As of December 19, 2014, the Taxable Subsidiary, which was wholly owned by the Trust, was dissolved. The Taxable Subsidiary enabled BGT to hold an investment in an operating company and satisfy regulated investment company tax requirements. Income earned and gains realized on the investment held by the Taxable Subsidiary were taxable to such subsidiary. There was no tax provision required for income or realized gains during the period.

The accompanying consolidated financial statements of BIT include the accounts of BIT Subsidiary, LLC ( BIT Subsidiary ) which is a wholly-owned taxable subsidiary of BIT. The BIT Subsidiary enables BIT to hold an investment in an operating partnership and satisfy Regulated Investment Company ( RIC ) tax requirements. Income earned and gains realized on the investment held by the BIT Subsidiary are taxable to such subsidiary. A tax provision for income, if any, is shown as income tax in the Consolidated Statement of Operations for BIT. A tax provision for realized and unrealized gains, if any, is included as a reduction of realized and/or unrealized gain (loss) in the Consolidated Statement of Operations for BIT. BIT may invest up to 25% of its total assets in the BIT Subsidiary. There were no assets in the BIT Subsidiary as of period end. The BIT Subsidiary is subject to the same investment policies and restrictions that apply to BIT.

**2. Significant Accounting Policies:**

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ( U.S. GAAP ), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. Each Trust is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies. Below is a summary of significant accounting policies:

Foreign Currency: Each Trust s books and records are maintained in U.S. dollars. Purchases and sales of investments are recorded at the rates of exchange prevailing on the respective dates of such transactions. Generally, when the U.S. dollar rises in value against a foreign currency, the investments denominated in that currency will lose value; the opposite effect occurs if the U.S. dollar falls in relative value.

Each Trust does not isolate the portion of the results of operations arising as a result of changes in the exchange rates from the changes in the market prices of investments held or sold for financial reporting purposes. Accordingly, the effects of changes in exchange rates on investments are not segregated in the Statements of Operations from the effects of changes in market prices of those investments, but are included as a component of net realized and unrealized gain (loss) from investments. Each Trust reports realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are generally treated as ordinary income for federal income tax purposes.

Segregation and Collateralization: In cases where a Trust enters into certain investments (e.g., futures contracts, forward foreign currency exchange contracts, options written and swaps) or certain borrowings (e.g., reverse repurchase transactions) that would be treated as senior securities for 1940 Act purposes, a Trust may segregate or designate on its books and records cash or liquid assets having a market value at least

equal to the amount of its future obligations under such investments or borrowings. Doing so allows the investment or borrowing to be excluded from treatment as a senior security. Furthermore, if required by an exchange or counterparty agreement, the Trusts may be required to deliver/deposit cash and/or securities to/with an exchange, or broker-dealer or custodian as collateral for certain investments or obligations.

Investment Transactions and Investment Income: For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend date. Dividends from foreign securities where the ex-dividend date may have passed are subsequently recorded when the Trusts are informed of the ex-dividend date. Under the applicable foreign tax laws, a withholding tax at various rates may be imposed on capital gains, dividends and interest. Upon notification from issuers, some of the dividend income received from a real estate investment trust may be redesignated as a reduction of cost of the related investment and/or realized gain. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

## Notes to Financial Statements (continued)

Distributions: Distributions from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend date and made at least annually. Portions of return of capital distributions under U.S. GAAP may be taxed at ordinary income rates. The character of distributions is determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. The portion of distributions that exceeds a Trust s current and accumulated earnings and profits, as measured on a tax basis, constitute a non-taxable return of capital. Realized net capital gains can be offset by capital losses carried forward from prior years. However, certain Trusts have capital loss carryforwards from pre-2012 tax years that offset realized net capital gains but do not offset current earnings and profits. Consequently, if distributions in any tax year are less than the Trust s current earnings and profits but greater than net investment income and net realized capital gains (taxable income), distributions in excess of taxable income are not treated as non-taxable return of capital, but rather may be taxable to shareholders at ordinary income rates. Under certain circumstances, taxable excess distributions could be significant. See Note 8, Income Tax Information, for the tax character of each Trust s distributions paid during the year.

Deferred Compensation Plan: Under the Deferred Compensation Plan (the Plan ) approved by each Trust s Board, the independent Trustees ( Independent Trustees ) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees. This has the same economic effect for the Independent Trustees as if the Independent Trustees had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

The Plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Trust, if applicable. Deferred compensation liabilities are included in officer s and trustees fees payable in the Statements of Assets and Liabilities and will remain as a liability of the Trusts until such amounts are distributed in accordance with the Plan.

Indemnifications: In the normal course of business, each Trust enters into contracts that contain a variety of representations that provide general indemnification. A Trust s maximum exposure under these arrangements is unknown because it involves future potential claims against a Trust, which cannot be predicted with any certainty.

Other: Expenses directly related to a Trust are charged to that Trust. Other operating expenses shared by several funds, including other funds managed by the Manager, are prorated among those funds on the basis of relative net assets or other appropriate methods.

Through May 31, 2016, the Trusts had an arrangement with their custodian whereby credits were earned on uninvested cash balances, which could be used to reduce custody fees and/or overdraft charges. Credits previously earned may be utilized until December 31, 2016. Under current arrangements effective June 1, 2016, the Trusts no longer earn credits on uninvested cash, and may incur charges on uninvested cash balances and overdrafts, subject to certain conditions.

**3. Investment Valuation and Fair Value Measurements:**

Investment Valuation Policies: The Trusts investments are valued at fair value (also referred to as market value within the financial statements) as of the close of trading on the New York Stock Exchange ( NYSE ) (generally 4:00 p.m., Eastern time). U.S. GAAP defines fair value as the price the Trusts would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Trusts determine the fair values of their financial instruments using various independent dealers or pricing services under policies approved by the Board. The BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee ) is the committee formed by management to develop global pricing policies and procedures and to oversee the pricing function for all financial instruments.

Fair Value Inputs and Methodologies: The following methods and inputs are used to establish the fair value of each Trust s assets and liabilities:

Equity investments traded on a recognized securities exchange are valued at the official closing price each day, if available. For equity investments traded on more than one exchange, the official closing price on the exchange where the stock is primarily traded is used. Equity investments traded on a recognized exchange for which there were no sales on that day may be valued at the last available bid (long positions) or ask (short positions) price.

Fixed-income securities for which market quotations are readily available are generally valued using the last available bid prices or current market quotations provided by independent dealers or third party pricing services. Floating rate loan interests are valued at the mean of the bid prices from one or more independent brokers or dealers as obtained from a third party pricing service. Pricing services generally value fixed-income securities assuming orderly transactions of an institutional round lot size, but the Trusts may hold or transact in such securities in smaller, odd lot sizes. Odd lots often trade at lower prices than institutional round lots. The pricing services may use matrix pricing or valuation models that utilize certain inputs and assumptions to derive values, including transaction data (e.g., recent representative bids and offers), credit quality information, perceived market movements, news, and other relevant information. Certain fixed-income securities, including asset-backed and mortgage related securities may be valued based on valuation models that consider the estimated cash flows of each tranche of the entity, establish a benchmark yield and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche. The amortized cost method of valuation may be used with respect to debt obligations with sixty days or less remaining to maturity unless the Manager determines such method does not represent fair value.

Generally, trading in foreign instruments is substantially completed each day at various times prior to the close of trading on the NYSE. Occasionally, events affecting the values of such instruments may occur between the foreign market close and the close of trading on the NYSE that may not be

## Notes to Financial Statements (continued)

reflected in the computation of the Trusts net assets. Each business day, the Trusts use a pricing service to assist with the valuation of certain foreign exchange-traded equity securities and foreign exchange-traded over-the-counter ( OTC ) or if options (the Systematic Fair Value Price ). Using current market factors, the Systematic Fair Value Price is designed to value such foreign securities and foreign options at fair value as of the close of trading on the NYSE, which follows the close of the local markets.

Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments.

Investments in open-end U.S. mutual funds are valued at NAV each business day.

Futures contracts traded on exchanges are valued at their last sale price.

Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates determined as of the close of trading on the NYSE. Forward foreign currency exchange contracts are valued at the mean between the bid and ask prices and are determined as of the close of trading on the NYSE. Interpolated values are derived when the settlement date of the contract is an interim date for which quotations are not available.

Exchange-traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade. An exchange-traded option for which there is no mean price is valued at the last bid (long positions) or ask (short positions) price. If no bid or ask price is available, the prior day s price will be used, unless it is determined that the prior day s price no longer reflects the fair value of the option. OTC options and options on swaps ( swaptions ) are valued by an independent pricing service using a mathematical model, which incorporates a number of market data factors, such as the trades and prices of the underlying instruments.

Swap agreements are valued utilizing quotes received daily by the Trusts pricing service or through brokers, which are derived using daily swap curves and models that incorporate a number of market data factors, such as discounted cash flows, trades and values of the underlying reference instruments.

If events (e.g., a company announcement, market volatility or a natural disaster) occur that are expected to materially affect the value of such investments, or in the event that the application of these methods of valuation results in a price for an investment that is deemed not to be representative of the market value of such investment, or if a price is not available, the investment will be valued by the Global Valuation Committee, or its delegate, in accordance with a policy approved by the Board as reflecting fair value ( Fair Valued Investments ). When determining the price for Fair Valued Investments, the Global Valuation Committee, or its delegate, seeks to determine the price that each Trust might reasonably expect to receive or pay from the current sale or purchase of that asset or liability in an arm s-length transaction. Fair value determinations shall be based upon all available factors that the Global Valuation Committee, or its delegate, deems relevant and consistent with the principles of fair value measurement.

The Global Valuation Committee, or its delegate, employs various methods for calibrating valuation approaches for investments where an active market does not exist, including regular due diligence of each Trust s pricing vendors, regular reviews of key inputs and assumptions, transactional back-testing or disposition analysis to compare unrealized gains and losses to realized gains and losses, reviews of missing or stale prices and large movements in market values and reviews of any market related activity. The pricing of all Fair Valued Investments is subsequently reported to the Board or a committee thereof on a quarterly basis. As a result of the inherent uncertainty in valuation of these investments, the fair values may differ from the values that would have been used had an active market existed.

For investments in equity or debt issued by privately-held companies or funds ( Private Company or collectively, the Private Companies ) and other Fair Valued Investments, the fair valuation methodologies that are used by third party pricing services include the market approach, income approach and the cost approach, using one or a combination of but not limited to the following inputs.

**Standard Inputs Generally Considered By Third Party Pricing Services**

| | |
|---|---|
| Market approach | (i) recent market transactions, including subsequent rounds of financing, in the underlying investment or comparable issuers;<br><br>(ii) recapitalizations and other transactions across the capital structure; and<br><br>(iii) market multiples of comparable issuers. |
| Income approach | (i) future cash flows discounted to present and adjusted as appropriate for liquidity, credit, and/or market risks;<br><br>(ii) quoted prices for similar investments or assets in active markets; and<br><br>(iii) other risk factors, such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, recovery rates, liquidation amounts and/or default rates. |
| Cost approach | (i) audited or unaudited financial statements, investor communications and financial or operational metrics issued by the Private Company;<br><br>(ii) changes in the valuation of relevant indices or publicly traded companies comparable to the Private Company;<br><br>(iii) relevant news and other public sources; and<br><br>(iv) known secondary market transactions in the Private Company s interests and merger or acquisition activity in companies comparable to the Private Company. |

## Notes to Financial Statements (continued)

Investments in series of preferred stock issued by Private Companies are typically valued utilizing market approach in determining the enterprise value of the company. Such investments often contain rights and preferences that differ from other series of preferred and common stock of the same issuer. Techniques such as an option pricing model ( OPM ), a probability weighted expected return model ( PWERM ) or a hybrid of those techniques are used in allocating enterprise value of the company, as deemed appropriate under the circumstances. The use of OPM and PWERM techniques involve a determination of the exit scenarios of the investment in order to appropriately allocate the enterprise value of the company among the various parts of its capital structure.

The Private Companies are not subject to the public company disclosure, timing, and reporting standards as other investments held by a Trust. Typically, the most recently available information by a Private Company is as of a date that is earlier than the date a Trust is calculating its NAV. This factor may result in a difference between the value of the investment and the price a Trust could receive upon the sale of the investment.

Fair Value Hierarchy: Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation methodologies are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Trust has the ability to access

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

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments classified within Level 3 have significant unobservable inputs used by the Global Valuation Committee in determining the price for Fair Valued Investments. Level 3 Investments include equity or debt issued by privately-held companies. There may not be a secondary market, and/or there are a limited number of investors. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Global Valuation Committee in the absence of market information.

Changes in valuation methodolgies may result in transfers into or out of an assigned level within the hierarchy. In accordance with each Trust s policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities.

**4. Securities and Other Investments:**

Asset-Backed and Mortgage-Backed Securities: Asset-backed securities are generally issued as pass-through certificates or as debt instruments. Asset-backed securities issued as pass-through certificates represent undivided fractional ownership interests in an underlying pool of assets. Asset-backed securities issued as debt instruments, which are also known as collateralized obligations are typically issued as the debt of a special purpose entity organized solely for the purpose of owning such assets and issuing such debt. Asset-backed securities are often backed by a pool of assets representing the obligations of a number of different parties. The yield characteristics of certain asset-backed securities may differ from traditional debt securities. One such major difference is that all or a principal part of the obligations may be prepaid at any time because the underlying assets (i.e., loans) may be prepaid at any time. As a result, a decrease in interest rates in the market may result in increases in the level of prepayments as borrowers, particularly mortgagors, refinance and repay their loans. An increased prepayment rate with respect to an asset-backed security will have the effect of shortening the maturity of the security. In addition, a Trust may subsequently have to reinvest the

proceeds at lower interest rates. If a Trust has purchased such an asset-backed security at a premium, a faster than anticipated prepayment rate could result in a loss of principal to the extent of the premium paid.

