

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
Form N-CSRS
February 02, 2018

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 811-21539

First Trust Senior Floating Rate Income Fund II
(Exact name of registrant as specified in charter)

120 East Liberty Drive
Wheaton, IL 60187
(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive
Wheaton, IL 60187
(Name and address of agent for service)

registrant's telephone number, including area code: N30-765-8000

Date of fiscal year end: May 31

Date of reporting period: November 30, 2017

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

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First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Report

November 30, 2017

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Caution Regarding Forward-Looking Statements

This report contains certain forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the goals, beliefs, plans or current expectations of First Trust Advisors L.P. (First Trust or the Advisor) and its representatives, taking into account the information currently available to them. Forward-looking statements include all statements that do not relate solely to current or historical fact. For example, forward-looking statements include the use of words such as anticipate, estimate, intend, expect, believe, plan, may, should, would or other similar words to convey uncertainty of future events or outcomes.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of First Trust Senior Floating Rate Income Fund II (the Fund) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. When evaluating the information included in this report, you are cautioned not to place undue reliance on these forward-looking statements, which reflect the judgment of the Advisor and its representatives only as of the date hereof. We undertake no obligation to publicly revise or update these forward-looking statements to reflect events and circumstances that arise after the date hereof.

Performance and Risk Disclosure

There is no assurance that the Fund will achieve its investment objectives. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and that the value of the Fund shares may therefore be less than what you paid for them. Accordingly, you can lose money by investing in the Fund. See **Risk Considerations** in the Additional Information section of this report for a discussion of certain other risks of investing in the Fund.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit <https://www.ftportfolios.com> or speak with your financial advisor. Investment returns, net asset value and common share price will fluctuate and Fund shares, when sold, may be worth more or less than their original cost.

The Advisor may also periodically provide additional information on Fund performance on the Fund's web page at <https://www.ftportfolios.com>.

How to Read This Report

This report contains information that may help you evaluate your investment in the Fund. It includes details about the Fund and presents data and analysis that provide insight into the Fund's performance and investment approach.

By reading the portfolio commentary by the portfolio management team of the Fund, you may obtain an understanding of how the market environment affected the Fund's performance. The statistical information that follows may help you understand the Fund's performance compared to that of the relevant market benchmark.

It is important to keep in mind that the opinions expressed by personnel of the Advisor are just that: informed opinions. They should not be considered to be promises or advice. The opinions, like the statistics, cover the period through the date on the cover of this report. The material risks of investing in the Fund are spelled out in the prospectus, the statement of additional information, this report and other Fund regulatory filings.

Shareholder Letter

First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Letter from the Chairman and CEO

November 30, 2017

Dear Shareholders:

Thank you for your investment in First Trust Senior Floating Rate Income Fund II.

First Trust is pleased to provide you with the semi-annual report which contains detailed information about your investment for the 6 months ended November 30, 2017, including a market overview and a performance analysis for the period. We encourage you to read this report carefully and discuss it with your financial advisor.

The U.S. bull market continued through the November 2016 election and the first 10 months of the Trump presidency. We believe several factors over the past several months have pointed to an accelerating economy. From November 8, 2016 (Election Day 2016) through November 30, 2017, the S&P 500® Index (the Index) posted a total return of 26.49%, according to Bloomberg. In addition, all 11 Index sectors were up on a total return basis. Since the beginning of 2017 through November 30, 2017, the Index has closed its trading sessions at all-time highs on 57 occasions and has spent the entire year in positive territory. This has only happened in 10 different years over the past seven decades.

Halfway through the fourth quarter, monthly data releases show real gross domestic product (GDP) growing at an approximate 3% annual rate. If that holds, it would make for three consecutive quarters of growth at 3% or higher. The last time that happened was 2004. While we remain optimistic about the U.S. economy, we are also well aware that no one can predict the future or know how markets will perform in different economic environments.

We believe that you should invest for the long term and be prepared for market volatility by keeping current on your portfolio and investing goals by speaking regularly with your investment professional. It is also important to keep in mind that past performance can never guarantee future results.

