

BLACKROCK FLOATING RATE INCOME TRUST
Form N-CSRS
July 02, 2012

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 811-21566

Name of Fund: BlackRock Floating Rate Income Trust (BGT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Floating Rate 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: 10/31/2012

Date of reporting period: 04/30/2012

Item 1 – Report to Stockholders

April 30, 2012

Semi-Annual Report (Unaudited)

4BlackRock Credit Allocation Income Trust I, Inc. (PSW)

4BlackRock Credit Allocation Income Trust II, Inc. (PSY)

4BlackRock Credit Allocation Income Trust III (BPP)

4BlackRock Credit Allocation Income Trust IV (BTZ)

4BlackRock Floating Rate Income Trust (BGT)

Not FDIC Insured No Bank Guarantee May Lose Value

Table of Contents

| | Page |
|---|-------------|
| <u>Dear Shareholder</u> | 3 |
| Semi-Annual Report: | |
| <u>Fund Summaries</u> | 4 |
| <u>The Benefits and Risks of Leveraging</u> | 14 |
| <u>Derivative Financial Instruments</u> | 15 |
| Financial Statements: | |
| <u>Schedules of Investments</u> | 16 |
| <u>Statements of Assets and Liabilities</u> | 55 |
| <u>Statements of Operations</u> | 56 |
| <u>Statements of Changes in Net Assets</u> | 57 |
| <u>Statements of Cash Flows</u> | 60 |
| <u>Financial Highlights</u> | 61 |
| <u>Notes to Financial Statements</u> | 66 |
| <u>Officers and Directors</u> | 78 |
| <u>Additional Information</u> | 79 |

2 SEMI-ANNUAL REPORT APRIL 30, 2012

Dear Shareholder

One year ago at this time, risk assets were in a broad retreat as political strife in Greece ignited fears about sovereign debt problems spreading across Europe and economic indicators signaled that the global recovery had slowed. Confidence was further shaken by the prolonged debt ceiling debate in Washington, DC. Early in August 2011, Standard & Poor's downgraded the US government's credit rating and turmoil erupted in financial markets around the world. Extraordinary levels of volatility persisted in the months that followed as the European debt crisis intensified. Macro news flow became the dominant force in financial markets, driving asset prices up and down in lock step, in a risk on/risk off trading pattern. By the end of the third quarter in 2011, equity markets had fallen nearly 20% from their April peak while safe-haven assets such as US Treasuries and gold had rallied to historic highs.

October 2011 brought enough positive economic data to assuage fears of a global double-dip recession. Additionally, European leaders began making concerted efforts to stem the region's debt crisis. Investors began to reenter the markets, putting risk assets on the road to recovery. Improving sentiment carried over into early 2012 as a number of factors elicited greater optimism. Sovereign debt problems in Europe became less pressing. Greece secured its second bailout package and completed the restructuring of its national debt. The European Central Bank gave financial markets a boost by providing additional liquidity through its long-term refinancing operations. The outlook for the global economy grew less dim as stronger data from the United States, particularly from the labor market, lifted sentiment. Hopes for additional monetary stimulus from the US Federal Reserve and strong corporate earnings pushed risk assets (including stocks, commodities and high yield bonds) higher through the first two months of the year while rising Treasury yields pressured higher-quality fixed income assets. The risk rally softened in late March, however, due to renewed fears about slowing growth in China and Europe's debt troubles. Equity markets staggered downward in April as Spain's financial situation became increasingly severe and elections in Greece and France added to uncertainty about the future of the euro zone. In the United States, disappointing jobs reports in April revealed that the recent acceleration in the labor market had been a short-lived surge. Overall, US economic data signaled that the pace of the recovery had slowed, but not to the extent that warranted additional monetary stimulus.

Thanks in large part to an exceptionally strong first quarter of 2012, equities and high yield bonds posted solid returns for the 6-month period ended April 30, 2012. On a 12-month basis, US large-cap stocks and high yield bonds delivered positive results; however, small-cap stocks finished in negative territory. International and emerging equities, which experienced significant downturns in 2011, lagged the broader rebound. Fixed income securities, including corporate, government and municipal bonds, performed well despite recent yield volatility. US Treasury bonds finished strong, with an April rally erasing the effects of their broad sell-off during February and March. Continued low short-term interest rates kept yields on money market securities near their all-time lows.

Financial markets have regained a significant degree of stability since the period of turmoil we endured last year; however, considerable headwinds remain. Political uncertainty in Europe elevates concerns about additional flare ups in the debt crisis. Higher energy prices and slowing growth in China continue to pose risks for the global economy. Potential political leadership changes around the world create additional layers of uncertainty. But, we believe that with these challenges come opportunities. We remain committed to working with you and your financial professional to identify actionable ideas for your portfolio. We encourage you to visit www.blackrock.com/newworld for more information.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

“Financial markets have regained a significant degree of stability since the period of turmoil we endured last year; however, considerable headwinds remain.”

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of April 30, 2012

| | 6-month | 12-month |
|--|---------|----------|
| US large cap equities (S&P 500® Index) | 12.77 % | 4.76 % |
| US small cap equities (Russell 2000® Index) | 11.02 | (4.25) |
| International equities (MSCI Europe, Australasia, Far East Index) | 2.44 | (12.82) |
| Emerging market equities (MSCI Emerging Markets Index) | 3.93 | (12.61) |
| 3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index) | 0.01 | 0.05 |
| US Treasury securities (BofA Merrill Lynch 10- Year US Treasury Index) | 3.83 | 16.41 |
| US investment grade bonds (Barclays US Aggregate Bond Index) | 2.44 | 7.54 |
| Tax-exempt municipal bonds (S&P Municipal Bond Index) | 5.71 | 11.90 |
| US high yield bonds (Barclays US Corporate High Yield 2% Issuer Capped Index) | 6.91 | 5.89 |

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

THIS PAGE NOT PART OF YOUR FUND REPORT 3

Fund Summary as of April 30, 2012 **BlackRock Credit Allocation Income Trust I, Inc.**

Fund Overview

BlackRock Credit Allocation Income Trust I, Inc.'s (PSW) (the "Fund") primary investment objective is to provide holders of common shares ("Common Shareholders") with high current income. The secondary investment objective of the Fund is to provide Common Shareholders with capital appreciation. The Fund seeks to achieve its investment objectives 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 Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended April 30, 2012, the Fund returned 13.41% based on market price and 7.14% based on net asset value ("NAV"). For the same period, the closed-end Lipper Corporate Debt Funds (BBB-Rated) category posted an average return of 8.46% based on market price and 5.24% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on market price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Spread sectors outperformed government-related debt for the six-month period as improving US economic fundamentals and accommodative monetary policy provided a backdrop that was conducive to credit spread compression. Accordingly, the Fund benefited from its allocations to investment grade and high yield corporate credit. The Fund's high yield exposure was the largest contributor to performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within corporate credit, the Fund benefited from exposure to higher-beta names (those with greater sensitivity to market movements) in the industrials space. A bias toward financials also had a positive impact. Finally, the Fund's duration stance (sensitivity to interest rate movements) contributed positively to returns as rates generally moved lower throughout the period.

The Fund's duration and yield curve exposure was managed using interest rate derivative instruments such as futures contracts, options and swaps. These positions were put in place to limit the impact of expected volatility in interest rates and to express the Fund's yield curve preference. These positions resulted in a slight net negative impact on performance for the period.

Describe recent portfolio activity.

During the six-month period, the Fund generally favored high quality companies with strong balance sheets. The Fund maintained a bias toward financials, but shifted to a neutral stance in industrials. The Fund increased exposure to the utilities sector, which appeared attractive on a relative basis while offering downside protection should the pace of the economic recovery continue to slow. The Fund maintained an emphasis on liquidity in order to take advantage of select opportunities in corporate credit. The Fund reduced its overall risk profile by decreasing leverage and portfolio duration over the period.

Describe portfolio positioning at period end.

European sovereign debt fears have once again resurfaced and macro risks remain a key driver of market volatility. As of period end, the Fund seeks to maintain a near-term short duration bias and remains cautiously optimistic on corporate credit.

The Fund maintained diversified exposure across investment grade and high yield corporate credits. Portfolio holdings at period end reflected a bias toward higher-quality issues and a preference for more stable industries and companies that offer good cash flows, earnings and revenue visibility and attractive downside protection. The Fund's corporate credit holdings reflect a bias toward utilities over financials and industrials. The Fund favors media cable and media non-cable names as well as insurance companies.

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.

4 SEMI-ANNUAL REPORT APRIL 30, 2012

BlackRock Credit Allocation Income Trust I, Inc.**Fund Information**

| | |
|---|----------------|
| Symbol on New York Stock Exchange (“NYSE”) | PSW |
| Initial Offering Date | August 1, 2003 |
| Yield on Closing Market Price as of April 30, 2012 (\$10.08) ¹ | 7.08% |
| Current Monthly Distribution per Common Share ² | \$0.0595 |
| Current Annualized Distribution per Common Share ² | \$0.7140 |
| Economic Leverage as of April 30, 2012 ³ | 28% |

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

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

³Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Fund (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 Fund, please see The Benefits and Risks of Leveraging on page 14.

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

| | 4/30/12 | 10/31/11 | Change | High | Low |
|-----------------|----------------|-----------------|---------------|-------------|------------|
| Market Price | \$10.08 | \$ 9.25 | 8.97% | \$10.31 | \$ 8.86 |
| Net Asset Value | \$10.83 | \$10.52 | 2.95% | \$10.88 | \$10.06 |

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

Portfolio Composition

| | 4/30/12 | | 10/31/11 | |
|-------------------------|----------------|---|-----------------|---|
| Corporate Bonds | 80 | % | 82 | % |
| Preferred Securities | 17 | | 15 | |
| Asset Backed Securities | 1 | | 1 | |
| Taxable Municipal Bonds | 1 | | 1 | |
| US Treasury Obligations | 1 | | 1 | |

Credit Quality Allocations⁴

| | 4/30/12 | | 10/31/11 | |
|----------------------|----------------|---|-----------------|---|
| AAA/Aaa ⁵ | 2 | % | 1 | % |
| AA/Aa | 5 | | 7 | |
| A | 25 | | 28 | |
| BBB/Baa | 42 | | 38 | |
| BB/Ba | 15 | | 15 | |
| B | 7 | | 8 | |
| CCC/Caa | 1 | | 1 | |
| Not Rated | 3 | | 2 | |

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

⁵Includes US Treasury obligations that are deemed AAA by the investment advisor

Fund Summary as of April 30, 2012 **BlackRock Credit Allocation Income Trust II, Inc.**

Fund Overview

BlackRock Credit Allocation Income Trust II, Inc.'s (PSY) (the "Fund") primary investment objective is to provide Common Shareholders with current income. The secondary investment objective of the Fund is to provide Common Shareholders with capital appreciation. The Fund seeks to achieve its investment objectives 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 Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended April 30, 2012, the Fund returned 14.78% based on market price and 7.57% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds (BBB-Rated) category posted an average return of 8.46% based on market price and 5.24% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on market price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Spread sectors outperformed government-related debt for the six-month period as improving US economic fundamentals and accommodative monetary policy provided a backdrop that was conducive to credit spread compression. Accordingly, the Fund benefited from its allocations to investment grade and high yield corporate credit. The Fund's high yield exposure was the largest contributor to performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within corporate credit, the Fund benefited from exposure to higher-beta names (those with greater sensitivity to market movements) in the industrials space. A bias toward financials also had a positive impact. Finally, the Fund's duration stance (sensitivity to interest rate movements) contributed positively to returns as rates generally moved lower throughout the period.

The Fund's duration and yield curve exposure was managed using interest rate derivative instruments such as futures contracts, options and swaps. These positions were put in place to limit the impact of expected volatility in interest rates and to express the Fund's yield curve preference. These positions resulted in a slight net negative impact on performance for the period.

Describe recent portfolio activity.

During the six-month period, the Fund generally favored high quality companies with strong balance sheets. The Fund maintained a bias toward financials, but shifted to a neutral stance in industrials. The Fund increased exposure to the utilities sector, which appeared attractive on a relative basis while offering downside protection should the pace of the economic recovery continue to slow. The Fund maintained an emphasis on liquidity in order to take advantage of select opportunities in corporate credit. The Fund reduced its overall risk profile by decreasing leverage and portfolio duration over the period.

Describe portfolio positioning at period end.

European sovereign debt fears have once again resurfaced and macro risks remain a key driver of market volatility. As of period end, the Fund seeks to maintain a near-term short duration bias and remains cautiously optimistic on corporate credit.

The Fund maintained diversified exposure across investment grade and high yield corporate credits. Portfolio holdings at period end reflected a bias toward higher-quality issues and a preference for more stable industries and companies that offer good cash flows, earnings and revenue visibility and attractive downside protection. The Fund's corporate credit holdings reflect a bias toward utilities over financials and industrials. The Fund favors media cable and media non-cable names as well as insurance companies.

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.

6SEMI-ANNUAL REPORT APRIL 30, 2012

BlackRock Credit Allocation Income Trust II, Inc.**Fund Information**

| | |
|---|----------------|
| Symbol on NYSE | PSY |
| Initial Offering Date | March 28, 2003 |
| Yield on Closing Market Price as of April 30, 2012 (\$10.79) ¹ | 6.78% |
| Current Monthly Distribution per Common Share ² | \$0.061 |
| Current Annualized Distribution per Common Share ² | \$0.732 |
| Economic Leverage as of April 30, 2012 ³ | 27% |

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

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

³Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Fund (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 Fund, please see The Benefits and Risks of Leveraging on page 14.

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

| | 4/30/12 | 10/31/11 | Change | High | Low |
|-----------------|----------------|-----------------|---------------|-------------|------------|
| Market Price | \$10.79 | \$ 9.74 | 10.78% | \$10.81 | \$ 9.42 |
| Net Asset Value | \$11.68 | \$11.25 | 3.82% | \$11.70 | \$10.84 |

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

Portfolio Composition

| | 4/30/12 | | 10/31/11 | |
|-------------------------|----------------|---|-----------------|---|
| Corporate Bonds | 79 | % | 80 | % |
| Preferred Securities | 18 | | 17 | |
| US Treasury Obligations | 1 | | 1 | |
| Asset Backed Securities | 1 | | 1 | |
| Taxable Municipal Bonds | 1 | | 1 | |

Credit Quality Allocations⁴

| | 4/30/12 | | 10/31/11 | |
|----------------------|----------------|---|-----------------|---|
| AAA/Aaa ⁵ | 2 | % | 1 | % |
| AA/Aa | 4 | | 7 | |
| A | 25 | | 26 | |
| BBB/Baa | 42 | | 39 | |
| BB/Ba | 17 | | 17 | |
| B | 7 | | 7 | |
| CCC/Caa | 1 | | 1 | |
| Not Rated | 2 | | 2 | |

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

⁵Includes US Treasury obligations that are deemed AAA by the investment advisor.

Fund Summary as of April 30, 2012 **BlackRock Credit Allocation Income Trust III**

Fund Overview

BlackRock Credit Allocation Income Trust III's (BPP) (the "Fund") investment objective is to provide high current income consistent with capital preservation. The Fund 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 Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended April 30, 2012, the Fund returned 12.37% based on market price and 7.12% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds (BBB-Rated) category posted an average return of 8.46% based on market price and 5.24% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on market price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Spread sectors outperformed government-related debt for the six-month period as improving US economic fundamentals and accommodative monetary policy provided a backdrop that was conducive to credit spread compression. Accordingly, the Fund benefited from its allocations to investment grade and high yield corporate credit. The Fund's high yield exposure was the largest contributor to performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within corporate credit, the Fund benefited from exposure to higher-beta names (those with greater sensitivity to market movements) in the industrials space. A bias toward financials also had a positive impact. Finally, the Fund's duration stance (sensitivity to interest rate movements) contributed positively to returns as rates generally moved lower throughout the period.

The Fund's duration and yield curve exposure was managed using interest rate derivative instruments such as futures contracts, options and swaps. These positions were put in place to limit the impact of expected volatility in interest rates and to express the Fund's yield curve preference. These positions resulted in a slight net negative impact on performance for the period.

Describe recent portfolio activity.

During the six-month period, the Fund generally favored high quality companies with strong balance sheets. The Fund maintained a bias toward financials, but shifted to a neutral stance in industrials. The Fund increased exposure to the utilities sector, which appeared attractive on a relative basis while offering downside protection should the pace of the economic recovery continue to slow. The Fund maintained an emphasis on liquidity in order to take advantage of select opportunities in corporate credit. The Fund reduced its overall risk profile by decreasing leverage and portfolio duration over the period.

Describe portfolio positioning at period end.

European sovereign debt fears have once again resurfaced and macro risks remain a key driver of market volatility. As of period end, the Fund seeks to maintain a near-term short duration bias and remains cautiously optimistic on corporate credit.

The Fund maintained diversified exposure across investment grade and high yield corporate credits. Portfolio holdings at period end reflected a bias toward higher-quality issues and a preference for more stable industries and companies that offer good cash flows, earnings and revenue visibility and attractive downside protection. The Fund's corporate credit holdings reflect a bias toward utilities over financials and industrials. The Fund favors media cable and media non-cable names as well as insurance companies.

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.

8 SEMI-ANNUAL REPORT APRIL 30, 2012

BlackRock Credit Allocation Income Trust III**Fund Information**

| | |
|---|-------------------|
| Symbol on NYSE | BPP |
| Initial Offering Date | February 28, 2003 |
| Yield on Closing Market Price as of April 30, 2012 (\$11.43) ¹ | 6.67% |
| Current Monthly Distribution per Common Share ² | \$0.0635 |
| Current Annualized Distribution per Common Share ² | \$0.7620 |
| Economic Leverage as of April 30, 2012 ³ | 24% |

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

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

³Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Fund (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 Fund, please see The Benefits and Risks of Leveraging on page 14.

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

| | 4/30/12 | 10/31/11 | Change | High | Low |
|-----------------|---------|----------|--------|---------|---------|
| Market Price | \$11.43 | \$10.53 | 8.55% | \$11.45 | \$10.05 |
| Net Asset Value | \$12.49 | \$12.07 | 3.48% | \$12.55 | \$11.58 |

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

Portfolio Composition

| | 4/30/12 10/31/11 | | | |
|-------------------------|------------------|---|----|---|
| Corporate Bonds | 83 | % | 83 | % |
| Preferred Securities | 15 | | 15 | |
| US Treasury Obligations | 1 | | 1 | |
| Taxable Municipal Bonds | 1 | | 1 | |

Credit Quality Allocations⁴

| | 4/30/12 10/31/11 | | | |
|----------------------|------------------|---|----|---|
| AAA/Aaa ⁵ | 1 | % | 1 | % |
| AA/Aa | 4 | | 6 | |
| A | 27 | | 31 | |
| BBB/Baa | 39 | | 37 | |
| BB/Ba | 16 | | 15 | |
| B | 8 | | 8 | |
| CCC/Caa | 1 | | 1 | |
| Not Rated | 4 | | 1 | |

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

⁵Includes US Treasury obligations that are deemed AAA by the investment advisor.

SEMI-ANNUAL REPORT APRIL 30, 2012 9

Fund Summary as of April 30, 2012 **BlackRock Credit Allocation Income Trust IV**

Fund Overview

BlackRock Credit Allocation Income Trust IV's (BTZ) (the "Fund") investment objective is to provide current income, current gains and capital appreciation. The Fund 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 Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended April 30, 2012, the Fund returned 13.87% based on market price and 7.46% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds (BBB-Rated) category posted an average return of 8.46% based on market price and 5.24% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on market price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Spread sectors outperformed government-related debt for the six-month period as improving US economic fundamentals and accommodative monetary policy provided a backdrop that was conducive to credit spread compression. Accordingly, the Fund benefited from its allocations to investment grade and high yield corporate credit. The Fund's high yield exposure was the largest contributor to performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within corporate credit, the Fund benefited from exposure to higher-beta names (those with greater sensitivity to market movements) in the industrials space. A bias toward financials also had a positive impact. Finally, the Fund's duration stance (sensitivity to interest rate movements) contributed positively to returns as rates generally moved lower throughout the period.

The Fund's duration and yield curve exposure was managed using interest rate derivative instruments such as futures contracts, options and swaps. These positions were put in place to limit the impact of expected volatility in interest rates and to express the Fund's yield curve preference. These positions resulted in a slight net negative impact on performance for the period.

Describe recent portfolio activity.

During the six-month period, the Fund generally favored high quality companies with strong balance sheets. The Fund maintained a bias toward financials, but shifted to a neutral stance in industrials. The Fund increased exposure to the utilities sector, which appeared attractive on a relative basis while offering downside protection should the pace of the economic recovery continue to slow. The Fund maintained an emphasis on liquidity in order to take advantage of select opportunities in corporate credit. The Fund reduced its overall risk profile by decreasing leverage and portfolio duration over the period.

Describe portfolio positioning at period end.

European sovereign debt fears have once again resurfaced and macro risks remain a key driver of market volatility. As of period end, the Fund seeks to maintain a near-term short duration bias and remains cautiously optimistic on corporate credit.

The Fund maintained diversified exposure across investment grade and high yield corporate credits. Portfolio holdings at period end reflected a bias toward higher-quality issues and a preference for more stable industries and companies that offer good cash flows, earnings and revenue visibility and attractive downside protection. The Fund's corporate credit holdings reflect a bias toward utilities over financials and industrials. The Fund favors media cable and media non-cable names as well as insurance companies.

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.

10SEMI-ANNUAL REPORT APRIL 30, 2012

BlackRock Credit Allocation Income Trust IV

Fund Information

| | |
|---|-------------------|
| Symbol on NYSE | BTZ |
| Initial Offering Date | December 27, 2006 |
| Yield on Closing Market Price as of April 30, 2012 (\$13.26) ¹ | 7.10% |
| Current Monthly Distribution per Common Share ² | \$0.0785 |
| Current Annualized Distribution per Common Share ² | \$0.9420 |
| Economic Leverage as of April 30, 2012 ³ | 27% |

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

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

³Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Fund (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 Fund, please see The Benefits and Risks of Leveraging on page 14.

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

| | 4/30/12 | 10/31/11 | Change | High | Low |
|-----------------|---------|----------|--------|---------|---------|
| Market Price | \$13.26 | \$12.08 | 9.77% | \$13.34 | \$11.76 |
| Net Asset Value | \$14.44 | \$13.94 | 3.59% | \$14.51 | \$13.37 |

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

Portfolio Composition

| | 4/30/12 | 10/31/11 |
|-------------------------|---------|----------|
| Corporate Bonds | 78 % | 80 % |
| Preferred Securities | 18 | 17 |
| Asset Backed Securities | 2 | 1 |
| US Treasury Obligations | 1 | 1 |
| Taxable Municipal Bonds | 1 | 1 |

Credit Quality Allocations⁴

| | 4/30/12 | 10/31/11 |
|----------------------|---------|----------|
| AAA/Aaa ⁵ | 2 % | 1 % |
| AA/Aa | 3 | 7 |
| A | 29 | 29 |
| BBB/Baa | 40 | 37 |
| BB/Ba | 16 | 16 |
| B | 7 | 8 |
| CCC/Caa | 1 | |
| Not Rated | 2 | 2 |

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

⁵Includes US Treasury Obligations that are deemed AAA by the investment advisor.

Fund Summary as of April 30, 2012 **BlackRock Floating Rate Income Trust**

Fund Overview

BlackRock Floating Rate Income Trust's (BGT) (the "Fund") primary investment objective is to provide a high level of current income. The Fund's secondary investment objective is to seek the preservation of capital. The Fund 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 US and non-US 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 Fund expects that the average effective duration of its portfolio will be no more than 1.5 years. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended April 30, 2012, the Fund returned 16.01% based on market price and 6.83% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 12.22% based on market price and 7.00% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on market price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Security selection among higher-quality loan instruments had a positive impact on the Fund's performance. Selection in the electric and diversified manufacturing sectors also boosted returns. The Fund's tactical exposure to high yield bonds contributed positively as the asset class outperformed loans given improving investor demand for riskier assets over the six-month period.