For mortgage pass-through securities (the Mortgage Assets ), there are a number of important differences among the agencies and instrumentalities of the U.S. Government that issue mortgage-related securities and among the securities that they issue. For example, mortgage-related securities guaranteed by Ginnie Mae are guaranteed as to the timely payment of principal and interest by Ginnie Mae and such guarantee is backed by the full faith and credit of the United States. However, mortgage-related securities issued by Freddie Mac and Fannie Mae, including Freddie Mac and Fannie Mae guaranteed mortgage pass-through certificates, which are solely the obligations of Freddie Mac and Fannie Mae, are not backed by or entitled to the full faith and credit of the United States, but are supported by the right of the issuer to borrow from the U.S. Treasury.

Non-agency mortgage-backed securities are securities issued by non-governmental issuers and have no direct or indirect government guarantees of payment and are subject to various risks. Non-agency mortgage loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by any other person or entity. The ability of a borrower to repay a loan is dependent upon the income or assets of the borrower. A number of factors, including a general economic downturn, acts of God, terrorism, social unrest and civil disturbances, may impair a borrower s ability to repay its loans.

## Notes to Financial Statements (continued)

Collateralized Debt Obligations: Collateralized debt obligations ( CDOs ), including collateralized bond obligations ( CBOs ) and collateralized loan obligations ( CLOs ), are types of asset-backed securities. A CDO is an entity that is backed by a diversified pool of debt securities (CBOs) or syndicated bank loans (CLOs). The cash flows of the CDO can be split into multiple segments, called tranches, which will vary in risk profile and yield. The riskiest segment is the subordinated or equity tranche. This tranche bears the greatest risk of defaults from the underlying assets in the CDO and serves to protect the other, more senior, tranches from default in all but the most severe circumstances. Since it is shielded from defaults by the more junior tranches, a senior tranche will typically have higher credit ratings and lower yields than their underlying securities, and often receive investment grade ratings from one or more of the nationally recognized rating agencies. Despite the protection from the more junior tranches, senior tranches can experience substantial losses due to actual defaults, increased sensitivity to future defaults and the disappearance of one or more protecting tranches as a result of changes in the credit profile of the underlying pool of assets.

Inflation-Indexed Bonds: Inflation-indexed bonds (other than municipal inflation-indexed and certain corporate inflation-indexed bonds) are fixed income securities whose principal value is periodically adjusted according to the rate of inflation. If the index measuring inflation rises or falls, the principal value of inflation-indexed bonds (other than municipal inflation-indexed and certain corporate inflation-indexed bonds) will be adjusted upward or downward, and consequently the interest payable on these securities (calculated with respect to a larger or smaller principal amount) will be increased or reduced, respectively. Any upward or downward adjustment in the principal amount of an inflation-indexed bond will be included as interest income in the Statements of Operations, even though investors do not receive their principal until maturity. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury inflation-indexed bonds. For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal. With regard to municipal inflation-indexed bonds and certain corporate inflation-indexed bonds, the inflation adjustment is typically reflected in the semi-annual coupon payment. As a result, the principal value of municipal inflation-indexed bonds and such corporate inflation-indexed bonds does not adjust according to the rate of inflation.

Multiple Class Pass-Through Securities: Multiple class pass-through securities, including collateralized mortgage obligations ( CMOs ) and commercial mortgage-backed securities, may be issued by Ginnie Mae, U.S. Government agencies or instrumentalities or by trusts formed by private originators of, or investors in, mortgage loans. In general, CMOs are debt obligations of a legal entity that are collateralized by a pool of residential or commercial mortgage loans or Mortgage Assets. The payments on these are used to make payments on the CMOs or multiple pass-through securities. Multiple class pass-through securities represent direct ownership interests in the Mortgage Assets. Classes of CMOs include interest only ( IOs ), principal only ( POs ), planned amortization classes and targeted amortization classes. IOs and POs are stripped mortgage-backed securities representing interests in a pool of mortgages, the cash flow from which has been separated into interest and principal components. IOs receive the interest portion of the cash flow while POs receive the principal portion. IOs and POs can be extremely volatile in response to changes in interest rates. As interest rates rise and fall, the value of IOs tends to move in the same direction as interest rates. POs perform best when prepayments on the underlying mortgages rise since this increases the rate at which the principal is returned and the yield to maturity on the PO. When payments on mortgages underlying a PO are slower than anticipated, the life of the PO is lengthened and the yield to maturity is reduced. If the underlying Mortgage Assets experience greater than anticipated prepayments of principal, a Trust s initial investment in the IOs may not fully recoup.

Zero-Coupon Bonds: Zero-coupon bonds are normally issued at a significant discount from face value and do not provide for periodic interest payments. These bonds may experience greater volatility in market value than other debt obligations of similar maturity which provide for regular interest payments.

Capital Securities and Trust Preferred Securities: Capital securities, including trust preferred securities, are typically issued by corporations, generally in the form of interest-bearing notes with preferred securities characteristics. In the case of trust preferred securities, an affiliated business trust of a corporation issues these securities, generally in the form of beneficial interests in subordinated debentures or similarly structured securities. The securities can be structured with either a fixed or adjustable coupon that can have either a perpetual or stated maturity date. For trust preferred securities, the issuing bank or corporation pays interest to the trust, which is then distributed to holders of these securities as a dividend. Dividends can be deferred without creating an event of default or acceleration, although maturity cannot take place unless all cumulative payment obligations have been met. The deferral of payments does not affect the purchase or sale of these securities in the open market. Payments on these securities are treated as interest rather than dividends for federal income tax purposes. These securities generally are rated below that of the issuing company s senior debt securities and are freely callable at the issuer s option.

Preferred Stock: Preferred stock has a preference over common stock in liquidation (and generally in receiving dividends as well) but is subordinated to the liabilities of the issuer in all respects. As a general rule, the market value of preferred stock with a fixed dividend rate and no conversion element varies inversely with interest rates and perceived credit risk, while the market price of convertible preferred stock generally also reflects some element of conversion value. Because preferred stock is junior to debt securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of a preferred stock than in a more senior debt security with similar stated yield characteristics. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the

issuer s board of directors. Preferred stock also may be subject to optional or mandatory redemption provisions.

Warrants: Warrants entitle a Trust to purchase a specified number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date of the warrants, if any. If the price of the underlying stock

## Notes to Financial Statements (continued)

does not rise above the strike price before the warrant expires, the warrant generally expires without any value and a Trust will lose any amount it paid for the warrant. Thus, investments in warrants may involve more risk than investments in common stock. Warrants may trade in the same markets as their underlying stock; however, the price of the warrant does not necessarily move with the price of the underlying stock.

Floating Rate Loan Interests: Floating rate loan interests are typically issued to companies (the borrower ) by banks, other financial institutions, or privately and publicly offered corporations (the lender ). Floating rate loan interests are generally non-investment grade, often involve borrowers whose financial condition is troubled or uncertain and companies that are highly leveraged or in bankruptcy proceedings. In addition, transactions in floating rate loan interests may settle on a delayed basis, which may result to proceeds from the sale to not be readily available for a Trust to make additional investments or meet its redemption obligations. Floating rate loan interests may include fully funded term loans or revolving lines of credit. Floating rate loan interests are typically senior in the corporate capital structure of the borrower. Floating rate loan interests generally pay interest at rates that are periodically determined by reference to a base lending rate plus a premium. Since the rates reset only periodically, changes in prevailing interest rates (and particularly sudden and significant changes) can be expected to cause some fluctuations in the NAV of a Trust to the extent that it invests in floating rate loan interests. The base lending rates are generally the lending rate offered by one or more European banks, such as the London Interbank Offered Rate ( LIBOR ), the prime rate offered by one or more U.S. banks or the certificate of deposit rate. Floating rate loan interests may involve foreign borrowers, and investments may be denominated in foreign currencies. These investments are treated as investments in debt securities for purposes of a Trust s investment policies.

When a Trust purchases a floating rate loan interest, it may receive a facility fee and when it sells a floating rate loan interest, it may pay a facility fee. On an ongoing basis, a Trust may receive a commitment fee based on the undrawn portion of the underlying line of credit amount of a floating rate loan interest. Facility and commitment fees are typically amortized to income over the term of the loan or term of the commitment, respectively. Consent and amendment fees are recorded to income as earned. Prepayment penalty fees, which may be received by a Trust upon the prepayment of a floating rate loan interest by a borrower, are recorded as realized gains. A Trust may invest in multiple series or tranches of a loan. A different series or tranche may have varying terms and carry different associated risks.

Floating rate loan interests are usually freely callable at the borrower s option. A Trust may invest in such loans in the form of participations in loans ( Participations ) or assignments ( Assignments ) of all or a portion of loans from third parties. Participations typically will result in a Trust having a contractual relationship only with the lender, not with the borrower. A Trust has the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the Participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing Participations, a Trust generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of offset against the borrower. A Trust may not benefit directly from any collateral supporting the loan in which it has purchased the Participation. As a result, a Trust assumes the credit risk of both the borrower and the lender that is selling the Participation. A Trust s investment in loan participation interests involves the risk of insolvency of the financial intermediaries who are parties to the transactions. In the event of the insolvency of the lender selling the Participation, a Trust may be treated as a general creditor of the lender and may not benefit from any offset between the lender and the borrower. Assignments typically result in a Trust having a direct contractual relationship with the borrower, and a Trust may enforce compliance by the borrower with the terms of the loan agreement.

In connection with floating rate loan interests, the Trusts may also enter into unfunded floating rate loan interests ( commitments ). In connection with these commitments, a Trust earns a commitment fee, typically set as a percentage of the commitment amount. Such fee income, which is included in interest income in the Statements of Operations, is recognized ratably over the commitment period. Unfunded floating rate loan interests are marked-to-market daily, and any unrealized appreciation (depreciation) is included in the Statements of Assets and Liabilities and Statements of Operations. As of period end, the Trusts had the following unfunded floating rate loan interests:

| | Borrower | Par | Commitment Amount | Value | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|
| BGT | Acrisure, LLC, 2016 Delayed Draw Term Loan | $ 13,740 | $ 13,564 | $ 13,740 | $ 177 |
| | USAGM HoldCo LLC, 2016 Incremental Delayed Draw Term Loan | $ 220,664 | $ 218,457 | $ 221,492 | $ 3,034 |
| BIT. | Lone Star LSPT Future Funding, Mortgage Loan | $ 4,998,000 | $ 4,833,231 | $ 4,998,000 | $ 164,769 |

Forward Commitments and When-Issued Delayed Delivery Securities: Certain Trusts may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale commitment is made. A Trust may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, a Trust may be required to pay more at settlement than the security is worth. In addition, a Trust is not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed delivery basis, a Trust assumes the rights and risks of ownership of the

security, including the risk of price and yield fluctuations. In the event of default by the counterparty, a Trust s maximum amount of loss is the unrealized appreciation of unsettled when-issued transactions.

Borrowed Bond Agreements: Repurchase agreements may be referred to as borrowed bond agreements when entered into in connection with short sales of bonds. In a borrowed bond agreement, a Trust borrows a bond from a counterparty in exchange for cash collateral. The agreement contains a commitment

## Notes to Financial Statements (continued)

that the security and the cash will be returned to the counterparty and a trust at a mutually agreed upon date. Certain agreements have no stated maturity and can be terminated by either party at any time. Earnings on cash collateral and compensation to the lender of the bond are based on agreed upon rates between a Trust and the counterparty. The value of the underlying cash collateral approximates the market value and accrued interest of the borrowed bond. To the extent that a borrowed bond transaction exceeds one business day, the value of the cash collateral in the possession of the counterparty is monitored on a daily basis to ensure the adequacy of the collateral. As the market value of the borrowed bond changes, the cash collateral is periodically increased or decreased with a frequency and in amounts prescribed in the borrowed bond agreement. A Trust may also experience delays in gaining access to the collateral.

Reverse Repurchase Agreements: Reverse repurchase agreements are agreements with qualified third party broker-dealers in which a Trust sells securities to a bank or broker-dealer and agrees to repurchase the same securities at a mutually agreed upon date and price. A Trust receives cash from the sale to use for other investment purposes. During the term of the reverse repurchase agreement, a Trust continues to receive the principal and interest payments on the securities sold. Certain agreements have no stated maturity and can be terminated by either party at any time. Interest on the value of the reverse repurchase agreements issued and outstanding is based upon competitive market rates determined at the time of issuance. A Trust may utilize reverse repurchase agreements when it is anticipated that the interest income to be earned from the investment of the proceeds of the transaction is greater than the interest expense of the transaction. Reverse repurchase agreements involve leverage risk. If a Trust suffers a loss on its investment of the transaction proceeds from a reverse repurchase agreement, a Trust would still be required to pay the full repurchase price. Further, a Trust remains subject to the risk that the market value of the securities repurchased declines below the repurchase price. In such cases, a Trust would be required to return a portion of the cash received from the transaction or provide additional securities to the counterparty.

Cash received in exchange for securities delivered plus accrued interest due to the counterparty is recorded as a liability in the Statements of Assets and Liabilities at face value including accrued interest. Due to the short- term nature of the reverse repurchase agreements, face value approximates fair value. Interest payments made by a Trust to the counterparties are recorded as a component of interest expense in the Statements of Operations. In periods of increased demand for the security, a Trust may receive a fee for use of the security by the counterparty, which may result in interest income to a Trust.