Thank you for giving First Trust the opportunity to be a part of your investment plan. We value our relationship with you and will continue to focus on bringing the types of investments that we believe can help you reach your financial goals.

Sincerely,

James A. Bowen

Chairman of the Board of Trustees

Chief Executive Officer of First Trust Advisors L.P

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First Trust Senior Floating Rate Income Fund II (FCT)

AT A GLANCE

As of November 30, 2017 (Unaudited)

Fund Statistics

Symbol on New York Stock Exchange	FCT
Common Share Price	\$12.91
Common Share Net Asset Value (NAV)	\$14.07
Premium (Discount) to NAV	(8.24)%
Net Assets Applicable to Common Shares	\$375,618,881
Current Monthly Distribution per Common Share ⁽¹⁾	\$0.0635
Current Annualized Distribution per Common Share	\$0.7620
Current Distribution Rate on Common Share Price ⁽²⁾	5.90%
Current Distribution Rate on NAV ⁽²⁾	5.42%

Common Share Price & NAV (weekly closing price)

Performance					
	Average Annual Total Return				
	6 Months Ended	1 Year Ended	5 Years Ended	10 Years Ended	Inception (5/25/2004)
	11/30/2017	11/30/2017	11/30/2017	11/30/2017	to 11/30/2017
Fund Performance⁽³⁾					
NAV	1.50%	5.12%	5.37%	4.35%	4.34%
Market Value	-2.36%	-0.61%	3.14%	4.70%	3.32%
Index Performance					
S&P/LSTA Leveraged Loan Index	1.72%	4.91%	4.11%	4.84%	4.80%

- (1) Most recent distribution paid or declared through 11/30/2017. Subject to change in the future.
- (2) Distribution rates are calculated by annualizing the most recent distribution paid or declared through the report date and then dividing by Common Share price or NAV, as applicable, as of 11/30/2017. Subject to change in the future.
- (3) Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share price for market value returns. From inception to October 12, 2010, Four Corners Capital Management, LLC served as the Fund's sub-advisor. Effective October 12, 2010, the Leveraged Finance Team of First Trust Advisors L.P. assumed the day-to-day responsibility for management of the Fund's portfolio. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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First Trust Senior Floating Rate Income Fund II (FCT)

AT A GLANCE (Continued)

As of November 30, 2017 (Unaudited)

Credit Quality (S&P Ratings) ⁽⁴⁾	% of Senior Loans and other Debt Securities ⁽⁵⁾
BBB-	4.8%
BB+	2.1
BB	7.5
BB-	23.9
B+	19.7
B	20.8
B-	10.3
CCC+	3.5
CCC	3.6
CCC-	0.9
D	1.3
Privately rated ⁽⁶⁾	0.2
Not Rated	1.4
Total	100.0%

Industry Classification	% of Senior Loans and other Securities ⁽⁵⁾
Hotels, Restaurants & Leisure	18.4%
Health Care Providers & Services	17.4
Software	9.9
Pharmaceuticals	7.0
Media	4.3
Food & Staples Retailing	4.0
Diversified Financial Services	3.7
Life Sciences Tools & Services	3.4
Electric Utilities	3.3
Containers & Packaging	3.2
Professional Services	3.1
Diversified Telecommunication Services	2.7
Food Products	2.5
Insurance	2.2
Capital Markets	2.0
Technology Hardware, Storage & Peripherals	2.0
Specialty Retail	1.4
Commercial Services & Supplies	1.4
Diversified Consumer Services	1.3
Health Care Equipment & Supplies	1.2
Building Products	1.2
Semiconductors & Semiconductor Equipment	0.8
Auto Components	0.6
Aerospace & Defense	0.5
Oil, Gas & Consumable Fuels	0.5
Chemicals	0.5
Health Care Technology	0.4
Independent Power and Renewable Electricity	

Producers	0.4
Real Estate Management & Development	0.3
Machinery	0.2
Trading Companies & Distributors	0.1
Construction Materials	0.1
Industrial Conglomerates	0.0*
Total	100.0%

Top 10 Issuers	% of Senior Loans and other Securities ⁽⁵⁾
MultiPlan, Inc. (MPH Acquisition Holdings LLC)	3.2%
Portillo s Holdings LLC	3.0
Caesars Growth Partners LLC	2.9
Energy Future Intermediate Holding Co.	2.9
Caesars Entertainment Resort Properties LLC	2.8
BMC Software Finance, Inc.	2.7
Valeant Pharmaceuticals International, Inc.	2.5
Reynolds Group Holdings, Inc.	2.5
Amaya Holdings B.V.	2.4
CHS/Community Health Systems, Inc.	2.3
Total	27.2%

* Amount is less than 0.1%.