The Fund's higher-quality loan bias, the core of its investment strategy, detracted from performance as lower-quality loan instruments rallied higher amid increasing demand for risk. The Fund's exposure to the media non-cable sector also had a negative effect on returns.

Describe recent portfolio activity.

The period began with severe market volatility in reaction to headwinds from Europe's debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced a long-term refinancing operation. This liquidity program provided a much-needed short-term fix for the financial markets and helped to mitigate the risk of a collapse in the European banking system. Moreover, it was the catalyst for a positive turn in the valuation of risk assets.

During the period, the Fund maintained its focus on the higher quality portions of the loan market in terms of loan structure, liquidity and overall credit quality. Given the fragile outlook for global growth, the Fund remained cautious of lower-rated less-liquid loans. The Fund sought issuers with attractive risk-reward characteristics and superior fundamentals. While the developments during the period bode well for the posture of risk markets going forward, the Fund continues to maintain a high quality bias.

Describe portfolio positioning at period end.

At period end, the Fund held 81% of its total portfolio in floating rate loan interests (bank loans) and 15% in corporate bonds, with the remainder invested in a mix of asset-backed securities, foreign agency obligations and common

stocks. The Fund's largest sector exposures included media non-cable, media cable, and chemicals. The Fund ended the period with leverage at 29% of its total managed assets.

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

12SEMI-ANNUAL REPORT APRIL 30, 2012

BlackRock Floating Rate Income Trust**Fund Information**

| | |
|---|-----------------|
| Symbol on NYSE | BGT |
| Initial Offering Date | August 30, 2004 |
| Yield on Closing Market Price as of April 30, 2012 (\$14.41) ¹ | 6.45% |
| Current Monthly Distribution per Common Share ² | \$0.0775 |
| Current Annualized Distribution per Common Share ² | \$0.9300 |
| Economic Leverage as of April 30, 2012 ³ | 29% |

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

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

³Represents the loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (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 Fund, please see The Benefits and Risks of Leveraging on page 14.

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

| | 4/30/12 | 10/31/11 | Change | High | Low |
|-----------------|----------------|-----------------|---------------|-------------|------------|
| Market Price | \$14.41 | \$13.00 | 10.85% | \$14.57 | \$12.55 |
| Net Asset Value | \$14.26 | \$13.97 | 2.08% | \$14.26 | \$13.53 |

The following charts show the portfolio composition of the Fund's long-term investments and credit quality allocations of the Fund's long-term investments excluding common stocks and floating rate loan interests:

Portfolio Composition

| | 4/30/12 | | 10/31/11 | |
|------------------------------|----------------|---|-----------------|---|
| Floating Rate Loan Interests | 81 | % | 78 | % |
| Corporate Bonds | 15 | | 18 | |
| Asset Backed Securities | 2 | | 2 | |
| Foreign Agency Obligations | 1 | | 1 | |
| Common Stocks | 1 | | | |
| Other Interests | | | 1 | |

Credit Quality Allocations⁴

| | 4/30/12 | | 10/31/11 | |
|-----------|----------------|---|-----------------|---|
| AAA/Aaa | 2 | % | | |
| AA/Aa | 8 | | 9 | % |
| A | 1 | | 2 | |
| BBB/Baa | 20 | | 25 | |
| BB/Ba | 32 | | 27 | |
| B | 33 | | 34 | |
| CCC/Caa | | | 1 | |
| Not Rated | 4 | | 2 | |

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

SEMI-ANNUAL REPORT APRIL 30, 2012 13

The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV of their common shares (“Common Shares”). However, these objectives cannot be achieved in all interest rate environments.

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

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

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

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

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

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

certain types of hedging strategies. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by Shareholders and may reduce income.

Under the Investment Company Act of 1940, as amended (the “1940 Act”), the Funds are permitted to issue senior securities representing indebtedness up to 33¹/₃% of their total managed assets (each Fund’s net assets plus the proceeds of any outstanding borrowings used for leverage). If the Funds segregate liquid assets having a value not less than the repurchase price (including accrued interest), a reverse repurchase agreement will not be considered a senior security and therefore will not be subject to this limitation. Each Fund, however, voluntarily limits its aggregate economic leverage to 50% of its managed assets. As of April 30, 2012, the Funds had aggregate economic leverage from reverse repurchase agreements and/or borrowings through a credit facility as a percentage of their total managed assets as follows:

**Percent of
Economic
Leverage**

PSW 28%

PSY 27%

BPP 24%

BTZ 27%

BGT 29%

14 SEMI-ANNUAL REPORT APRIL 30, 2012

Derivative Financial Instruments

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

SEMI-ANNUAL REPORT APRIL 30, 2012 15

Schedule of Investments April 30, 2012 (Unaudited) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**
(Percentages shown are based on Net Assets)

| Asset-Backed Securities | Par (000) | Value |
|---|----------------------|--------------|
| 321 Henderson Receivables I LLC, Series 2012-1A, Class A, 4.21%, 2/16/65 (a) | USD250 | \$257,043 |
| Atrium CDO Corp., Series 5A, Class A4, 0.88%, 7/20/20 (a)(b) | 650 | 549,250 |
| SLM Student Loan Trust, Series 2004-B, Class A2, 0.67%, 6/15/21 (b) | 468 | 448,515 |
| Total Asset-Backed Securities 1.1% | | 1,254,808 |
| Corporate Bonds | | |
| Aerospace & Defense 1.1% | | |
| BE Aerospace, Inc., 8.50%, 7/01/18 | 560 | 620,200 |
| Huntington Ingalls Industries, Inc.: 6.88%, 3/15/18 | 150 | 158,625 |
| 7.13%, 3/15/21 | 140 | 148,225 |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | 282 | 303,150 |
| | | 1,230,200 |
| Airlines 0.7% | | |
| American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23 | 112 | 117,743 |
| Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17 | 314 | 343,411 |
| Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24 | 260 | 273,571 |
| | | 734,725 |
| Auto Components 0.8% | | |
| Delphi Corp., 6.13%, 5/15/21 (a) | 130 | 138,450 |
| Icahn Enterprises LP: 7.75%, 1/15/16 | 560 | 598,500 |
| 8.00%, 1/15/18 | 140 | 147,350 |
| | | 884,300 |
| Beverages 0.5% | | |
| Constellation Brands, Inc., 7.25%, 5/15/17 | 460 | 519,800 |
| Building Products 0.3% | | |
| Building Materials Corp. of America (a): 7.00%, 2/15/20 | 85 | 90,738 |
| 6.75%, 5/01/21 | 220 | 229,075 |
| | | 319,813 |
| Capital Markets 4.7% | | |
| Ameriprise Financial, Inc., 5.30%, 3/15/20 (c) | 750 | 838,547 |
| E*Trade Financial Corp., 12.50%, 11/30/17 | 440 | 512,600 |
| The Goldman Sachs Group, Inc. (c): 5.75%, 1/24/22 | 385 | 402,015 |
| 6.25%, 2/01/41 | 1,050 | 1,066,950 |
| Morgan Stanley (c): | | |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|--|-------|-----------|
| 5.75%, 1/25/21 | 1,025 | 1,012,120 |
| 5.50%, 7/28/21 | 265 | 259,073 |
| Murray Street Investment Trust I, 4.65%, 3/09/17 (d) | 150 | 150,901 |
| UBS AG (c): | | |
| 2.25%, 1/28/14 | 375 | 376,946 |
| 5.88%, 7/15/16 | 650 | 687,348 |
| | | 5,306,500 |

Chemicals 1.4%

| | | |
|--|-----|---------|
| Ashland, Inc., 9.13%, 6/01/17 | 10 | 11,100 |
| Celanese US Holdings LLC, 5.88%, 6/15/21 | 370 | 396,825 |

Corporate Bonds

Chemicals (concluded)

| | Par (000) | Value |
|--|----------------------|--------------|
| Hexion US Finance Corp., 6.63%, 4/15/20 (a) | USD 200 | \$ 209,000 |
| Ineos Finance Plc (a): | | |
| 8.38%, 2/15/19 | 100 | 107,250 |
| 7.50%, 5/01/20 | 175 | 179,813 |
| LyondellBasell Industries NV, 5.75%, 4/15/24 (a) | 445 | 459,462 |
| Solutia, Inc., 7.88%, 3/15/20 | 200 | 233,500 |
| | | 1,596,950 |

Commercial Banks 5.0%

| | | |
|--|-----|-----------|
| Amsouth Bank, Series AI, 4.85%, 4/01/13 | 200 | 203,000 |
| Asciano Finance Ltd., 5.00%, 4/07/18 (a) | 200 | 208,196 |
| Associated Banc-Corp, 5.13%, 3/28/16 | 515 | 545,222 |
| Branch Banking & Trust Co. (b): | | |
| 0.79%, 9/13/16 | 250 | 235,636 |
| 0.79%, 5/23/17 | 150 | 139,894 |
| CIT Group, Inc.: | | |
| 7.00%, 5/02/16 (a) | 370 | 370,925 |
| 7.00%, 5/02/17 (a) | 310 | 310,775 |
| 5.25%, 3/15/18 | 280 | 288,400 |
| 5.50%, 2/15/19 (a) | 240 | 246,600 |
| City National Corp., 5.25%, 9/15/20 (c) | 550 | 587,757 |
| Discover Bank, 8.70%, 11/18/19 | 300 | 378,392 |
| HSBC Finance Corp., 6.68%, 1/15/21 (c) | 350 | 377,995 |
| Regions Financial Corp.: | | |
| 4.88%, 4/26/13 | 600 | 618,000 |
| 5.75%, 6/15/15 | 460 | 485,300 |
| SVB Financial Group, 5.38%, 9/15/20 (c) | 550 | 605,146 |
| | | 5,601,238 |

Commercial Services & Supplies 4.0%

| | | |
|--|-------|-----------|
| Aviation Capital Group Corp. (a): | | |
| 7.13%, 10/15/20 (c) | 2,200 | 2,250,159 |
| 6.75%, 4/06/21 | 550 | 544,170 |
| Casella Waste Systems, Inc., 7.75%, 2/15/19 | 169 | 166,465 |
| Clean Harbors, Inc., 7.63%, 8/15/16 | 306 | 321,300 |
| Corrections Corp. of America, 7.75%, 6/01/17 | 775 | 840,875 |
| Covanta Holding Corp., 6.38%, 10/01/22 | 155 | 159,435 |
| Iron Mountain, Inc., 7.75%, 10/01/19 | 90 | 98,100 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | 65 | 69,550 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

4,450,054

Communications Equipment 1.0%

| | | |
|---|-----|-----------|
| Avaya, Inc., 9.75%, 11/01/15 (c) | 200 | 198,250 |
| Brocade Communications Systems, Inc., 6.88%, 1/15/20 (c) | 700 | 764,750 |
| Hughes Satellite Systems Corp., 6.50%, 6/15/19 | 100 | 107,000 |
| | | 1,070,000 |

Construction Materials 0.2%

| | | |
|-------------------------------------|-----|---------|
| HD Supply, Inc., 8.13%, 4/15/19 (a) | 210 | 225,488 |
|-------------------------------------|-----|---------|

Consumer Finance 5.3%

| | | |
|---|-------|-----------|
| American Express Credit Corp., 2.75%, 9/15/15 (c) | 1,400 | 1,452,643 |
| Capital One Bank USA NA, 8.80%, 7/15/19 | 775 | 978,748 |
| Daimler Finance North America LLC, 2.63%, 9/15/16 (a) | 800 | 827,213 |
| Ford Motor Credit Co. LLC: 7.00%, 4/15/15 | 690 | 769,350 |
| 5.88%, 8/02/21 | 140 | 158,212 |
| Inmarsat Finance Plc, 7.38%, 12/01/17 (a) | 420 | 451,500 |
| SLM Corp., 6.25%, 1/25/16 | 1,180 | 1,215,400 |
| Toll Brothers Finance Corp., 5.88%, 2/15/22 | 95 | 98,317 |
| | | 5,951,383 |

Portfolio Abbreviations

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

| | |
|------------------------------|-------------------------------------|
| CAD Canadian Dollar | GBP British Pound |
| | London |
| CHF Swiss Franc | LIBOR InterBank Offered Rate |
| EUR Euro | RB Revenue Bonds |
| FKA Formerly Known As | USD US Dollar |

See Notes to Financial Statements.

16SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|--|----------------------|--------------|
| Containers & Packaging 1.5% | | |
| Ardagh Packaging Finance Plc, 9.13%, 10/15/20 (a) | USD 200 | \$ 216,500 |
| Ball Corp.: | | |
| 7.13%, 9/01/16 | 400 | 438,000 |
| 6.75%, 9/15/20 | 505 | 558,025 |
| Bemis Co., Inc., 6.80%, 8/01/19 | 200 | 238,439 |
| Crown Americas LLC, 6.25%, 2/01/21 | 200 | 217,500 |
| Sealed Air Corp., 8.38%, 9/15/21 (a) | 30 | 34,050 |
| | | 1,702,514 |
| Diversified Financial Services 8.6% | | |
| Ally Financial, Inc.: | | |
| 4.50%, 2/11/14 | 225 | 227,250 |
| 8.30%, 2/12/15 | 390 | 428,025 |
| 8.00%, 11/01/31 | 230 | 263,350 |
| Bank of America Corp. (c): | | |
| 3.75%, 7/12/16 | 350 | 348,495 |
| 5.30%, 3/15/17 | 855 | 891,720 |
| 5.00%, 5/13/21 | 1,325 | 1,318,799 |
| Citigroup, Inc. (c): | | |
| 6.38%, 8/12/14 | 300 | 323,518 |
| 4.59%, 12/15/15 | 225 | 235,665 |
| 4.45%, 1/10/17 | 600 | 626,762 |
| DPL, Inc., 7.25%, 10/15/21 (a) | 255 | 283,050 |
| General Motors Financial Co., Inc., 6.75%, 6/01/18 | 120 | 127,804 |
| ING Bank NV, 5.00%, 6/09/21 (a)(c) | 550 | 560,242 |
| Intesa Sanpaolo SpA: | | |
| 2.38%, 12/21/12 | 800 | 788,678 |
| 6.50%, 2/24/21 (a)(c) | 100 | 90,856 |
| Moody's Corp., 6.06%, 9/07/17 | 2,500 | 2,629,082 |
| Reynolds Group Issuer, Inc. (a): | | |
| 7.88%, 8/15/19 | 255 | 275,400 |
| 9.88%, 8/15/19 | 100 | 104,250 |
| WMG Acquisition Corp., 9.50%, 6/15/16 (a) | 50 | 54,625 |
| | | 9,577,571 |
| Diversified Telecommunication Services 3.5% | | |
| AT&T, Inc., 6.30%, 1/15/38 (c) | 1,000 | 1,198,478 |
| Level 3 Financing, Inc. (a): | | |
| 8.13%, 7/01/19 | 898 | 922,695 |
| 8.63%, 7/15/20 | 150 | 157,125 |
| Telecom Italia Capital SA, 6.18%, 6/18/14 | 225 | 232,268 |
| Telefonica Emisiones SAU, 5.46%, 2/16/21 | 310 | 291,349 |
| Verizon Communications, Inc., 7.35%, 4/01/39 (c) | 660 | 905,356 |
| Windstream Corp., 7.88%, 11/01/17 | 160 | 176,800 |
| | | 3,884,071 |

Electric Utilities 1.8%

| | | |
|---|-------|-----------|
| CMS Energy Corp., 5.05%, 3/15/22 | 275 | 279,923 |
| Great Plains Energy, Inc., 5.29%, 6/15/22 (d) | 375 | 409,933 |
| Progress Energy, Inc., 7.00%, 10/30/31 (c) | 1,000 | 1,305,337 |
| | | 1,995,193 |

Electronic Equipment, Instruments & Components 0.3%

| | | |
|-------------------------------------|-----|---------|
| Jabil Circuit, Inc., 8.25%, 3/15/18 | 200 | 233,000 |
| NXP BV, 3.22%, 10/15/13 (b) | 95 | 95,000 |
| | | 328,000 |

Energy Equipment & Services 2.9%

| | | |
|--|-----|---------|
| Atwood Oceanics, Inc., 6.50%, 2/01/20 | 25 | 26,313 |
| Energy Transfer Partners LP, 5.20%, 2/01/22 | 700 | 746,126 |
| Ensco Plc, 4.70%, 3/15/21 (c) | 460 | 501,932 |
| Frac Tech Services LLC, 7.13%, 11/15/18 (a) | 250 | 258,125 |
| Hornbeck Offshore Services, Inc., 5.88%, 4/01/20 (a) | 65 | 64,837 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | 175 | 180,250 |
| MEG Energy Corp., 6.50%, 3/15/21 (a) | 225 | 236,812 |
| Oil States International, Inc., 6.50%, 6/01/19 | 120 | 126,900 |
| Peabody Energy Corp., 6.25%, 11/15/21 (a) | 370 | 374,625 |

Corporate Bonds

| | Par (000) | Value |
|--|--------------|-----------|
| Energy Equipment & Services (concluded) | | |
| Transocean, Inc.: | | |
| 6.50%, 11/15/20 | USD 265 | \$304,333 |
| 6.38%, 12/15/21 | 320 | 374,718 |
| | | 3,194,971 |

Food & Staples Retailing 1.3%

| | | |
|---|-------|-----------|
| Wal-Mart Stores, Inc., 6.20%, 4/15/38 (c) | 1,075 | 1,406,861 |
|---|-------|-----------|

Food Products 0.9%

| | | |
|---|-----|-----------|
| Kraft Foods, Inc.: | | |
| 6.50%, 8/11/17 | 385 | 467,161 |
| 6.13%, 8/23/18 | 390 | 471,705 |
| Smithfield Foods, Inc., 10.00%, 7/15/14 | 86 | 100,620 |
| | | 1,039,486 |

Gas Utilities 0.2%

| | | |
|---|-----|---------|
| El Paso Natural Gas Co., 8.63%, 1/15/22 | 165 | 208,833 |
|---|-----|---------|

Health Care Equipment & Supplies 0.6%

| | | |
|---|-----|---------|
| Fresenius US Finance II, Inc., 9.00%, 7/15/15 (a) | 500 | 573,125 |
| Teleflex, Inc., 6.88%, 6/01/19 | 115 | 123,050 |
| | | 696,175 |

Health Care Providers & Services 3.1%

| | | |
|---|-----|---------|
| Aetna, Inc., 6.75%, 12/15/37 | 400 | 519,291 |
| Aviv Healthcare Properties LP, 7.75%, 2/15/19 | 105 | 109,200 |
| HCA, Inc.: | | |
| 8.50%, 4/15/19 | 55 | 61,703 |
| 6.50%, 2/15/20 | 560 | 599,200 |
| 7.25%, 9/15/20 | 195 | 215,962 |
| INC Research LLC, 11.50%, 7/15/19 (a) | 165 | 162,113 |
| inVentiv Health, Inc., 10.00%, 8/15/18 (a) | 60 | 53,800 |
| Tenet Healthcare Corp.: | | |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|--|-----|-----------|
| 10.00%, 5/01/18 | 350 | 404,250 |
| 8.88%, 7/01/19 | 250 | 280,312 |
| UnitedHealth Group, Inc., 6.88%, 2/15/38 (c) | 800 | 1,071,761 |
| | | 3,477,592 |

Health Care Technology 0.9%

| | | |
|---------------------|-----|-----------|
| Amgen, Inc.: | | |
| 5.15%, 11/15/41 (c) | 957 | 997,334 |
| 5.65%, 6/15/42 | 8 | 8,900 |
| | | 1,006,234 |

Household Durables 0.2%

| | | |
|--|-----|---------|
| Standard Pacific Corp., 8.38%, 1/15/21 | 210 | 221,550 |
|--|-----|---------|

Independent Power Producers & Energy Traders 1.1%

| | | |
|---|-----|-----------|
| AES Corp.: | | |
| 9.75%, 4/15/16 | 235 | 277,300 |
| 7.38%, 7/01/21 (a) | 30 | 33,375 |
| Calpine Corp., 7.25%, 10/15/17 (a) | 100 | 106,750 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | 440 | 485,650 |
| Laredo Petroleum, Inc.: | | |
| 9.50%, 2/15/19 | 70 | 78,225 |
| 7.38%, 5/01/22 (a) | 65 | 67,275 |
| QEP Resources, Inc., 5.38%, 10/01/22 | 134 | 134,000 |
| | | 1,182,575 |

Insurance 6.8%

| | | |
|---|-----------|-----------|
| American International Group, Inc.: | | |
| 3.80%, 3/22/17 (c) | 345 | 356,322 |
| 8.25%, 8/15/18 | 150 | 181,744 |
| 6.40%, 12/15/20 (c) | 610 | 700,682 |
| Aon Corp., 5.00%, 9/30/20 (c) | 1,600 | 1,777,771 |
| Fairfax Financial Holdings Ltd., 5.80%, 5/15/21 (a) | 700 | 680,129 |
| Forethought Financial Group, Inc., 8.63%, 4/15/21 (a) | 250 | 255,678 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | 225 | 222,165 |
| ING Verzekeringen NV, 2.69%, 6/21/21 (b) | EUR 110 | 136,143 |
| Manulife Financial Corp., 4.90%, 9/17/20 | USD 1,000 | 1,044,983 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a) | 100 | 86,250 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 17

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|---|----------------------|--------------|
| Insurance (concluded) | | |
| Principal Financial Group, Inc., 8.88%, 5/15/19 | USD 225 | \$291,423 |
| Prudential Financial, Inc., 6.63%, 12/01/37 (c) | 800 | 927,734 |
| XL Group Ltd., 5.75%, 10/01/21 | 810 | 895,790 |
| | | 7,556,814 |
| IT Services 0.7% | | |
| Epicor Software Corp., 8.63%, 5/01/19 | 160 | 165,600 |
| Fidelity National Information Services, Inc., 5.00%, 3/15/22 (a) | 70 | 70,000 |
| First Data Corp.: 7.38%, 6/15/19 (a) | 215 | 219,837 |
| 8.25%, 1/15/21 (a) | 20 | 19,700 |
| 12.63%, 1/15/21 | 170 | 170,425 |
| SunGard Data Systems, Inc., 7.38%, 11/15/18 | 170 | 181,475 |
| | | 827,037 |
| Life Sciences Tools & Services 1.9% | | |
| Bio-Rad Laboratories, Inc., 8.00%, 9/15/16 | 865 | 955,825 |
| Life Technologies Corp., 6.00%, 3/01/20 (c) | 1,000 | 1,162,765 |
| | | 2,118,590 |
| Machinery 1.1% | | |
| Ingersoll-Rand Global Holding Co., Ltd., 9.50%, 4/15/14 | 800 | 919,474 |
| UR Financing Escrow Corp. (a): 5.75%, 7/15/18 | 55 | 56,788 |
| 7.38%, 5/15/20 | 140 | 147,000 |
| 7.63%, 4/15/22 | 129 | 136,417 |
| | | 1,259,679 |
| Media 8.6% | | |
| AMC Networks, Inc., 7.75%, 7/15/21 (a) | 90 | 100,575 |
| CCH II LLC, 13.50%, 11/30/16 | 541 | 611,330 |
| Comcast Corp., 6.30%, 11/15/17 | 800 | 970,414 |
| Cox Communications, Inc., 8.38%, 3/01/39 (a) | 800 | 1,148,628 |
| CSC Holdings LLC: 8.50%, 4/15/14 | 160 | 176,400 |
| 8.63%, 2/15/19 | 275 | 312,125 |
| DIRECTV Holdings LLC, 5.00%, 3/01/21 (c) | 600 | 656,128 |
| DISH DBS Corp., 7.00%, 10/01/13 | 450 | 482,063 |
| Intelsat Jackson Holdings SA, 7.25%, 4/01/19 | 50 | 52,125 |
| Intelsat Luxemburg SA: 11.25%, 2/04/17 | 150 | 155,625 |
| 11.50%, 2/04/17 (e) | 100 | 104,250 |
| The Interpublic Group of Cos., Inc., 10.00%, 7/15/17 | 275 | 313,156 |
| Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a) | 230 | 245,525 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|-----|-----------|
| News America, Inc., 6.15%, 3/01/37 (c) | 950 | 1,055,212 |
| Time Warner Cable, Inc., 6.75%, 6/15/39 | 925 | 1,115,360 |
| Time Warner, Inc., 7.70%, 5/01/32 (c) | 950 | 1,244,645 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a) | 240 | 257,400 |
| Virgin Media Secured Finance Plc, 6.50%, 1/15/18 | 600 | 654,000 |
| | | 9,654,961 |