For the year ended October 31, 2016, the average amount of reverse repurchase agreements outstanding and the daily weighted average interest rate for the Trusts were as follows:

| | Average Amount Outstanding | Daily Weighted Average Interest Rate |
|---|---|---|
| BTZ | $ 659,557,592 | 0.57% |
| BIT | $ 460,095,254 | 0.96% |

Reverse repurchase transactions are entered into by a Trust under Master Repurchase Agreements (each, an MRA ), which permit a Trust, under certain circumstances, including an event of default (such as bankruptcy or insolvency), to offset payables and/or receivables under the MRA with collateral held and/or posted to the counterparty and create one single net payment due to or from a Trust. With reverse repurchase transactions, typically a Trust and counterparty under an MRA are permitted to sell, re-pledge, or use the collateral associated with the transaction. Bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of the MRA counterparty s bankruptcy or insolvency. Pursuant to the terms of the MRA, a Trust receives or posts securities as collateral with a market value in excess of the repurchase price to be paid or received by a Trust upon the maturity of the transaction. Upon a bankruptcy or insolvency of the MRA counterparty, a Trust is considered an unsecured creditor with respect to excess collateral and, as such, the return of excess collateral may be delayed.

As of period end, the following table is a summary of the Trust s open reverse repurchase agreements by counterparty which are subject to offset under an MRA on a net basis:

| **BTZ**<br>**Counterparty** | **Reverse Repurchase Agreements** | **Fair Value of Non-cash Collateral Pledged** | **Cash Collateral Pledged** | **Net Amount[2]** |
|---|---|---|---|---|

| | | Including Accrued Interest[1] | |
|---|---|---|---|
| Barclays Capital, Inc. | $ 75,558,637 | $ (75,558,637) | |
| BNP Paribas Securities Corp. | 187,529,203 | (187,529,203) | |
| Credit Suisse Securities (USA) LLC | 43,696,524 | (43,696,524) | |
| Deutsche Bank Securities, Inc. | 28,644,998 | (28,451,533) | $ 193,465 |
| HSBC Securities (USA), Inc. | 11,641,042 | (11,641,042) | |
| RBC Capital Markets LLC | 273,730,900 | (273,730,900) | |
| UBS Ltd. | 17,525,891 | (17,525,891) | |
| **Total** | $ 638,327,195 | $ (638,133,730) | $ 193,465 |

## Notes to Financial Statements (continued)

**BIT**

| Counterparty | Reverse Repurchase Agreements | Fair Value of Non-cash Collateral Pledged Including Accrued Interest[1] | Cash Collateral Pledged | Net Amount |
|---|---|---|---|---|
| Barclays Bank PLC | $ 6,327,149 | $ (6,327,149) | | |
| Barclays Capital, Inc. | 24,274,258 | (24,274,258) | | |
| BNP Paribas Securities Corp. | 38,266,372 | (38,266,372) | | |
| Credit Suisse Securities (USA) LLC | 20,617,141 | (20,617,141) | | |
| Deutsche Bank Securities, Inc. | 84,578,614 | (84,578,614) | | |
| HSBC Securities (USA), Inc. | 10,230,598 | (10,230,598) | | |
| JPMorgan Securities LLC | 5,829,599 | (5,829,599) | | |
| Morgan Stanley & Co. LLC | 4,089,695 | (4,089,695) | | |
| RBC Capital Markets, LLC | 131,479,068 | (131,479,068) | | |
| UBS Ltd. | 16,280,495 | (16,280,495) | | |
| UBS Securities LLC | 85,355,907 | (85,355,907) | | |
| **Total** | $ 427,328,896 | $ (427,328,896) | | |

[1] Net collateral with a value of $668,927,141 for BTZ and $491,739,813 for BIT has been pledged in connection with open reverse repurchase agreements. Excess of net collateral pledged to the individual counterparty is not shown for financial reporting purposes.

[2] Net amount represents the net amount payable due to the counterparty in the event of default.

In the event the counterparty of securities under an MRA files for bankruptcy or becomes insolvent, a Trust s use of the proceeds from the agreement may be restricted while the counterparty, or its trustee or receiver, determines whether or not to enforce a Trust s obligation to repurchase the securities.

**5. Derivative Financial Instruments:**

The Trusts engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Trusts and/or to manage their exposure to certain risks such as credit risk, equity risk, interest rate risk, foreign currency exchange rate risk or other risks (e.g., inflation risk). Derivative financial instruments categorized by risk exposure are included in the Schedules of Investments. These contracts may be transacted on an exchange or OTC.

Futures Contracts: Certain Trusts invest in long and/or short positions in futures and options on futures contracts to gain exposure to, or manage exposure to changes in interest rates (interest rate risk), changes in the value of equity securities (equity risk) or foreign currencies (foreign currency exchange rate risk).

Futures contracts are agreements between the Trusts and a counterparty to buy or sell a specific quantity of an underlying instrument at a specified price and on a specified date. Depending on the terms of a contract, it is settled either through physical delivery of the underlying instrument on the settlement date or by payment of a cash amount on the settlement date. Upon entering into a futures contract, the Trusts are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on a contract s size and risk profile. The initial margin deposit must then be maintained at an established level over the life of the contract.

Securities deposited as initial margin are designated in the Schedules of Investments and cash deposited, if any, is shown as cash pledged for futures contracts in the Statements of Assets and Liabilities. Pursuant to the contract, the Trusts agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in market value of the contract ( variation margin ). Variation margin is recorded as unrealized appreciation (depreciation) and, if any, shown as variation margin receivable (or payable) on futures contracts in the Statements of Assets and Liabilities. When the contract is closed, a realized gain or loss is recorded in the Statements of Operations equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of futures contracts involves the risk of an imperfect correlation in the movements in the price of futures contracts and interest, foreign currency exchange rates or underlying assets.

Forward Foreign Currency Exchange Contracts: Certain Trusts enter into forward foreign currency exchange contracts to gain or reduce exposure to foreign currencies (foreign currency exchange rate risk).

A forward foreign currency exchange contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a specified date. These contracts help to manage the overall exposure to the currencies in which some of the investments held by the Trusts are denominated and in some cases, may be used to obtain exposure to a particular market.

The contract is marked to market daily and the change in market value is recorded as unrealized appreciation (depreciation) in the Statements of Assets and Liabilities. When a contract is closed, a realized gain or loss is recorded in the Statements of Operations equal to the difference between the value at the time it was opened and the value at the time it was closed. Non-deliverable forward foreign currency exchange contracts are settled with the counterparty in cash without the delivery of foreign currency. The use of forward foreign currency exchange contracts involves the risk that the value of a forward foreign currency exchange contract changes unfavorably due to movements in the value of the referenced foreign currencies.

## Notes to Financial Statements (continued)

Options: Certain Trusts purchase and write call and put options to increase or decrease their exposure to the risks of underlying instruments, including equity risk, interest rate risk and/or commodity price risk and/or, in the case of options written, to generate gains from options premiums.

A call option gives the purchaser (holder) of the option the right (but not the obligation) to buy, and obligates the seller (writer) to sell (when the option is exercised) the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying instrument at the exercise or strike price at any time or at a specified time during the option period.

Premiums paid on options purchased and premiums received on options written, as well as the daily fluctuation in market value, are included in investments at value unaffiliated and options written at value, respectively, in the Statements of Assets and Liabilities. When an instrument is purchased or sold through the exercise of an option, the premium is offset against the cost or proceeds of the underlying instrument. When an option expires, a realized gain or loss is recorded in the Statements of Operations to the extent of the premiums received or paid. When an option is closed or sold, a gain or loss is recorded in the Statements of Operations to the extent the cost of the closing transaction exceeds the premiums received or paid. When the Trusts write a call option, such option is typically covered, meaning that they hold the underlying instrument subject to being called by the option counterparty. When the Trusts write a put option, such option is covered by cash in an amount sufficient to cover the obligation.

Swaptions Certain Trusts purchase and write options on swaps ( swaptions ) primarily to preserve a return or spread on a particular investment or portion of the Trusts holdings, as a duration management technique or to protect against an increase in the price of securities it anticipates purchasing at a later date. The purchaser and writer of a swaption is buying or granting the right to enter into a previously agreed upon interest rate or credit default swap agreement (interest rate risk and/or credit risk) at any time before the expiration of the option.

Foreign Currency options Certain Trusts purchase and write foreign currency options, foreign currency futures and options on foreign currency futures to gain or reduce exposure to foreign currencies (foreign currency exchange rate risk). Foreign currency options give the purchaser the right to buy from or sell to the writer a foreign currency at any time before the expiration of the option.

Barrier options Certain Trusts may purchase and write a variety of options with non-standard payout structures or other features ( barrier options ) that are generally traded OTC.

The Trusts may invest in various types of barrier options, including down-and-out options, down-and-in options, double no-touch options, one-touch options and up-and-out options. Down-and-out options expire worthless to the purchaser if the price of the underlying instrument falls below a specific barrier price level prior to the expiration date. Down-and-in options expire worthless to the purchaser unless the price of the underlying instrument falls below a specific barrier price level prior to the expiration date. Double no-touch options provide the purchaser an agreed-upon payout if the price of the underlying instrument does not reach or surpass predetermined barrier price levels prior to the option s expiration date. One-touch options provide the purchaser an agreed-upon payout if the price of the underlying instrument reaches or surpasses predetermined barrier price levels prior to the expiration date. Up-and-out options expire worthless if the price of the underlying instrument increases beyond a predetermined barrier price level prior to the expiration date.

In purchasing and writing options, the Trusts bear the risk of an unfavorable change in the value of the underlying instrument or the risk that they may not be able to enter into a closing transaction due to an illiquid market. Exercise of a written option could result in the Trusts purchasing or selling a security when it otherwise would not, or at a price different from the current market value.

Swaps: Certain Trusts enter into swap contracts to manage exposure to issuers, markets and securities. Such contracts are agreements between the Trusts and a counterparty to make periodic net payments on a specified notional amount or a net payment upon termination. Swap agreements are privately negotiated in the OTC market and may be entered into as a bilateral contract ( OTC swaps ) or centrally cleared ( centrally cleared swaps ).

For OTC swaps, any upfront premiums paid and any upfront fees received are shown as swap premiums paid and swap premiums received, respectively, in the Statements of Assets and Liabilities and amortized over the term of the contract. The daily fluctuation in market value is recorded as unrealized appreciation (depreciation) on OTC Swaps in the Statements of Assets and Liabilities. Payments received or paid are

recorded in the Statements of Operations as realized gains or losses, respectively. When an OTC swap is terminated, a realized gain or loss is recorded in the Statements of Operations equal to the difference between the proceeds from (or cost of) the closing transaction and the Trusts basis in the contract, if any. Generally, the basis of the contract is the premium received or paid.

In a centrally cleared swap, immediately following execution of the swap contract, the swap contract is novated to a central counterparty (the CCP ) and the Trusts counterparty on the swap agreement becomes the CCP. The Trusts are required to interface with the CCP through the broker. Upon entering into a centrally cleared swap, the Trusts are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on the size and risk profile of the particular swap. Securities deposited as initial margin are designated in the Schedules of Investments and cash deposited is shown as cash pledged for centrally cleared swaps in the Statements of Assets and Liabilities. Pursuant to the contract, the Trusts agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in market value of the contract ( variation margin ). Variation margin

## Notes to Financial Statements (continued)

is recorded as unrealized appreciation (depreciation) and shown as variation margin receivable (or payable) on centrally cleared swaps in the Statements of Assets and Liabilities. Payments received from (paid to) the counterparty, including at termination, are recorded as realized gains (losses) in the Statements of Operations.

Credit default swaps Certain Trusts enter into credit default swaps to manage their exposure to the market or certain sectors of the market, to reduce their risk exposure to defaults of corporate and/or sovereign issuers or to create exposure to corporate and/or sovereign issuers to which they are not otherwise exposed (credit risk).

The Trusts may either buy or sell (write) credit default swaps on single-name issuers (corporate or sovereign), a combination or basket of single-name issuers or traded indexes. Credit default swaps are agreements in which the protection buyer pays fixed periodic payments to the seller in consideration for a promise from the protection seller to make a specific payment should a negative credit event take place with respect to the referenced entity (e.g., bankruptcy, failure to pay, obligation acceleration, repudiation, moratorium or restructuring). As a buyer, if an underlying credit event occurs, the Trusts will either (i) receive from the seller an amount equal to the notional amount of the swap and deliver the referenced security or underlying securities comprising the index, or (ii) receive a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index. As a seller (writer), if an underlying credit event occurs, the Trusts will either pay the buyer an amount equal to the notional amount of the swap and take delivery of the referenced security or underlying securities comprising the index or pay a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index.

Total return swaps Certain Trusts enter into total return swaps to obtain exposure to a security or market without owning such security or investing directly in such market or to exchange the risk/return of one market (e.g., fixed income) with another market (e.g., equity or commodity prices) (equity risk, commodity price risk and/or interest rate risk).

Total return swaps are agreements in which there is an exchange of cash flows whereby one party commits to make payments based on the total return (distributions plus capital gains/losses) of an underlying instrument in exchange for fixed or floating rate interest payments. If the total return of the instrument or index underlying the transaction exceeds or falls short of the offsetting fixed or floating interest rate obligation, the Trusts receive payment from or make a payment to the counterparty.

Interest rate swaps Certain Trusts enter into interest rate swaps to gain or reduce exposure to interest rates or to manage duration, the yield curve or interest rate (interest rate risk).

Interest rate swaps are agreements in which one party pays a stream of interest payments, either fixed or floating, in exchange for another party s stream of interest payments, either fixed or floating, on the same notional amount for a specified period of time. In more complex interest rate swaps, the notional principal amount may decline (or amortize) over time.

Swap transactions involve, to varying degrees, elements of interest rate, credit and market risk in excess of the amounts recognized in the Statements of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreements, and that there may be unfavorable changes in interest rates and/or market values associated with these transactions.

Master Netting Arrangements: In order to define their contractual rights and to secure rights that will help them mitigate their counterparty risk, the Trusts may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ( ISDA Master Agreement ) or similar agreement with their counterparties. An ISDA Master Agreement is a bilateral agreement between each Trust and a counterparty that governs certain OTC derivatives and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, each Trust may, under certain circumstances, offset with the counterparty certain derivative financial instruments payables and/or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default including the bankruptcy or insolvency of the counterparty. Bankruptcy or insolvency laws of a particular jurisdiction may restrict or prohibit the right of offset in bankruptcy, insolvency or other events. In addition, certain ISDA Master Agreements allow counterparties to terminate derivative contracts prior to maturity in the event the Trusts net assets decline by a stated percentage or the Trusts fail to meet the terms of their ISDA Master Agreements. The result would cause the Trusts to accelerate payment of any net liability owed to the counterparty.

Collateral Requirements: For derivatives traded under an ISDA Master Agreement, the collateral requirements are typically calculated by netting the mark-to-market amount for each transaction under such agreement and comparing that amount to the value of any collateral currently pledged by the Trust and the counterparty.

Cash collateral that has been pledged to cover obligations of the Trusts and cash collateral received from the counterparty, if any, is reported separately on the Statements of Assets and Liabilities as cash pledged as collateral and cash received as collateral, respectively. Non-cash collateral pledged by the Trusts, if any, is noted in the Schedules of Investments. Generally, the amount of collateral due from or to a counterparty is subject to a certain minimum transfer amount threshold before a transfer is required, which is determined at the close of business of the Trusts. Any additional required collateral is delivered to/pledged by the Trusts on the next business day. Typically, the counterparty is not permitted to sell, re-pledge or use cash and non-cash collateral it receives. A Trust generally agrees not to use non-cash collateral that it receives but may, absent default or certain other circumstances defined in the

## Notes to Financial Statements (continued)

underlying ISDA Master Agreement, be permitted to use cash collateral received. In such cases, interest may be paid pursuant to the collateral arrangement with the counterparty. To the extent amounts due to the Trusts from their counterparties are not fully collateralized, they] bear the risk of loss from counterparty non-performance. Likewise, to the extent the Trusts have delivered collateral to a counterparty and stand ready to perform under the terms of their agreement with such counterparty, they bear the risk of loss from a counterparty in the amount of the value of the collateral in the event the counterparty fails to return such collateral. Based on the terms of agreements, collateral may not be required for all derivative contracts.

For financial reporting purposes, the Trusts do not offset derivative assets and derivative liabilities that are subject to netting arrangements, if any, in the Statements of Assets and Liabilities.

**6. Investment Advisory Agreement and Other Transactions with Affiliates:**

The PNC Financial Services Group, Inc. is the largest stockholder and an affiliate of BlackRock, Inc. ( BlackRock ) for 1940 Act purposes.

Investment Advisory: Each Trust entered into an Investment Advisory Agreement with the Manager, the Trusts investment adviser, an indirect, wholly-owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Trust s portfolio and provides the personnel, facilities, equipment and certain other services necessary to the operations of each Trust.

For such services, BTZ and BGT each pay the Manager a monthly fee at an annual rate equal to 0.62% and 0.75%, respectively, of the Trust s average weekly value of the Trust s managed assets. For purposes of calculating these fees, managed assets means the total assets of the Trust minus the sum of its accrued liabilities (other than the aggregate indebtedness constituting financial leverage).

For such services, BIT pays the Manager a monthly fee at an annual rate equal to 0.80% of the Trust s average daily value of the Trust s managed assets. For purposes of calculating this fee, managed assets means the total assets of the Trust (including any assets attributable to money borrowed for investment purposes) minus the sum of its accrued liabilities (other than money borrowed for investment purposes).

The Manager provides investment management and other services to the BIT Subsidiary. The Manager does not receive separate compensation from the BIT Subsidiary for providing investment management or administrative services. However, the Trust pays the Manager based on the Trust s net assets, plus the proceeds of any debt securities or outstanding borrowings used for leverage, which includes the assets of the BIT Subsidiary.

With respect to BIT, the Manager entered into a sub-advisory agreement with BlackRock (Singapore) Limited ( BRS ) an affiliate of the Manager. The Manager pays BRS, for services it provides, a monthly fee that is a percentage of the investment advisory fees paid by BIT to the Manager.

Waivers: With respect to the Trusts, the Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Trust pays to the Manager indirectly through its investment in affiliated money market funds. These amounts are included in fees waived by the Manager in the Statements of Operations. For the year ended October 31, 2016, the amounts waived were as follows:

| BTZ | BGT | BIT |
|---|---|---|
| $10,828 | $379 | $17,578 |

Effective September 1, 2016, the Manager voluntarily agreed to waive its advisory fee with respect to any portion of Trust assets invested in affiliated equity or fixed income mutual funds or affiliated exchange-traded funds. Prior to September 1, 2016, the Manager did not waive such fees. On December 2, 2016, the manager entered into a Master Advisory Fee Waiver Agreement (Agreement), contractually committing to this arrangement through June 30, 2017. The Agreement can be renewed for annual periods thereafter, and may be terminated on 90 days notice, each subject to approval by a majority of the Trusts independent directors. For the year ended October 31, 2016, BGT waived $1,828 in advisory fees pursuant to these arrangements.

Officers and Trustees: Certain officers and/or trustees of the Trusts are officers and/or trustees of BlackRock or its affiliates. The Trusts reimburse the Manager for a portion of the compensation paid to the Trusts Chief Compliance Officer, which is included in Officer and Trustees in the Statements of Operations.

Other Transactions: During the year ended October 31, 2016, BIT received reimbursements of $23,247 from an affiliate, which is shown as other income-affiliated in the Statements of Operations, relating to trade processing errors.

The Trusts may purchase securities from, or sell securities to, an affiliated fund provided the affiliation is due solely to having a common investment adviser, common officers, or common trustees. For the year ended October 31, 2016, the purchase and sale transactions which resulted in net realized gains (losses) with an affiliated Trust in compliance with Rule 17a-7 under the 1940 Act were as follows:

| | Purchases | Sales | Net Realized Gain |
|---|---|---|---|
| BIT | $ 2,280,113 | $ 141,732 | $ 9,591 |

## Notes to Financial Statements (continued)

**7. Purchases and Sales:**

For the year ended October 31, 2016, purchases and sales of investments, including paydowns and excluding short-term securities, were as follows:

| **Purchases** | **BTZ** | **BGT** | **BIT** |
|---|---|---|---|
| Non-U.S. Government Securities | $ 355,035,314 | $ 281,138,249 | $ 543,009,853 |
| U.S. Government Securities | 268,621,502 | | 49,101,442 |
| **Total Purchases** | $ 623,656,816 | $ 281,138,249 | $ 592,111,295 |

| **Sales** | **BTZ** | **BGT** | **BIT** |
|---|---|---|---|
| Non-U.S. Government Securities | $ 542,458,519 | $ 220,506,088 | $ 617,376,051 |
| U.S. Government Securities | 121,150,357 | | 46,740,726 |
| **Total Sales** | $ 663,608,876 | $ 220,506,088 | $ 664,116,777 |

**8. Income Tax Information:**

It is the Trusts policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies, and to distribute substantially all of their taxable income to their shareholders. Therefore, no federal income tax provision is required, except with respect to any taxes related to the Taxable Subsidiaries.

Each Trust files U.S. federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on BTZ s and BGT s U.S. federal tax returns generally remains open for each of the four years ended October 31, 2016. The statute of limitations on BIT s U.S. federal tax returns remains open for the period ended October 31, 2013 and the three years ended October 31, 2016. The statutes of limitations on each Trust s state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Management has analyzed tax laws and regulations and their application to the Trusts as of October 31, 2016, inclusive of the open tax return years, and does not believe there are any uncertain tax positions that require recognition of a tax liability in the Trusts financial statements.

U.S. GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. As of period end, the following permanent differences attributable to foreign currency transactions, the accounting for swap agreements, the classification of investments, income recognized from pass-through entities, amortization methods on fixed income securities and the expiration of capital loss carryforwards were reclassified to the following accounts:

| | **BTZ** | **BGT** | **BIT** |
|---|---|---|---|
| Paid-in capital | $ (121,634,597) | $ (14,130,109) | |
| Undistributed net investment income | $ (1,624,998) | $ 1,280,269 | $ 763,451 |
| Accumulated net realized loss | $ 123,259,595 | $ 12,849,840 | $ (763,451) |

The tax character of distributions paid was as follows:

| | | **BTZ** | **BGT** | **BIT** |
|---|---|---|---|---|
| Ordinary income | 10/31/16 | $ 93,623,404 | $ 16,554,797 | $ 62,868,881 |
| | 10/31/15 | 97,419,415 | 19,181,416 | 55,119,342 |
| Long-term capital gains | 10/31/16 | | | |

| | | | | |
|---|---|---|---|---|
| | 10/31/15 | | | 1,913,717 |
| Tax return of capital | 10/31/16 | 6,304,109 | | |
| | 10/31/15 | 6,993,757 | | |
| **Total** | 10/31/16 | $ 99,927,513 | $ 16,554,797 | $ 62,868,881 |
| | 10/31/15 | $ 104,413,172 | $ 19,181,416 | $ 57,033,059 |

As of period end, the tax components of accumulated net losses were as follows:

| | BTZ | BGT | BIT |
|---|---|---|---|
| Undistributed ordinary income | | $ 2,695,184 | $ 18,368,132 |
| Capital loss carryforwards. | $ (241,615,663) | (74,727,865) | (35,191,922) |
| Net unrealized gains (losses)[1] | 120,480,733 | (263,278) | 15,423,380 |
| **Total** | $ (121,134,930) | $ (72,295,959) | $ (1,400,410) |

[1] The difference between book-basis and tax-basis net unrealized gains (losses) was attributable primarily to the tax deferral of losses on wash sales and straddles, the realization for tax purposes of unrealized gains/losses on certain futures and foreign currency exchange contracts, amortization methods for premiums and discounts on fixed income securities, the accrual of income on securities in default, the realization for tax purposes of unrealized gains on investments in passive foreign investment companies, the timing and recognition of partnership income, the accounting for swap agreements, the deferral of compensation to Directors, and the classification of investments.

## Notes to Financial Statements (continued)

As of October 31, 2016, the Trusts had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

| Expires October 31, | BTZ | BGT | BIT |
|---|---|---|---|
| No expiration date[1] | $ 41,385,234 | $ 12,406,397 | $ 35,191,922 |
| 2017 | 158,120,431 | 45,385,443 | |
| 2018 | 31,756,723 | 16,526,601 | |
| 2019 | 10,353,275 | 409,424 | |
| **Total** | $ 241,615,663 | $ 74,727,865 | $ 35,191,922 |

[1] Must be utilized prior to losses subject to expiration.

As of October 31, 2016, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows:

| | BTZ | BGT | BIT |
|---|---|---|---|
| Tax cost | $ 2,078,464,402 | $ 515,435,923 | $ 1,129,781,763 |
| Gross unrealized appreciation | $ 147,908,943 | $ 4,942,172 | $ 37,082,094 |
| Gross unrealized depreciation | (27,645,533) | (4,993,525) | (21,070,766) |
| Net unrealized appreciation (depreciation) | $ 120,263,410 | $ (51,353) | $ 16,011,328 |

**9. Bank Borrowings:**

BGT is party to a senior committed secured, 360-day rolling line of credit facility and a separate security agreement (the SSB Agreement ) with State Street Bank and Trust Company ( SSB ). SSB may elect to terminate its commitment upon 360-days written notice to BGT. As of period end, BGT has not received any notice to terminate. BGT has granted a security interest in substantially all of its assets to SSB.

The SSB Agreement allows for a maximum commitment amount of $168,000,000. Prior to August 31, 2016, the maximum commitment amount for BGT was $172,000,000.

Advances will be made by SSB to BGT, at BGT s option of (a) the higher of (i) 0.80% above the Fed Funds rate and (ii) 0.80% above the Overnight LIBOR or (b) 0.80% above 7-day, 30-day, 60-day or 90-day LIBOR.

In addition, BGT pays a commitment fee (based on the daily unused portion of the commitments). The commitment fees are waived if BGT meets certain conditions. The fees associated with each of the agreements are included in the Statements of Operations as borrowing costs, if any. Advances to BGT as of period end are shown in the Statements of Assets and Liabilities as bank borrowings payable. Based on the short-term nature of the borrowings under the line of credit and the variable interest rate, the carrying amount of the borrowings approximates fair value.

BGT may not declare dividends or make other distributions on shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding short-term borrowings is less than 300%.

For the year ended October 31, 2016, the average amount of bank borrowings and the daily weighted average interest rates for BGT with loans under the revolving credit agreements were $117,885,246 and 1.19%, respectively.

**10. Principal Risks:**

In the normal course of business, certain Trusts invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer to meet all its obligations, including the ability to pay principal and interest when due (issuer credit risk).

The value of securities held by the Trusts may decline in response to certain events, including those directly involving the issuers of securities owned by the Trusts. Changes arising from the general economy, the overall market and local, regional or global political and/or social instability, as well as currency, interest rate and price fluctuations, may also affect the securities value.

Each Trust may be exposed to prepayment risk, which is the risk that borrowers may exercise their option to prepay principal earlier than scheduled during periods of declining interest rates, which would force each Trust to reinvest in lower yielding securities. Each Trust may also be exposed to reinvestment risk, which is the risk that income from each Trust s portfolio will decline if each Trust invests the proceeds from matured, traded or called fixed income securities at market interest rates that are below each Trust portfolio s current earnings rate.

Valuation Risk: The market values of equities, such as common stocks and preferred securities or equity related investments, such as futures and options, may decline due to general market conditions which are not specifically related to a particular company. They may also decline due to factors which affect a particular industry or industries. The Trusts may invest in illiquid investments and may experience difficulty in selling those investments in a timely manner at the price that they believe the investments are worth. Prices may fluctuate widely over short or extended periods in response to company, market or economic news. Markets also tend to move in cycles, with periods of rising and falling prices. This volatility may cause each Trust s NAV to experience significant increases or decreases over short periods of time. If there is a general decline in the securities and other markets, the NAV of a Trust may lose value, regardless of the individual results of the securities and other instruments in which the Fund invests.