(4) The ratings are by Standard & Poor s except where otherwise indicated. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations except for those debt obligations that are only privately rated. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Investment grade is defined as those issuers that have a long-term credit rating of BBB- or higher. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

(5) Percentages are based on long-term positions. Money market funds are excluded.

(6) Represents Senior Loans privately rated upon issuance. The rating agency does not provide ongoing surveillance on the rating.

Portfolio Commentary

First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Report

November 30, 2017 (Unaudited)

Advisor

The First Trust Advisors L.P. (First Trust) Leveraged Finance Team is comprised of 14 experienced investment professionals specializing in below investment grade securities. The team is comprised of portfolio management, research, trading and operations personnel. As of November 30, 2017, the First Trust Leveraged Finance Team managed or supervised approximately \$4.0 billion in senior secured bank loans and high-yield bonds. These assets are managed across various strategies, including two closed-end funds, an open-end fund, four exchange-traded funds, one UCITS fund and a series of unit investment trusts on behalf of retail and institutional clients.

Portfolio Management Team

William Housey, CFA Senior Vice President, Senior Portfolio Manager

Scott D. Fries, CFA Senior Vice President, Portfolio Manager

Commentary

First Trust Senior Floating Rate Income Fund II

The primary investment objective of First Trust Senior Floating Rate Income Fund II (FCT or the Fund) is to seek a high level of current income. As a secondary objective, the Fund attempts to preserve capital. The Fund pursues its objectives through investment in a portfolio of senior secured floating-rate loan interests (senior loans). At least 80% of the Fund s managed assets are generally invested in lower grade debt instruments. There can be no assurance that the Fund s investment objectives will be achieved. The Fund may not be appropriate for all investors.

Market Recap

The six-month period ended November 30, 2017 was relatively stable in the senior loan and high-yield bond markets. The S&P/LSTA Leveraged Loan Index (the Index) generated positive returns in four of the six months and returned 1.72% during the period. Similarly, the ICE BofAML US High Yield Constrained Index also experienced positive returns in four of the six months, and produced a total return of 2.27% during the period. This compares to the 10.89% total return for the S&P 500® Index for the same period.

From a credit quality perspective, lower rated issues experienced the strongest returns during the period within the senior loan market. Lower quality CCC rated issues returned 2.06%, outperforming the 1.89% return for B rated issues and the 1.77% return for BB rated issues. The average price of senior loans in the market softened modestly, entering the period at \$98.33 and ending the period at \$97.98. Senior loan spreads over 3-month London Interbank Offered Rate (LIBOR) remained largely unchanged as well, entering the six-month period at L+413 and ending the period at L+410. During the same period, 3-month LIBOR increased approximately 28 basis points (bps) to 1.49%, which mitigated the senior loan market s modest spread tightening.

Default Rates

The last 12 months (LTM) default rate within the Index entered the period at 1.42% and ended the period at 1.95%. The current LTM default rate remains well below the 3.03% long-term average default rate for the asset class (March 1999 November 2017). The low corporate default rate has largely been driven by a stabilization in commodity prices as defaults in the oil & gas and nonferrous metals/minerals sectors have slowed. We continue to believe the low default rates in both senior loans and high-yield bonds are reflective of the relatively sound financial condition of most companies, the lack of near-term debt maturities, and the strong backdrop of a healthy macroeconomic environment.

Performance Analysis

The Fund's performance was in line with that of the Index on a net asset value (NAV) basis for the six-month period ended November 30, 2017. The Fund generated a NAV return¹ of 1.50% and a market price return¹ of -2.36%, while the Index returned 1.72%. The Fund's market price return was negatively impacted by the Fund's discount to NAV widening over the six-month period. At the start of the period, the Fund's market price was at a 4.62% discount to NAV, and moved to an 8.24% discount to NAV by the end of the period, a widening of 362 bps. This widening was experienced by most closed-end funds in the market and may have been driven by investors selling prior to year-end for tax purposes.