Metals & Mining 2.2%

| | | |
|---|-----|-----------|
| Alcoa, Inc., 5.40%, 4/15/21 | 155 | 162,906 |
| Barrick Gold Corp., 2.90%, 5/30/16 (c) | 275 | 288,369 |
| Barrick North America Finance LLC, 5.70%, 5/30/41 (c) | 300 | 330,570 |
| Freeport-McMoRan Copper & Gold, Inc., 3.55%, 3/01/22 | 325 | 321,127 |
| Freeport-McMoRan Corp., 7.13%, 11/01/27 | 700 | 863,821 |
| New Gold, Inc., 7.00%, 4/15/20 (a) | 30 | 30,675 |
| Novelis, Inc., 8.75%, 12/15/20 | 230 | 253,575 |
| Teck Resources Ltd., 10.75%, 5/15/19 | 200 | 247,500 |
| | | 2,498,543 |

Corporate Bonds

Multi-Utilities 1.6%

| | | |
|---------------------------|---------|------------|
| CenterPoint Energy, Inc.: | | |
| 5.95%, 2/01/17 | USD 750 | \$ 857,432 |
| 6.50%, 5/01/18 | 775 | 922,291 |
| | | 1,779,723 |

Multiline Retail 0.3%

| | | |
|---|-----|---------|
| JC Penney Co., Inc., 5.65%, 6/01/20 (c) | 360 | 349,200 |
|---|-----|---------|

Oil, Gas & Consumable Fuels 13.2%

| | | |
|---|-------|-----------|
| Anadarko Petroleum Corp.: | | |
| 5.95%, 9/15/16 | 244 | 282,099 |
| 6.38%, 9/15/17 | 10 | 11,884 |
| Berry Petroleum Co., 6.38%, 9/15/22 | 100 | 104,000 |
| BP Capital Markets Plc, 3.88%, 3/10/15 (c) | 350 | 374,870 |
| Buckeye Partners LP, 4.88%, 2/01/21 | 225 | 232,426 |
| Chesapeake Midstream Partners LP: | | |
| 5.88%, 4/15/21 | 140 | 133,000 |
| 6.13%, 7/15/22 | 110 | 105,875 |
| Chesapeake Oilfield Operating LLC, | | |
| 6.63%, 11/15/19 (a)(c) | 15 | 14,100 |
| Concho Resources, Inc., 5.50%, 10/01/22 | 100 | 100,000 |
| CONSOL Energy, Inc., 6.38%, 3/01/21 | 105 | 98,700 |
| Copano Energy LLC, 7.13%, 4/01/21 | 130 | 137,150 |
| DCP Midstream LLC, 4.75%, 9/30/21 (a) | 325 | 350,957 |
| El Paso Pipeline Partners Operating Co. LLC: | | |
| 6.50%, 4/01/20 | 340 | 390,556 |
| 5.00%, 10/01/21 | 125 | 132,056 |
| Enbridge Energy Partners LP, 9.88%, 3/01/19 | 475 | 640,756 |
| Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19 | 240 | 247,800 |
| Enterprise Products Operating LLC, 6.65%, 4/15/18 (c) | 1,000 | 1,210,803 |
| Everest Acquisition LLC / Everest Acquisition | | |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|--|-------|-----------|
| Finance, Inc., 6.88%, 5/01/19 (a) | 80 | 84,000 |
| Forest Oil Corp., 8.50%, 2/15/14 | 295 | 317,125 |
| Kinder Morgan Energy Partners LP, 6.85%, 2/15/20 | 1,000 | 1,209,390 |
| Kodiak Oil & Gas Corp., 8.13%, 12/01/19 (a) | 55 | 58,300 |
| Linn Energy LLC: | | |
| 6.25%, 11/01/19 (a) | 260 | 256,100 |
| 7.75%, 2/01/21 | 110 | 116,050 |
| Marathon Petroleum Corp., 3.50%, 3/01/16 | 325 | 340,898 |
| MarkWest Energy Partners LP, 6.25%, 6/15/22 | 125 | 131,563 |
| Newfield Exploration Co., 6.88%, 2/01/20 | 145 | 154,063 |
| Nexen, Inc., 6.40%, 5/15/37 | 295 | 327,455 |
| Oasis Petroleum, Inc.: | | |
| 7.25%, 2/01/19 | 80 | 84,800 |
| 6.50%, 11/01/21 | 70 | 71,400 |
| OGX Petroleo e Gas Participacoes SA, | | |
| 8.50%, 6/01/18 (a)(c) | 280 | 290,500 |
| ONEOK Partners LP, 8.63%, 3/01/19 | 800 | 1,046,175 |
| Petrobras International Finance Co.: | | |
| 3.88%, 1/27/16 | 875 | 915,980 |
| 5.38%, 1/27/21 | 525 | 575,101 |
| Petrohawk Energy Corp., 10.50%, 8/01/14 | 145 | 160,950 |
| Petroleum Geo-Services ASA, 7.38%, 12/15/18 (a) | 150 | 155,250 |
| Phillips 66, 2.95%, 5/01/17 (a) | 250 | 256,530 |
| Pioneer Natural Resources Co.: | | |
| 6.65%, 3/15/17 | 150 | 170,170 |
| 6.88%, 5/01/18 | 115 | 135,382 |
| Plains Exploration & Production Co.: | | |
| 10.00%, 3/01/16 | 95 | 104,500 |
| 6.75%, 2/01/22 | 15 | 15,600 |
| Precision Drilling Corp., 6.50%, 12/15/21 | 95 | 98,800 |
| Premier Oil Plc, 5.00%, 6/09/18 | 825 | 851,812 |
| Range Resources Corp., 6.75%, 8/01/20 | 200 | 217,000 |
| Ruby Pipeline LLC, 6.00%, 4/01/22 (a) | 700 | 716,751 |
| Samson Investment Co., 9.75%, 2/15/20 (a) | 145 | 151,344 |
| SandRidge Energy, Inc.: | | |
| 7.50%, 3/15/21 | 45 | 45,450 |
| 8.13%, 10/15/22 (a) | 50 | 51,875 |

See Notes to Financial Statements.

18 SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|---|----------------------|--------------|
| Oil, Gas & Consumable Fuels (concluded) | | |
| SM Energy Co.: | | |
| 6.63%, 2/15/19 | USD55 | \$58,025 |
| 6.50%, 11/15/21 | 80 | 84,400 |
| Targa Resources Partners LP, 6.88%, 2/01/21 | 115 | 120,175 |
| Tennessee Gas Pipeline Co., 8.00%, 2/01/16 | 195 | 227,311 |
| Western Gas Partners LP, 5.38%, 6/01/21 | 350 | 381,867 |
| The Williams Cos., Inc., 8.75%, 3/15/32 | 170 | 229,691 |
| | | 14,778,815 |
| Paper & Forest Products 2.5% | | |
| Boise Paper Holdings LLC: | | |
| 9.00%, 11/01/17 | 70 | 77,875 |
| 8.00%, 4/01/20 | 150 | 165,375 |
| Georgia-Pacific LLC, 8.25%, 5/01/16 (a) | 470 | 519,350 |
| International Paper Co.: | | |
| 7.50%, 8/15/21 | 775 | 983,902 |
| 7.30%, 11/15/39 | 800 | 989,883 |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a) | 80 | 80,800 |
| | | 2,817,185 |
| Pharmaceuticals 4.1% | | |
| Capsugel Finance Co. SCA, 9.88%, 8/01/19 (a) | EUR100 | 145,607 |
| Merck & Co., Inc., 6.50%, 12/01/33 | USD475 | 654,982 |
| Pfizer, Inc., 7.20%, 3/15/39 (c) | 2,080 | 3,075,224 |
| Roche Holdings, Inc., 7.00%, 3/01/39 (a)(c) | 420 | 596,113 |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a) | 65 | 67,356 |
| | | 4,539,282 |
| Real Estate Investment Trusts (REITs) 2.8% | | |
| AvalonBay Communities, Inc., 6.10%, 3/15/20 (c) | 800 | 952,522 |
| Developers Diversified Realty Corp.: | | |
| 4.75%, 4/15/18 | 155 | 160,591 |
| 7.88%, 9/01/20 | 175 | 210,167 |
| ERP Operating LP, 5.75%, 6/15/17 | 800 | 920,772 |
| HCP, Inc., 5.38%, 2/01/21 | 250 | 275,430 |
| UDR, Inc., 4.25%, 6/01/18 | 350 | 371,914 |
| Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21 | 270 | 278,361 |
| | | 3,169,757 |
| Real Estate Management & Development 0.4% | | |
| Realogy Corp. (a)(c): | | |
| 7.88%, 2/15/19 | 135 | 132,300 |
| 7.63%, 1/15/20 | 145 | 150,438 |
| Shea Homes LP, 8.63%, 5/15/19 (a) | 110 | 114,675 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

397,413

Road & Rail 1.4%

| | | |
|--|-------|-----------|
| Avis Budget Car Rental LLC, 8.25%, 1/15/19 | 25 | 26,187 |
| Florida East Coast Railway Corp., 8.13%, 2/01/17 | 40 | 41,100 |
| The Hertz Corp., 6.75%, 4/15/19 | 77 | 80,369 |
| Norfolk Southern Corp., 6.00%, 3/15/2105 (c) | 1,200 | 1,391,143 |
| | | 1,538,799 |

Semiconductors & Semiconductor Equipment 0.7%

| | | |
|--|-----|---------|
| Advanced Micro Devices, Inc., 7.75%, 8/01/20 | 190 | 209,475 |
| KLA-Tencor Corp., 6.90%, 5/01/18 | 461 | 557,815 |
| | | 767,290 |

Software 0.1%

| | | |
|---|-----|---------|
| Lawson Software, Inc., 9.38%, 4/01/19 (a) | 140 | 146,300 |
|---|-----|---------|

Specialty Retail 1.2%

| | | |
|---|-----|-----------|
| AutoNation, Inc., 6.75%, 4/15/18 | 445 | 482,825 |
| Limited Brands, Inc., 7.00%, 5/01/20 | 230 | 255,300 |
| QVC, Inc., 7.38%, 10/15/20 (a) | 25 | 27,375 |
| Sally Holdings LLC, 6.88%, 11/15/19 (a) | 140 | 149,100 |
| VF Corp., 5.95%, 11/01/17 | 350 | 417,757 |
| | | 1,332,357 |

Corporate Bonds

**Par
(000) Value**

Tobacco 1.9%

| | | |
|---------------------------------------|--------|--------------|
| Altria Group, Inc., 10.20%, 2/06/39 | USD937 | \$ 1,501,238 |
| Lorillard Tobacco Co., 3.50%, 8/04/16 | 600 | 628,723 |
| | | 2,129,961 |

Wireless Telecommunication Services 4.7%

| | | |
|--|-------|-------------|
| America Movil SAB de CV, 2.38%, 9/08/16 | 585 | 597,002 |
| American Tower Corp.: | | |
| 4.50%, 1/15/18 | 450 | 475,171 |
| 5.90%, 11/01/21 | 295 | 331,598 |
| Cricket Communications, Inc., 7.75%, 5/15/16 | 155 | 163,137 |
| Crown Castle International Corp., 9.00%, 1/15/15 | 210 | 232,050 |
| Crown Castle Towers LLC (a): | | |
| 5.50%, 1/15/37 | 275 | 303,632 |
| 6.11%, 1/15/40 | 300 | 342,592 |
| Digicel Group Ltd., 8.25%, 9/01/17 (a) | 125 | 130,312 |
| Nextel Communications, Inc., Series E, | | |
| 6.88%, 10/31/13 | 195 | 195,000 |
| SBA Tower Trust, 5.10%, 4/15/42 (a) | 1,000 | 1,088,207 |
| Sprint Capital Corp., 6.88%, 11/15/28 | 230 | 171,925 |
| Sprint Nextel Corp. (a): | | |
| 9.00%, 11/15/18 | 540 | 594,675 |
| 7.00%, 3/01/20 | 620 | 632,400 |
| | | 5,257,701 |
| Total Corporate Bonds 108.1% | | 120,731,484 |

Preferred Securities

Capital Trusts

Capital Markets 4.3%

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|-------|-----------|
| Ameriprise Financial, Inc., 7.52%, 6/01/66 (b) | 500 | 530,000 |
| State Street Capital Trust III, 5.46% (b)(f) | 725 | 727,842 |
| State Street Capital Trust IV, 1.47%, 6/01/37 (b) | 4,740 | 3,527,380 |
| | | 4,785,222 |

Commercial Banks 2.5%

| | | |
|--|-----|-----------|
| Barclays Bank Plc (a)(b)(f): | | |
| 5.93%, | 425 | 386,750 |
| 7.43%,(c) | 150 | 150,000 |
| BNP Paribas, 7.20% (a)(b)(c)(f) | 300 | 258,000 |
| Credit Agricole SA, 8.38% (a)(b)(c)(f) | 350 | 308,000 |
| Dresdner Funding Trust I, 8.15%, 6/30/31 (a) | 530 | 426,650 |
| M&T Capital Trust II, 8.28%, 6/01/27 | 910 | 928,200 |
| National City Preferred Capital Trust I, 12.00% (b)(f) | 300 | 319,320 |
| | | 2,776,920 |

Diversified Financial Services 2.0%

| | | |
|--|-------|-----------|
| JPMorgan Chase Capital XXIII, 1.50%, 5/15/47 (b) | 3,085 | 2,282,965 |
|--|-------|-----------|

Electric Utilities 0.4%

| | | |
|---|-----|---------|
| PPL Capital Funding, 6.70%, 3/30/67 (b) | 500 | 495,000 |
|---|-----|---------|

Insurance 8.8%

| | | |
|---|-------|---------|
| Ace Capital Trust II, 9.70%, 4/01/30 | 500 | 683,396 |
| The Allstate Corp., 6.50%, 5/15/67 (b) | 500 | 488,750 |
| American International Group, Inc., 8.18%, 5/15/68 (b) | 225 | 240,469 |
| AXA SA, 6.38% (a)(b)(f) | 1,000 | 795,000 |
| Chubb Corp., 6.38%, 3/29/67 (b)(c) | 500 | 511,875 |
| Farmers Exchange Capital, 7.05%, 7/15/28 (a) | 500 | 553,446 |
| Great-West Life & Annuity Insurance Co., 7.15%, 5/16/46 (a)(b) | 500 | 500,000 |
| Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b) | 500 | 680,000 |
| Lincoln National Corp., 7.00%, 5/17/66 (b) | 500 | 485,000 |
| MetLife, Inc., 6.40%, 12/15/66 | 500 | 489,107 |
| Mitsui Sumitomo Insurance Co., Ltd., 7.00%, 3/15/72 (a)(b) | 320 | 328,777 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 19

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**
(Percentages shown are based on Net Assets)

| Capital Trusts | Par (000) | Value |
|---|----------------------|--------------|
| Insurance (concluded) | | |
| Northwestern Mutual Life Insurance, 6.06%, 3/30/40 (a)(c) | USD900 | \$ 1,072,333 |
| Reinsurance Group of America, 6.75%, 12/15/65 (b) | 700 | 647,712 |
| Swiss Re Capital I LP, 6.85% (a)(b)(f) | 450 | 413,844 |
| ZFS Finance (USA) (a)(b): | | |
| Trust II, 6.45%, 12/15/65 | 1,800 | 1,764,000 |
| Trust IV, 5.88%, 5/09/62 | 146 | 146,182 |
| | | 9,799,891 |
| Multi-Utilities 0.9% | | |
| Dominion Resources Capital Trust I, 7.83%, 12/01/27 | 500 | 513,032 |
| Dominion Resources, Inc., 7.50%, 6/30/66 (b) | 500 | 532,500 |
| | | 1,045,532 |
| Oil, Gas & Consumable Fuels 1.3% | | |
| Enterprise Products Operating LLC, 8.38%, 8/01/66 (b) | 825 | 895,125 |
| TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b) | 500 | 521,946 |
| | | 1,417,071 |
| Total Capital Trusts 20.2% | | 22,602,601 |
| Preferred Stocks | | |
| Shares | | |
| Auto Components 0.1% | | |
| Dana Holding Corp., 4.00% (a) | 1,000 | 125,375 |
| Diversified Financial Services 0.4% | | |
| Ally Financial, Inc., 7.00% (a) | 510 | 432,863 |
| Thrifts & Mortgage Finance 0.0% | | |
| Fannie Mae, Series S, 8.25% (b)(g) | 3,000 | 3,690 |
| Freddie Mac, Series Z, 8.38% (b)(g) | 3,000 | 3,750 |
| | | 7,440 |
| Wireless Telecommunication Services 2.9% | | |
| Centaur Funding Corp., 9.08% (a) | 2,720 | 3,223,200 |
| Total Preferred Stocks 3.4% | | 3,788,878 |
| Trust Preferreds 0.3% | | |
| Diversified Financial Services 0.3% | | |
| GMAC Capital Trust I, Series 2, 8.13% (b) | 13,680 | 321,770 |
| Total Preferred Securities 23.9% | | 26,713,249 |
| Taxable Municipal Bonds 0.9% | | |
| Par (000) | | |
| Metropolitan Transportation Authority, RB, 6.55%, 11/15/31 | USD800 | 981,208 |
| US Government Sponsored Agency Securities 0.3% | | |

Agency Obligations 0.3%

| | | |
|------------------------------------|-----|---------|
| Fannie Mae, 4.23%, 10/09/19 (c)(h) | 390 | 314,003 |
|------------------------------------|-----|---------|

US Treasury Obligations

| | Par (000) | Value |
|---|--------------------------------------|------------------|
| US Treasury Bonds (c): | | |
| 3.75%, 8/15/41 | USD 236 | \$ 266,459 |
| 3.13%, 11/15/41 | 740 | 742,312 |
| US Treasury Notes, 0.88%, 12/31/16 (c) | 901 | 906,350 |
| Total US Treasury Obligations 1.7% | | 1,915,121 |
| Total Long-Term Investments | | |
| (Cost \$143,090,707) 136.0% | | 151,909,873 |
| Short-Term Securities | Shares | |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (i)(j) | 621,268 | 621,268 |
| Total Short-Term Securities | | |
| (Cost \$621,268) 0.6% | | 621,268 |
| Options Purchased | Contracts | |
| Exchange-Traded Put Options 0.0% | | |
| S&P 500 Index, Strike Price USD 1,200.00, Expires 6/16/12 | 67 | 17,420 |
| | Notional Amount (000) | |
| Over-the-Counter Interest Rate Call Swaptions 0.0% | | |
| Receive a fixed rate of 2.40% and pay a floating rate based on 3-month LIBOR, expires 5/11/12, Broker Citibank NA | USD 1,300 | 46 |
| Receive a fixed rate of 2.61% and pay a floating rate based on 3-month LIBOR, expires 4/05/13, Broker Citibank NA | 800 | 37,051 37,097 |
| Over-the-Counter Interest Rate Put Swaptions 0.1% | | |
| Receive a fixed rate of 2.61% and pay a floating rate based on 3-month LIBOR, expires 4/05/13, Broker Citibank NA | 800 | 16,824 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 9/16/13, Broker Credit Suisse Securities (USA) LLC | EUR 1,300 | 6,516 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 10/21/13, Broker Deutsche Bank AG | 1,300 | 7,984 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 12/12/13, Broker Credit Suisse Securities (USA) LLC | 900 | 7,148 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 2/02/17, Broker Deutsche Bank AG | USD 1,200 | 40,277 78,749 |

Short-Term Securities
Total Short-Term Securities
Options Purchased**Exchange-Traded Put Options 0.0%**
Over-the-Counter Interest Rate Call Swaptions 0.0%
Over-the-Counter Interest Rate Put Swaptions 0.1%

| | |
|---|-------------|
| Total Options Purchased | |
| (Cost \$429,102) 0.1% | 133,266 |
| Total Investments Before Options Written | |
| (Cost \$144,141,077) 136.7% | 152,664,407 |

See Notes to Financial Statements.

20SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**
 (Percentages shown are based on Net Assets)

| Options Written | Contracts Value |
|--|--------------------------------------|
| Over-the-Counter Call Options (0.0)% | |
| S&P 500 Index, Strike Price USD 1,450.00, Expires 6/15/12, Broker Deutsche Bank AG | 1,700 \$(12,394) |
| | Notional Amount (000) |
| Over-the-Counter Interest Rate Put Swaptions (0.0)% | |
| Receive a fixed rate of 6.00% and pay a floating rate based on 3-month LIBOR, Expires 2/02/17, Broker Deutsche Bank AG | USD2,400 (35,633) |
| Total Options Written | |
| (Premiums Received \$66,010) (0.0)% | (48,027) |
| Total Investments, Net of Options Written 136.7% | 152,616,380 |
| Liabilities in Excess of Other Assets (36.7)% | (40,980,708) |
| Net Assets 100.0% | \$ 111,635,672 |

- (a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) Variable rate security. Rate shown is as of report date.
- (c) All or a portion of security has been pledged as collateral in connection with open reverse repurchase agreements.
- (d) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (e) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (f) Security is perpetual in nature and has no stated maturity date.
- (g) Non-income producing security.
- (h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (i) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at October 31, 2011 | Net Activity | Shares Held at April 30, 2012 | Income |
|--|--|-------------------------|--|---------------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 1,362,932 | (741,664) | 621,268 | \$ 926 |

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

Reverse repurchase agreements outstanding as of April 30, 2012 were as follows:

| Counterparty | Interest Rate | Trade Date | Maturity Date | Net Closing Amount | Face Amount |
|---------------------|----------------------|-------------------|----------------------|-------------------------------|------------------------|
|---------------------|----------------------|-------------------|----------------------|-------------------------------|------------------------|

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | | | |
|--|---------|---------|------|-----------|-----------|
| Deutsche Bank AG | (0.50)% | 1/17/12 | Open | \$107,168 | \$107,325 |
| UBS Securities LLC | (1.25)% | 2/02/12 | Open | 122,508 | 122,887 |
| Credit Suisse Securities (USA) LLC | 0.35% | 2/15/12 | Open | 950,524 | 949,823 |
| Credit Suisse Securities (USA) LLC | 0.35% | 2/22/12 | Open | 1,052,581 | 1,051,875 |
| UBS Securities LLC | 0.35% | 2/28/12 | Open | 2,509,536 | 2,508,000 |
| UBS Securities LLC | 0.38% | 2/28/12 | Open | 2,609,046 | 2,607,312 |
| Credit Suisse Securities (USA) LLC | (0.25)% | 3/07/12 | Open | 295,987 | 296,100 |
| BNP Paribas Securities Corp. | 0.35% | 3/12/12 | Open | 1,354,083 | 1,353,425 |
| UBS Securities LLC | 0.32% | 3/13/12 | Open | 544,737 | 544,500 |
| UBS Securities LLC | 0.38% | 3/13/12 | Open | 602,937 | 602,625 |
| Deutsche Bank AG | 0.17% | 3/14/12 | Open | 721,664 | 721,500 |
| Credit Suisse Securities (USA) LLC | 0.30% | 3/21/12 | Open | 1,388,224 | 1,387,750 |
| Credit Suisse Securities (USA) LLC | 0.35% | 3/21/12 | Open | 707,282 | 707,000 |
| Credit Suisse Securities (USA) LLC | 0.38% | 3/21/12 | Open | 6,194,048 | 6,191,369 |
| Barclays Capital, Inc. | 0.35% | 3/22/12 | Open | 662,870 | 662,613 |
| UBS Securities LLC | 0.35% | 3/23/12 | Open | 92,415 | 92,380 |
| Credit Suisse Securities (USA) LLC | 0.35% | 3/27/12 | Open | 332,607 | 332,494 |
| Barclays Capital, Inc. | (1.00)% | 4/03/12 | Open | 147,195 | 147,309 |
| UBS Securities LLC | 0.10% | 4/16/12 | Open | 174,007 | 174,000 |
| Barclays Capital, Inc. | 0.35% | 4/18/12 | Open | 3,329,295 | 3,328,875 |
| UBS Securities LLC | 0.34% | 4/23/12 | Open | 3,877,368 | 3,877,075 |
| UBS Securities LLC | 0.35% | 4/23/12 | Open | 374,442 | 374,412 |
| Credit Suisse Securities (USA) LLC | 0.35% | 4/23/12 | Open | 602,297 | 602,250 |
| Deutsche Bank AG | 0.00% | 4/24/12 | Open | 53,400 | 53,400 |
| Deutsche Bank AG | 0.12% | 4/24/12 | Open | 907,779 | 907,758 |
| UBS Securities LLC | 0.34% | 4/24/12 | Open | 332,522 | 332,500 |
| Barclays Capital, Inc. | 0.35% | 4/25/12 | Open | 1,351,579 | 1,351,500 |
| BNP Paribas Securities Corp. | 0.19% | 4/25/12 | Open | 265,803 | 265,795 |
| BNP Paribas | | | | | |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | | |
|--------------------|-------|--------------|--------------|--------------|
| Securities Corp. | 0.23% | 4/25/12 Open | 311,037 | 311,025 |
| BNP Paribas | | | | |
| Securities Corp. | 0.37% | 4/25/12 Open | 2,044,126 | 2,044,000 |
| BNP Paribas | | | | |
| Securities Corp. | 0.35% | 4/25/12 Open | 250,015 | 250,000 |
| UBS Securities LLC | 0.25% | 4/26/12 Open | 246,008 | 246,000 |
| UBS Securities LLC | 0.35% | 4/26/12 Open | 1,263,936 | 1,263,875 |
| UBS Securities LLC | 0.38% | 4/26/12 Open | 6,808,960 | 6,808,600 |
| Deutsche Bank AG | 0.25% | 4/26/12 Open | 324,011 | 324,000 |
| Total | | | \$42,911,997 | \$42,901,352 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 21