The price a Trust could receive upon the sale of any particular portfolio investment may differ from a Trust s valuation of the investment, particularly for securities that trade in thin or volatile markets or that are valued using a fair valuation methodology or a price provided by an independent pricing service. Changes to sig-

nificant unobservable inputs and assumptions (i.e., publicly traded company multiples, growth rate, time to exit) due to the lack of observable inputs may significantly impact the resulting fair value and therefore a Trust s results of operations. As a result, the price received upon the sale of an investment may be less than the value ascribed by a Trust, and a Trust could realize a greater than expected loss or lesser than expected gain upon the sale of the investment. A Trust s ability to value its investments may also be impacted by technological issues and/or errors by pricing services or other third party service providers.

Counterparty Credit Risk: Similar to issuer credit risk, the Trusts may be exposed to counterparty credit risk, or the risk that an entity may fail to or be unable to perform on its commitments related to unsettled or open transactions. The Trusts manage counterparty credit risk by entering into transactions only with counterparties that the Manager believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Trusts to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Trusts exposure to market, issuer and counterparty credit risks with respect to these financial assets is approximately their value recorded in the Statements of Assets and Liabilities, less any collateral held by the Trusts.

A derivative contract may suffer a mark-to-market loss if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument. Losses can also occur if the counterparty does not perform under the contract.

A Trust s risk of loss from counterparty credit risk on OTC derivatives is generally limited to the aggregate unrealized gain less the value of any collateral held by such Trust.

For OTC options purchased, each Trust bears the risk of loss in the amount of the premiums paid plus the positive change in market values net of any collateral held by such Trust should the counterparty fail to perform under the contracts. Options written by the Trusts do not typically give rise to counterparty credit risk, as options written generally obligate the Trusts, and not the counterparty, to perform. The Trusts may be exposed to counterparty credit risk with respect to options written to the extent the Trusts deposit collateral with its counterparty to a written option.

With exchange-traded options purchased, futures and centrally cleared swaps, there is less counterparty credit risk to the Trusts since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, credit risk is limited to failure of the clearinghouse. While offset rights may exist under applicable law, a Trust does not have a contractual right of offset against a clearing broker or clearinghouse in the event of a default (including the bankruptcy or insolvency). Additionally, credit risk exists in exchange-traded futures and centrally cleared swaps with respect to initial and variation margin that is held in a clearing broker s customer accounts. While clearing brokers are required to segregate customer margin from their own assets, in the event that a clearing broker becomes insolvent or goes into bankruptcy and at that time there is a shortfall in the aggregate amount of margin held by the clearing broker for all its clients, typically the shortfall would be allocated on a pro rata basis across all the clearing broker s customers, potentially resulting in losses to the Trusts.

Concentration Risk: Certain Trusts may invest in securities that are rated below investment grade quality (sometimes called junk bonds ), which are predominantly speculative, have greater credit risk and generally are less liquid and have more volatile prices than higher quality securities.

Certain Trusts invest a significant portion of their assets in fixed income securities and/or use derivatives tied to the fixed income markets. Changes in market interest rates or economic conditions may affect the value and/or liquidity of such investments. Interest rate risk is the risk that prices of bonds and other fixed income securities will increase as interest rates fall and decrease as interest rates rise. The Trusts may be subject to a greater risk of rising interest rates due to the current period of historically low rates.

Certain Trusts invest a significant portion of their assets in securities backed by commercial or residential mortgage loans or in issuers that hold mortgage and other asset-backed securities. Investment percentages in these securities are presented in the Schedules of Investments. Changes in economic conditions, including delinquencies and/or defaults on assets underlying these securities, can affect the value, income and/or liquidity of such positions.

**11. Capital Share Transactions:**

The Trusts are each authorized to issue an unlimited number of $0.001 par value shares, which may be issued as either Common Shares or Preferred Shares.

Common Shares

For the years ended October 31, 2016 and October 31, 2015, shares issued and outstanding remained constant for each Trust.

On October 26, 2016, the Board approved an open market share repurchase program that allows each Trust to purchase up to 5% of its outstanding common shares from time to time in open market transactions through November 30, 2017, subject to certain conditions. There is no assurance that the Trusts will purchase shares in any particular amounts.

**12. Subsequent Events:**

Management s evaluation of the impact of all subsequent events on the Trusts financial statements was completed through the date the financial statements were issued and the following items were noted:

| | Common Dividend Per Share | | | |
|---|---|---|---|---|
| | **Paid[1]** | **Declared[2]** | **Declared[3]** | **Declared[4]** |
| BTZ | $ 0.0705 | $ 0.0705 | $ 0.0705 | |
| BGT | $ 0.0583 | $ 0.0583 | $ 0.0583 | $ 0.0670 |
| BIT | $ 0.1167 | $ 0.1167 | $ 0.1167 | $ 0.3700 |

1 Net investment income dividend paid on November 30, 2016 to shareholders of record on November 15, 2016.

2 Net investment income dividend declared on December 1, 2016, payable to shareholders of record on December 12, 2016.

3 Net investment income dividend declared on December 19, 2016, payable to shareholders of record on December 30, 2016.

4 Special dividends declared on December 19, 2016, payable to shareholders of record on December 30, 2016.

# Report of Independent Registered Public Accounting Firm

**To the Board of Trustees and Shareholders of BlackRock Credit Allocation Income Trust, BlackRock Floating Rate Income Trust and BlackRock Multi-Sector Income Trust:**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock Credit Allocation Income Trust as of October 31, 2016, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. We have also audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock Floating Rate Income Trust as of October 31, 2016, and the related statements of operations, cash flows, changes in net assets, and the financial highlights for the year then ended, the consolidated statement of changes in net assets for the year ended October 31, 2015, and the consolidated financial highlights for each of the four years in the period ended October 31, 2015. We have also audited the accompanying consolidated statement of assets and liabilities of BlackRock Multi-Sector Income Trust (collectively with the aforementioned trusts above, the Trusts ), including the consolidated schedule of investments, as of October 31, 2016, and the related consolidated statements of operations, cash flows, changes in net assets, and the financial highlights for the year then ended, the statement of changes in net assets for the year ended October 31, 2015, and the financial highlights for each of the two years in the period ended October 31, 2015 and the period February 27, 2013 (commencement of operations) to October 31, 2013. These financial statements and financial highlights are the responsibility of the Trusts management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trusts are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2016, by correspondence with the custodians, brokers and agent banks; where replies were not received from brokers or agent banks, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the Trusts as of October 31, 2016, the results of their operations and their cash flows for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Boston, Massachusetts

December 22, 2016

# Important Tax Information (Unaudited)

During the fiscal year ended October 31, 2016, the following information is provided with respect to the ordinary income distributions paid by the Trusts:

| | Payable Dates | BTZ | BGT | BIT |
|---|---|---|---|---|
| Qualified Dividend Income for Individuals[1] | November 2015 | 10.42% | | 9.23% |
| | December 2015 | 10.42% | | 11.82% |
| | January 2016 | 10.42% | | 20.73% |
| | February 2016 - October 2016 | 10.95% | | 3.88% |
| Dividends Qualifying for the Dividend Received Deduction for Corporations[1] | November 2015 | 8.07% | | 5.79% |
| | December 2015 | 8.07% | | 8.25% |
| | January 2016 | 8.07% | | 16.70% |
| | February 2016 - October 2016 | 10.11% | | 3.88% |
| Interest-Related Dividends and Qualified Short-Term Gains for Non-U.S. Residents[2] | November 2015 -January 2016 | 72.45% | 82.72% | 52.27% |
| | February 2016 - October 2016 | 68.13% | 81.00% | 56.10% |

[1] The Trusts hereby designate the percentage indicated or the maximum amount allowable by law.

[2] Represents the portion of the taxable ordinary income dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

# Disclosure of Investment Advisory Agreements and Sub-Advisory Agreement

The Board of Trustees (each, a Board, collectively, the Boards, and the members of which are referred to as Board Members ) of BlackRock Credit Allocation Income Trust ( BTZ ), BlackRock Floating Rate Income Trust ( BGT ) and BlackRock Multi-Sector Income Trust ( BIT, and together with BGT and BTZ, each a Trust, and, collectively, the Trusts ) met in person on April 28, 2016 (the April Meeting ) and June 9-10, 2016 (the June Meeting ) to consider the approval of each Trust s investment advisory agreement (each, an Advisory Agreement, and, collectively, the Advisory Agreements ) with BlackRock Advisors, LLC (the Manager ), each Trust s investment advisor. The Board of BIT also considered the approval of the sub-advisory agreement (the Sub-Advisory Agreement ) between the Manager and BlackRock (Singapore) Limited (the Sub-Advisor ), with respect to BIT. The Manager and the Sub-Advisor are referred to herein as BlackRock. The Advisory Agreements and the Sub-Advisory Agreement are referred to herein as the Agreements.

**Activities and Composition of the Board**

On the date of the June Meeting, the Board of each Trust consisted of eleven individuals, nine of whom were not interested persons of such Trust as defined in the Investment Company Act of 1940, as amended (the 1940 Act ) (the Independent Board Members ). The Board Members are responsible for the oversight of the operations of the Trusts and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chair of each Board is an Independent Board Member. Each Board has established five standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee, and an Executive Committee, each of which is chaired by an Independent Board Member and composed of Independent Board Members (except for the Executive Committee, which also has one interested Board Member).

**The Agreements**

Pursuant to the 1940 Act, each Board is required to consider the continuation of its Advisory Agreement, and with respect to BIT, its Sub-Advisory Agreement, on an annual basis. The Boards have four quarterly meetings per year, each extending over two days, a fifth one-day meeting to consider specific information surrounding the consideration of renewing the Agreements and additional in-person and telephonic meetings as needed. In connection with this year-long deliberative process, the Boards assessed, among other things, the nature, extent and quality of the services provided to the Trusts by BlackRock, BlackRock s personnel and affiliates, including, as applicable; investment management, administrative, and shareholder services; the oversight of fund service providers; marketing; risk oversight; compliance; and ability to meet applicable legal and regulatory requirements.

The Boards, acting directly and through their respective committees, consider at each of their meetings, and from time to time as appropriate, factors that are relevant to their annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Trusts and their shareholders. BlackRock also furnished additional information to the Boards in response to specific questions from the Boards. This additional information is discussed further below in the section titled Board Considerations in Approving the Agreements. Among the matters the Boards considered were: (a) investment performance for one-year, three-year, five-year, ten-year, and/or since inception periods, as applicable, against peer funds, applicable benchmarks, and performance metrics, as applicable, as well as senior management s and portfolio managers analysis of the reasons for any over-performance or underperformance relative to their peers, benchmarks, and other performance metrics, as applicable; (b) fees, including advisory, administration, if applicable, paid to BlackRock and its affiliates by the Trusts for services; (c) Trust operating expenses and how BlackRock allocates expenses to the Trusts; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Trusts investment objective(s), policies and restrictions, and meeting regulatory requirements; (e) the Trusts compliance with their compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock s and other service providers internal controls and risk and compliance oversight mechanisms; (h) BlackRock s implementation of the proxy voting policies approved by the Boards; (i) execution quality of portfolio transactions; (j) BlackRock s implementation of the Trusts valuation and liquidity procedures; (k) an analysis of management fees for products with similar investment mandates across the open-end fund, closed-end fund and institutional account product channels, as applicable, and the similarities and differences between these products and the services provided as compared to the Trusts; (l) BlackRock s compensation methodology for its investment professionals and the incentives and accountability it creates, along with investment professionals investments in the fund(s) they manage; and (m) periodic updates on BlackRock s business.

The Board of each of BTZ and BGT considered BlackRock s efforts during the past several years with regard to the redemption of outstanding auction rate preferred securities ( AMPS ). As of the date of this report, each of BTZ and BGT has redeemed all of its outstanding AMPS.

**Board Considerations in Approving the Agreements**

The Approval Process: Prior to the April Meeting, the Boards requested and received materials specifically relating to the Agreements. The Boards are continuously engaged in a process with their independent legal counsel and BlackRock to review the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the April Meeting included (a) information independently compiled and prepared by Broadridge Financial Solutions, Inc. ( Broadridge ) on Trust fees and expenses as compared with a peer group of funds as determined by Broadridge ( Expense Peers ) and the investment performance of each Trust as compared with a peer group of funds as determined by Broadridge,[1] and a customized peer group selected by BlackRock ( Customized Peer Group ); (b) information on the profits realized by BlackRock and its affiliates pursuant to the

[1] Funds are ranked by Broadridge in quartiles, ranging from first to fourth, where first is the most desirable quartile position and fourth is the least desirable.

## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreement (continued)

Agreements and a discussion of fall-out benefits to BlackRock and its affiliates; (c) a general analysis provided by BlackRock concerning investment management fees charged to other clients, such as institutional clients, sub-advised mutual funds, and open-end funds, under similar investment mandates, as applicable; (d) review of non-management fees; (e) the existence, impact and sharing of potential economies of scale; and (f) a summary of aggregate amounts paid by each Trust to BlackRock.

At the April Meeting, the Boards reviewed materials relating to their consideration of the Agreements. As a result of the discussions that occurred during the April Meeting, and as a culmination of the Boards year-long deliberative process, the Boards presented BlackRock with questions and requests for additional information. BlackRock responded to these requests with additional written information in advance of the June Meeting.

At the June Meeting, each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Trust for a one-year term ending June 30, 2017. The Board of BIT, including the Independent Board Members, also unanimously approved the continuation of the Sub-Advisory Agreement between the Manager and the Sub-Advisor, with respect to BIT, each, for a one-year term ending June 30, 2017. In approving the continuation of the Agreements, the Boards considered: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Trusts; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with the Trusts; (d) the Trusts costs to investors compared to the costs of Expense Peers and performance compared to the relevant performance metrics as previously discussed; (e) the sharing of potential economies of scale; (f) fall-out benefits to BlackRock and its affiliates as a result of its relationship with the Trusts; and (g) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as other payments made to BlackRock or its affiliates relating to securities lending and cash management, services related to the valuation and pricing of Trust portfolio holdings, and advice from independent legal counsel with respect to the review process and materials submitted for the Boards review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as determinative, and each Board Member may have attributed different weights to the various items considered.

A. Nature, Extent and Quality of the Services Provided by BlackRock: The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of the Trusts. Throughout the year, the Boards compared the Trusts performance to the performance of a comparable group of closed-end funds, relevant benchmark, and performance metrics, as applicable. The Boards met with BlackRock s senior management personnel responsible for investment activities, including the senior investment officers. Each Board also reviewed the materials provided by its Trust s portfolio management team discussing the Trust s performance and the Trust s investment objective(s), strategies and outlook.

The Boards considered, among other factors, with respect to BlackRock: the number, education and experience of investment personnel generally and their Trusts portfolio management teams; BlackRock s research capabilities; investments by portfolio managers in the funds they manage; portfolio trading capabilities; use of technology; commitment to compliance; credit analysis capabilities; risk analysis and oversight capabilities; and the approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards engaged in a review of BlackRock s compensation structure with respect to the Trusts portfolio management teams and BlackRock s ability to attract and retain high-quality talent and create performance incentives.

In addition to investment advisory services, the Boards considered the quality of the administrative and other non-investment advisory services provided to the Trusts. BlackRock and its affiliates provide the Trusts with certain administrative, shareholder, and other services (in addition to any such services provided to the Trusts by third parties) and officers and other personnel as are necessary for the operations of the Trusts. In particular, BlackRock and its affiliates provide the Trusts with administrative services including, among others: (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering and periodic shareholder reports; (ii) preparing communications with analysts to support secondary market trading of the Trusts; (iii) oversight of daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; (viii) furnishing analytical and other support to assist the Boards in their consideration of strategic issues such as the merger, consolidation or repurposing of certain closed-end funds; and (ix) performing other administrative functions necessary for the operation of the Trusts, such as tax reporting, fulfilling regulatory filing requirements and call center services. The Boards reviewed the structure and duties of BlackRock s fund administration, shareholder services, and legal & compliance departments and considered BlackRock s policies and procedures for assuring compliance with applicable laws and regulations.

B. The Investment Performance of the Trusts and BlackRock: Each Board, including the Independent Board Members, also reviewed and considered the performance history of its Trust. In preparation for the April Meeting, the Boards were provided with reports independently prepared by Broadridge, which included a comprehensive analysis of the Trusts performance. The Boards also reviewed a narrative and statistical analysis of the Broadridge data that was prepared by BlackRock. In connection with its review, each Board received and reviewed information regarding the investment performance, based on net asset value (NAV), of its Trust as compared to other funds in its applicable Broadridge category and the Customized Peer Group selected by BlackRock. The Boards were provided with a description of the methodology used by Broadridge to select peer funds and periodically met with Broadridge representatives to

## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreement (continued)

review its methodology. The Boards were provided with information on the composition of the Broadridge performance universes and expense universes. Each Board and its Performance Oversight Committee regularly review, and meet with Trust management to discuss, the performance of its Trust throughout the year.

In evaluating performance, the Boards recognized that the performance data reflects a snapshot of a period as of a particular date and that selecting a different performance period could produce significantly different results. Further, the Boards recognized that it is possible that long-term performance can be adversely affected by even one period of significant underperformance so that a single investment decision or theme has the ability to affect long-term performance disproportionately.

The Board of BTZ noted that for the one-, three- and five-year periods reported, BTZ ranked in the third, first and first quartiles, respectively, against its Customized Peer Group. BlackRock believes that the Customized Peer Group is an appropriate performance metric for BTZ. The Board of BTZ and BlackRock reviewed and discussed the reasons for BTZ s underperformance during the one-year period.

The Board of BGT noted that for each of the one-, three- and five-year periods reported, BGT ranked in the first quartile, against its Customized Peer Group. BlackRock believes that the Customized Peer Group is an appropriate performance metric for BGT.

The Board of BIT noted that for each of the one-year and since-inception periods reported, BIT ranked in the first quartile, against its Customized Peer Group. BlackRock believes that the Customized Peer Group is an appropriate performance metric for BIT.

C. Consideration of the Advisory/Management Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Trusts: Each Board, including the Independent Board Members, reviewed its Trust s contractual management fee rate compared with the other funds in its Broadridge category. The contractual management fee rate represents a combination of the advisory fee and any administrative fees, before taking into account any reimbursements or fee waivers. Each Board also compared its Trust s total expense ratio, as well as its actual management fee rate as a percentage of total assets, to those of other funds in its Broadridge category. The total expense ratio represents a fund s total net operating expenses, excluding any investment related expenses. The total expense ratio gives effect to any expense reimbursements or fee waivers that benefit a fund, and the actual management fee rate gives effect to any management fee reimbursements or waivers that benefit a fund. The Boards considered the services provided and the fees charged by BlackRock and its affiliates to other types of clients with similar investment mandates, as applicable, including institutional accounts and sub-advised mutual funds (including mutual funds sponsored by third parties).

The Boards received and reviewed statements relating to BlackRock s financial condition. The Boards reviewed BlackRock s profitability methodology and were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Trusts. The Boards reviewed BlackRock s profitability with respect to the Trusts and other funds the Boards currently oversee for the year ended December 31, 2015 compared to available aggregate profitability data provided for the prior two years. The Boards reviewed BlackRock s profitability with respect to certain other U.S. fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock s assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, precision of expense allocations and business mix. As a result, calculating and comparing profitability at an individual fund level is difficult.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Boards reviewed BlackRock s overall operating margin, in general, compared to that of certain other publicly-traded asset management firms. The Boards considered the differences between BlackRock and these other firms, including the contribution of technology at BlackRock, BlackRock s expense management, and the relative product mix.

In addition, the Boards considered the cost of the services provided to the Trusts by BlackRock, and BlackRock s and its affiliates profits relating to the management of the Trusts and the other funds advised by BlackRock and its affiliates. As part of their analysis, the Boards reviewed BlackRock s methodology in allocating its costs of managing the Trusts, to the Trusts. The Boards may receive and review information from independent third parties as part of their annual evaluation. The Boards considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Boards. The Boards further considered factors including but not limited to BlackRock s commitment of time, assumption of risk, and liability profile in servicing the Trusts in contrast to what is required of BlackRock with respect to other products with similar investment mandates across the open-end fund, ETF, closed-end fund, sub-advised mutual fund and institutional account product channels, as applicable.

The Board of BTZ noted that BTZ s contractual management fee rate ranked in the third quartile, and that the actual management fee rate and total expense ratio ranked in the third and second quartiles, respectively, relative to the Expense Peers. The Board of BTZ also noted, however, that given the comparability limitations of the Expense Peers, BlackRock provided the Board a supplemental peer group consisting of funds that are generally similar to BTZ. The Board of BTZ noted that BTZ s actual management fee and total expense ratio each were below median, relative to the supplemental peer group.

The Board of BGT noted that BGT s contractual management fee rate ranked in the first quartile, and that the actual management fee rate and total expense ratio each ranked in the first quartile, relative to the Expense Peers.

# Disclosure of Investment Advisory Agreements and Sub-Advisory Agreement (concluded)

The Board of BIT noted that BIT s contractual management fee rate ranked in the third quartile, and that the actual management fee rate and total expense ratio ranked in the third and fourth quartiles, respectively, relative to the Expense Peers. The Board of BIT also noted, however, that given the comparability limitations of the Expense Peers, BlackRock provided the Board a supplemental peer group consisting of funds that are generally similar to BIT. The Board of BIT noted that BIT s actual management fee and total expense ratio ranked in the second and third quartiles, respectively, relative to the supplemental peer group.

D. Economies of Scale: Each Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its Trust increase. Each Board also considered the extent to which its Trust benefits from such economies in a variety of ways, and whether there should be changes in the advisory fee rate or breakpoint structure in order to enable the Trust to more fully participate in these economies of scale. Each Board considered its Trust s asset levels and whether the current fee was appropriate.

Based on the Boards review and consideration of the issue, the Boards concluded that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering. They are typically priced at scale at a fund s inception.

E. Other Factors Deemed Relevant by the Board Members: The Boards, including the Independent Board Members, also took into account other ancillary or fall-out benefits that BlackRock or its affiliates may derive from their respective relationships with the Trusts, both tangible and intangible, such as BlackRock s ability to leverage its investment professionals who manage other portfolios and risk management personnel, an increase in BlackRock s profile in the investment advisory community, and the engagement of BlackRock s affiliates as service providers to the Trusts, including for administrative, securities lending and cash management services. The Boards also considered BlackRock s overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain registered fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that they had considered the investment by BlackRock s funds in affiliated exchange traded funds (i.e., ETFs) without any offset against the management fees payable by the funds to BlackRock.

In connection with their consideration of the Agreements, the Boards also received information regarding BlackRock s brokerage and soft dollar practices. The Boards received reports from BlackRock, which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace, and that shareholders are able to sell their Trust shares in the secondary market if they believe that the Trust s fees and expenses are too high or if they are dissatisfied with the performance of the Trust.

The Boards also considered the various notable initiatives and projects BlackRock performed in connection with its closed-end fund product line. These initiatives included the redemption of AMPS for the BlackRock closed-end funds with AMPS outstanding; developing equity shelf programs; efforts to eliminate product overlap with fund mergers; ongoing services to manage leverage that has become increasingly complex; periodic evaluation of share repurchases and other support initiatives for certain BlackRock funds; and continued communications efforts with shareholders, fund analysts and financial advisers. With respect to the latter, the Independent Board Members noted BlackRock s continued commitment to supporting the secondary market for the common shares of its closed-end funds through a comprehensive secondary market communication program designed to raise investor and analyst awareness and understanding of closed-end funds. BlackRock s support services included, among other things: continuing communications concerning the redemption efforts related to AMPS; sponsoring and participating in conferences; communicating with closed-end fund analysts covering the BlackRock funds throughout the year; providing marketing and product updates for the closed-end funds; and maintaining and enhancing its closed-end fund website.

**Conclusion**

Each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Trust for a one-year term ending June 30, 2017, and the Sub-Advisory Agreement between the Manager and the Sub-Advisor, with respect to BIT, for a one-year term ending June 30, 2017. Based upon its evaluation of all of the aforementioned factors in their totality, as well as other information, each Board, including the Independent Board Members, was satisfied that the terms of the Advisory Agreement were fair and reasonable and in the best interest of its Trust and its shareholders. In arriving at its decision to approve the Advisory Agreement for its Trust, each Board did not identify any single factor or group of factors as, all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making this determination. The contractual fee arrangements for the Trusts reflect the results of several years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. As a result, the Board Members conclusions may be based in part on their consideration of these

arrangements in prior years.

# Automatic Dividend Reinvestment Plan

Pursuant to each Trust s Dividend Reinvestment Plan (the Reinvestment Plan ), Common Shareholders are automatically enrolled to have all distributions of dividends and capital gains and other distributions reinvested by Computershare Trust Company, N.A. (the Reinvestment Plan Agent ) in the respective Trust s Common Shares pursuant to the Reinvestment Plan. Shareholders who do not participate in the Reinvestment Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street name or other nominee name, then to the nominee) by the Reinvestment Plan Agent, which serves as agent for the shareholders in administering the Reinvestment Plan.

After the Trusts declare a dividend or determine to make a capital gain or other distribution, the Reinvestment Plan Agent will acquire shares for the participants accounts, depending upon the following circumstances, either (i) through receipt of unissued but authorized shares from the Trusts ( newly issued shares ) or (ii) by purchase of outstanding shares on the open market or on the Trust s primary exchange ( open-market purchases ). If, on the dividend payment date, the net asset value per share ( NAV ) is equal to or less than the market price per share plus estimated brokerage commissions (such condition often referred to as a market premium ), the Reinvestment Plan Agent will invest the dividend amount in newly issued shares acquired on behalf of the participants. The number of newly issued shares to be credited to each participant s account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the dividend payment date, the dollar amount of the dividend will be divided by 95% of the market price on the dividend payment date. If, on the dividend payment date, the NAV is greater than the market price per share plus estimated brokerage commissions (such condition often referred to as a market discount ), the Reinvestment Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases. If the Reinvestment Plan Agent is unable to invest the full dividend amount in open-market purchases, or if the market discount shifts to a market premium during the purchase period, the Reinvestment Plan Agent will invest any un-invested portion in newly issued shares. Investments in newly issued shares made in this manner would be made pursuant to the

same process described above and the date of issue for such newly issued shares will substitute for the dividend payment date.

You may elect not to participate in the Reinvestment Plan and to receive all dividends in cash by contacting the Reinvestment Plan Agent, at the address set forth below.

Participation in the Reinvestment Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Reinvestment Plan Agent prior to the dividend record date. Additionally, the Reinvestment Plan Agent seeks to process notices received after the record date but prior to the payable date and such notices often will become effective by the payable date. Where late notices are not processed by the applicable payable date, such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

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

Each Trust reserves the right to amend or terminate the Reinvestment Plan. There is no direct service charge to participants in the Reinvestment Plan; however, each Trust reserves the right to amend the Reinvestment Plan to include a service charge payable by the participants. Participants that request a sale of shares are subject to a $2.50 sales fee and a $0.15 per share fee. Per share fees include any applicable brokerage commissions the Reinvestment Plan Agent is required to pay. All correspondence concerning the Reinvestment Plan should be directed to Computershare Trust Company, N.A. through the internet at http://www.computershare.com/blackrock, or in writing to Computershare, P.O. Box 30170, College Station TX 77842-3170, Telephone: (800) 699-1236. Overnight correspondence should be directed to the Reinvestment Plan Agent at Computershare, 211 Quality Circle, Suite 210, College Station, TX 77845.

# Officers and Trustees

| Name, Address[1] and Year of Birth | Position(s) Held with the Trusts | Length of Time Served[3] | Principal Occupation(s) During Past Five Years | Number of BlackRock-Advised Registered Investment Companies (RICs) Consisting of Investment Portfolios (Portfolios) Overseen | Public Company and Other Investment Company Directorships During Past Five Years |
|---|---|---|---|---|---|
| **Independent Trustees[2]** | | | | | |
| **Richard E. Cavanagh**<br>1946 | Chair of the Board and Trustee | Since 2007 | Director, The Guardian Life Insurance Company of America since 1998; Director, Arch Chemical (chemical and allied products) from 1999 to 2011; Trustee, Educational Testing Service from 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Faculty Member/Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007. | 74 RICs consisting of 74 Portfolios | None |
| **Karen P. Robards**<br>1950 | Vice Chair of the Board and Trustee | Since 2007 | Principal of Robards & Company, LLC (consulting and private investing) since 1987; Co-founder and Director of the Cooke Center for Learning and Development (a not-for-profit organization) since 1987; Investment Banker at Morgan Stanley from 1976 to 1987. | 74 RICs consisting of 74 Portfolios | AtriCure, Inc. (medical devices); Greenhill & Co., Inc. |
| **Michael J. Castellano**<br>1946 | Trustee | Since 2011 | Chief Financial Officer of Lazard Group LLC from 2001 to 2011; Chief Financial Officer of Lazard Ltd from 2004 to 2011; Director, Support Our Aging Religious (non-profit) from 2009 to June 2015; Director, National Advisory Board of Church Management at Villanova University since 2010; Trustee, Domestic Church Media Foundation since 2012; Director, CircleBlack Inc. (financial technology company) since 2015. | 74 RICs consisting of 74 Portfolios | None |
| **Cynthia L. Egan**<br>1955 | Trustee | Since 2016 | Advisor, U.S. Department of the Treasury from 2014 to 2015; a President at T. Rowe Price Group, Inc. from 2007 to 2012. | 74 RICs consisting of 74 Portfolios | Unum (insurance); The Hanover Insurance Group (insurance); Envestnet (investment platform) from 2013 until 2016 |
| **Frank J. Fabozzi**<br>1948 | Trustee | Since 2007 | Editor of and Consultant for The Journal of Portfolio Management since 2006; Professor of Finance, EDHEC Business School since 2011; Visiting Professor, Princeton University from 2013 to 2014; Professor in the Practice of Finance and Becton Fellow, Yale University School of Management from 2006 to 2011. | 74 RICs consisting of 74 Portfolios | None |
| **Jerrold B. Harris**<br>1942 | Trustee | Since 2007 | Trustee, Ursinus College from 2000 to 2012; Director, Ducks Unlimited Canada (conservation) since 2015; Director, Waterfowl Chesapeake (conservation) since 2014; Director, Ducks Unlimited, Inc. since 2013; Director, Troemner LLC (scientific equipment) since 2000; Director of Delta Waterfowl Foundation from 2010 to 2012; President and Chief Executive Officer, VWR Scientific Products Corporation from 1990 to 1999. | 74 RICs consisting of 74 Portfolios | BlackRock Capital Investment Corp. (business development company) |
| **R. Glenn Hubbard**<br>1958 | Trustee | Since 2007 | Dean, Columbia Business School since 2004; Faculty member, Columbia Business School since 1988. | 74 RICs consisting of 74 Portfolios | ADP (data and information services); Metropolitan Life |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | Insurance Company (insurance) |
| **W. Carl Kester**<br><br>1951 | Trustee | Since 2007 | George Fisher Baker Jr. Professor of Business Administration, Harvard Business School since 2008, Deputy Dean for Academic Affairs from 2006 to 2010, Chairman of the Finance Unit, from 2005 to 2006, Senior Associate Dean and Chairman of the MBA Program from 1999 to 2005; Member of the faculty of Harvard Business School since 1981. | 74 RICs consisting of 74 Portfolios | None |
| **Catherine A. Lynch**<br><br>1961 | Trustee | Since 2016 | Chief Executive Officer, Chief Investment Officer and various other positions, National Railroad Retirement Investment Trust from 2003 to 2016; Associate Vice President for Treasury Management, The George Washington University from 1999 to 2003; Assistant Treasurer, Episcopal Church of America from 1995 to 1999. | 74 RICs consisting of 74 Portfolios | None |

## Officers and Trustees (continued)

| Name, Address[1] and Year of Birth | Position(s) Held with the Trusts | Length of Time Served[3] | Principal Occupation(s) During Past Five Years | Number of BlackRock-Advised Registered Investment Companies ( RICs ) Consisting of Investment Portfolios ( Portfolios ) Overseen[4] | Public Company and Other Investment Company Directorships During Past Five Years |
|---|---|---|---|---|---|
| **Interested Trustees[5]** | | | | | |
| **Barbara G. Novick**<br>1960 | Trustee | Since 2015 | Vice Chairman of BlackRock, Inc. since 2006; Chair of BlackRock s Government Relations Steering Committee since 2009; Head of the Global Client Group of BlackRock, Inc. from 1988 to 2008. | 100 RICs consisting of 217 Portfolios | None |
| **John M. Perlowski**<br>1964 | Trustee, President and Chief Executive Officer | Since 2014 (Trustee); Since 2011 (President and Chief Executive Officer) | Managing Director of BlackRock, Inc. since 2009; Head of BlackRock Global Fund & Accounting Services since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009. | 128 RICs consisting of 315 Portfolios | None |

1 The address of each Trustee is c/o BlackRock, Inc., 55 East 52nd Street, New York, NY 10055.

2 Each Independent Trustee will serve until his or her successor is elected and qualifies, or until his or her earlier death, resignation, retirement or removal, or until December 31 of the year in which he or she turns 75. The maximum age limitation may be waived as to any Trustee by action of a majority of the Trustees upon finding of good cause therefor.

3 Following the combination of Merrill Lynch Investment Managers, L.P. ( MLIM ) and BlackRock, Inc. ( BlackRock ) in September 2006, the various legacy MLIM and legacy BlackRock fund boards were realigned and consolidated into three new fund boards in 2007. As a result, although the chart shows certain Independent Trustees as joining the Board in 2007, each Trustee first became a member of the boards of other legacy MLIM or legacy BlackRock funds as follows: Richard E. Cavanagh, 1994; Frank J. Fabozzi, 1988; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995; and Karen P. Robards, 1998.

4 For purposes of this chart, RICs refers to investment companies registered under the 1940 Act and Portfolios refers to the investment programs of the BlackRock-advised funds. The Closed-End Complex is comprised of 74 RICs. Mr. Perlowski and Ms. Novick are also board members of certain complexes of BlackRock registered open-end funds. Mr. Perlowski is also a board member of the BlackRock Equity-Bond Complex and the BlackRock Equity-Liquidity Complex, and Ms. Novick is also a board member of the BlackRock Equity-Liquidity Complex.

5 Mr. Perlowski and Ms. Novick are both interested persons, as defined in the 1940 Act, of the Trusts based on their positions with BlackRock and its affiliates. Mr. Perlowski and Ms. Novick are also board members of certain complexes of BlackRock registered open-end funds. Mr. Perlowski is also a board member of the BlackRock Equity-Bond Complex and the BlackRock Equity-Liquidity Complex, and Ms. Novick is also a board member of the BlackRock Equity-Liquidity Complex. Interested Trustees serve until their resignation, removal or death, or until December 31 of the year in which they turn 72. The maximum age limitation may be waived as to any Trustee by action of a majority of the Trustees upon a finding of good cause therefor.

# Officers and Trustees (concluded)

| Name, Address[1] and Year of Birth | Position(s) Held with the Trusts | Length of Time Served as an Officer | Principal Occupation(s) During Past Five Years |
|---|---|---|---|
| **Officers Who Are Not Trustees[2]** | | **Time Served** | |
| **Jonathan Diorio** 1980 | Vice President | Since 2015 | Managing Director of BlackRock, Inc. since 2015; Director of BlackRock, Inc. from 2011 to 2015; Director of Deutsche Asset & Wealth Management from 2009 to 2011. |
| **Neal J. Andrews** 1966 | Chief Financial Officer | Since 2007 | Managing Director of BlackRock, Inc. since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006. |
| **Jay M. Fife** 1970 | Treasurer | Since 2007 | Managing Director of BlackRock, Inc. since 2007; Director of BlackRock, Inc. in 2006; Assistant Treasurer of the MLIM and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006. |
| **Charles Park** 1967 | Chief Compliance Officer | Since 2014 | Anti-Money Laundering Compliance Officer for the BlackRock-advised Funds in the Equity-Bond Complex, the Equity-Liquidity Complex and the Closed-End Complex from 2014 to 2015; Chief Compliance Officer of BlackRock Advisors, LLC and the BlackRock-advised Funds in the Equity-Bond Complex, the Equity-Liquidity Complex and the Closed-End Complex since 2014; Principal of and Chief Compliance Officer for iShares® Delaware Trust Sponsor LLC since 2012 and BlackRock Fund Advisors ( BFA ) since 2006; Chief Compliance Officer for the BFA-advised iShares® exchange traded funds since 2006; Chief Compliance Officer for BlackRock Asset Management International Inc. since 2012. |
| **Janey Ahn** 1975 | Secretary | Since 2012 | Director of BlackRock, Inc. since 2009; Assistant Secretary of the funds in the Closed-End Complex from 2008 to 2012. |

[1] The address of each Officer is c/o BlackRock, Inc., 55 East 52nd Street, New York, NY 10055.
[2] Officers of the Trusts serve at the pleasure of the Board.

**Investment Adviser**

BlackRock Advisors, LLC

Wilmington, DE 19809

**Sub-Adviser**
BlackRock (Singapore) Limited[1]
079912 Singapore

**Accounting Agent and Custodian**

State Street Bank and
Trust Company
Boston, MA 02110

**Transfer Agent**
Computershare Trust
Company, N.A.
Canton, MA 02021

**Independent Registered Public Accounting Firm**
Deloitte & Touche LLP
Boston, MA 02116

**Legal Counsel**

Skadden, Arps, Slate,

Meagher & Flom LLP

Boston, MA 02116

**Address of the Trusts**
100 Bellevue Parkway
Wilmington, DE 19809

[1] For BIT.

# Additional Information

**Proxy Results**

The Annual Meeting of Shareholders was held on July 26, 2016 for shareholders of record on May 31, 2016, to elect trustee nominees for each Trust. There were no broker non-votes with regard to any of the Trusts.

Approved the Trustees as follows:

| | Catherine A. Lynch[1] | | | Richard E. Cavanagh[2] | | | Cynthia L. Egan[2] | | |
|---|---|---|---|---|---|---|---|---|---|
| | Votes For | Votes Withheld | Abstain | Votes For | Votes Withheld | Abstain | Votes For | Votes Withheld | Abstain |
| BIT | 31,868,833 | 900,570 | 0 | 31,879,157 | 890,246 | 0 | 31,872,710 | 896,693 | 0 |
| BTZ | 92,677,221 | 3,713,375 | 0 | 92,327,393 | 4,063,203 | 0 | 92,682,496 | 3,708,100 | 0 |
| BGT | 20,564,082 | 480,957 | 0 | 20,592,752 | 452,287 | 0 | 20,577,073 | 467,965 | 0 |

| | Jerrold B. Harris[2] | | | Barbara G. Novick[2] | | |
|---|---|---|---|---|---|---|
| | Votes For | Votes Withheld | Abstain | Votes For | Votes Withheld | Abstain |
| BIT | 31,878,156 | 891,247 | 0 | 31,894,577 | 874,826 | 0 |
| BTZ | 92,351,361 | 4,039,235 | 0 | 92,669,415 | 3,721,181 | 0 |
| BGT | 20,596,132 | 448,907 | 0 | 20,585,455 | 459,583 | 0 |

For the Trusts listed above, Trustees whose term of office continued after the Annual Meeting of Shareholders because they were not up for election are Michael J. Castellano, Frank J. Fabozzi, R. Glenn Hubbard, W. Carl Kester, John M. Perlowski, and Karen P. Robards.

[1] Class II.
[2] Class III.

**Trust Certification**

Each Trust is listed for trading on the NYSE and has filed with the NYSE its annual chief executive officer certification regarding compliance with the NYSE s listing standards. The Trusts filed with the SEC the certification of their chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

**Dividend Policy**

Each Trust s dividend policy is to distribute all or a portion of its net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the distributions paid by the Trusts for any particular month may be more or less than the amount of net investment income earned by the Trusts during such month. The portion of distributions that exceeds a Trust s current and accumulated earnings and profits, which are measured on a tax basis, will constitute a nontaxable return of capital. Distributions in excess of a Trust s taxable income and net capital gains, but not in excess of a Trust s earnings and profits, will be taxable to shareholders as ordinary income and will not constitute a nontaxable return of capital. The Trusts current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

# Additional Information (continued)

**General Information**

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

During the period there were no material changes in the Trusts investment objectives or policies or to the Trusts charters or by-laws that would delay or prevent a change of control of the Trusts that were not approved by the shareholders or in the principal risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts portfolios.

In accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Trusts from time to time may purchase shares of its common shares in the open market or in private transactions.

Quarterly performance, semi-annual and annual reports, current net asset value and other information regarding the Trusts may be found on BlackRock s website, which can be accessed at http://www.blackrock.com. Any reference to BlackRock s website in this report is intended to allow investors public access to information regarding the Trusts and does not, and is not intended to, incorporate BlackRock s website in this report.

Electronic Delivery

Shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual shareholder reports by enrolling in the electronic delivery program. Electronic copies of shareholder reports are available on BlackRock s website.

To enroll in electronic delivery:

Shareholders Who Hold Accounts with Investment Advisers, Banks or Brokerages:

Please contact your financial advisor. Please note that not all investment advisors, banks or brokerages may offer this service.

Householding

The Trusts will mail only one copy of shareholder documents, annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called householding and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Trusts at (800) 882-0052.

Availability of Quarterly Schedule of Investments

The Trusts file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trusts Forms N-Q are available on the SEC s website at http://www.sec.gov and may also be reviewed and copied at the SEC s Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room or how to access documents on the SEC s website without charge may be obtained by calling (800) SEC-0330. The Trusts Forms N-Q may also be obtained upon request and without charge by calling (800) 882-0052.

Availability of Proxy Voting Policies and Procedures

A description of the policies and procedures that the Trusts use to determine how to vote proxies relating to portfolio securities is available upon request and without charge (1) by calling (800) 882-0052; (2) at http://www.blackrock.com; and (3) on the SEC s website at http://www.sec.gov.

Availability of Proxy Voting Record

Information about how the Trusts voted proxies relating to securities held in the Trusts portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at http://www.blackrock.com or by calling (800) 882-0052 and (2) on the SEC s website at http://www.sec.gov.

Availability of Trust Updates

BlackRock will update performance and certain other data for the Trusts on a monthly basis on its website in the Closed-end Funds section of http://www.blackrock.com as well as certain other material information as necessary from time to time. Investors and others are advised to check the website for updated performance information and the release of other material information about the Trusts. This reference to BlackRock s website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended to, incorporate BlackRock s website in this report.

# Additional Information (concluded)

**Section 19(a) Notice**

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

**October 31, 2016**

| | Total Fiscal Year-to-Date Cumulative Distributions by Character | | | | | Percentage of Fiscal Year-to-Date Cumulative Distributions by Character | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Net Investment Income | Net Realized Capital Gains Short Term | Net Realized Capital Gains Long Term | Return of Capital | Total Per Common Share | Net Investment Income | Net Realized Capital Gains Short Term | Net Realized Capital Gains Long Term | Return of Capital | Total Per Common Share |
| BGT | $ 0.699600 | | | | $ 0.699600 | | | | | |
| BTZ | $ 0.881936 | | | $ 0.042564 | $ 0.924500 | | | | | |
| BIT | $ 1.636289 | | | | $ 1.636289 | | | | | |

The Trusts estimate that they have distributed more than the amount of earned income and net realized gains; therefore, a portion of the distribution may be a return of capital. A return of capital may occur, for example, when some or all of the shareholder s investment in the Trusts are returned to the shareholder. A return of capital does not necessarily reflect the Trusts investment performance and should not be confused with yield or income. When distributions exceed total return performance, the difference will incrementally reduce the Trusts net asset value per share.

Section 19(a) notices for the Trusts, as applicable, are available on the BlackRock website at http://**www.blackrock.com.**

**BlackRock Privacy Principles**

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

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

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

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

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

This report is intended for current holders. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Trusts have leveraged their Common Shares, which creates risks for Common Shareholders, including the likelihood of greater volatility of net asset value and market price of the Common Shares, and the risk that fluctuations in short-term interest rates may reduce the Common Shares yield. Statements and other information herein are as dated and are subject to change.

CE-CAFRI-3-10/16-AR

Item 2 Code of Ethics The registrant (or the Fund ) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. During the period covered by this report, the code of ethics was amended to update certain information and to make other non-material changes. During the period covered by this report, there have been no waivers granted under the code of ethics. The registrant undertakes to provide a copy of the code of ethics to any person upon request, without charge, by calling 1-800-882-0052, option 4.

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

Michael Castellano

Frank J. Fabozzi

Catherine A. Lynch

W. Carl Kester

Karen P. Robards

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

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

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

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

Item 4 Principal Accountant Fees and Services

The following table presents fees billed by Deloitte & Touche LLP ( D&T ) in each of the last two fiscal years for the services rendered to the Fund:

| | (a) Audit Fees | | (b) Audit-Related Fees[1] | | (c) Tax Fees[2] | | (d) All Other Fees[3] | |
|---|---|---|---|---|---|---|---|---|
| ity Name | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previou Fiscal Ye End |
| ckRock lti-Sector ome Trust | $69,250 | $69,250 | $0 | $0 | $15,402 | $15,402 | $0 | $0 |

The following table presents fees billed by D&T that were required to be approved by the registrant s audit committee (the Committee ) for services that relate directly to the operations or financial reporting of the Fund and that are rendered on behalf of BlackRock Advisors, LLC ( Investment Adviser or BlackRock ) and entities controlling, controlled by, or under common control with BlackRock (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) that provide ongoing services to the Fund ( Fund Service Providers ):

| | Current Fiscal Year End | Previous Fiscal Year End |
|---|---|---|
| **(b) Audit-Related Fees[1]** | $0 | $0 |
| **(c) Tax Fees[2]** | $0 | $0 |
| **(d) All Other Fees[3]** | $2,129,000 | $2,391,000 |

[1] The nature of the services includes assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

[2] The nature of the services includes tax compliance, tax advice and tax planning.

[3] Aggregate fees borne by BlackRock in connection with the review of compliance procedures and attestation thereto performed by D&T with respect to all of the registered closed-end funds and some of the registered open-end funds advised by BlackRock.

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

The Committee has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the Investment Adviser and Fund Service Providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are (a) consistent with the SEC s auditor independence rules and (b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis ( general pre-approval ). The term of any general pre-approval is 12 months from the date of the pre-approval, unless the Committee provides for a different period. Tax or other non-audit services provided to the

registrant which have a direct impact on the operations or financial reporting of the registrant will only be deemed pre-approved provided that any individual project does not exceed $10,000 attributable to the registrant or $50,000 per project. For this purpose, multiple projects will be aggregated to determine if they exceed the previously mentioned cost levels.

Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved

subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to the Committee Chairman the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

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

(f) Not Applicable

(g) The aggregate non-audit fees paid to the accountant for services rendered by the accountant to the registrant, the Investment Adviser and the Fund Service Providers were:

| Entity Name | Current Fiscal Year End | Previous Fiscal Year End |
|---|---|---|
| BlackRock Multi-Sector Income Trust | $15,402 | $15,402 |

Additionally, SSAE 16 Review (Formerly, SAS No. 70) fees for the current and previous fiscal years of $2,129,000 and $2,391,000, respectively, were billed by D&T to the Investment Adviser.

(h) The Committee has considered and determined that the provision of non-audit services that were rendered to the Investment Adviser, and the Fund Service Providers that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant s independence.

Item 5 Audit Committee of Listed Registrants

(a) The following individuals are members of the registrant s separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(58)(A)):

Michael Castellano

Frank J. Fabozzi

Catherine A. Lynch

W. Carl Kester

Karen P. Robards

(b) Not Applicable

Item 6 Investments

(a) The registrant s Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this Form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies The board of directors has delegated the voting of proxies for the Fund s portfolio securities to the Investment Adviser pursuant to the Investment Adviser s proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund s stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser s Equity Investment Policy Oversight Committee, or a sub-committee thereof (the Oversight Committee ) is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser s clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser s Portfolio Management Group and/or the Investment Adviser s Legal and Compliance Department and concluding that the vote cast is in its client s best interest notwithstanding the conflict. A copy of the Fund s Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, (i) at www.blackrock.com and (ii) on the SEC s website at http://www.sec.gov.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of October 31, 2016.

(a)(1) The Fund is managed by a team of investment professionals comprised of Akiva Dickstein, Director at BlackRock, Thomas Musmanno, CFA, Managing Director at BlackRock and Randy Robertson, Managing Director at BlackRock. Messrs. Dickstein, Musmanno and Robertson are the Fund s portfolio managers and are responsible for the day-to-day management of the Fund s portfolio and the selection of its investments. Messrs. Dickstein and Musmanno have been members of the Fund s portfolio management team since 2013. Mr. Robertson has been a member of the Fund s portfolio management team since 2014.

| **Portfolio Manager** | **Biography** |
|---|---|
| Akiva Dickstein | Managing Director of BlackRock since 2009; Managing Director of Merrill Lynch Investment Managers, L.P. from 2003 to 2009 and Head of the U.S. Rates & Structured Credit Research Group. |
| Thomas Musmanno, CFA | Managing Director of BlackRock since 2010; Director of BlackRock from 2006 to 2009. |
| Randy Robertson | Managing Director of BlackRock since 2009; Managing Director of Wachovia Capital Markets from 1999 to 2009. |

(a)(2) As of October 31, 2016:

| (i) Name of Portfolio Manager | (ii) Number of Other Accounts Managed and Assets by Account Type | | | (iii) Number of Other Accounts and Assets for Which Advisory Fee is Performance-Based | | |
|---|---|---|---|---|---|---|
| | Other Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Other Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| Akiva Dickstein | 8 | 17 | 102 | 0 | 1 | 3 |
| | $7.62 Billion | $5.78 Billion | $45.57 Billion | $0 | $264.3 Million | $1.42 Billion |
| Thomas Musmanno | 11 | 11 | 135 | 0 | 1 | 0 |
| | $11.01 Billion | $4.84 Billion | $53.43 Billion | $0 | $1.54 Billion | $0 |
| Randy Robertson | 2 | 5 | 1 | 0 | 0 | 0 |
| | $1.29 Billion | $1.25 Billion | $40.23 Million | $0 | $0 | $0 |

(iv) Portfolio Manager Potential Material Conflicts of Interest

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

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

(a)(3) As of October 31, 2016:

**Portfolio Manager Compensation Overview**

The discussion below describes the portfolio managers compensation as of October 31, 2016.

BlackRock s financial arrangements with its portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include a base salary, a performance-based discretionary bonus, participation in various benefits programs and one or more of the incentive compensation programs established by BlackRock.

**Base compensation.** Generally, portfolio managers receive base compensation based on their position with the firm.

**Discretionary Incentive Compensation**

Discretionary incentive compensation is a function of several components: the performance of BlackRock, Inc., the performance of the portfolio manager s group within BlackRock, the investment performance, including risk-adjusted returns, of the firm s assets under management or supervision by that portfolio manager relative to predetermined benchmarks, and the individual s performance and contribution to the overall performance of these portfolios and BlackRock. In most cases, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Funds or other accounts managed by the portfolio managers are measured. Among other things, BlackRock s Chief Investment Officers make a subjective determination with respect to each portfolio manager s compensation based on the performance of the funds and other accounts managed by each portfolio manager relative to the various benchmarks. Performance of fixed income funds is measured on a pre-tax and/or after-tax basis over various time periods including 1-, 3- and 5- year periods, as applicable. With respect to these portfolio managers, such benchmarks for the Fund and other accounts are:

| Portfolio Manager | Benchmark |
|---|---|
| Akiva Dickstein | A combination of market-based indices (e.g. Citigroup Mortgage Index, Barclays GNMA MBS Index), certain customized indices and certain fund industry peer groups. |
| Thomas Musmanno, CFA | A combination of market-based indices (e.g., Bank of America Merrill Lynch U.S. Corporate & Government Index, 1-3 Years), certain customized indices and certain fund industry peer groups. |
| Randy Robertson | No Benchmarks |

**Distribution of Discretionary Incentive Compensation.** Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. For some portfolio managers, discretionary incentive compensation is also distributed in deferred cash awards that notionally track the returns of select BlackRock investment products they manage and that vest ratably over a

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number of years. The BlackRock, Inc. restricted stock units, upon vesting, will be settled in BlackRock, Inc. common stock. Typically, the cash portion of the discretionary incentive compensation, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of discretionary incentive compensation in BlackRock, Inc. stock puts compensation earned by a portfolio manager for a given year at risk based on BlackRock s ability to sustain and improve its performance over future periods. Providing a portion of discretionary incentive compensation in deferred cash awards that notionally track the BlackRock investment products they manage provides direct alignment with investment product results.

*Long-Term Incentive Plan Awards* From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance. Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. The portfolio managers of this Fund have unvested long-term incentive awards.

*Deferred Compensation Program* A portion of the compensation paid to eligible United States-based BlackRock employees may be voluntarily deferred at their election for defined periods of time into an account that tracks the performance of certain of the firm s investment products. Any portfolio manager who is either a managing director or director at BlackRock with compensation above a specified threshold is eligible to participate in the deferred compensation program.

**Other Compensation Benefits.** In addition to base salary and discretionary incentive compensation, portfolio managers may be eligible to receive or participate in one or more of the following:

*Incentive Savings Plans* BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock, Inc. employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 8% of eligible pay contributed to the plan capped at $5,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation up to the Internal Revenue Service limit ($265,000 for 2016). The RSP offers a range of investment options, including registered investment companies and collective investment funds managed by the firm. BlackRock, Inc. contributions follow the investment direction set by participants for their own contributions or, absent participant investment direction, are invested into a target date fund that corresponds to, or is closest to, the year in which the participant attains age 65. The ESPP allows for investment in BlackRock, Inc. common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares of common stock or a dollar value of $25,000 based on its fair market value on the purchase date. All of the eligible portfolio managers are eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* As of October 31, 2016.

| **Portfolio Manager** | **Dollar Range of Equity Securities of the Fund Beneficially Owned** |
|---|---|
| Akiva Dickstein | $1 - $10,000 |
| Thomas Musmanno | $10,001 - $50,000 |
| Randy Robertson | None |

(b) Not Applicable

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

Item 10 Submission of Matters to a Vote of Security Holders There have been no material changes to these procedures.

Item 11 Controls and Procedures

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

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

Item 12 Exhibits attached hereto

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

(a)(2) Certifications Attached hereto

(a)(3) Not Applicable

(b) Certifications Attached hereto

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

BlackRock Multi-Sector Income Trust

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Multi-Sector Income Trust
Date: January 4, 2017

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

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Multi-Sector Income Trust
Date: January 4, 2017

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock Multi-Sector Income Trust
Date: January 4, 2017