¹ Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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Portfolio Commentary (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Report

November 30, 2017 (Unaudited)

From an income perspective, the monthly distribution rate declined modestly during the period from \$0.0663 per share to \$0.0635 per share. The annualized distribution rate as of November 30, 2017, assuming a \$0.0635 per share monthly distribution rate, was 5.42% at NAV and 5.90% at market price.

The largest contributing factor to the Fund's performance relative to the Index over the period was the Fund's use of leverage as the Index outperformed the cost of borrowing. Leverage began the period at 27.69% and ended the period at 30.26% of managed assets. Additionally, the Fund's high-yield bond exposure contributed positively to returns as high-yield bonds outperformed senior loans in the period. The Fund's high-yield bond allocation increased from 3.84% to 5.52% during the period. More than offsetting these factors was the Fund's selection within the Retail industry, including the Food/Drug Retail industry. Specifically, overweight positions in Toys R Us, BJ's Wholesale Club and Albertsons Companies LLC detracted from performance during the period. The Food/Drug Retail industry lagged the overall return of the Index as sentiment turned negative due to growing competition from e-commerce companies, namely Amazon. As for Toys R Us, the company filed an unexpected bankruptcy to address its balance sheet at the end of September 2017.

Market and Fund Outlook

We believe that with the potential for additional interest rate hikes on the horizon, LIBOR should continue to migrate higher through 2018. Importantly, the default rate for senior loans remains low at 1.95% and we believe it is likely to remain low given the overall health of the U.S. economy. This remains below the long-term average default rate of 3.03% (March 1999 – November 2017).

We believe that the favorable backdrop for the macro economy will persist for the near to intermediate term and that we are in a healthy part of the economic cycle to own senior loans and high-yield bonds. We also believe that the current cycle continues to have a long runway. Specifically, we believe senior loans, given their senior secured position in the capital structure, floating interest rate, attractive income and low default rate are well positioned as we move through 2018. We also believe that high-yield bonds should continue to perform well given their mid-cycle valuations and declining default rate. As we evaluate new investment opportunities, decisions will continue to be rooted in our rigorous bottom-up credit analysis and our focus will remain on identifying the opportunities that we believe offer the best risk and reward balance.

First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments

November 30, 2017 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c)				
135.5%				
Aerospace & Defense 0.8%				
\$ 1,843,360	Transdigm, Inc., Term Loan F, 1 Mo. LIBOR + 3.00%, 0.00% Floor	4.24%	06/09/23	\$ 1,843,544
992,644	Transdigm, Inc., Term Loan F, 3 Mo. LIBOR + 3.00%, 0.00% Floor	4.33%	06/09/23	992,744
				2,836,288
Agricultural Products 0.1%				
198,948	Dole Foods Co., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	3.99%-4.06%	04/06/24	199,582
9,726	Dole Foods Co., Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor	4.08%	04/06/24	9,757
14	Dole Foods Co., Term Loan B, Prime + 1.75%	6.00%	04/06/24	14
				209,353
Alternative Carriers 0.7%				
2,678,397	Level 3 Financing, Inc., Tranche B 2024 Term Loan, 3 Mo. LIBOR + 2.25%, 0.00% Floor	3.70%	02/22/24	2,675,049
Application Software 5.9%				
1,641,600	CCC Information Resources, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.35%	03/31/24	1,643,652
782,035		4.60%	07/01/22	788,878