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**

Financial futures contracts purchased as of April 30, 2012 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Appreciation |
|------------------|-------------------------|------------------------|-------------------|-----------------------|--------------------------------|
| 32 | 5-Year US Treasury Note | Chicago Board of Trade | June 2012 | USD 3,961,500 | \$ 16,939 |

Financial futures contracts sold as of April 30, 2012 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|------------------|----------------------------------|------------------------|-------------------|-----------------------|--------------------------------|
| 1 | Euro-Bund | Eurex | June 2012 | EUR 186,761 | \$ (3,312) |
| 95 | 10-Year US Treasury Note | Chicago Board of Trade | June 2012 | USD 12,566,719 | (125,493) |
| 10 | 30-Year US Treasury Bond | Chicago Board of Trade | June 2012 | USD 1,428,750 | (11,376) |
| 33 | Ultra Long Term US Treasury Bond | Chicago Board of Trade | June 2012 | USD 5,207,812 | (95,023) |
| Total | | | | | \$ (235,204) |

Foreign currency exchange contracts as of April 30, 2012 were as follows:

| Currency Purchased | Currency Sold | Counterparty | Settlement Date | Unrealized Depreciation |
|---------------------------|----------------------|---------------------|------------------------|--------------------------------|
| USD 326,700 | EUR 247,500 | Citibank NA | 7/25/12 | \$ (1,070) |

Credit default swaps on single-name issues buy protection outstanding as of April 30, 2012 were as follows:

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Depreciation |
|------------------------|-----------------------|------------------------------------|------------------------|------------------------------|--------------------------------|
| STMicroelectronics NV | 1.00% | Deutsche Bank AG | 12/20/16 | EUR 285 | \$ (4,560) |
| Southwest Airlines Co. | 1.00% | Goldman Sachs & Co. | 12/20/16 | USD 280 | (7,023) |
| Southwest Airlines Co. | 1.00% | Royal Bank of Scotland Plc | 12/20/16 | USD 280 | (8,111) |
| Time Warner Inc. | 1.00% | Credit Suisse Securities (USA) LLC | 3/20/17 | USD 1,700 | (1,527) |
| Emerson Electric Co. | 1.00% | Morgan Stanley & Co., Inc. | 3/20/17 | USD 545 | (4,329) |
| Total | | | | | \$ (25,550) |

Credit default swaps on single-name issues sold protection outstanding as of April 30, 2012 were as follows:

| Issuer | Receive Fixed Rate | Counterparty | Expiration Date | Issuer Credit Rating¹ | Notional Amount (000)² | Unrealized Appreciation (Depreciation) |
|---------------|---------------------------|---------------------|------------------------|---|--|---|
|---------------|---------------------------|---------------------|------------------------|---|--|---|

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | | | | |
|----------------------|-------|------------------------------------|---------|-----|----------|-----------|
| Aviva USA Corp. | 1.00% | Deutsche Bank AG | 5/25/12 | A | USD650 | \$ (9) |
| DIRECTV Holdings LLC | 1.00% | Credit Suisse Securities (USA) LLC | 3/20/17 | BBB | USD1,700 | 28,680 |
| MetLife, Inc. | 1.00% | Deutsche Bank AG | 3/20/18 | A- | USD200 | (4,175) |
| Total | | | | | | \$ 24,496 |

¹Using S&P's rating.

²The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

Credit default swaps on traded indexes - sold protection outstanding as of April 30, 2012 were as follows:

| Index | Receive Fixed Rate | Counterparty | Expiration Date | Credit Rating ³ | Notional Amount (000) ⁴ | Unrealized Appreciation |
|---|--------------------|------------------------------------|-----------------|----------------------------|------------------------------------|-------------------------|
| Dow Jones CDX North America High Yield Index Series 18, Version 1 | 5.00% | Credit Suisse Securities (USA) LLC | 6/20/17 | B+ | USD 435 | \$ 6,585 |

³Using S&P's rating of the underlying securities.

⁴The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

Interest rate swaps outstanding as of April 30, 2012 were as follows:

| Fixed Rate | Floating Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|--------------------|---------------|------------------------------------|-----------------|-----------------------|--|
| 1.17% ⁵ | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 4/11/17 | USD 1,700 | \$ (7,163) |
| 1.18% ⁵ | 3-month LIBOR | Deutsche Bank AG | 4/11/17 | USD 4,900 | (23,018) |
| 2.35% ⁵ | 3-month LIBOR | Deutsche Bank AG | 3/19/22 | USD 3,200 | (94,174) |
| 4.03% ⁵ | 3-month LIBOR | UBS AG | 4/18/22 | USD 1,400 | (207,653) |
| 2.05% ⁶ | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 5/02/22 | USD 1,400 | |
| 2.05% ⁶ | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 5/02/22 | USD 900 | 458 |
| Total | | | | | \$ (331,550) |

⁵Fund pays a fixed interest rate and receives floating rate.

⁶Fund pays a floating interest rate and receives fixed rate.

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

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

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than

quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

See Notes to Financial Statements.

22 SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (concluded) **BlackRock Credit Allocation Income Trust I, Inc. (PSW)**

The following tables summarize the inputs used as of April 30, 2012 in determining the fair valuation of the Fund's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|----------------|----------------|----------------|---------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term | | | | |
| Investments: | | | | |
| Asset-Backed | | | | |
| Securities | — | \$705,558 | \$549,250 | \$1,254,808 |
| Corporate | | | | |
| Bonds | — | 119,879,672 | 851,812 | 120,731,484 |
| Preferred | | | | |
| Securities | \$329,210 | 26,384,039 | — | 26,713,249 |
| Taxable | | | | |
| Municipal | | | | |
| Bonds | — | 981,208 | — | 981,208 |
| US Government | | | | |
| Sponsored | | | | |
| Agency | | | | |
| Securities | — | 314,003 | — | 314,003 |
| US Treasury | | | | |
| Obligations | — | 1,915,121 | — | 1,915,121 |
| Short-Term | | | | |
| Securities | 621,268 | — | — | 621,268 |
| Total | \$950,478 | \$150,179,601 | \$1,401,062 | \$152,531,141 |
| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
| Derivative Financial Instruments ¹ | | | | |
| Assets: | | | | |
| Equity | | | | |
| contracts | \$17,420 | — | — | \$17,420 |
| Interest rate | | | | |
| contracts | 16,939 | \$116,304 | — | 133,243 |
| Credit | | | | |
| contracts | — | 35,265 | — | 35,265 |
| Liabilities: | | | | |
| Equity | | | | |
| contracts | — | (12,394) | — | (12,394) |
| Interest rate | | | | |
| contracts | (235,204) | (367,641) | — | (602,845) |
| Foreign | | | | |
| currency | | | | |
| exchange | | | | |
| contracts | — | (1,070) | — | (1,070) |
| Credit | | | | |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | | |
|-----------|-------------|--------------|--------|--------------|
| contracts | — | (29,725) | \$(9) | (29,734) |
| Total | \$(200,845) | \$(259,261) | \$(9) | \$(460,115) |

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

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 | Total |
|---|-------------------------|-----------------|-------------|
| Assets: | | | |
| Balance, as of October 31, 2011 | \$ 503,750 | \$858,000 | \$1,361,750 |
| Accrued discounts/premiums | — | — | — |
| Net realized gain (loss) | 10,695 | — | 10,695 |
| Net change in unrealized appreciation/depreciation ² | 34,805 | (6,188) | 28,617 |
| Purchases | — | — | — |
| Sales | — | — | — |
| Transfers in ³ | — | — | — |
| Transfers out ³ | — | — | — |
| Balance, as of April 30, 2012 | \$ 549,250 | \$851,812 | \$1,401,062 |

²Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held at April 30, 2012 was \$886,618.

³The Fund's policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

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

| | Credit Contracts |
|---|------------------|
| Assets/Liabilities: | |
| Balance, as of October 31, 2011 | \$ 1,175 |
| Accrued discounts/premiums | 2,105 |
| Net realized gain (loss) | — |
| Net change in unrealized appreciation/depreciation ⁴ | (1,184) |
| Purchases | — |
| Issuances ⁵ | — |
| Sales | — |
| Settlements ⁶ | (2,105) |
| Transfers in ³ | — |
| Transfers out ³ | — |
| Balance, as of April 30, 2012 | \$(9) |

Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on derivative financial instruments still held at April 30, 2012 was \$(1,184).

⁵Issuances represent upfront cash received on certain derivative financial instruments.

⁶Settlements represent periodic contractual cash flows and/or cash flows to terminate certain derivative financial instruments.

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 23

Schedule of Investments April 30, 2012 (Unaudited) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**
(Percentages shown are based on Net Assets)

| Asset-Backed Securities | Par (000) | Value |
|---|----------------------|--------------|
| 321 Henderson Receivables I LLC, Series 2012-1A, Class A, 4.21%, 2/16/65 (a) | USD 1,034 | \$ 1,064,160 |
| Atrium CDO Corp., Series 5A, Class A4, 0.88%, 7/20/20 (a)(b) | 2,650 | 2,239,250 |
| SLM Student Loan Trust, Series 2004-B, Class A2, 0.67%, 6/15/21 (b) | 1,968 | 1,887,501 |
| Total Asset-Backed Securities 1.1% | | 5,190,911 |
| Corporate Bonds | | |
| Aerospace & Defense 1.1% | | |
| BE Aerospace, Inc., 8.50%, 7/01/18 | 2,500 | 2,768,750 |
| Huntington Ingalls Industries, Inc.: 6.88%, 3/15/18 | 610 | 645,075 |
| 7.13%, 3/15/21 | 600 | 635,250 |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | 1,014 | 1,090,050 |
| | | 5,139,125 |
| Airlines 0.7% | | |
| American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23 | 553 | 583,597 |
| Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17 | 1,362 | 1,488,112 |
| Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24 | 1,013 | 1,066,472 |
| | | 3,138,181 |
| Auto Components 0.8% | | |
| Delphi Corp., 6.13%, 5/15/21 (a) | 570 | 607,050 |
| Icahn Enterprises LP: 8.00%, 1/15/18 | 2,270 | 2,426,062 |
| 8.00%, 1/15/18 | 610 | 642,025 |
| | | 3,675,137 |
| Beverages 0.5% | | |
| Constellation Brands, Inc., 7.25%, 5/15/17 | 1,970 | 2,226,100 |
| Building Products 0.3% | | |
| Building Materials Corp. of America (a): 7.00%, 2/15/20 | 375 | 400,313 |
| 6.75%, 5/01/21 | 940 | 978,775 |
| | | 1,379,088 |
| Capital Markets 5.3% | | |
| Ameriprise Financial, Inc., 5.30%, 3/15/20 (c) | 3,250 | 3,633,705 |
| E*Trade Financial Corp., 12.50%, 11/30/17 | 1,865 | 2,172,725 |
| The Goldman Sachs Group, Inc. (c): 5.25%, 7/27/21 | 1,175 | 1,189,049 |
| 5.75%, 1/24/22 | 3,415 | 3,565,923 |
| 6.25%, 2/01/41 | 4,450 | 4,521,836 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|--|-------|------------|
| Morgan Stanley (c): | | |
| 5.75%, 1/25/21 | 3,915 | 3,865,804 |
| 5.50%, 7/28/21 | 1,285 | 1,256,261 |
| Murray Street Investment Trust I, 4.65%, 3/09/17 (d) | 600 | 603,602 |
| UBS AG (c): | | |
| 2.25%, 1/28/14 | 1,627 | 1,635,443 |
| 5.88%, 7/15/16 | 2,800 | 2,960,885 |
| | | 25,405,233 |

Chemicals 1.4%

| | | |
|--|-------|-----------|
| Ashland, Inc., 9.13%, 6/01/17 | 45 | 49,950 |
| Celanese US Holdings LLC, 5.88%, 6/15/21 | 1,545 | 1,657,013 |
| Hexion US Finance Corp., 6.63%, 4/15/20 (a) | 865 | 903,925 |
| Ineos Finance Plc (a): | | |
| 8.38%, 2/15/19 | 320 | 343,200 |
| 7.50%, 5/01/20 | 730 | 750,075 |
| LyondellBasell Industries NV, 5.75%, 4/15/24 (a) | 1,885 | 1,946,262 |
| Solutia, Inc., 7.88%, 3/15/20 | 860 | 1,004,050 |
| | | 6,654,475 |

Corporate Bonds

Par Value
(000)

Commercial Banks 5.0%

| | | |
|--|----------|--------------|
| Amsouth Bank, Series AI, 4.85%, 4/01/13 | USD1,050 | \$ 1,065,750 |
| Asciano Finance Ltd., 5.00%, 4/07/18 (a) | 900 | 936,881 |
| Associated Banc-Corp, 5.13%, 3/28/16 | 2,200 | 2,329,103 |
| Branch Banking & Trust Co. (b)(c): | | |
| 0.79%, 9/13/16 | 1,100 | 1,036,798 |
| 0.79%, 5/23/17 | 675 | 629,524 |
| CIT Group, Inc.: | | |
| 7.00%, 5/02/16 (a) | 1,570 | 1,573,925 |
| 7.00%, 5/02/17 (a) | 1,250 | 1,253,125 |
| 5.25%, 3/15/18 | 1,190 | 1,225,700 |
| 5.50%, 2/15/19 (a) | 1,040 | 1,068,600 |
| City National Corp., 5.25%, 9/15/20 (c) | 2,350 | 2,511,328 |
| Discover Bank, 8.70%, 11/18/19 | 1,200 | 1,513,566 |
| HSBC Finance Corp., 6.68%, 1/15/21 | 1,525 | 1,646,979 |
| Regions Financial Corp.: | | |
| 4.88%, 4/26/13 | 2,525 | 2,600,750 |
| 5.75%, 6/15/15 | 1,800 | 1,899,000 |
| SVB Financial Group, 5.38%, 9/15/20 | 2,300 | 2,530,609 |
| | | 23,821,638 |

Commercial Services & Supplies 4.0%

| | | |
|--|-------|-----------|
| Aviation Capital Group Corp. (a): | | |
| 7.13%, 10/15/20 (c) | 9,300 | 9,512,034 |
| 6.75%, 4/06/21 | 2,325 | 2,300,355 |
| Casella Waste Systems, Inc., 7.75%, 2/15/19 | 721 | 710,185 |
| Clean Harbors, Inc., 7.63%, 8/15/16 | 1,314 | 1,379,700 |
| Corrections Corp. of America, 7.75%, 6/01/17 | 3,375 | 3,661,875 |
| Covanta Holding Corp., 6.38%, 10/01/22 | 665 | 684,028 |
| Iron Mountain, Inc., 7.75%, 10/01/19 | 390 | 425,100 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | 275 | 294,250 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

18,967,527

Communications Equipment 1.0%

| | | |
|---|-------|-----------|
| Avaya, Inc., 9.75%, 11/01/15 (c) | 900 | 892,125 |
| Brocade Communications Systems, Inc., 6.88%, 1/15/20 (c) | 2,965 | 3,239,262 |
| Hughes Satellite Systems Corp., 6.50%, 6/15/19 | 420 | 449,400 |
| | | 4,580,787 |

Construction Materials 0.2%

| | | |
|-------------------------------------|-----|---------|
| HD Supply, Inc., 8.13%, 4/15/19 (a) | 900 | 966,375 |
|-------------------------------------|-----|---------|

Consumer Finance 5.1%

| | | |
|---|-------|------------|
| American Express Credit Corp., 2.75%, 9/15/15 (c) | 5,850 | 6,069,971 |
| Capital One Bank USA NA, 8.80%, 7/15/19 | 3,325 | 4,199,146 |
| Daimler Finance North America LLC, 2.63%, 9/15/16 (a) | 3,425 | 3,541,505 |
| Ford Motor Credit Co. LLC: 7.00%, 4/15/15 | 2,580 | 2,876,700 |
| 5.88%, 8/02/21 | 320 | 361,628 |
| Inmarsat Finance Plc, 7.38%, 12/01/17 (a) | 1,815 | 1,951,125 |
| SLM Corp., 6.25%, 1/25/16 | 4,870 | 5,016,100 |
| Toll Brothers Finance Corp., 5.88%, 2/15/22 | 410 | 424,315 |
| | | 24,440,490 |

Containers & Packaging 1.2%

| | | |
|--|-------|-----------|
| Ardagh Packaging Finance Plc (a): 7.38%, 10/15/17 | 200 | 216,500 |
| 9.13%, 10/15/20 | 235 | 254,388 |
| Ball Corp.: 7.13%, 9/01/16 | 1,750 | 1,916,250 |
| 6.75%, 9/15/20 | 2,210 | 2,442,050 |
| Crown Americas LLC, 6.25%, 2/01/21 | 825 | 897,187 |
| Sealed Air Corp., 8.38%, 9/15/21 (a) | 130 | 147,550 |
| | | 5,873,925 |

Diversified Financial Services 6.5%

| | | |
|---|-------|-----------|
| Ally Financial, Inc.: 4.50%, 2/11/14 | 1,775 | 1,792,750 |
| 8.30%, 2/12/15 | 1,230 | 1,349,925 |
| 8.00%, 11/01/31 | 840 | 961,800 |

See Notes to Financial Statements.

24SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|---|----------------------|--------------|
| Diversified Financial Services (concluded) | | |
| Bank of America Corp.: | | |
| 3.75%, 7/12/16 (c) | USD 1,395 | \$ 1,389,001 |
| 5.30%, 3/15/17 (c) | 3,640 | 3,796,327 |
| 5.00%, 5/13/21 | 50 | 49,766 |
| Citigroup, Inc. (c): | | |
| 6.38%, 8/12/14 | 1,300 | 1,401,913 |
| 4.59%, 12/15/15 | 975 | 1,021,216 |
| 4.45%, 1/10/17 | 2,680 | 2,799,536 |
| DPL, Inc., 7.25%, 10/15/21 (a) | 1,080 | 1,198,800 |
| General Motors Financial Co., Inc., 6.75%, 6/01/18 | 500 | 532,515 |
| ING Bank NV, 5.00%, 6/09/21 (a)(c) | 2,350 | 2,393,759 |
| Intesa Sanpaolo SpA: | | |
| 2.38%, 12/21/12 | 3,500 | 3,450,468 |
| 6.50%, 2/24/21 (a)(c) | 475 | 431,565 |
| Moody's Corp., 6.06%, 9/07/17 | 6,000 | 6,309,798 |
| Reynolds Group Issuer, Inc. (a): | | |
| 7.13%, 4/15/19 | 245 | 256,025 |
| 7.88%, 8/15/19 | 870 | 939,600 |
| 9.88%, 8/15/19 | 305 | 317,963 |
| 6.88%, 2/15/21 | 215 | 221,450 |
| WMG Acquisition Corp., 9.50%, 6/15/16 (a) | 205 | 223,963 |
| | | 30,838,140 |
| Diversified Telecommunication Services 3.9% | | |
| AT&T, Inc., 6.30%, 1/15/38 (c) | 4,000 | 4,793,912 |
| Level 3 Financing, Inc. (a): | | |
| 8.13%, 7/01/19 | 3,149 | 3,235,597 |
| 8.63%, 7/15/20 | 650 | 680,875 |
| Telecom Italia Capital SA, 6.18%, 6/18/14 | 975 | 1,006,493 |
| Telefonica Emisiones SAU, 5.46%, 2/16/21 | 1,360 | 1,278,176 |
| Verizon Communications, Inc. (c): | | |
| 1.95%, 3/28/14 | 3,650 | 3,735,242 |
| 7.35%, 4/01/39 | 2,375 | 3,257,911 |
| Windstream Corp., 7.88%, 11/01/17 | 730 | 806,650 |
| | | 18,794,856 |
| Electric Utilities 1.7% | | |
| CMS Energy Corp., 5.05%, 3/15/22 | 1,125 | 1,145,140 |
| Great Plains Energy, Inc., 5.29%, 6/15/22 (d) | 1,650 | 1,803,704 |
| Progress Energy, Inc., 7.00%, 10/30/31 (c) | 4,000 | 5,221,348 |
| | | 8,170,192 |
| Electronic Equipment, Instruments & Components | | |
| 0.3% | | |
| Jabil Circuit, Inc., 8.25%, 3/15/18 | 800 | 932,000 |
| NXP BV, 3.22%, 10/15/13 (b) | 400 | 400,000 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

1,332,000

Energy Equipment & Services 2.9%

| | | |
|--|-------|------------|
| Atwood Oceanics, Inc., 6.50%, 2/01/20 | 110 | 115,775 |
| Energy Transfer Partners LP, 5.20%, 2/01/22 | 3,000 | 3,197,685 |
| Ensco Plc, 4.70%, 3/15/21 (c) | 1,965 | 2,144,122 |
| Frac Tech Services LLC, 7.13%, 11/15/18 (a) | 1,085 | 1,120,262 |
| Hornbeck Offshore Services, Inc., 5.88%, 4/01/20 (a) | 285 | 284,288 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | 745 | 767,350 |
| MEG Energy Corp., 6.50%, 3/15/21 (a) | 955 | 1,005,138 |
| Oil States International, Inc., 6.50%, 6/01/19 | 505 | 534,038 |
| Peabody Energy Corp., 6.25%, 11/15/21 (a) | 1,555 | 1,574,437 |
| Transocean, Inc.: | | |
| 6.50%, 11/15/20 | 1,125 | 1,291,978 |
| 6.38%, 12/15/21 | 1,375 | 1,610,115 |
| | | 13,645,188 |

Food & Staples Retailing 0.8%

| | | |
|----------------------------|-------|-----------|
| Wal-Mart Stores, Inc. (c): | | |
| 5.25%, 9/01/35 | 2,500 | 2,871,985 |
| 6.20%, 4/15/38 | 875 | 1,145,119 |
| | | 4,017,104 |

Corporate Bonds

**Par
(000) Value**

Food Products 0.9%

| | | |
|---|-----------|-------------|
| Kraft Foods, Inc.: | | |
| 6.50%, 8/11/17 | USD 1,665 | \$2,020,319 |
| 6.13%, 8/23/18 | 1,660 | 2,007,772 |
| Smithfield Foods, Inc., 10.00%, 7/15/14 | 374 | 437,580 |
| | | 4,465,671 |