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	Hyland Software, Term-3 Loans, 1 Mo. LIBOR + 3.25%, 0.75% Floor			
989,453	Infor (US), Inc., Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor	4.08%	02/02/22	988,008
2,651,378	Informatica Corp. (Ithacalux S.A.R.L), Dollar Term Loan, 3 Mo. LIBOR + 3.50%, 1.00% Floor	4.83%	08/05/22	2,656,575
5,387,485	JDA Software Group (RP Crown Parent, Inc.), Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.35%	10/12/23	5,418,463
6,703	Kronos, Inc., Term Loan B, 2 Mo. LIBOR + 3.50%, 1.00% Floor	4.84%	11/01/23	6,734
2,661,171	Kronos, Inc., Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	4.90%	11/01/23	2,673,226
440,831	LANDesk Software, Inc., Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	5.60%	01/18/24	426,283
128,978	Micro Focus International (MA Finance LLC), MA Finance TLB3, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.06%	04/18/24	129,179
871,022	Micro Focus International (MA Finance LLC), Seattle Spinco TLB, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.06%	04/18/24	872,381
440,199	Mitchell International, Inc., Delayed Draw Term Loan (d)	0.00% (e)	11/30/24	440,199
5,458,468	Mitchell International, Inc., Term Loan B, 2 Mo. LIBOR + 3.25%, 0.00% Floor	4.61%	11/30/24	5,458,468
798,000	Qlik Technologies (Project Alpha Intermediate Holdings, Inc.), Term Loan B, 6 Mo. LIBOR + 3.50%, 1.00% Floor	5.04%	04/26/24	780,045
				22,282,091
	Asset Management & Custody Banks 2.9%			
752,487	American Beacon Advisors, Inc. (Resolute Investment Managers), Term Loan B, 2 Mo. LIBOR + 3.25%, 1.00% Floor	4.58%	04/30/22	760,952
798,000	First Eagle Investment Management, Term Loan B, 2 Mo. LIBOR + 3.00%, 0.75% Floor	4.36%	12/01/22	803,985
1,296,405	Guggenheim Partners Investment Management Holdings LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor	4.10%	07/22/23	1,293,709
420,792	Mondrian Investment Partners Ltd. (MIPL Group Ltd.), Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor	4.33%	03/09/20	420,792
3,997,575	Victory Capital Holdings (VCH Holdings LLC), Initial Term Loan , 3 Mo. LIBOR + 5.25%, 1.00% Floor	6.58%	10/29/21	4,047,545
3,630,900	Virtus Investment Partners, Inc., Term Loan B, 3 Mo. LIBOR + 3.50%, 0.75% Floor	4.82%	03/02/24	3,667,209
				10,994,192

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See Notes to Financial Statements

First Trust Senior Floating Rate Income Fund II (FCT)**Portfolio of Investments (Continued)****November 30, 2017 (Unaudited)**

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c)				
(Continued)				
Auto Parts & Equipment 0.9%				
\$ 2,036,867	Gates Global, Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.39%	03/31/24	\$ 2,047,051
1,243,532	Tower Automotive Holdings USA LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.00%	03/06/24	1,247,424
				3,294,475
Automotive Retail 0.4%				
1,603,596	KAR Auction Services, Inc., Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor	3.88%	03/09/23	1,612,287
Broadcasting 3.3%				
2,672,149	Cumulus Media Holdings, Inc., Term Loan, 1 Mo. LIBOR + 3.25%, 1.00% Floor (f)	4.60%	12/23/20	2,308,069
33,652	Nexstar Broadcasting, Inc., Mission Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	3.74%	01/17/24	33,736
265,903	Nexstar Broadcasting, Inc., Nexstar Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	3.74%	01/17/24	266,568
567,379	Tribune Media Co., Extended Term Loan C, 1 Mo. LIBOR + 3.00%, 0.75% Floor	4.35%	01/31/24	568,230
45,522	Tribune Media Co., Term B Loan, 1 Mo. LIBOR + 3.00%, 0.75% Floor	4.35%	12/27/20	45,542
9,414,088	Univision Communications, Inc., Term Loan C5, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.10%	03/15/24	9,343,483
				12,565,628
Building Products 1.8%				
189,810	Beacon Roofing Supply, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	3.62%	01/02/25	190,167
191,104	Jeld-Wen, Inc., Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor .	4.33%	07/01/22	192,298
6,207,636	Quikrete Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.10%	11/15/23	6,220,548