Gas Utilities 0.2%

| | | |
|---|-----|---------|
| El Paso Natural Gas Co., 8.63%, 1/15/22 | 695 | 879,631 |
|---|-----|---------|

Health Care Equipment & Supplies 0.6%

| | | |
|---|-------|-----------|
| Fresenius US Finance II, Inc., 9.00%, 7/15/15 (a) | 2,250 | 2,579,062 |
| Teleflex, Inc., 6.88%, 6/01/19 | 490 | 524,300 |
| | | 3,103,362 |

Health Care Providers & Services 3.7%

| | | |
|---|-------|------------|
| Aetna, Inc., 6.75%, 12/15/37 (c) | 1,700 | 2,206,986 |
| Aviv Healthcare Properties LP, 7.75%, 2/15/19 | 460 | 478,400 |
| HCA, Inc.: | | |
| 8.50%, 4/15/19 | 240 | 269,250 |
| 6.50%, 2/15/20 | 2,380 | 2,546,600 |
| 7.25%, 9/15/20 | 3,435 | 3,804,263 |
| INC Research LLC, 11.50%, 7/15/19 (a) | 695 | 682,838 |
| inVentiv Health, Inc., 10.00%, 8/15/18 (a) | 270 | 242,075 |
| Tenet Healthcare Corp.: | | |
| 10.00%, 5/01/18 | 1,530 | 1,767,150 |
| 8.88%, 7/01/19 | 1,125 | 1,261,406 |
| UnitedHealth Group, Inc., 6.88%, 2/15/38 (c) | 3,400 | 4,554,983 |
| | | 17,813,951 |

Health Care Technology 0.9%

Amgen, Inc.:

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|----------|------------|
| 5.15%, 11/15/41 (c) | 4,208 | 4,385,355 |
| 5.65%, 6/15/42 | 42 | 46,723 |
| | | 4,432,078 |
| Household Durables 0.2% | | |
| Standard Pacific Corp., 8.38%, 1/15/21 | 890 | 938,950 |
| Independent Power Producers & Energy Traders 1.1% | | |
| AES Corp.: | | |
| 9.75%, 4/15/16 | 985 | 1,162,300 |
| 7.38%, 7/01/21 (a) | 135 | 150,188 |
| Calpine Corp., 7.25%, 10/15/17 (a) | 440 | 469,700 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | 1,880 | 2,075,050 |
| Laredo Petroleum, Inc.: | | |
| 9.50%, 2/15/19 | 295 | 329,662 |
| 7.38%, 5/01/22 (a) | 265 | 274,275 |
| QEP Resources, Inc., 5.38%, 10/01/22 | 569 | 569,000 |
| | | 5,030,175 |
| Insurance 6.3% | | |
| American International Group, Inc.: | | |
| 3.80%, 3/22/17 (c) | 1,500 | 1,549,227 |
| 8.25%, 8/15/18 | 625 | 757,269 |
| 6.40%, 12/15/20 (c) | 2,590 | 2,975,027 |
| Aon Corp., 5.00%, 9/30/20 (c) | 4,600 | 5,111,092 |
| Fairfax Financial Holdings Ltd., 5.80%, 5/15/21 (a) | 2,800 | 2,720,516 |
| Forethought Financial Group, Inc., 8.63%, 4/15/21 (a) | 1,000 | 1,022,712 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | 970 | 957,776 |
| ING Verzekeringen NV, 2.69%, 6/21/21 (b) | EUR430 | 532,194 |
| Manulife Financial Corp., 4.90%, 9/17/20 (c) | USD4,700 | 4,911,420 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a) | 430 | 370,875 |
| Principal Financial Group, Inc., 8.88%, 5/15/19 | 980 | 1,269,309 |
| Prudential Financial, Inc., 6.63%, 12/01/37 (c) | 3,400 | 3,942,871 |
| XL Group Ltd., 5.75%, 10/01/21 | 3,430 | 3,793,282 |
| | | 29,913,570 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 25

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|--|----------------------|--------------|
| IT Services 0.7% | | |
| Epicor Software Corp., 8.63%, 5/01/19 | USD720 | \$ 745,200 |
| Fidelity National Information Services, Inc., 5.00%, 3/15/22 (a) | 320 | 320,000 |
| First Data Corp.: | | |
| 7.38%, 6/15/19 (a) | 935 | 956,037 |
| 8.25%, 1/15/21 (a) | 85 | 83,725 |
| 12.63%, 1/15/21 | 710 | 711,775 |
| SunGard Data Systems, Inc., 7.38%, 11/15/18 | 730 | 779,275 |
| | | 3,596,012 |
| Life Sciences Tools & Services 1.9% | | |
| Bio-Rad Laboratories, Inc., 8.00%, 9/15/16 | 3,825 | 4,226,625 |
| Life Technologies Corp., 6.00%, 3/01/20 (c) | 4,200 | 4,883,613 |
| | | 9,110,238 |
| Machinery 1.1% | | |
| Ingersoll-Rand Global Holding Co., Ltd., 9.50%, 4/15/14 | 3,400 | 3,907,766 |
| UR Financing Escrow Corp. (a): | | |
| 5.75%, 7/15/18 | 235 | 242,638 |
| 7.38%, 5/15/20 | 600 | 630,000 |
| 7.63%, 4/15/22 | 548 | 579,510 |
| | | 5,359,914 |
| Media 8.7% | | |
| AMC Networks, Inc., 7.75%, 7/15/21 (a) | 395 | 441,412 |
| CCH II LLC, 13.50%, 11/30/16 | 2,317 | 2,618,210 |
| Comcast Corp., 6.30%, 11/15/17 (c) | 3,400 | 4,124,258 |
| Cox Communications, Inc., 8.38%, 3/01/39 (a) | 3,400 | 4,881,669 |
| CSC Holdings LLC: | | |
| 8.50%, 4/15/14 | 680 | 749,700 |
| 8.63%, 2/15/19 | 1,200 | 1,362,000 |
| DIRECTV Holdings LLC, 5.00%, 3/01/21 | 2,575 | 2,815,884 |
| DISH DBS Corp., 7.00%, 10/01/13 | 1,750 | 1,874,687 |
| Intelsat Jackson Holdings SA, 7.25%, 4/01/19 | 190 | 198,075 |
| Intelsat Luxemburg SA: | | |
| 11.25%, 2/04/17 | 620 | 643,250 |
| 11.50%, 2/04/17 (e) | 400 | 417,000 |
| The Interpublic Group of Cos., Inc., 10.00%, 7/15/17 | 1,175 | 1,338,031 |
| Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a) | 1,040 | 1,110,200 |
| News America, Inc., 6.15%, 3/01/37 (c) | 4,200 | 4,665,146 |
| Time Warner Cable, Inc., 6.75%, 6/15/39 | 4,050 | 4,883,470 |
| Time Warner, Inc., 7.70%, 5/01/32 | 4,150 | 5,437,135 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a) | 1,030 | 1,104,675 |
| Virgin Media Secured Finance Plc, 6.50%, 1/15/18 | 2,675 | 2,915,750 |
| | | 41,580,552 |

Metals & Mining 2.2%

| | | |
|---|-------|------------|
| Alcoa, Inc., 5.40%, 4/15/21 (c) | 580 | 609,585 |
| Barrick Gold Corp., 2.90%, 5/30/16 (c) | 1,150 | 1,205,908 |
| Barrick North America Finance LLC, 5.70%, 5/30/41 (c) | 1,325 | 1,460,015 |
| Freeport-McMoRan Copper & Gold, Inc., 3.55%, 3/01/22 | 1,400 | 1,383,316 |
| Freeport-McMoRan Corp., 7.13%, 11/01/27 | 2,900 | 3,578,687 |
| New Gold, Inc., 7.00%, 4/15/20 (a) | 130 | 132,925 |
| Novelis, Inc., 8.75%, 12/15/20 | 975 | 1,074,938 |
| Teck Resources Ltd., 10.75%, 5/15/19 | 874 | 1,081,575 |
| | | 10,526,949 |

Multi-Utilities 1.6%

| | | |
|---------------------------|-------|-----------|
| CenterPoint Energy, Inc.: | | |
| 5.95%, 2/01/17 | 3,150 | 3,601,212 |
| 6.50%, 5/01/18 | 3,350 | 3,986,678 |
| | | 7,587,890 |

Multiline Retail 0.7%

| | | |
|---|-------|-----------|
| JC Penney Co., Inc., 5.65%, 6/01/20 (c) | 3,235 | 3,137,950 |
|---|-------|-----------|

**Par
(000) Value****Corporate Bonds****Oil, Gas & Consumable Fuels 13.6%**

| | | |
|--|--------|-------------|
| Anadarko Petroleum Corp.: | | |
| 5.95%, 9/15/16 | USD994 | \$1,149,207 |
| 6.38%, 9/15/17 | 23 | 27,334 |
| Berry Petroleum Co., 6.38%, 9/15/22 | 425 | 442,000 |
| BP Capital Markets Plc (c): | | |
| 3.88%, 3/10/15 | 1,500 | 1,606,585 |
| 3.20%, 3/11/16 | 1,875 | 1,997,512 |
| Buckeye Partners LP, 4.88%, 2/01/21 | 1,000 | 1,033,005 |
| Chesapeake Midstream Partners LP: | | |
| 5.88%, 4/15/21 | 595 | 565,250 |
| 6.13%, 7/15/22 | 475 | 457,188 |
| Chesapeake Oilfield Operating LLC, 6.63%, 11/15/19 (a) | 40 | 37,600 |
| Concho Resources, Inc., 5.50%, 10/01/22 | 420 | 420,000 |
| CONSOL Energy, Inc., 6.38%, 3/01/21 | 450 | 423,000 |
| Copano Energy LLC, 7.13%, 4/01/21 | 560 | 590,800 |
| DCP Midstream LLC, 4.75%, 9/30/21 (a) | 1,200 | 1,295,840 |
| El Paso Pipeline Partners Operating Co. LLC: | | |
| 6.50%, 4/01/20 | 1,530 | 1,757,503 |
| 5.00%, 10/01/21 | 525 | 554,635 |
| Enbridge Energy Partners LP, 9.88%, 3/01/19 | 2,100 | 2,832,818 |
| Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19 | 1,025 | 1,058,312 |
| Enterprise Products Operating LLC, 6.65%, 4/15/18 | 4,200 | 5,085,373 |
| Everest Acquisition LLC/Everest Acquisition Finance, Inc., 6.88%, 5/01/19 (a) | 340 | 357,000 |
| Forest Oil Corp., 8.50%, 2/15/14 | 1,240 | 1,333,000 |
| Kinder Morgan Energy Partners LP, 6.85%, 2/15/20 | 4,200 | 5,079,438 |
| Kodiak Oil & Gas Corp., 8.13%, 12/01/19 (a) | 230 | 243,800 |
| Linn Energy LLC: | | |
| 6.25%, 11/01/19 (a) | 1,125 | 1,108,125 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|-------|------------|
| 7.75%, 2/01/21 | 450 | 474,750 |
| Marathon Petroleum Corp., 3.50%, 3/01/16 | 1,375 | 1,442,261 |
| MarkWest Energy Partners LP, 6.25%, 6/15/22 | 530 | 557,825 |
| Newfield Exploration Co., 6.88%, 2/01/20 | 595 | 632,188 |
| Nexen, Inc., 6.40%, 5/15/37 | 1,380 | 1,531,822 |
| Oasis Petroleum, Inc.: | | |
| 7.25%, 2/01/19 | 340 | 360,400 |
| 6.50%, 11/01/21 | 305 | 311,100 |
| OGX Petroleo e Gas Participacoes SA, | | |
| 8.50%, 6/01/18 (a)(c) | 1,600 | 1,660,000 |
| ONEOK Partners LP, 8.63%, 3/01/19 | 3,400 | 4,446,245 |
| Petrobras International Finance Co.: | | |
| 3.88%, 1/27/16 | 3,725 | 3,899,457 |
| 5.38%, 1/27/21 | 2,200 | 2,409,946 |
| Petrohawk Energy Corp., 10.50%, 8/01/14 | 615 | 682,650 |
| Petroleum Geo-Services ASA, 7.38%, 12/15/18 (a) | 445 | 460,575 |
| Phillips 66, 2.95%, 5/01/17 (a) | 1,060 | 1,087,689 |
| Pioneer Natural Resources Co.: | | |
| 6.65%, 3/15/17 | 650 | 737,403 |
| 6.88%, 5/01/18 | 490 | 576,844 |
| Plains Exploration & Production Co.: | | |
| 10.00%, 3/01/16 | 405 | 445,500 |
| 6.75%, 2/01/22 | 55 | 57,200 |
| Precision Drilling Corp., 6.50%, 12/15/21 | 425 | 442,000 |
| Premier Oil Plc, 5.00%, 6/09/18 | 3,400 | 3,510,500 |
| Range Resources Corp., 6.75%, 8/01/20 | 855 | 927,675 |
| Ruby Pipeline LLC, 6.00%, 4/01/22 (a) | 2,975 | 3,046,192 |
| Samson Investment Co., 9.75%, 2/15/20 (a) | 610 | 636,687 |
| SandRidge Energy, Inc.: | | |
| 7.50%, 3/15/21 | 200 | 202,000 |
| 8.13%, 10/15/22 (a) | 220 | 228,250 |
| SM Energy Co.: | | |
| 6.63%, 2/15/19 | 220 | 232,100 |
| 6.50%, 11/15/21 | 345 | 363,975 |
| Targa Resources Partners LP, 6.88%, 2/01/21 | 495 | 517,275 |
| Tennessee Gas Pipeline Co., 8.00%, 2/01/16 | 831 | 968,693 |
| Western Gas Partners LP, 5.38%, 6/01/21 | 1,525 | 1,663,851 |
| The Williams Cos., Inc., 8.75%, 3/15/32 | 711 | 960,651 |
| | | 64,929,029 |

See Notes to Financial Statements.

26SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|---|----------------------|-------------------------|
| Paper & Forest Products 2.5% | | |
| Boise Paper Holdings LLC: | | |
| 9.00%, 11/01/17 | USD 290 | \$ 322,625 |
| 8.00%, 4/01/20 | 645 | 711,112 |
| Georgia-Pacific LLC, 8.25%, 5/01/16 (a) | 2,040 | 2,254,200 |
| International Paper Co.: | | |
| 7.50%, 8/15/21 | 3,325 | 4,221,257 |
| 7.30%, 11/15/39 | 3,400 | 4,207,004 |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a) | 330 | 333,300 12,049,498 |
| Pharmaceuticals 2.7% | | |
| Capsugel Finance Co. SCA, 9.88%, 8/01/19 (a) | EUR 300 | 436,821 |
| Merck & Co., Inc., 6.50%, 12/01/33 (c) | USD 2,070 | 2,854,340 |
| Pfizer, Inc., 7.20%, 3/15/39 (c) | 4,425 | 6,542,243 |
| Roche Holdings, Inc., 7.00%, 3/01/39 (a)(c) | 1,825 | 2,590,254 |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a) | 250 | 259,062 12,682,720 |
| Real Estate Investment Trusts (REITs) 2.8% | | |
| AvalonBay Communities, Inc., 6.10%, 3/15/20 (c) | 3,400 | 4,048,217 |
| Developers Diversified Realty Corp.: | | |
| 4.75%, 4/15/18 | 645 | 668,268 |
| 7.88%, 9/01/20 | 775 | 930,738 |
| ERP Operating LP, 5.75%, 6/15/17 | 3,405 | 3,919,036 |
| HCP, Inc., 5.38%, 2/01/21 | 1,025 | 1,129,262 |
| UDR, Inc., 4.25%, 6/01/18 | 1,475 | 1,567,353 |
| Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21 | 1,135 | 1,170,146 13,433,020 |
| Real Estate Management & Development 0.4% | | |
| Realogy Corp. (a)(c): | | |
| 7.88%, 2/15/19 | 570 | 558,600 |
| 7.63%, 1/15/20 | 620 | 643,250 |
| Shea Homes LP, 8.63%, 5/15/19 (a) | 480 | 500,400 1,702,250 |
| Road & Rail 1.4% | | |
| Avis Budget Car Rental LLC, 8.25%, 1/15/19 | 110 | 115,225 |
| Florida East Coast Railway Corp., 8.13%, 2/01/17 | 200 | 205,500 |
| The Hertz Corp., 6.75%, 4/15/19 | 338 | 352,787 |
| Norfolk Southern Corp., 6.00%, 3/15/2105 (c) | 5,000 | 5,796,430 6,469,942 |
| Semiconductors & Semiconductor Equipment 0.7% | | |
| Advanced Micro Devices, Inc., 7.75%, 8/01/20 | 775 | 854,438 |
| KLA-Tencor Corp., 6.90%, 5/01/18 | 1,928 | 2,332,901 |

| | | |
|---|-------|-----------|
| | | 3,187,339 |
| Software 0.2% | | |
| Lawson Software, Inc., 9.38%, 4/01/19 (a) | 960 | 1,003,200 |
| Specialty Retail 1.2% | | |
| AutoNation, Inc., 6.75%, 4/15/18 | 1,965 | 2,132,025 |
| Limited Brands, Inc., 7.00%, 5/01/20 | 980 | 1,087,800 |
| QVC, Inc., 7.38%, 10/15/20 (a) | 105 | 114,975 |
| Sally Holdings LLC, 6.88%, 11/15/19 (a) | 595 | 633,675 |
| VF Corp., 5.95%, 11/01/17 | 1,475 | 1,760,547 |
| | | 5,729,022 |
| Tobacco 1.9% | | |
| Altria Group, Inc., 10.20%, 2/06/39 | 3,929 | 6,294,946 |
| Lorillard Tobacco Co., 3.50%, 8/04/16 | 2,450 | 2,567,286 |
| | | 8,862,232 |
| Wireless Telecommunication Services 4.5% | | |
| America Movil SAB de CV, 2.38%, 9/08/16 | 2,675 | 2,729,880 |
| American Tower Corp.: | | |
| 4.50%, 1/15/18 | 1,925 | 2,032,675 |
| 5.90%, 11/01/21 | 1,295 | 1,455,660 |

| Corporate Bonds | Par (000) | Value |
|--|----------------------|--------------|
| Wireless Telecommunication Services (concluded) | | |
| Cricket Communications, Inc., 7.75%, 5/15/16 | USD670 | \$ 705,175 |
| Crown Castle International Corp., 9.00%, 1/15/15 | 890 | 983,450 |
| Crown Castle Towers LLC (a): | | |
| 5.50%, 1/15/37 | 1,175 | 1,297,335 |
| 6.11%, 1/15/40 | 1,300 | 1,484,564 |
| Nextel Communications, Inc., Series E, 6.88%, 10/31/13 | 840 | 840,000 |
| SBA Tower Trust, 5.10%, 4/15/42 (a) | 4,225 | 4,597,675 |
| Sprint Capital Corp., 6.88%, 11/15/28 | 1,000 | 747,500 |
| Sprint Nextel Corp. (a): | | |
| 9.00%, 11/15/18 | 1,860 | 2,048,325 |
| 7.00%, 3/01/20 | 2,670 | 2,723,400 |
| | | 21,645,639 |
| Total Corporate Bonds 105.4% | | 502,236,345 |

Preferred Securities**Capital Trusts****Capital Markets 4.0%**

| | | |
|---|--------|------------|
| Ameriprise Financial, Inc., 7.52%, 6/01/66 (b) | 2,500 | 2,650,000 |
| State Street Capital Trust III, 5.46% (b)(f) | 2,920 | 2,931,446 |
| State Street Capital Trust IV, 1.47%, 6/01/37 (b) | 18,235 | 13,569,995 |
| | | 19,151,441 |

Commercial Banks 5.5%

| | | |
|--|-------|-----------|
| Barclays Bank Plc, 7.43% (a)(b)(c)(f) | 650 | 650,000 |
| BNP Paribas, 7.20% (a)(b)(c)(f) | 1,500 | 1,290,000 |
| Credit Agricole SA, 8.38% (a)(b)(c)(f) | 1,475 | 1,298,000 |
| Dresdner Funding Trust I, 8.15%, 6/30/31 (a) | 2,240 | 1,803,200 |
| HSBC Capital Funding LP/Jersey Channel Islands, 10.18% (a)(b)(c)(f) | 4,835 | 6,285,500 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|--------|------------|
| M&T Capital Trust II, 8.28%, 6/01/27 | 3,630 | 3,702,600 |
| National City Preferred Capital Trust I, 12.00% (b)(f) | 1,100 | 1,170,840 |
| NationsBank Capital Trust III, 1.02%, 1/15/27 (b) | 13,470 | 10,111,848 |
| | | 26,311,988 |
| Diversified Financial Services 1.4% | | |
| JPMorgan Chase Capital XXIII, 1.50%, 5/15/47 (b)(c) | 8,775 | 6,493,684 |
| Electric Utilities 0.6% | | |
| PPL Capital Funding, 6.70%, 3/30/67 (b) | 3,000 | 2,970,000 |
| Insurance 9.9% | | |
| Ace Capital Trust II, 9.70%, 4/01/30 | 2,500 | 3,416,980 |
| The Allstate Corp., 6.50%, 5/15/67 (b) | 5,000 | 4,887,500 |
| American General Capital II, 8.50%, 7/01/30 | 100 | 109,301 |
| American International Group, Inc., 8.18%, 5/15/68 (b) | 900 | 961,875 |
| Aon Corp., 8.21%, 1/01/27 | 2,500 | 2,920,820 |
| AXA SA, 6.38% (a)(b)(f) | 3,000 | 2,385,000 |
| Bank One Capital III, 8.75%, 9/01/30 | 2,000 | 2,790,000 |
| Chubb Corp., 6.38%, 3/29/67 (b) | 2,000 | 2,047,500 |
| Farmers Exchange Capital, 7.05%, 7/15/28 (a) | 2,500 | 2,767,230 |
| Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b) | 2,925 | 3,978,000 |
| Lincoln National Corp., 7.00%, 5/17/66 (b) | 3,350 | 3,249,500 |
| MetLife, Inc., 6.40%, 12/15/66 | 3,325 | 3,252,561 |
| Mitsui Sumitomo Insurance Co., Ltd., 7.00%, 3/15/72 (a)(b) | 1,420 | 1,458,950 |
| Northwestern Mutual Life Insurance, 6.06%, 3/30/40 (a)(c) | 3,800 | 4,527,628 |
| Principal Life Insurance Co., 8.00%, 3/01/44 (a) | 2,500 | 2,852,520 |
| Reinsurance Group of America, 6.75%, 12/15/65 (b) | 3,000 | 2,775,909 |
| Swiss Re Solutions Holding Corp., 7.75%, 6/15/30 (c) | 2,000 | 2,482,990 |
| ZFS Finance (USA), Trust IV, 5.88%, 5/09/62 (a)(b) | 379 | 379,474 |
| | | 47,243,738 |
| Multi-Utilities 1.4% | | |
| Dominion Resources Capital Trust I, 7.83%, 12/01/27 | 2,500 | 2,565,160 |
| Dominion Resources, Inc., 7.50%, 6/30/66 (b) | 3,900 | 4,153,500 |
| | | 6,718,660 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 27

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|----------------------|--------------------|
| Capital Trusts | | |
| Oil, Gas & Consumable Fuels 1.4% | | |
| Enterprise Products Operating LLC, 8.38%, 8/01/66 (b) | USD2,000 | \$ 2,170,000 |
| TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b) | 4,000 | 4,175,568 |
| | | 6,345,568 |
| Road & Rail 0.8% | | |
| BNSF Funding Trust I, 6.61%, 12/15/55 (b) | 3,750 | 3,904,688 |
| Total Capital Trusts 25.0% | | 119,139,767 |
| Preferred Stocks Shares | | |
| Auto Components 0.1% | | |
| Dana Holding Corp., 4.00% (a) | 4,000 | 501,500 |
| Diversified Financial Services 0.4% | | |
| Ally Financial, Inc., 7.00% (a) | 2,190 | 1,858,762 |
| Thriffs & Mortgage Finance 0.0% | | |
| Fannie Mae, Series S, 8.25% (b)(g) | 14,000 | 17,220 |
| Freddie Mac, Series Z, 8.38% (b)(g) | 14,000 | 17,500 |
| | | 34,720 |
| Wireless Telecommunication Services 0.6% | | |
| Centaur Funding Corp., 9.05% (a) | 2,423 | 2,871,255 |
| Total Preferred Stocks 1.1% | | 5,266,237 |
| Trust Preferreds 0.3% | | |
| Diversified Financial Services 0.3% | | |
| GMAC Capital Trust I, Series 2, 8.13% (b) | 57,110 | 1,343,295 |
| Total Preferred Securities 26.4% | | 125,749,299 |
| Taxable Municipal Bonds 0.9% | | |
| Metropolitan Transportation Authority, RB, Build America Bonds, 6.55%, 11/15/31 | USD3,450 | 4,231,460 |
| US Government Sponsored Agency Securities 0.3% | | |
| Agency Obligations 0.3% | | |
| Fannie Mae, 4.23%, 10/09/19 (c)(h) | 1,670 | 1,344,575 |
| US Treasury Obligations | | |
| US Treasury Bonds (c): | | |
| 3.75%, 8/15/41 | 1,470 | 1,659,721 |
| 3.13%, 11/15/41 | 2,465 | 2,472,703 |
| US Treasury Notes: | | |
| 0.88%, 12/31/16 (c) | 3,847 | 3,869,843 |
| 2.00%, 2/15/22 | 145 | 146,088 |
| Total US Treasury Obligations 1.7% | | 8,148,355 |
| Total Long-Term Investments | | |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|--------------------------------------|--------------------|
| (Cost \$613,809,974) 135.8% | | 646,900,945 |
| Short-Term Securities | Shares | Value |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (i)(j) | 1,908,035 | \$1,908,035 |
| Total Short-Term Securities | | 1,908,035 |
| (Cost \$1,908,035) 0.4% | | |
| Options Purchased | Contracts | |
| Exchange-Traded Put Options 0.0% | | |
| S&P 500 Index, Strike Price USD 1,200.00, Expires 6/16/12 | 285 | 74,100 |
| | Notional Amount (000) | |
| Over-the-Counter Interest Rate Call Swaptions 0.0% | | |
| Receive a fixed rate of 2.40% and pay a floating rate based on 3-month LIBOR, expires 5/11/12, Broker Citibank NA | USD 5,500 | 196 |
| Receive a fixed rate of 2.61% and pay a floating rate based on 3-month LIBOR, expires 4/05/13, Broker Citibank NA | 3,400 | 157,467 157,663 |
| Over-the-Counter Interest Rate Put Swaptions 0.1% | | |
| Receive a fixed rate of 2.61% and pay a floating rate based on 3-month LIBOR, expires 4/05/13, Broker Citibank NA | 3,400 | 71,501 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 9/16/13, Broker Credit Suisse Securities (USA) LLC | EUR 5,300 | 26,564 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 10/21/13, Broker Citibank NA | 5,000 | 30,708 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 12/12/13, Broker Credit Suisse Securities (USA) LLC | 4,000 | 31,771 |
| Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 2/02/17, Broker Deutsche Bank AG | USD 4,800 | 161,107 321,651 |
| Total Options Purchased | | 553,414 |
| (Cost \$1,797,967) 0.1% | | |
| Total Investments Before Options Written | | 649,362,394 |
| (Cost \$617,515,976) 136.3% | | |

| | | |
|---|----------------------------|-----------|
| Options Written | Contracts | |
| Over-the-Counter Call Options (0.0%) | | |
| S&P 500 Index, Strike Price USD 1,450.00, Expires 6/15/12, Broker Deutsche Bank AG | 7,100 | (51,763) |
| | Notional Amount | |

(000)

Over-the-Counter Interest Rate Put Swaptions (0.1)%

Receive a fixed rate of 6.00% and pay a floating rate
based on 3-month LIBOR, Expires 2/02/17,

Broker Deutsche Bank AG

USD9,600 (142,531)

Total Options Written

(Premiums Received \$267,430) (0.1)% (194,294)

Total Investments, Net of Options Written 136.2% 649,168,100

Liabilities in Excess of Other Assets (36.2)% (172,641,066)

Net Assets 100.0% \$476,527,034

See Notes to Financial Statements.

28 SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**

- (a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) Variable rate security. Rate shown is as of report date.
- (c) All or a portion of security has been pledged as collateral in connection with open reverse repurchase agreements.
- (d) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (e) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (f) Security is perpetual in nature and has no stated maturity date.
- (g) Non-income producing security.
- (h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (i) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at October 31, 2011 | Net Activity | Shares Held at April 30, 2012 | Income |
|--|--|-------------------------|--|---------------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 405,708 | 1,502,327 | 1,908,035 | \$ 2,499 |

- (j) Represents the current yield as of report date.

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

Reverse repurchase agreements outstanding as of April 30, 2012 were as follows:

| Counterparty | Interest Rate | Trade Date | Maturity Date | Net Closing Amount | Face Amount |
|---------------------------------------|--------------------------|-----------------------|--------------------------|-------------------------------|------------------------|
| UBS Securities LLC | 0.35% | 1/11/12 | Open | \$3,803,600 | \$3,799,500 |
| UBS Securities LLC | 0.38% | 1/12/12 | Open | 3,174,306 | 3,170,625 |
| Deutsche Bank AG | (0.50)% | 1/17/12 | Open | 452,489 | 453,150 |
| UBS Securities LLC | 0.38% | 1/25/12 | Open | 9,941,548 | 9,931,750 |
| UBS Securities LLC | 0.35% | 2/02/12 | Open | 586,307 | 585,800 |
| UBS Securities LLC | (1.25)% | 2/02/12 | Open | 523,826 | 525,450 |
| UBS Securities LLC | 0.38% | 2/14/12 | Open | 1,125,977 | 1,125,062 |
| Credit Suisse Securities (USA) LLC | 0.35% | 2/15/12 | Open | 4,179,526 | 4,176,440 |
| Credit Suisse Securities (USA) LLC | 0.35% | 2/22/12 | Open | 4,444,229 | 4,441,250 |
| UBS Securities LLC | 0.38% | 2/28/12 | Open | 10,955,668 | 10,948,387 |
| Credit Suisse Securities (USA) LLC | (0.25)% | 3/07/12 | Open | 1,691,354 | 1,692,000 |
| BNP Paribas Securities Corp. | 0.35% | 3/12/12 | Open | 1,102,161 | 1,101,625 |
| UBS Securities LLC | 0.35% | 3/13/12 | Open | 5,027,394 | 5,025,000 |
| UBS Securities LLC | 0.37% | 3/13/12 | Open | 5,482,884 | 5,480,125 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | | |
|---------------------------------------|---------|--------------|-----------------------|-----------------------|
| UBS Securities LLC | 0.38% | 3/13/12 Open | 13,483,034 | 13,476,062 |
| UBS Securities LLC | 0.32% | 3/13/12 Open | 2,327,513 | 2,326,500 |
| Deutsche Bank AG | 0.17% | 3/14/12 Open | 2,403,920 | 2,403,375 |
| Credit Suisse Securities (USA) LLC | 0.38% | 3/21/12 Open | 21,023,614 | 21,014,519 |
| Credit Suisse Securities (USA) LLC | 0.35% | 3/21/12 Open | 9,305,389 | 9,301,681 |
| Barclays Capital, Inc. | 0.35% | 3/22/12 Open | 2,814,482 | 2,813,388 |
| Credit Suisse Securities (USA) LLC | 0.35% | 3/22/12 Open | 1,406,797 | 1,406,250 |
| UBS Securities LLC | 0.35% | 3/23/12 Open | 438,971 | 438,805 |
| BNP Paribas Securities Corp. | 0.35% | 3/27/12 Open | 6,279,136 | 6,277,000 |
| Credit Suisse Securities (USA) LLC | 0.35% | 3/27/12 Open | 1,562,451 | 1,561,920 |
| UBS Securities LLC | 0.38% | 3/27/12 Open | 3,766,891 | 3,765,500 |
| Barclays Capital, Inc. | (1.00)% | 4/03/12 Open | 637,844 | 638,341 |
| UBS Securities LLC | 0.10% | 4/16/12 Open | 783,033 | 783,000 |
| Barclays Capital, Inc. | 0.35% | 4/18/12 Open | 30,370,748 | 30,366,910 |
| Credit Suisse Securities (USA) LLC | 0.35% | 4/23/12 Open | 2,690,260 | 2,690,050 |
| Barclays Capital, Inc. | 0.35% | 4/24/12 Open | 1,740,712 | 1,740,594 |
| Deutsche Bank AG | 0.12% | 4/24/12 Open | 3,875,943 | 3,875,853 |
| Deutsche Bank AG | 0.00% | 4/24/12 Open | 235,850 | 235,850 |
| UBS Securities LLC | 0.34% | 4/24/12 Open | 1,325,338 | 1,325,250 |
| BNP Paribas Securities Corp. | 0.23% | 4/25/12 Open | 1,329,788 | 1,329,737 |
| BNP Paribas Securities Corp. | 0.19% | 4/25/12 Open | 1,655,640 | 1,655,587 |
| UBS Securities LLC | 0.34% | 4/25/12 Open | 6,396,737 | 6,396,376 |
| BNP Paribas Securities Corp. | 0.35% | 4/26/12 Open | 3,984,194 | 3,984,000 |
| BNP Paribas Securities Corp. | 0.37% | 4/26/12 Open | 4,364,224 | 4,364,000 |
| Deutsche Bank AG | 0.25% | 4/26/12 Open | 2,911,601 | 2,911,500 |
| Total | | | \$ 179,605,379 | \$ 179,538,212 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 29

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**

Financial futures contracts purchased as of April 30, 2012 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Appreciation |
|------------------|----------------------------------|-----------------|-------------------|-----------------------|--------------------------------|
| 138 | 5-Year US Treasury Note of Trade | Chicago Board | June 2012 | USD 17,083,969 | \$ 73,074 |

Financial futures contracts sold as of April 30, 2012 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|------------------|----------------------------------|------------------------|-------------------|-----------------------|--------------------------------|
| 1 | Euro-Bund | Eurex | June 2012 | EUR 186,761 | \$ (3,312) |
| 381 | 10-Year US Treasury Note | Chicago Board of Trade | June 2012 | USD 50,399,156 | (481,062) |
| 45 | 30-Year US Treasury Bond | Chicago Board of Trade | June 2012 | USD 6,429,375 | (51,193) |
| 131 | Ultra Long Term US Treasury Bond | Chicago Board of Trade | June 2012 | USD 20,673,438 | (434,979) |
| Total | | | | | \$ (970,546) |

Foreign currency exchange contracts as of April 30, 2012 were as follows:

| Currency Purchased | Currency Sold | Counterparty | Settlement Date | Unrealized Depreciation |
|---------------------------|----------------------|---------------------|------------------------|--------------------------------|
| USD 725,340 | EUR 549,500 | Citibank NA | 7/25/12 | \$ (2,375) |

Credit default swaps on single-name issues buy protection outstanding as of April 30, 2012 were as follows:

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Depreciation |
|------------------------|-----------------------|------------------------------------|------------------------|------------------------------|--------------------------------|
| STMicroelectron-ics NV | 1.00% | Deutsche Bank AG | 12/20/16 | EUR 1,215 | \$ (19,433) |
| Southwest Airlines Co. | 1.00% | Goldman Sachs & Co. | 12/20/16 | USD 1,185 | (29,721) |
| Southwest Airlines Co. | 1.00% | Royal Bank of Scotland Plc | 12/20/16 | USD 1,185 | (34,328) |
| Time Warner Inc. | 1.00% | Credit Suisse Securities (USA) LLC | 3/20/17 | USD 7,500 | (6,735) |
| Emerson Electric Co. | 1.00% | Morgan Stanley & Co., Inc. | 3/20/17 | USD 2,330 | (18,508) |
| Total | | | | | \$ (108,725) |

Credit default swaps on single-name issues sold protection outstanding as of April 30, 2012 were as follows:

| Issuer | Receive Fixed Rate | Counterparty/Exchange | Expiration Date | Issuer Credit Rating¹ | Notional Amount (000)² | Unrealized Appreciation (Depreciation) |
|-----------------|---------------------------|------------------------------|------------------------|---|--|---|
| Aviva USA Corp. | 1.00% | Deutsche Bank AG | 5/25/12 | A | USD 2,775 | \$ (36) |
| DIRECTV | | Credit Suisse | | | | |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | | | |
|---------------|-------|------------|---------|-----|------------------------|
| Holdings | | Securities | | | |
| LLC | 1.00% | (USA) LLC | 3/20/17 | BBB | USD 7,500 |
| MetLife, Inc. | 1.00% | Deutsche | | | |
| | | Bank AG | 3/20/18 | A- | USD 900 |
| Total | | | | | (18,790) \$ 107,704 |

¹Using S&P's rating.

²The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

Credit default swaps on traded indexes sold protection outstanding as of April 30, 2012 were as follows:

| Index | Receive Fixed Rate | Counter- party | Expiration Date | Credit Rating ³ | Notional Amount (000) ⁴ | Unrealized Appreciation |
|--|--------------------------|--|--------------------|-------------------------------|--|----------------------------|
| Dow Jones CDX North America High Yield Index Series 18, Version 1 | 5.00% | Credit Suisse Securities (USA) LLC | 6/20/17 | B+ | USD 1,860 | \$ 28,155 |

³Using S&P's rating of the underlying securities.

⁴The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

Interest rate swaps outstanding as of April 30, 2012 were as follows:

| Fixed Rate | Floating Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|--------------------|------------------|--|--------------------|-----------------------------|--|
| 1.17% ⁵ | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 4/11/17 | USD 7,500 | \$ (31,603) |
| 1.18% ⁵ | 3-month LIBOR | Deutsche Bank AG | 4/11/17 | USD 20,700 | (97,238) |
| 2.35% ⁵ | 3-month LIBOR | Deutsche Bank AG | 3/19/22 | USD 14,100 | (414,954) |
| 4.03% ⁵ | 3-month LIBOR | UBS AG | 4/18/22 | USD 5,900 | (875,107) |
| 2.05% ⁶ | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 5/02/22 | USD 5,900 | |
| 2.05% ⁶ | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 5/02/22 | USD 3,900 | 1,987 |
| Total | | | | | \$ (1,416,915) |

⁵Fund pays a fixed interest rate and receives floating rate.

⁶Fund pays a floating interest rate and receives fixed rate.

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

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

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

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

See Notes to Financial Statements.

30SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (concluded) **BlackRock Credit Allocation Income Trust II, Inc. (PSY)**

The following tables summarize the inputs used as of April 30, 2012 in determining the fair valuation of the Fund's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|--|--------------------|----------------------|--------------------|----------------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | — | \$2,951,661 | \$2,239,250 | \$5,190,911 |
| Corporate Bonds | — | 498,725,845 | 3,510,500 | 502,236,345 |
| Preferred Securities | \$1,378,015 | 124,371,284 | — | 125,749,299 |
| Taxable Municipal Bonds | — | 4,231,460 | — | 4,231,460 |
| US Government Sponsored Agency Securities | | | | |
| US Treasury Obligations | — | 1,344,575 | — | 1,344,575 |
| Short-Term Securities | 1,908,035 | — | — | 1,908,035 |
| Total | \$3,286,050 | \$639,773,180 | \$5,749,750 | \$648,808,980 |

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|--------------------|----------------------|---------------|----------------------|
| Derivative Financial Instruments¹ | | | | |
| Assets: | | | | |
| Equity contracts | \$74,100 | — | — | \$74,100 |
| Interest rate contracts | 73,074 | \$481,301 | — | 554,375 |
| Credit contracts | — | 154,685 | — | 154,685 |
| Liabilities: | | | | |
| Equity contracts | — | (51,763) | — | (51,763) |
| Interest rate contracts | (970,546) | (1,561,433) | — | (2,531,979) |
| Foreign currency exchange contracts | — | (2,375) | — | (2,375) |
| Credit contracts | — | (127,515) | \$(36) | (127,551) |
| Total | \$(823,372) | \$(1,107,100) | \$(36) | \$(1,930,508) |

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

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 | Total |
|---|-------------------------|-----------------|-------------|
| Assets: | | | |
| Balance, as of October 31, 2011 | \$2,053,750 | \$3,536,000 | \$5,589,750 |
| Accrued discounts/premiums | 18,738 | — | 18,738 |
| Net realized gain (loss) | — | — | — |
| Net change in unrealized appreciation/depreciation ² | 166,762 | (25,500) | 141,262 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Purchases | — | — | — |
| Sales | — | — | — |
| Transfers in ³ | — | — | — |
| Transfers out ³ | — | — | — |
| Balance, as of April 30, 2012 | \$ 2,239,250 | \$ 3,510,500 | \$ 5,749,750 |

² Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held at April 30, 2012 was \$3,677,262.

³ The Fund's policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

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

| | Credit Contracts |
|---|---------------------|
| Assets/Liabilities: | |
| Balance, as of October 31, 2011 | \$ 5,018 |
| Accrued discounts/premiums | 8,988 |
| Net realized gain (loss) | — |
| Net change in unrealized appreciation/depreciation ⁴ | (5,054) |
| Purchases | — |
| Issuances ⁵ | — |
| Sales | — |
| Settlements ⁶ | (8,988) |
| Transfers in ³ | — |
| Transfers out ³ | — |
| Balance, as of April 30, 2012 | \$ (36) |

⁴ Included in the related net change in unrealized appreciation/depreciation in the Statements of operations. The change in unrealized appreciation/depreciation on derivative financial instruments still held at April 30, 2012 was \$(5,054).

⁵ Issuances represent upfront cash received on certain derivative financial instruments.

⁶ Settlements represent periodic contractual cash flows and/or cash flows to terminate certain derivative financial instruments.

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 31

Schedule of Investments April 30, 2012 (Unaudited) **BlackRock Credit Allocation Income Trust III (BPP)**
 (Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|----------------------|----------------------|
| Asset-Backed Securities 0.5% | | |
| Atrium CDO Corp., Series 5A, Class A4, 0.88%, 7/20/20 (a)(b) | USD 1,300 | \$1,098,500 |
| Corporate Bonds | | |
| Aerospace & Defense 1.1% | | |
| BE Aerospace, Inc., 8.50%, 7/01/18 | 1,215 | 1,345,612 |
| Huntington Ingalls Industries, Inc.: | | |
| 6.88%, 3/15/18 | 290 | 306,675 |
| 7.13%, 3/15/21 | 300 | 317,625 |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | 460 | 494,500 2,464,412 |
| Airlines 0.7% | | |
| American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23 | 257 | 271,321 |
| Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17 | 650 | 709,715 |
| Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24 | 520 | 547,143 1,528,179 |
| Auto Components 0.8% | | |
| Delphi Corp., 6.13%, 5/15/21 (a) | 280 | 298,200 |
| Icahn Enterprises LP: | | |
| 8.00%, 1/15/18 | 1,130 | 1,207,688 |
| 7.75%, 1/15/16 | 290 | 305,225 1,811,113 |
| Beverages 0.5% | | |
| Constellation Brands, Inc., 7.25%, 5/15/17 | 955 | 1,079,150 |
| Building Products 0.3% | | |
| Building Materials Corp. of America (a): | | |
| 7.00%, 2/15/20 | 180 | 192,150 |
| 6.75%, 5/01/21 | 460 | 478,975 671,125 |
| Capital Markets 3.6% | | |
| Ameriprise Financial, Inc., 5.30%, 3/15/20 (c) | 1,500 | 1,677,095 |
| E*Trade Financial Corp., 12.50%, 11/30/17 | 900 | 1,048,500 |
| The Goldman Sachs Group, Inc. (c): | | |
| 5.75%, 1/24/22 | 800 | 835,355 |
| 6.25%, 2/01/41 | 2,150 | 2,184,707 |
| Morgan Stanley, 5.50%, 7/28/21 (c) | 1,600 | 1,564,216 |
| Murray Street Investment Trust I, 4.65%, 3/09/17 (d) | 300 | 301,801 |
| UBS AG, 2.25%, 1/28/14 (c) | 775 | 779,022 8,390,696 |
| Chemicals 1.4% | | |
| Ashland, Inc., 9.13%, 6/01/17 | 20 | 22,200 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|--|-----|-----------|
| Celanese US Holdings LLC, 5.88%, 6/15/21 | 760 | 815,100 |
| Hexion US Finance Corp., 6.63%, 4/15/20 (a) | 425 | 444,125 |
| Ineos Finance Plc (a): | | |
| 8.38%, 2/15/19 | 155 | 166,238 |
| 7.50%, 5/01/20 | 355 | 364,763 |
| LyondellBasell Industries NV, 5.75%, 4/15/24 (a) | 915 | 944,737 |
| Solutia, Inc., 7.88%, 3/15/20 | 415 | 484,512 |
| | | 3,241,675 |

Commercial Banks 4.4%

| | | |
|--|-------|-----------|
| Amsouth Bank, Series AI, 4.85%, 4/01/13 | 525 | 532,875 |
| Asciano Finance Ltd., 5.00%, 4/07/18 (a) | 425 | 442,416 |
| Associated Banc-Corp, 5.13%, 3/28/16 | 1,070 | 1,132,791 |
| Branch Banking & Trust Co. (b): | | |
| 0.79%, 9/13/16 | 550 | 518,399 |
| 0.79%, 5/23/17 | 325 | 303,104 |

Corporate Bonds

**Par
(000) Value**

Commercial Banks (concluded)

| | | |
|------------------------------------|---------|------------|
| CIT Group, Inc.: | | |
| 7.00%, 5/02/16 (a) | USD 720 | \$ 721,800 |
| 7.00%, 5/02/17 (a) | 550 | 551,375 |
| 5.25%, 3/15/18 | 580 | 597,400 |
| 5.50%, 2/15/19 (a) | 500 | 513,750 |
| Discover Bank, 8.70%, 11/18/19 | 550 | 693,718 |
| HSBC Finance Corp., 6.68%, 1/15/21 | 750 | 809,989 |
| Regions Financial Corp.: | | |
| 4.88%, 4/26/13 | 1,225 | 1,261,750 |
| 5.75%, 6/15/15 | 850 | 896,750 |
| RESPARCS Funding LP I, 8.00% (e) | 4,000 | 1,272,000 |
| | | 10,248,117 |

Commercial Services & Supplies 3.9%

| | | |
|--|-------|-----------|
| Aviation Capital Group Corp. (a): | | |
| 7.13%, 10/15/20 (c) | 4,500 | 4,602,597 |
| 6.75%, 4/06/21 | 1,125 | 1,113,075 |
| Casella Waste Systems, Inc., 7.75%, 2/15/19 | 336 | 330,960 |
| Clean Harbors, Inc., 7.63%, 8/15/16 | 630 | 661,500 |
| Corrections Corp. of America, 7.75%, 6/01/17 | 1,600 | 1,736,000 |
| Covanta Holding Corp., 6.38%, 10/01/22 | 320 | 329,156 |
| Iron Mountain, Inc., 7.75%, 10/01/19 | 190 | 207,100 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | 135 | 144,450 |
| | | 9,124,838 |

Communications Equipment 1.0%

| | | |
|--|-------|-----------|
| Avaya, Inc., 9.75%, 11/01/15 (c) | 400 | 396,500 |
| Brocade Communications Systems, Inc., | | |
| 6.88%, 1/15/20 (c) | 1,450 | 1,584,125 |
| Hughes Satellite Systems Corp., 6.50%, 6/15/19 | 210 | 224,700 |
| | | 2,205,325 |

Construction Materials 0.2%

| | | |
|-------------------------------------|-----|---------|
| HD Supply, Inc., 8.13%, 4/15/19 (a) | 430 | 461,713 |
|-------------------------------------|-----|---------|

Consumer Finance 5.3%

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|-------|------------|
| American Express Credit Corp., 2.75%, 9/15/15 (c) | 2,900 | 3,009,046 |
| Capital One Bank USA NA, 8.80%, 7/15/19 | 1,625 | 2,052,214 |
| Daimler Finance North America LLC, 2.63%, 9/15/16 (a) | 1,650 | 1,706,126 |
| Ford Motor Credit Co. LLC: | | |
| 7.00%, 4/15/15 | 1,420 | 1,583,300 |
| 5.88%, 8/02/21 | 200 | 226,018 |
| Inmarsat Finance Plc, 7.38%, 12/01/17 (a) | 870 | 935,250 |
| SLM Corp., 6.25%, 1/25/16 | 2,365 | 2,435,950 |
| Toll Brothers Finance Corp., 5.88%, 2/15/22 | 200 | 206,983 |
| | | 12,154,887 |
| Containers & Packaging 1.2% | | |
| Ardagh Packaging Finance Plc, 9.13%, 10/15/20 (a) | 205 | 221,912 |
| Ball Corp.: | | |
| 7.13%, 9/01/16 | 850 | 930,750 |
| 6.75%, 9/15/20 | 1,070 | 1,182,350 |
| Crown Americas LLC, 6.25%, 2/01/21 | 400 | 435,000 |
| Sealed Air Corp., 8.38%, 9/15/21 (a) | 65 | 73,775 |
| | | 2,843,787 |
| Diversified Financial Services 7.8% | | |
| Ally Financial, Inc.: | | |
| 4.50%, 2/11/14 | 400 | 404,000 |
| 8.30%, 2/12/15 | 780 | 856,050 |
| 8.00%, 11/01/31 | 620 | 709,900 |
| Bank of America Corp. (c): | | |
| 5.30%, 3/15/17 | 2,440 | 2,544,791 |
| 5.00%, 5/13/21 | 3,625 | 3,608,035 |
| Citigroup, Inc. (c): | | |
| 6.38%, 8/12/14 | 625 | 673,997 |
| 4.59%, 12/15/15 | 475 | 497,515 |
| 8.50%, 5/22/19 | 550 | 683,363 |

See Notes to Financial Statements.

32 SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust III (BPP)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|--|----------------------|--------------|
| Diversified Financial Services (concluded) | | |
| Countrywide Financial Corp., 6.25%, 5/15/16 (c) | USD 1,569 | \$ 1,627,001 |
| DPL, Inc., 7.25%, 10/15/21 (a) | 520 | 577,200 |
| General Motors Financial Co., Inc., 6.75%, 6/01/18 | 250 | 266,258 |
| ING Bank NV, 5.00%, 6/09/21 (a)(c) | 1,150 | 1,171,414 |
| Intesa Sanpaolo SpA: | | |
| 2.38%, 12/21/12 | 1,700 | 1,675,942 |
| 6.50%, 2/24/21 (a) | 200 | 181,712 |
| Moody's Corp., 6.06%, 9/07/17 | 1,500 | 1,577,449 |
| Reynolds Group Issuer, Inc. (a): | | |
| 7.13%, 4/15/19 | 115 | 120,175 |
| 7.88%, 8/15/19 | 420 | 453,600 |
| 9.88%, 8/15/19 | 145 | 151,163 |
| 6.88%, 2/15/21 | 105 | 108,150 |
| WMG Acquisition Corp., 9.50%, 6/15/16 (a) | 100 | 109,250 |
| | | 17,996,965 |
| Diversified Telecommunication Services 4.1% | | |
| AT&T, Inc., 6.30%, 1/15/38 (c) | 2,000 | 2,396,956 |
| Level 3 Financing, Inc. (a): | | |
| 8.13%, 7/01/19 | 1,577 | 1,620,368 |
| 8.63%, 7/15/20 | 370 | 387,575 |
| Telecom Italia Capital SA, 6.18%, 6/18/14 | 500 | 516,150 |
| Telefonica Emisiones SAU, 5.46%, 2/16/21 | 660 | 620,291 |
| Verizon Communications, Inc. (c): | | |
| 1.95%, 3/28/14 | 1,775 | 1,816,453 |
| 7.35%, 4/01/39 | 1,150 | 1,577,515 |
| Windstream Corp., 7.88%, 11/01/17 | 400 | 442,000 |
| | | 9,377,308 |
| Electric Utilities 2.3% | | |
| CMS Energy Corp., 5.05%, 3/15/22 | 550 | 559,846 |
| Duke Energy Corp., 3.55%, 9/15/21 | 825 | 860,763 |
| Great Plains Energy, Inc., 5.29%, 6/15/22 (d) | 800 | 874,523 |
| Progress Energy, Inc., 7.00%, 10/30/31 (c) | 2,000 | 2,610,674 |
| Southern Co., 1.95%, 9/01/16 | 475 | 486,111 |
| | | 5,391,917 |
| Electronic Equipment, Instruments & Components 0.3% | | |
| Jabil Circuit, Inc., 8.25%, 3/15/18 | 400 | 466,000 |
| NXP BV, 3.22%, 10/15/13 (b) | 198 | 198,000 |
| | | 664,000 |
| Energy Equipment & Services 2.9% | | |
| Atwood Oceanics, Inc., 6.50%, 2/01/20 | 55 | 57,888 |
| Energy Transfer Partners LP, 5.20%, 2/01/22 | 1,500 | 1,598,842 |
| Ensco Plc, 4.70%, 3/15/21 | 960 | 1,047,510 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|--|-----|-----------|
| Frac Tech Services LLC, 7.13%, 11/15/18 (a) | 525 | 542,062 |
| Hornbeck Offshore Services, Inc., 5.88%, 4/01/20 (a) | 135 | 134,663 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | 360 | 370,800 |
| MEG Energy Corp., 6.50%, 3/15/21 (a) | 465 | 489,412 |
| Oil States International, Inc., 6.50%, 6/01/19 | 245 | 259,088 |
| Peabody Energy Corp., 6.25%, 11/15/21 (a) | 755 | 764,437 |
| Transocean, Inc.: | | |
| 6.50%, 11/15/20 | 545 | 625,892 |
| 6.38%, 12/15/21 | 660 | 772,855 |
| | | 6,663,449 |

Food & Staples Retailing 0.9%

| | | |
|---|-------|-----------|
| Wal-Mart Stores, Inc., 5.25%, 9/01/35 (c) | 1,850 | 2,125,269 |
|---|-------|-----------|

Food Products 0.9%

| | | |
|---|-----|-----------|
| Kraft Foods, Inc.: | | |
| 6.50%, 8/11/17 | 800 | 970,724 |
| 6.13%, 8/23/18 | 800 | 967,601 |
| Smithfield Foods, Inc., 10.00%, 7/15/14 | 187 | 218,790 |
| | | 2,157,115 |

Gas Utilities 0.2%

| | | |
|---|-----|---------|
| El Paso Natural Gas Co., 8.63%, 1/15/22 | 335 | 423,995 |
|---|-----|---------|

Corporate Bonds

**Par
(000) Value**

Health Care Equipment & Supplies 0.6%

| | | |
|---|-----------|--------------|
| Fresenius US Finance II, Inc., 9.00%, 7/15/15 (a) | USD 1,000 | \$ 1,146,250 |
| Teleflex, Inc., 6.88%, 6/01/19 | 240 | 256,800 |
| | | 1,403,050 |

Health Care Providers & Services 3.8%

| | | |
|---|-------|-----------|
| Aetna, Inc., 6.75%, 12/15/37 (c) | 850 | 1,103,493 |
| Aviv Healthcare Properties LP, 7.75%, 2/15/19 | 220 | 228,800 |
| HCA, Inc.: | | |
| 8.50%, 4/15/19 | 105 | 117,797 |
| 6.50%, 2/15/20 | 1,145 | 1,225,150 |
| 7.25%, 9/15/20 | 1,645 | 1,821,837 |
| INC Research LLC, 11.50%, 7/15/19 (a) | 340 | 334,050 |
| inVentiv Health, Inc., 10.00%, 8/15/18 (a) | 135 | 121,038 |
| Tenet Healthcare Corp.: | | |
| 10.00%, 5/01/18 | 745 | 860,475 |
| 8.88%, 7/01/19 | 550 | 616,688 |
| UnitedHealth Group, Inc., 6.88%, 2/15/38 (c) | 1,725 | 2,310,984 |
| | | 8,740,312 |

Health Care Technology 0.9%

| | | |
|---------------------|-------|-----------|
| Amgen, Inc.: | | |
| 5.15%, 11/15/41 (c) | 2,015 | 2,099,926 |
| 5.65%, 6/15/42 | 20 | 22,249 |
| | | 2,122,175 |

Household Durables 0.2%

| | | |
|--|-----|---------|
| Standard Pacific Corp., 8.38%, 1/15/21 | 435 | 458,925 |
|--|-----|---------|

Independent Power Producers & Energy Traders

1.1%

| | | |
|------------|--|--|
| AES Corp.: | | |
|------------|--|--|

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|-----|-----------|
| 9.75%, 4/15/16 | 480 | 566,400 |
| 7.38%, 7/01/21 (a) | 70 | 77,875 |
| Calpine Corp., 7.25%, 10/15/17 (a) | 220 | 234,850 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | 915 | 1,009,931 |
| Laredo Petroleum, Inc.: | | |
| 9.50%, 2/15/19 | 140 | 156,450 |
| 7.38%, 5/01/22 (a) | 130 | 134,550 |
| QEP Resources, Inc., 5.38%, 10/01/22 | 280 | 280,000 |
| | | 2,460,056 |

Insurance 5.4%

| | | |
|---|-------|------------|
| American International Group, Inc.: | | |
| 3.80%, 3/22/17 (c) | 725 | 748,793 |
| 8.25%, 8/15/18 | 300 | 363,489 |
| 6.40%, 12/15/20 (c) | 1,235 | 1,418,594 |
| Aon Corp., 5.00%, 9/30/20 (c) | 1,500 | 1,666,660 |
| Fairfax Financial Holdings Ltd., 5.80%, 5/15/21 (a) | 1,500 | 1,457,420 |
| Forethought Financial Group, Inc., 8.63%, 4/15/21 (a) | 525 | 536,924 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | 480 | 473,951 |
| Manulife Financial Corp., 4.90%, 9/17/20 | 1,075 | 1,123,357 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a) | 210 | 181,125 |
| Principal Financial Group, Inc., 8.88%, 5/15/19 | 475 | 615,226 |
| Prudential Financial, Inc., 6.63%, 12/01/37 (c) | 1,725 | 2,000,427 |
| XL Group Ltd., 5.75%, 10/01/21 | 1,740 | 1,924,289 |
| | | 12,510,255 |

IT Services 0.7%

| | | |
|---|-----|-----------|
| Epicor Software Corp., 8.63%, 5/01/19 | 340 | 351,900 |
| Fidelity National Information Services, Inc., 5.00%, 3/15/22 (a) | 160 | 160,000 |
| First Data Corp.: | | |
| 7.38%, 6/15/19 (a)(c) | 455 | 465,238 |
| 8.25%, 1/15/21 (a) | 40 | 39,400 |
| 12.63%, 1/15/21 | 340 | 340,850 |
| SunGard Data Systems, Inc., 7.38%, 11/15/18 | 350 | 373,625 |
| | | 1,731,013 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 33

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust III (BPP)**
(Percentages shown are based on Net Assets)

| Corporate Bonds | Par (000) | Value |
|--|----------------------|--------------|
| Life Sciences Tools & Services 1.9% | | |
| Bio-Rad Laboratories, Inc., 8.00%, 9/15/16 | USD1,830 | \$2,022,150 |
| Life Technologies Corp., 6.00%, 3/01/20 | 2,000 | 2,325,530 |
| | | 4,347,680 |
| Machinery 1.2% | | |
| Ingersoll-Rand Global Holding Co., Ltd., 9.50%, 4/15/14 | 1,725 | 1,982,617 |
| UR Financing Escrow Corp. (a): | | |
| 5.75%, 7/15/18 | 114 | 117,705 |
| 7.38%, 5/15/20 | 290 | 304,500 |
| 7.63%, 4/15/22 | 267 | 282,352 |
| | | 2,687,174 |
| Media 9.6% | | |
| AMC Networks, Inc., 7.75%, 7/15/21 (a) | 190 | 212,325 |
| CCH II LLC, 13.50%, 11/30/16 | 1,128 | 1,274,640 |
| Comcast Corp., 6.30%, 11/15/17 (c) | 1,725 | 2,092,454 |
| Cox Communications, Inc., 8.38%, 3/01/39 (a) | 1,725 | 2,476,729 |
| CSC Holdings LLC: | | |
| 8.50%, 4/15/14 | 330 | 363,825 |
| 8.63%, 2/15/19 | 580 | 658,300 |
| DIRECTV Holdings LLC, 5.00%, 3/01/21 | 1,250 | 1,366,934 |
| DISH DBS Corp., 7.00%, 10/01/13 | 850 | 910,562 |
| Intelsat Jackson Holdings SA, 7.25%, 4/01/19 | 150 | 156,375 |
| Intelsat Luxemburg SA: | | |
| 11.25%, 2/04/17 | 300 | 311,250 |
| 11.50%, 2/04/17 (f) | 190 | 198,075 |
| The Interpublic Group of Cos., Inc., 10.00%, 7/15/17 | 575 | 654,781 |
| Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a) | 500 | 533,750 |
| The New York Times Co., 6.63%, 12/15/16 | 1,725 | 1,800,469 |
| News America, Inc., 6.15%, 3/01/37 (c) | 2,000 | 2,221,498 |
| Time Warner Cable, Inc., 6.75%, 6/15/39 | 1,950 | 2,351,300 |
| Time Warner, Inc., 7.70%, 5/01/32 | 2,000 | 2,620,306 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a) | 505 | 541,613 |
| Virgin Media Secured Finance Plc, 6.50%, 1/15/18 | 1,300 | 1,417,000 |
| | | 22,162,186 |
| Metals & Mining 2.1% | | |
| Alcoa, Inc., 5.40%, 4/15/21 | 290 | 304,793 |
| Barrick Gold Corp., 2.90%, 5/30/16 | 550 | 576,739 |
| Barrick North America Finance LLC, 5.70%, 5/30/41 (c) | 650 | 716,234 |
| Freeport-McMoRan Copper & Gold, Inc., 3.55%, 3/01/22 | 675 | 666,956 |
| Freeport-McMoRan Corp., 7.13%, 11/01/27 | 1,400 | 1,727,642 |
| New Gold, Inc., 7.00%, 4/15/20 (a) | 65 | 66,462 |
| Novelis, Inc., 8.75%, 12/15/20 | 470 | 518,175 |
| Teck Resources Ltd., 10.75%, 5/15/19 | 190 | 235,125 |

4,812,126

Multi-Utilities 1.6%

CenterPoint Energy, Inc.:

5.95%, 2/01/17

1,500 1,714,863

6.50%, 5/01/18

1,600 1,904,085

3,618,948

Multiline Retail 0.3%

JC Penney Co., Inc., 5.65%, 6/01/20 (c)

720 698,400

Oil, Gas & Consumable Fuels 13.5%

Anadarko Petroleum Corp.:

5.95%, 9/15/16

497 574,604

6.38%, 9/15/17

12 14,261

Berry Petroleum Co., 6.38%, 9/15/22

205 213,200

BP Capital Markets Plc:

3.88%, 3/10/15

700 749,740

3.20%, 3/11/16

925 985,439

Buckeye Partners LP, 4.88%, 2/01/21

475 490,677

Chesapeake Midstream Partners LP:

5.88%, 4/15/21

285 270,750

6.13%, 7/15/22

230 221,375

Chesapeake Oilfield Operating LLC, 6.63%, 11/15/19 (a) 20 18,800

Corporate Bonds**Par
(000) Value****Oil, Gas & Consumable Fuels (concluded)**

Concho Resources, Inc., 5.50%, 10/01/22

USD 205 \$ 205,000

CONSOL Energy, Inc., 6.38%, 3/01/21

220 206,800

Copano Energy LLC, 7.13%, 4/01/21

270 284,850

DCP Midstream LLC, 4.75%, 9/30/21 (a)

625 674,917

El Paso Pipeline Partners Operating Co. LLC:

6.50%, 4/01/20

680 781,113

5.00%, 10/01/21

300 316,934

Enbridge Energy Partners LP, 9.88%, 3/01/19

1,000 1,348,961

Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19

500 516,250

Enterprise Products Operating LLC, 6.65%, 4/15/18

2,000 2,421,606

Everest Acquisition LLC/Everest Acquisition

Finance, Inc., 6.88%, 5/01/19 (a)

165 173,250

Forest Oil Corp., 8.50%, 2/15/14

600 645,000

Kinder Morgan Energy Partners LP, 6.85%, 2/15/20 (c)

2,000 2,418,780

Kodiak Oil & Gas Corp., 8.13%, 12/01/19 (a)

110 116,600

Linn Energy LLC:

6.25%, 11/01/19 (a)

545 536,825

7.75%, 2/01/21

220 232,100

Marathon Petroleum Corp., 3.50%, 3/01/16

650 681,796

MarkWest Energy Partners LP, 6.25%, 6/15/22

255 268,388

Newfield Exploration Co., 6.88%, 2/01/20

275 292,188

Nexen, Inc., 6.40%, 5/15/37

670 743,711

Oasis Petroleum, Inc.:

7.25%, 2/01/19

165 174,900

6.50%, 11/01/21

145 147,900

OGX Petroleo e Gas Participacoes SA,

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|-------|------------|
| 8.50%, 6/01/18 (a)(c) | 575 | 596,563 |
| ONEOK Partners LP, 8.63%, 3/01/19 | 1,725 | 2,255,815 |
| Petrobras International Finance Co.: | | |
| 3.88%, 1/27/16 | 1,800 | 1,884,301 |
| 5.38%, 1/27/21 | 1,075 | 1,177,587 |
| Petrohawk Energy Corp., 10.50%, 8/01/14 | 300 | 333,000 |
| Petroleum Geo-Services ASA, 7.38%, 12/15/18 (a) | 310 | 320,850 |
| Phillips 66, 2.95%, 5/01/17 (a) | 515 | 528,453 |
| Pioneer Natural Resources Co.: | | |
| 6.65%, 3/15/17 | 320 | 363,029 |
| 6.88%, 5/01/18 | 240 | 282,536 |
| Plains Exploration & Production Co.: | | |
| 10.00%, 3/01/16 | 200 | 220,000 |
| 6.75%, 2/01/22 | 30 | 31,200 |
| Precision Drilling Corp., 6.50%, 12/15/21 | 210 | 218,400 |
| Premier Oil Plc, 5.00%, 6/09/18 | 1,625 | 1,677,812 |
| Range Resources Corp., 6.75%, 8/01/20 | 415 | 450,275 |
| Ruby Pipeline LLC, 6.00%, 4/01/22 (a) | 1,425 | 1,459,100 |
| Samson Investment Co., 9.75%, 2/15/20 (a) | 295 | 307,906 |
| SandRidge Energy, Inc.: | | |
| 7.50%, 3/15/21 | 95 | 95,950 |
| 8.13%, 10/15/22 (a) | 105 | 108,938 |
| SM Energy Co.: | | |
| 6.63%, 2/15/19 | 110 | 116,050 |
| 6.50%, 11/15/21 | 165 | 174,075 |
| Targa Resources Partners LP, 6.88%, 2/01/21 | 240 | 250,800 |
| Tennessee Gas Pipeline Co., 8.00%, 2/01/16 | 400 | 466,278 |
| Western Gas Partners LP, 5.38%, 6/01/21 | 725 | 791,011 |
| The Williams Cos., Inc., 8.75%, 3/15/32 | 247 | 333,728 |
| | | 31,170,372 |
| Paper & Forest Products 3.1% | | |
| Boise Paper Holdings LLC: | | |
| 9.00%, 11/01/17 | 140 | 155,750 |
| 8.00%, 4/01/20 | 310 | 341,775 |
| Georgia-Pacific LLC, 8.25%, 5/01/16 (a) | 980 | 1,082,900 |
| International Paper Co.: | | |
| 7.50%, 8/15/21 | 1,625 | 2,063,020 |
| 8.70%, 6/15/38 | 900 | 1,226,057 |
| 7.30%, 11/15/39 | 1,725 | 2,134,436 |
| Longview Fibre Paper & Packaging, Inc., | | |
| 8.00%, 6/01/16 (a) | 160 | 161,600 |
| | | 7,165,538 |

See Notes to Financial Statements.

34 SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust III (BPP)**
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|----------------------|------------------------|
| Corporate Bonds | | |
| Pharmaceuticals 2.2% | | |
| Merck & Co., Inc., 6.50%, 12/01/33 | USD990 | \$1,365,119 |
| Pfizer, Inc., 7.20%, 3/15/39 (c) | 1,635 | 2,417,304 |
| Roche Holdings, Inc., 7.00%, 3/01/39 (a) | 865 | 1,227,709 |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a) | 125 | 129,531 5,139,663 |
| Professional Services 0.0% | | |
| FTI Consulting, Inc., 7.75%, 10/01/16 | 100 | 104,000 |
| Real Estate Investment Trusts (REITs) 2.9% | | |
| AvalonBay Communities, Inc., 6.10%, 3/15/20 (c) | 1,725 | 2,053,875 |
| Developers Diversified Realty Corp.: 4.75%, 4/15/18 | 315 | 326,363 |
| 7.88%, 9/01/20 | 375 | 450,357 |
| ERP Operating LP, 5.75%, 6/15/17 | 1,715 | 1,973,905 |
| HCP, Inc., 5.38%, 2/01/21 | 500 | 550,860 |
| UDR, Inc., 4.25%, 6/01/18 | 725 | 770,394 |
| Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21 | 550 | 567,031 6,692,785 |
| Real Estate Management & Development 0.2% | | |
| Realogy Corp., 7.63%, 1/15/20 (a)(c) | 295 | 306,063 |
| Shea Homes LP, 8.63%, 5/15/19 (a) | 230 | 239,775 545,838 |
| Road & Rail 1.4% | | |
| Avis Budget Car Rental LLC, 8.25%, 1/15/19 | 54 | 56,565 |
| Florida East Coast Railway Corp., 8.13%, 2/01/17 | 80 | 82,200 |
| The Hertz Corp., 6.75%, 4/15/19 | 188 | 196,225 |
| Norfolk Southern Corp., 6.00%, 3/15/2105 (c) | 2,500 | 2,898,215 3,233,205 |
| Semiconductors & Semiconductor Equipment 0.7% | | |
| Advanced Micro Devices, Inc., 7.75%, 8/01/20 | 400 | 441,000 |
| KLA-Tencor Corp., 6.90%, 5/01/18 | 918 | 1,110,790 1,551,790 |
| Software 0.1% | | |
| Lawson Software, Inc., 9.38%, 4/01/19 (a) | 220 | 229,900 |
| Specialty Retail 1.2% | | |
| AutoNation, Inc., 6.75%, 4/15/18 | 940 | 1,019,900 |
| Limited Brands, Inc., 7.00%, 5/01/20 | 470 | 521,700 |
| QVC, Inc., 7.38%, 10/15/20 (a) | 50 | 54,750 |
| Sally Holdings LLC, 6.88%, 11/15/19 (a) | 290 | 308,850 |
| VF Corp., 5.95%, 11/01/17 | 725 | 865,353 2,770,553 |
| Tobacco 2.4% | | |
| Altria Group, Inc., 10.20%, 2/06/39 (c) | 1,919 | 3,074,574 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | |
|---|-------|-----------|
| Lorillard Tobacco Co., 3.50%, 8/04/16 | 1,175 | 1,231,249 |
| Philip Morris International, Inc., 2.50%, 5/16/16 (c) | 1,225 | 1,288,003 |
| | | 5,593,826 |

Wireless Telecommunication Services 5.3%

| | | |
|--|-------|-----------|
| America Movil SAB de CV, 2.38%, 9/08/16 | 1,780 | 1,816,518 |
| American Tower Corp.: | | |
| 4.50%, 1/15/18 | 925 | 976,740 |
| 5.05%, 9/01/20 | 500 | 529,038 |
| Cricket Communications, Inc., 7.75%, 5/15/16 | 325 | 342,063 |
| Crown Castle International Corp., 9.00%, 1/15/15 | 430 | 475,150 |
| Crown Castle Towers LLC (a): | | |
| 5.50%, 1/15/37 | 575 | 634,866 |
| 4.17%, 8/15/37 | 1,000 | 1,046,738 |
| 6.11%, 1/15/40 | 625 | 713,732 |
| Nextel Communications, Inc., Series E, | | |
| 6.88%, 10/31/13 | 395 | 395,000 |
| SBA Tower Trust, 5.10%, 4/15/42 (a) | 2,500 | 2,720,517 |
| Sprint Capital Corp., 6.88%, 11/15/28 | 480 | 358,800 |