6,603,013

Cable & Satellite 0.6%				
326,484	Cablevision Systems Corp. (CSC Holdings, Inc.), Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	3.51%	07/17/25	324,444
410,438	Mediacom Broadband LLC, Term Loan K, 1 Mo. LIBOR + 2.25%, 0.75% Floor	3.46%	02/15/24	410,951
1,107,692	UPC Financing Partnership, Term Loan AR, 1 Mo. LIBOR + 2.50%, 0.00% Floor	3.75%	01/15/26	1,108,390
340,000	Virgin Media Finance PLC, Term Loan K, 1 Mo. LIBOR + 2.50%, 0.00% Floor	3.75%	01/31/26	339,789
				2,183,574
Casinos & Gaming 16.6%				
326,563	Amaya Holdings B.V., 2nd Lien TL, 3 Mo. LIBOR + 7.00%, 1.00% Floor	8.33%	07/31/22	326,563
12,553,221	Amaya Holdings B.V., Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	4.83%	08/01/21	12,614,732
11,551,810	Caesars Entertainment Resort Properties LLC, Term Loan B, 1 Mo. LIBOR + 3.50%, 1.00% Floor	4.85%	10/04/20	11,544,648
10,359,857	Caesars Growth Partners LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.10%	05/08/21	10,357,681
9,400,000	Caesars Resorts Collection, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.12%	09/28/24	9,447,000
4,294,914	CityCenter Holdings LLC, Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	3.85%	04/15/24	4,312,652

See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)**Portfolio of Investments (Continued)**

November 30, 2017 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Casinos & Gaming (Continued)				
\$ 1,744,924	Golden Nugget, Term Loan B, 2 Mo. LIBOR + 3.25%, 0.75% Floor	4.55%	10/04/23	\$ 1,757,522
378,846	MGM Growth Properties Operating Partnership L.P., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00%	3.60%	04/25/23	380,335

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	Floor			
331,667	Penn National Gaming, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	3.85%	01/19/24	333,119
3,543,741	Station Casinos, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	3.82%	06/08/23	3,550,190
7,655,280	VICI Properties (Caesars), Term Loan B, 1 Mo. LIBOR + 3.50%, 0.00% Floor	4.75%	10/15/22	7,652,524
				62,276,966
Coal & Consumable Fuels 0.4%				
1,041,688	Arch Coal, Inc., Term Loan, 1 Mo. LIBOR + 3.25%, 1.00% Floor	4.60%	03/07/24	1,048,636
448,804	Peabody Energy Corp., Term Loan B, 1 Mo. LIBOR + 3.50%, 1.00% Floor	4.85%	03/31/22	452,731
				1,501,367
Commercial Printing 0.1%				
189,000	Multi-Color Corp., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	3.60%	11/01/24	190,102
Construction Materials 0.2%				
606,012	Summit Materials, Inc., Term Loan B, 2 Mo. LIBOR + 2.25%, 0.00% Floor	3.60%	11/10/24	609,423
Diversified Chemicals 0.1%				
368,421	Ineos US Finance LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	3.35%	03/31/24	368,716
Diversified Support Services 1.0%				
1,336,999	Brickman Group Holdings, Inc., Initial Term Loan (First Lien), 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.28%	12/18/20	1,342,013
7,871	Brickman Group Holdings, Inc., Initial Term Loan (First Lien), 2 Mo. LIBOR + 3.00%, 1.00% Floor	4.31%	12/18/20	7,901
1,639,388	Brickman Group Holdings, Inc., Initial Term Loan (First Lien), 3 Mo. LIBOR + 3.00%, 1.00% Floor	4.38%	12/18/20	1,645,535
788,774	Brickman Group Holdings, Inc., Second Lien Term Loan, 1 Mo. LIBOR + 6.50%, 1.00% Floor	7.78%	12/18/21	791,488
				3,786,937
Education Services 0.1%				
244,397	Bright Horizons Family Solutions, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.75% Floor	3.60%	11/03/23	244,947
Electric Utilities 4.2%				
372,188	Dayton Power & Light Co., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.75% Floor	4.60%	08/24/22	372,887