Corporate Bonds

Wireless Telecommunication Services (concluded)

| | Par (000) | Value |
|-------------------------------------|--------------|--------------------|
| Sprint Nextel Corp. (a): | | |
| 9.00%, 11/15/18 | USD760 | \$ 836,950 |
| 7.00%, 3/01/20 | 1,290 | 1,315,800 |
| | | 12,161,912 |
| Total Corporate Bonds 106.2% | | 245,136,717 |

Preferred Securities

Capital Trusts

Capital Markets 3.7%

| | | |
|---|-------|-----------|
| State Street Capital Trust III, 5.46% (b)(e) | 1,385 | 1,390,429 |
| State Street Capital Trust IV, 1.47%, 6/01/37 (b) | 9,675 | 7,199,874 |
| | | 8,590,303 |

Commercial Banks 3.1%

| | | |
|--|-------|-----------|
| Barclays Bank Plc (a)(b)(e): | | |
| 5.93%, | 1,700 | 1,547,000 |
| 7.43%, | 325 | 325,000 |
| BNP Paribas, 7.20% (a)(b)(c)(e) | 700 | 602,000 |
| Credit Agricole SA, 8.38% (a)(b)(c)(e) | 725 | 638,000 |
| Dresdner Funding Trust I, 8.15%, 6/30/31 (a) | 1,095 | 881,475 |
| FCB/NC Capital Trust I, 8.05%, 3/01/28 | 1,100 | 1,105,265 |
| National City Preferred Capital Trust I, 12.00% (b)(e) | 600 | 638,640 |
| NBP Capital Trust III, 7.38% (e) | 2,000 | 1,380,000 |
| | | 7,117,380 |

Consumer Finance 0.3%

| | | |
|--|-----|---------|
| Capital One Capital V, 10.25%, 8/15/39 | 750 | 781,875 |
|--|-----|---------|

Diversified Financial Services 4.3%

| | | |
|--|-------|-----------|
| JPMorgan Chase Capital XXI, Series U, | | |
| 1.49%, 2/02/37 (b) | 7,125 | 5,276,191 |
| JPMorgan Chase Capital XXIII, 1.50%, 5/15/47 (b) | 6,190 | 4,580,730 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

9,856,921

Electric Utilities 0.4%

PPL Capital Funding, 6.70%, 3/30/67 (b) 900 891,000

Insurance 7.8%

The Allstate Corp., 6.50%, 5/15/67 (b) 900 879,750

American General Capital II, 8.50%, 7/01/30 100 109,301

American International Group, Inc., 8.18%, 5/15/68 (b) 400 427,500

AXA SA, 6.38% (a)(b)(e) 900 715,500

Chubb Corp., 6.38%, 3/29/67 (b) 900 921,375

Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b) 900 1,224,000

Lincoln National Corp., 7.00%, 5/17/66 (b) 900 873,000

MetLife, Inc., 6.40%, 12/15/66 900 880,392

Mitsui Sumitomo Insurance Co., Ltd.,

7.00%, 3/15/72 (a)(b) 700 719,201

Northwestern Mutual Life Insurance,

6.06%, 3/30/40 (a)(c) 1,800 2,144,666

Prudential Plc, 6.50% (e) 6,000 5,661,000

Reinsurance Group of America, 6.75%, 12/15/65 (b) 1,300 1,202,894

Swiss Re Capital I LP, 6.85% (a)(b)(e) 1,000 919,653

ZFS Finance (USA) (a)(b):

Trust II, 6.45%, 12/15/65 1,150 1,127,000

Trust IV, 5.88%, 5/09/62 190 190,237

17,995,469

Oil, Gas & Consumable Fuels 0.4%

TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b) 900 939,503

Total Capital Trusts 20.0% 46,172,451

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 35

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust III (BPP)**
(Percentages shown are based on Net Assets)

| | | |
|--|--------------------------------------|--------------|
| Preferred Stocks 0.4% | Shares | Value |
| Diversified Financial Services 0.4% | | |
| Ally Financial, Inc., 7.00% (a) | 1,170 | \$ 993,038 |
| Trust Preferreds 0.3% | | |
| Diversified Financial Services 0.3% | | |
| GMAC Capital Trust I, Series 2, 8.13% (b) | 26,490 | 623,076 |
| Total Preferred Securities 20.7% | | 47,788,565 |
| Taxable Municipal Bonds 0.9% | Par (000) | |
| Metropolitan Transportation Authority, RB, Build America Bonds, 6.55%, 11/15/31 | USD 1,675 | 2,054,404 |
| US Government Sponsored Agency Securities 0.3% | | |
| Agency Obligations 0.3% | | |
| Fannie Mae, 4.23%, 10/09/19 (c)(g) | 805 | 648,134 |
| U.S. Treasury Obligations | | |
| US Treasury Bonds (c): | | |
| 3.75%, 8/15/41 | 713 | 805,021 |
| 3.13%, 11/15/41 | 1,060 | 1,063,312 |
| US Treasury Notes, 0.88%, 12/31/16 (c) | 1,875 | 1,886,134 |
| Total U.S. Treasury Obligations 1.6% | | 3,754,467 |
| Warrants 0.0% (h) | Shares | |
| Media 0.0% | | |
| Cumulus Media, Inc. (Expires 3/26/19) | 2,345 | 17,872 |
| Total Long-Term Investments (Cost \$289,613,314) 130.2% | | 300,498,659 |
| Short-Term Securities | | |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (i)(j) | 841,364 | 841,364 |
| Total Short-Term Securities (Cost \$841,364) 0.4% | | 841,364 |
| Options Purchased | Contracts | |
| Exchange-Traded Put Options 0.0% | | |
| S&P 500 Index, Strike Price USD 1,200.00, Expires 6/16/12 | 138 | 35,880 |
| Options Purchased | Notional Amount (000) | Value |

Over-the-Counter Interest Rate Call Swaptions 0.1%

Receive a fixed rate of 2.40% and pay a floating rate based on 3-month LIBOR, expires 5/11/12,

Broker Citibank NA

USD 2,700 \$96

Receive a fixed rate of 2.61% and pay a floating rate based on 3-month LIBOR, expires 4/05/13,

Broker Citibank NA

5,200 240,832

Receive a fixed rate of 2.61% and pay a floating rate based on 3-month LIBOR, expires 1/13/14,

Broker Credit Suisse Securities (USA) LLC

500 21,881
262,809**Over-the-Counter Interest Rate Put Swaptions 0.1%**

Receive a fixed rate of 2.61% and pay a floating rate based on 3-month LIBOR, expires 4/05/13,

Broker Citibank NA

5,200 109,356

Pay a fixed rate of 2.61% and receive a floating rate based on 3-month LIBOR, Expires 1/13/14,

Broker Credit Suisse Securities (USA) LLC

500 20,162

Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 2/02/17,

Broker Deutsche Bank AG

2,300 77,197
206,715**Total Options Purchased****(Cost \$991,810) 0.2%**

505,404

Total Investments Before Options Written**(Cost \$291,446,488) 130.8%**

301,845,427

Options Written**Contracts****Over-the-Counter Call Options (0.0)%**

S&P 500 Index, Strike Price USD 1,450.00,

Expires 6/15/12, Broker Deutsche Bank AG

3,500 (25,517)

**Notional
Amount
(000)****Options Written****Over-the-Counter Interest Rate Call Swaptions (0.4)%**

Pay a fixed rate of 4.75% and receive a floating rate based on 3-month LIBOR, Expires 3/24/14,

Broker Citibank NA

USD 5,000 (967,336)

Over-the-Counter Interest Rate Put Swaptions (0.1)%

Receive a fixed rate of 1.75% and pay a floating rate based on 3-month LIBOR, Expires 8/23/12,

Broker Deutsche Bank AG

10,800 (14,881)

Receive a fixed rate of 4.75% and pay a floating rate based on 3-month LIBOR, Expires 3/24/14,

Broker Citibank NA

5,000 (30,291)

Receive a fixed rate of 6.00% and pay a floating rate based on 3-month LIBOR, Expires 2/02/17,

Broker Deutsche Bank AG

4,600 (68,296)
(113,468)**Total Options Written****(Premiums Received \$764,470) (0.5)%**

(1,106,321)

| | | |
|--|----------------|---------------|
| Total Investments, Net of Options Written | 130.3% | 300,739,106 |
| Liabilities in Excess of Other Assets | (30.3)% | (70,016,682) |
| Net Assets | 100.0% | \$230,722,424 |

See Notes to Financial Statements.

36SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust III (BPP)**

- (a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) Variable rate security. Rate shown is as of report date.
- (c) All or a portion of security has been pledged as collateral in connection with open reverse repurchase agreements.
- (d) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (e) Security is perpetual in nature and has no stated maturity date.
- (f) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (g) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (i) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at October 31, 2011 | Net Activity | Shares Held at April 30, 2012 | Income |
|--|--|-------------------------|--|---------------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 2,459,914 | (1,618,550) | 841,364 | \$ 1,396 |

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

Reverse repurchase agreements outstanding as of April 30, 2012 were as follows:

| Counterparty | Interest Rate | Trade Date | Maturity Date | Net Closing Amount | Face Amount |
|---------------------------------------|----------------------|-------------------|----------------------|---------------------------|--------------------|
| UBS Securities LLC | 0.37% | 1/10/12 | Open | \$ 1,732,617 | \$ 1,730,625 |
| UBS Securities LLC | 0.38% | 1/10/12 | Open | 2,046,667 | 2,044,250 |
| UBS Securities LLC | 0.38% | 1/12/12 | Open | 1,537,033 | 1,535,250 |
| UBS Securities LLC | 0.25% | 1/25/12 | Open | 495,584 | 495,250 |
| UBS Securities LLC | (1.25)% | 2/02/12 | Open | 249,240 | 250,012 |
| Credit Suisse Securities (USA) LLC | 0.35% | 2/15/12 | Open | 2,001,366 | 1,999,889 |
| Credit Suisse Securities (USA) LLC | 0.35% | 2/22/12 | Open | 1,403,441 | 1,402,500 |
| UBS Securities LLC | 0.25% | 3/05/12 | Open | 105,642 | 105,600 |
| Credit Suisse Securities (USA) LLC | 0.25% | 3/07/12 | Open | 608,295 | 608,062 |
| Barclays Capital, Inc. | 0.35% | 3/08/12 | Open | 788,414 | 788,000 |
| Credit Suisse Securities (USA) LLC | 0.38% | 3/13/12 | Open | 14,484,358 | 14,476,871 |
| Deutsche Bank AG | 0.17% | 3/14/12 | Open | 1,033,734 | 1,033,500 |
| Credit Suisse Securities (USA) LLC | 0.30% | 3/20/12 | Open | 2,879,257 | 2,878,250 |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | | | |
|--------------------------|---------|---------|------|---------------------|---------------------|
| Credit Suisse Securities | | | | | |
| (USA) LLC | 0.35% | 3/20/12 | Open | 1,472,351 | 1,471,750 |
| Barclays Capital, Inc. | 0.35% | 3/21/12 | Open | 1,601,888 | 1,601,250 |
| Barclays Capital, Inc. | 0.35% | 3/22/12 | Open | 1,342,040 | 1,341,519 |
| Credit Suisse Securities | | | | | |
| (USA) LLC | 0.35% | 3/27/12 | Open | 698,957 | 698,719 |
| UBS Securities LLC | 0.38% | 3/27/12 | Open | 2,163,086 | 2,162,288 |
| Barclays Capital, Inc. | 0.35% | 4/03/12 | Open | 7,496,838 | 7,494,797 |
| BNP Paribas | | | | | |
| Securities Corp. | 0.10% | 4/03/12 | Open | 779,013 | 778,952 |
| BNP Paribas | | | | | |
| Securities Corp. | 0.11% | 4/03/12 | Open | 628,054 | 628,000 |
| BNP Paribas | | | | | |
| Securities Corp. | 0.35% | 4/03/12 | Open | 1,514,412 | 1,514,000 |
| Barclays Capital, Inc. | (1.00)% | 4/03/12 | Open | 318,922 | 319,170 |
| UBS Securities LLC | 0.30% | 4/04/12 | Open | 2,403,941 | 2,403,400 |
| UBS Securities LLC | 0.31% | 4/04/12 | Open | 477,486 | 477,375 |
| UBS Securities LLC | 0.35% | 4/04/12 | Open | 8,704,035 | 8,701,750 |
| UBS Securities LLC | 0.38% | 4/04/12 | Open | 7,758,210 | 7,756,000 |
| UBS Securities LLC | 0.10% | 4/16/12 | Open | 348,015 | 348,000 |
| Deutsche Bank AG | 0.00% | 4/24/12 | Open | 115,700 | 115,700 |
| Deutsche Bank AG | 0.12% | 4/24/12 | Open | 1,889,107 | 1,889,063 |
| Barclays Capital, Inc. | 0.35% | 4/25/12 | Open | 2,072,183 | 2,072,063 |
| BNP Paribas | | | | | |
| Securities Corp. | 0.37% | 4/26/12 | Open | 2,155,111 | 2,155,000 |
| Deutsche Bank AG | 0.25% | 4/26/12 | Open | 648,023 | 648,000 |
| Total | | | | \$73,953,020 | \$73,924,855 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 37

Schedule of Investments (continued) **BlackRock Credit Allocation Income Trust III (BPP)**

Financial futures contracts purchased as of April 30, 2012 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Appreciation |
|------------------|--------------------------|------------------------|-------------------|-----------------------|--------------------------------|
| 3 | 2-Year US Treasury Note | Chicago Board of Trade | June 2012 | USD 661,641 | \$ 688 |
| 20 | 30-Year US Treasury Bond | Chicago Board of Trade | June 2012 | USD 2,857,500 | 133,717 |
| 91 | 5-Year US Treasury Note | Chicago Board of Trade | June 2012 | USD 11,265,515 | 48,373 |
| Total | | | | | \$ 182,778 |

Financial futures contracts sold as of April 30, 2012 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|------------------|----------------------------------|------------------------|-------------------|-----------------------|--------------------------------|
| 207 | 10-Year US Treasury Note | Chicago Board of Trade | June 2012 | USD 27,382,219 | \$ (366,325) |
| 48 | Ultra Long Term US Treasury Bond | Chicago Board of Trade | June 2012 | USD 7,575,000 | (205,820) |
| Total | | | | | \$ (572,145) |

Credit default swaps on single-name issues buy protection outstanding as of April 30, 2012 were as follows:

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|------------------------|-----------------------|------------------------------------|------------------------|------------------------------|---|
| The New York Times Co. | 1.00% | Barclays Bank Plc | 12/20/16 | USD 1,725 | \$ 14,871 |
| Southwest Airlines Co. | 1.00% | Goldman Sachs & Co. | 12/20/16 | USD 570 | (14,296) |
| Southwest Airlines Co. | 1.00% | Royal Bank of Scotland Plc | 12/20/16 | USD 570 | (16,512) |
| Time Warner Inc. | 1.00% | Credit Suisse Securities (USA) LLC | 3/20/17 | USD 3,500 | (3,143) |
| Emerson Electric Co. | 1.00% | Morgan Stanley & Co., Inc. | 3/20/17 | USD 1,125 | (8,936) |
| Total | | | | | \$ (28,016) |

Credit default swaps on single-name issues sold protection outstanding as of April 30, 2012 were as follows:

| Issuer | Receive Fixed Rate | Counterparty | Expiration | Issuer Credit Rating¹ | Notional Amount (000)² | Unrealized Appreciation (Depreciation) |
|----------------------|---------------------------|------------------------------------|-------------------|---|--|---|
| Aviva USA Corp. | 1.00% | Deutsche Bank AG | 5/25/12 | A | USD 1,300 | \$ (17) |
| DIRECTV Holdings LLC | 1.00% | Credit Suisse Securities (USA) LLC | 3/20/17 | BBB | USD 3,500 | 59,047 |
| MetLife, Inc. | 1.00% | Deutsche Bank AG | 3/20/18 | A- | USD 425 | (8,873) |

Total \$ 50,157

¹Using S&P's rating.

²The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

Credit default swaps on traded indexes sold protection outstanding as of April 30, 2012 were as follows:

| Index | Receive Fixed Rate | Counter- party | Expiration | Credit Rating ³ | Notional Amount (000) ⁴ | Unrealized Appreciation |
|---|--------------------------|-------------------|------------|-------------------------------|--|----------------------------|
| Dow Jones CDX North America High Yield Index | | Credit Suisse | | | | |
| Series 18, Version 1 | 5.00% | (USA) LLC | 6/20/17 | B+ | USD 900 | \$13,624 |

³Using S&P's rating of the underlying securities.

⁴The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of agreement.

Interest rate swaps outstanding as of April 30, 2012 were as follows:

| Fixed Rate | Floating Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|--------------------|------------------|----------------------|--------------------|-----------------------------|--|
| 1.17% ⁵ | 3-month | Credit Suisse | | | |
| | LIBOR | Securities (USA) LLC | 4/11/17 | USD 6,200 | \$ (26,125) |
| 1.18% ⁵ | 3-month | Deutsche | | | |
| | LIBOR | Bank AG | 4/11/17 | USD 10,100 | (47,445) |
| 2.12% ⁵ | 3-month | Deutsche | | | |
| | LIBOR | Bank AG | 3/05/22 | USD 3,100 | (26,789) |
| 4.03% ⁵ | 3-month | | | | |
| | LIBOR | UBS AG | 4/18/22 | USD 2,800 | (415,305) |
| 2.05% ⁶ | 3-month | Credit Suisse | | | |
| | LIBOR | Securities (USA) LLC | 5/02/22 | USD 2,900 | 968 |
| 2.05% ⁶ | 3-month | Credit Suisse | | | |
| | LIBOR | Securities (USA) LLC | 5/02/22 | USD 1,900 | |
| Total | | | | | \$ (514,696) |

⁵Fund pays a fixed interest rate and receives floating rate.

⁶Fund pays a floating interest rate and receives fixed rate.

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

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

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

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

See Notes to Financial Statements.

38 SEMI-ANNUAL REPORT APRIL 30, 2012

Schedule of Investments (concluded) **BlackRock Credit Allocation Income Trust III (BPP)**

The following tables summarize the inputs used as of April 30, 2012 in determining the fair valuation of the Fund's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|-------------|---------------|-------------|---------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | — | — | \$1,098,500 | \$1,098,500 |
| Corporate Bonds | — | \$243,458,905 | 1,677,812 | 245,136,717 |
| Preferred Securities | \$623,076 | 47,165,489 | — | 47,788,565 |
| Taxable Municipal Bonds | — | 2,054,404 | — | 2,054,404 |
| US Government Sponsored Agency Securities | — | 648,134 | — | 648,134 |
| US Treasury Obligations | — | 3,754,467 | — | 3,754,467 |
| Warrants | — | 17,872 | — | 17,872 |
| Short-Term Securities | 841,364 | — | — | 841,364 |
| Total | \$1,464,440 | \$297,099,271 | \$2,776,312 | \$301,340,023 |

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|--------------|----------------|---------|----------------|
| Derivative Financial Instruments ¹ | | | | |
| Assets: | | | | |
| Equity contracts | \$35,880 | — | — | \$35,880 |
| Interest rate contracts | 182,778 | \$470,492 | — | 653,270 |
| Credit contracts | — | 87,542 | — | 87,542 |
| Liabilities: | | | | |
| Equity contracts | — | (25,517) | — | (25,517) |
| Interest rate contracts | (572,145) | (1,596,468) | — | (2,168,613) |
| Credit contracts | — | (51,760) | \$(17) | (51,777) |
| Total | \$(353,487) | \$(1,115,711) | \$(17) | \$(1,469,215) |

¹ Derivative financial instruments are swaps, financial futures contracts, and options. Swaps and financial futures contracts are valued at the unrealized appreciation/depreciation on the instrument and options are shown at value. The following table is a reconciliation of Level 3 derivative financial instruments for which significant unobservable inputs were used in determining fair value:

| | Asset-Backed Securities | Corporate Bonds | Total |
|---|-------------------------|-----------------|-------------|
| Assets: | | | |
| Balance, as of October 31, 2011 | \$1,007,500 | \$1,690,000 | \$2,697,500 |
| Accrued discounts/premiums | 9,192 | — | 9,192 |
| Net realized gain (loss) | — | — | — |
| Net change in unrealized appreciation/depreciation ² | 81,808 | (12,188) | 69,620 |
| Purchases | — | — | — |
| Sales | — | — | — |
| Transfers in ³ | — | — | — |

Edgar Filing: BLACKROCK FLOATING RATE INCOME TRUST - Form N-CSRS

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Transfers out ³ | — | — | — |
| Balance, as of April 30, 2012 | \$ 1,098,500 | \$ 1,677,812 | \$ 2,776,312 |

²Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held at April 30, 2012 was \$1,759,621.

³The Fund's policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

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

| | Credit Contracts |
|---|---------------------|
| Assets/Liabilities: | |
| Balance, as of October 31, 2011 | \$ 2,351 |
| Accrued discounts/premiums | 4,210 |
| Net realized gain (loss) | — |
| Net change in unrealized appreciation/depreciation ⁴ | (2,368) |
| Purchases | — |
| Issuances ⁵ | — |
| Sales | — |
| Settlements ⁶ | (4,210) |
| Transfers in ³ | — |
| Transfers out ³ | — |
| Balance, as of April 30, 2012 | \$ (17) |

⁴Included in the related net change in unrealized appreciation/depreciation in the Statements of operations. The change in unrealized appreciation/depreciation on derivative financial instruments still held at April 30, 2012 was \$(2,368).

⁵Issuances represent upfront cash received on certain derivative financial instruments.

⁶Settlements represent periodic contractual cash flows and/or cash flows to terminate certain derivative financial instruments.

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT APRIL 30, 2012 39

Schedule of Investments April 30, 2012 (Unaudited) **BlackRock Credit Allocation Income Trust IV (BTZ)**
 (Percentages shown are based on Net Assets)

| Asset-Backed Securities | Par (000) | Value |
|---|----------------------|------------------------|
| 321 Henderson Receivables I LLC, Series 2012-1A, Class A, 4.21%, 2/16/65 (a) | USD 1,713 | \$ 1,763,318 |
| Atrium CDO Corp., Series 5A, Class A4, 0.88%, 7/20/20 (a)(b) | 4,400 | 3,718,000 |
| SLM Student Loan Trust, Series 2004-B, Class A2, 0.67%, 6/15/21 (b) | 3,624 | 3,475,992 |
| Total Asset-Backed Securities 1.2% | | 8,957,310 |
| Corporate Bonds | | |
| Aerospace & Defense 1.0% | | |
| BE Aerospace, Inc., 8.50%, 7/01/18 | 3,575 | 3,959,313 |
| Huntington Ingalls Industries, Inc.: | | |
| 6.88%, 3/15/18 | 990 | 1,046,925 |
| 7.13%, 3/15/21 | 960 | 1,016,400 |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | 1,662 | 1,786,650 7,809,288 |
| Airlines 0.7% | | |
| American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23 | 912 | 962,423 |
| Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17 | 1,865 | 2,037,569 |
| Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24 | 1,949 | 2,051,785 5,051,777 |
| Auto Components 0.7% | | |
| Delphi Corp., 6.13%, 5/15/21 (a) | 950 | 1,011,750 |
| Icahn Enterprises LP: | | |
| 7.75%, 1/15/16 | 1,180 | 1,241,950 |
| 8.00%, 1/15/18 | 3,020 | 3,227,625 5,481,325 |
| Beverages 0.5% | | |
| Constellation Brands, Inc., 7.25%, 5/15/17 | 3,230 | 3,649,900 |
| Building Products 0.3% | | |
| Building Materials Corp. of America (a): | | |
| 7.00%, 2/15/20 | 790 | 843,325 |
| 6.75%, 5/01/21 | 1,560 | 1,624,350 2,467,675 |
| Capital Markets 4.7% | | |