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15,490,332	Energy Future Intermediate Holding Co., DIP Term Loan, 1 Mo. LIBOR + 3.00%, 1.00% Floor	4.28%-4.35%	06/28/18	15,537,423
				15,910,310
Environmental & Facilities Services 0.7%				
1,108,441	PSSI (Packers Holdings LLC), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor	4.74%	11/16/24	1,111,911
1,368,307	WTG Holdings III Corp. (EWT Holdings III Corp.), Term Loan (First Lien), 3 Mo. LIBOR + 3.75%, 1.00% Floor	5.08%	01/15/21	1,377,721
				2,489,632

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See Notes to Financial Statements

First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

November 30, 2017 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Food Distributors 0.5%				
\$ 1,625	TKC Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	5.60%	01/31/23	\$ 1,642
645,125	TKC Holdings, Inc., Term Loan B, 2 Mo. LIBOR + 4.25%, 1.00% Floor	5.67%	01/31/23	651,983
1,185,000	US Foods, Inc., Term Loan B, 2 Mo. LIBOR + 2.50%, 0.00% Floor	3.85%	06/27/23	1,190,925
				1,844,550
Food Retail 2.8%				
4,959,429	Albertsons LLC, Term Loan B5, 3 Mo. LIBOR + 3.00%, 0.75% Floor	4.33%	12/21/22	4,817,639
5,763,773	Albertsons LLC, Term Loan B6, 3 Mo. LIBOR + 3.00%, 0.75% Floor	4.46%	06/22/23	5,598,064
				10,415,703
Health Care Equipment 1.7%				
3,056,180		4.60%	06/08/20	3,025,618

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	DJO Finance LLC (ReAble Therapeutics Finance LLC), Initial Term Loan , 1 Mo. LIBOR + 3.25%, 1.00% Floor			
3,127,770	DJO Finance LLC (ReAble Therapeutics Finance LLC), Initial Term Loan , 3 Mo. LIBOR + 3.25%, 1.00% Floor	4.59%	06/08/20	3,096,493
199,500	Kinetic Concepts, Inc. (Acelity L.P., Inc.), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor	4.58%	01/31/24	198,794
				6,320,905

Health Care Facilities 6.0%

1,073,103	Acadia Healthcare Co., Inc., Term Loan B1, 1 Mo. LIBOR + 2.75%, 0.75% Floor	4.10%	02/11/22	1,079,810
1,228,125	Acadia Healthcare Co., Inc., Term Loan B2, 1 Mo. LIBOR + 2.75%, 0.75% Floor	3.99%	02/16/23	1,234,266
9,073,597	CHS/Community Health Systems, Inc., Incremental 2021 Term H Loan, 3 Mo. LIBOR + 3.00%, 1.00% Floor	4.48%	01/27/21	8,681,709
1,305,366	Concentra, Inc. (MJ Acquisition Corp.), Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor	4.32%	06/01/22	1,312,715
369	Concentra, Inc. (MJ Acquisition Corp.), Term Loan B, Prime + 2.00%	6.25%	06/01/22	371
6,585,268	Kindred Healthcare, Inc., New Term Loan, 3 Mo. LIBOR + 3.50%, 1.00% Floor	4.88%	04/09/21	6,597,648
3,679,017	National Veterinary Associates (NVA Holdings, Inc.), Term Loan B2, 3 Mo. LIBOR + 3.50%, 1.00% Floor	4.83%	08/14/21	3,702,011
				22,608,530

Health Care Services 10.8%

4,167,971	21st Century Oncology, Inc., Tranche B Term Loan, 3 Mo. LIBOR + 6.13%, 1.00% Floor (f)	7.47%	04/30/22	3,910,932
290,133	Air Medical Group, New Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	5.56%	09/30/24	291,511
1,817,084	Air Methods Corp. (ASP AMC Intermediate Holdings, Inc.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	4.83%	04/30/24	1,813,450
3,828,005	CareCore National LLC, Term Loan B, 1 Mo. LIBOR + 4.00%, 1.00% Floor	5.35%	03/06/21	3,832,790
3,955	CHG Healthcare Services, Inc., Term Loan B, 2 Mo. LIBOR + 3.25%, 1.00% Floor	4.56%	06/07/23	3,969
1,554,473	CHG Healthcare Services, Inc., Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor			