BLACKROCK CORPORATE HIGH YIELD FUND VI, INC.
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SECURITIES AND EXCHANGE COMMISSION

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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21318

Name of Fund: BlackRock Corporate High Yield Fund VI, Inc. (HYT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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Date of fiscal year end: 08/31/2012

Date of reporting period: 08/31/2012

Item 1 – Report to Stockholders

August 31, 2012

Annual Report

BlackRock Core Bond Trust (BHK)

BlackRock Corporate High Yield Fund V, Inc. (HYV)

BlackRock Corporate High Yield Fund VI, Inc. (HYT)

BlackRock High Income Shares (HIS)

BlackRock High Yield Trust (BHY)

BlackRock Income Opportunity Trust, Inc. (BNA)

BlackRock Income Trust, Inc. (BKT)

BlackRock Strategic Bond Trust (BHD)

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Dear Shareholder

About this time one year ago, financial markets had been upended by sovereign debt turmoil in the United States and Europe as well as growing concerns about the future of the global economy. Since then, asset prices have waxed and waned in broad strokes as investors reacted to developments in Europe s financial situation, mixed US economic news and global central bank policy action.

After confidence crumbled in the third quarter of 2011, October brought improving economic data and more concerted efforts among European leaders toward stemming the region s debt crisis, gradually drawing investors back to the markets. Improving sentiment carried over into early 2012 as investors felt some relief from the world s financial woes. Volatility abated and risk assets (including stocks, commodities and high yield bonds) moved boldly higher through the first two months of 2012 while climbing Treasury yields pressured higher-quality fixed income assets.

Markets reversed course in the spring when Europe s debt problems boiled over once again. High levels of volatility returned as political instability in Greece threatened the country s membership in the euro zone. Spain faced severe deficit issues while the nation s banks clamored for liquidity. Yields on Spanish and Italian government debt rose to levels deemed unsustainable. European leaders conferred and debated vehemently over the need for fiscal integration among the 17 nations comprising the euro currency bloc as a means to resolve the crisis for the long term.

Alongside the drama in Europe, investors were discouraged by gloomy economic reports from various parts of the world. A slowdown in China, a key powerhouse for global growth, became particularly worrisome. In the United States, disappointing jobs reports dealt a crushing blow to sentiment. Risk assets sold off in the second quarter as investors again retreated to safe haven assets.

Despite the continuation of heightened market volatility, most asset classes enjoyed a robust summer rally. Global economic data continued to be mixed, but the spate of downside surprises seen in the second quarter began to recede and, outside of Europe, the risk of recession largely subsided. Central bank policy action has been a major driver of market sentiment in 2012. Investors anticipation for economic stimulus drove asset prices higher over the summer as the European Central Bank stepped up its efforts to support the region s troubled nations and the US Federal Reserve reiterated its readiness to take action if economic conditions warrant.

On the whole, most asset classes advanced during the reporting period. US large cap stocks delivered strong returns for the 12 months ended August 31, 2012, while small cap stocks and high yield bonds also performed well. Despite the risk-asset rally in recent months, higher-quality investments including tax-exempt municipal bonds and US Treasury bonds posted exceptional gains by historical standards and outperformed investment-grade corporate bonds. International and emerging equities, however, lagged other asset classes amid ongoing global uncertainty. Near-zero short term interest rates kept yields on money market securities near their all-time lows.

We know that investors continue to face a world of uncertainty and volatile markets, but we also believe these challenging times present many 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

We know that investors continue to face a world of uncertainty and volatile markets, but we also believe these challenging times present many opportunities.

Rob Kapito
President, BlackRock Advisors, LLC

Total Returns as of August 31, 2012

	6-month	12-month
US large cap equities (S&P 500® Index)	4.14%	18.00%
US small cap equities (Russell 2000® Index)	0.89	13.40
International equities (MSCI Europe, Australasia, Far East Index)	(4.00)	(0.04)
Emerging market equities (MSCI Emerging Markets Index)	(10.51)	(5.80)
3-month Treasury bill (BofA Merrill Lynch 3-Month US Treasury Bill Index)	0.06	0.06
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	5.25	9.14
US investment grade bonds (Barclays US Aggregate Bond Index)	2.97	5.78
Tax-exempt municipal bonds (S&P Municipal Bond Index)	3.24	9.37
US high yield bonds (Barclays US Corporate High Yield 2% Issuer Capped Index)	4.80	13.84

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

Trust Summary as of August 31, 2012 **BlackRock Core Bond Trust**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 28.78% based on market price and 17.06% based on net asset value (NAV). For the same period, the closed-end Lipper Corporate BBB-Rated Debt Funds (Leveraged) category posted an average return of 20.04% based on market price and 14.26% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Concerns over US economic growth potential, political uncertainty and sover-eign debt problems abroad drove investors to safe assets during the majority of the reporting period. Therefore, the Trust s increased use of leverage to purchase a broad, diversified basket of high-quality assets and an overall long duration profile proved beneficial as interest rates touched new lows during the period.

Spread sectors outperformed government-related debt for the twelve-month period as persistently low interest rates drove strong investor demand for higher-yielding assets. Spread sectors were also buoyed by supportive US and European monetary policy action as well as continued improvement in US underlying credit fundamentals. As a result, the Trust benefited from its sector allocations to high yield and investment grade corporate credit. The Trust also benefited from exposure to securitized assets such as commercial mortgage-backed securities (CMBS) and non-agency residential mortgage-backed securities (MBS). In particular, the Trust favored higher-quality multi-family CMBS, which performed well due to strong demand for rental housing.

The Trust s duration stance modestly detracted from performance during a brief period of rising interest rates in the first quarter of 2012. However, the Trust s longer duration at that time did not represent a tactical stance, rather it was a result of the Trust s leveraged exposure to credit spread sectors to generate an attractive level of income. The net result of the Trust s duration positioning remains positive for the reporting period as a whole.

Describe recent portfolio activity.

Investor risk aversion began to wane as the European Central Bank s long-term refinancing operation program alleviated liquidity risk in the euro zone toward the end of 2011. The Trust increased duration to take advantage of low borrowing costs and gain additional exposure to higher-yielding credit spread sectors. Within investment grade credit, the Trust increased exposure to utilities given their attractive valuation relative to industrial names. The Trust also increased its diversified exposure to financial names in banking and insurance both in the United States and Europe. Toward period end, the Trust added exposure to European securitized credit in the form of United Kingdom residential MBS.

Describe portfolio positioning at period end.

At period end, the Trust maintained a diversified exposure to non-government spread sectors, including investment grade credit, high yield corporate credit, CMBS, asset-backed securities and non-agency residential MBS. The Trust also held allocations to government-related sectors such as US Treasuries, agency debt and agency MBS. The Trust ended the reporting period with a long duration profile.

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

BlackRock Core Bond Trust

Trust Information

Symbol on New York Stock Exchange (NYSE)		BHK
Initial Offering Date		November 27, 2001
Yield on Closing Market Price as of August 31, 2012 ($15.41)[1]		5.68%
Current Monthly Distribution per Common Share[2]	$	0.073
Current Annualized Distribution per Common Share[2]	$	0.876
Economic Leverage as of August 31, 2012[3]		31%

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

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

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/12	8/31/11	Change	High	Low
Market Price	$ 15.41	$ 12.69	21.43%	$ 15.46	$ 12.59
Net Asset Value	$ 15.21	$ 13.78	10.38%	$ 15.24	$ 13.65

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

Portfolio Composition

	8/31/12	8/31/11
Corporate Bonds	52%	52%
US Treasury Obligations	14	16
US Government Sponsored Agency Securities	13	13
Non-Agency Mortgage-Backed Securities	11	12
Asset-Backed Securities	5	4
Taxable Municipal Bonds	2	1
Preferred Securities	2	1
Foreign Agency Obligations	1	1

Credit Quality Allocations[4]

	8/31/12	8/31/11
AAA/Aaa[5]	36%	40%
AA/Aa	3	8
A	20	17
BBB/Baa	23	16
BB/Ba	7	6
B	9	11

CCC/Caa	2	2

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

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

Trust Summary as of August 31, 2012 **BlackRock Corporate High Yield Fund V, Inc.**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 27.88% based on market price and 17.92% based on NAV. For the same period, the closed-end Lipper High Yield Funds (Leveraged) category posted an average return of 22.72% based on market price and 16.49% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Security selection among high yield bonds in the middle and upper credit quality tiers had a positive impact on performance. From a sector perspective, selection within non-captive diversified financials, consumer services and food & beverages contributed positively. The Trust s exposure to common stock and select equity-correlated instruments also boosted returns.

Conversely, security selection among non-rated securities detracted from performance. On a sector basis, selection within independent energy, non-cable media and paper had a negative impact on returns. The Trust s allocation to bank loans also hindered performance as the asset class underperformed relative to the high yield market in the risk asset rally.

Describe recent portfolio activity.

The 12-month period began with severe market volatility in reaction to head-winds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced its program of long-term refinancing operations. As financial market conditions improved, the Trust selectively added back some risk in names with appealing risk-reward characteristics. Over the first eight months of 2012, the high yield market surged, prompting the Trust to moderate its risk profile. The Trust s view on high yield remained positive throughout this period; however, as valuations paced higher, the Trust became increasingly focused on higher-quality, income-oriented credit names with stable fundamentals and an attractive coupon rate, since the potential for price appreciation had largely diminished. Given global growth concerns posing a persistent threat and fueling uncertainty, the Trust continued to favor issuers in mature industries that exhibit consistent cash flows and good earnings visibility and debt instruments that are backed by profitable assets. The Trust generally remained cautious of cyclical credits that tend to be more vulnerable to slower economic growth and/or macroeconomic weakness.

Describe portfolio positioning at period end.

At period end, the Trust held 74% of its total portfolio in corporate bonds and 17% in floating rate loan interests (bank loans), with the remainder in common stocks, preferred stocks, other interests and asset-backed securities. The Trust s largest sector exposures included non-cable media, health care and chemicals, while its portfolio holdings reflected less emphasis on the riskier, more cyclical segments of the market such as banking, home construction and restaurants. The Trust ended the period with economic leverage at 30% of its total managed assets.

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BlackRock Corporate High Yield Fund V, Inc.

Trust Information	
Symbol on NYSE	HYV
Initial Offering Date	November 30, 2001
Yield on Closing Market Price as of August 31, 2012 ($13.51)[1]	7.99%
Current Monthly Distribution per Common Share[2]	$0.09
Current Annualized Distribution per Common Share[2]	$1.08
Economic Leverage as of August 31, 2012[3]	30%

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

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

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/12	**8/31/11**	**Change**	**High**	**Low**
Market Price	$ 13.51	$ 11.55	16.97%	$ 13.58	$ 10.13
Net Asset Value	$ 12.63	$ 11.71	7.86%	$ 12.63	$ 10.91

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

Portfolio Composition

	8/31/12	**8/31/11**
Corporate Bonds	75%	79%
Floating Rate Loan Interests	17	13
Common Stocks	6	3
Preferred Stocks	2	2
Other Interests		3

Credit Quality Allocations[4]

	8/31/12	**8/31/11**
A	1%	
BBB/Baa	6	7%
BB/Ba	35	34
B	43	45
CCC/Caa	13	11
D		1
Not Rated	2	2

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

Trust Summary as of August 31, 2012 **BlackRock Corporate High Yield Fund VI, Inc.**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 26.30% based on market price and 17.14% based on NAV. For the same period, the closed-end Lipper High Yield Funds (Leveraged) category posted an average return of 22.72% based on market price and 16.49% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Security selection among high yield bonds in the middle and upper credit quality tiers had a positive impact on performance. From a sector perspective, selection within non-captive diversified financials, consumer services and food & beverages contributed positively. The Trust s exposure to common stock and select equity-correlated instruments also boosted returns.

Conversely, security selection among non-rated securities detracted from performance. On a sector basis, selection within independent energy, non-cable media and paper had a negative impact on returns. The Trust s allocation to bank loans also hindered performance as the asset class underperformed relative to the high yield market in the risk asset rally.

Describe recent portfolio activity.

The 12-month period began with severe market volatility in reaction to head- winds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced its program of long-term refinancing operations. As financial market conditions improved, the Trust selectively added back some risk in names with appealing risk-reward characteristics. Over the first eight months of 2012, the high yield market surged, prompting the Trust to moderate its risk profile. The Trust s view on high yield remained positive throughout this period; however, as valuations paced higher, the Trust became increasingly focused on higher-quality, income-oriented credit names with stable fundamentals and an attractive coupon rate, since the potential for price appreciation had largely diminished. Given global growth concerns posing a persistent threat and fueling uncertainty, the Trust continued to favor issuers in mature industries that exhibit consistent cash flows and good earnings visibility and debt instruments that are backed by profitable assets. The Trust generally remained cautious of cyclical credits that tend to be more vulnerable to slower economic growth and/or macroeconomic weakness.

Describe portfolio positioning at period end.

At period end, the Trust held 75% of its total portfolio in corporate bonds and 17% in floating rate loan interests (bank loans), with the remainder in common stocks, preferred stocks and other interests. The Trust s largest sector exposures included non-cable media, health care and chemicals, while its portfolio holdings reflected less emphasis on the riskier, more cyclical segments of the market such as banking, home construction and restaurants. The Trust ended the period with economic leverage at 29% of its total managed assets.

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BlackRock Corporate High Yield Fund VI, Inc.

Trust Information

Symbol on NYSE	HYT
Initial Offering Date	May 30, 2003
Yield on Closing Market Price as of August 31, 2012 ($12.96)[1]	8.10%
Current Monthly Distribution per Common Share[2]	$0.0875
Current Annualized Distribution per Common Share[2]	$1.0500
Economic Leverage as of August 31, 2012[3]	29%

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

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

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/12	8/31/11	Change	High	Low
Market Price	$ 12.96	$ 11.21	15.61%	$ 13.14	$ 9.95
Net Asset Value	$ 12.32	$ 11.49	7.22%	$ 12.32	$ 10.72

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

Portfolio Composition

	8/31/12	8/31/11
Corporate Bonds	75%	79%
Floating Rate Loan Interests	17	13
Common Stocks	6	3
Preferred Stocks	2	2
Other Interests		3

Credit Quality Allocations[4]

	8/31/12	8/31/11
A	1%	
BBB/Baa	6	7%
BB/Ba	35	35
B	43	45
CCC/Caa	14	11
D		1
Not Rated	1	1

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

Trust Summary as of August 31, 2012 **BlackRock High Income Shares**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 25.58% based on market price and 13.91% based on NAV. For the same period, the closed-end Lipper High Yield Funds (Leveraged) category posted an average return of 22.72% based on market price and 16.49% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Security selection among high yield bonds in the higher credit quality tiers had a positive impact on performance. From a sector perspective, selection within the non-captive diversified financials, consumer services and wireless segments contributed positively. The Trust s exposure to preferred securities also boosted returns.

Conversely, security selection among non-rated securities detracted from performance. On a sector basis, selection within independent energy, non-cable media and paper had a negative impact on returns. The Trust s allocation to bank loans also hindered performance as the asset class underperformed relative to the high yield market in the risk asset rally.

Describe recent portfolio activity.

The 12-month period began with severe market volatility in reaction to head-winds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced its program of long-term refinancing operations. As financial market conditions improved, the Trust selectively added back some risk in names with appealing risk-reward characteristics. Over the first eight months of 2012, the high yield market surged, prompting the Trust to moderate its risk profile. The Trust s view on high yield remained positive throughout this period; however, as valuations paced higher, the Trust became increasingly focused on higher-quality, income-oriented credit names with stable fundamentals and an attractive coupon rate. Given global growth concerns posing a persistent threat and fueling uncertainty, the Trust continued to favor issuers in mature industries that exhibit consistent cash flows and good earnings visibility and debt instruments that are backed by profitable assets. The Trust generally remained cautious of cyclical credits that tend to be more vulnerable to slower economic growth and/or macroeconomic weakness.

Describe portfolio positioning at period end.

At period end, the Trust held 78% of its total portfolio in corporate bonds and 18% in floating rate loan interests (bank loans), with the remainder in preferred securities and common stocks. The Trust s largest sector exposures included non-cable media, health care and chemicals, while its portfolio holdings reflected less emphasis on the riskier, more cyclical segments of the market such as banking, retailers and restaurants. The Trust ended the period with economic leverage at 25% of its total managed assets.

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BlackRock High Income Shares

Trust Information

Symbol on NYSE	HIS
Initial Offering Date	August 10, 1988
Yield on Closing Market Price as of August 31, 2012 ($2.40)[1]	7.60%
Current Monthly Distribution per Common Share[2]	$0.0152
Current Annualized Distribution per Common Share[2]	$0.1824
Economic Leverage as of August 31, 2012[3]	25%

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

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

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/12	8/31/11	Change	High	Low
Market Price	$ 2.40	$ 2.10	14.29%	$ 2.44	$ 1.81
Net Asset Value	$ 2.26	$ 2.18	3.67%	$ 2.26	$ 2.04

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

Portfolio Composition

	8/31/12	8/31/11
Corporate Bonds	79%	83%
Floating Rate Loan Interests	18	14
Preferred Securities	2	2
Common Stocks	1	1

Credit Quality Allocations[4]

	8/31/12	8/31/11
A	1%	
BBB/Baa	7	7%
BB/Ba	34	34
B	43	45
CCC/Caa	14	12
D		1
Not Rated	1	1

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

Trust Summary as of August 31, 2012 **BlackRock High Yield Trust**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 31.27% based on market price and 15.70% based on NAV. For the same period, the closed-end Lipper High Yield Funds (Leveraged) category posted an average return of 22.72% based on market price and 16.49% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Security selection among high yield bonds in the middle and upper credit quality tiers had a positive impact on performance. From a sector perspective, selection within the non-captive diversified financials, consumer services and wireless segments contributed positively. The Trust s exposure to common stock and select preferred securities also boosted returns.

Conversely, security selection among non-rated securities detracted from performance. On a sector basis, selection within independent energy, non-cable media, automotive and paper had a negative impact on returns. The Trust s allocation to bank loans also hindered performance as the asset class underperformed relative to the high yield market in the risk asset rally.

Describe recent portfolio activity.

The 12-month period began with severe market volatility in reaction to head-winds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced its program of long-term refinancing operations. As financial market conditions improved, the Trust selectively added back some risk in names with appealing risk-reward characteristics. Over the first eight months of 2012, the high yield market surged, prompting the Trust to moderate its risk profile. The Trust s view on high yield remained positive throughout this period; however, as valuations paced higher, the Trust became increasingly focused on higher-quality, income-oriented credit names with stable fundamentals and an attractive coupon rate. The Trust continued to favor issuers in mature industries that exhibit consistent cash flows and good earnings visibility and debt instruments that are backed by profitable assets. The Trust generally remained cautious of cyclical credits that tend to be more vulnerable to slower economic growth and/or macroeconomic weakness.

Describe portfolio positioning at period end.

At period end, the Trust held 78% of its total portfolio in corporate bonds and 17% in floating rate loan interests (bank loans), with the remainder in common stocks and preferred securities. The Trust s largest sector exposures included non-cable media, health care and chemicals, while its portfolio holdings reflected less emphasis on the riskier, more cyclical segments of the market such as banking, home construction and restaurants. The Trust ended the period with economic leverage at 29% of its total managed assets.

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BlackRock High Yield Trust

Trust Information

Symbol on NYSE	BHY
Initial Offering Date	December 23, 1998
Yield on Closing Market Price as of August 31, 2012 ($8.04)[1]	6.64%
Current Monthly Distribution per Common Share[2]	$0.0445
Current Annualized Distribution per Common Share[2]	$0.5340
Economic Leverage as of August 31, 2012[3]	29%

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

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

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/12	8/31/11	Change	High	Low
Market Price	$ 8.04	$ 6.60	21.82%	$ 8.37	$ 5.92
Net Asset Value	$ 7.29	$ 6.79	7.36%	$ 7.29	$ 6.36

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

Portfolio Composition

	8/31/12	8/31/11
Corporate Bonds	78%	82%
Floating Rate Loan Interests	17	15
Common Stocks	3	
Preferred Securities	2	1
Other Interests		2

Credit Quality Allocations[4]

	8/31/12	8/31/11
A	1%	
BBB/Baa	7	8%
BB/Ba	35	35
B	44	46
CCC/Caa	12	9
D		1
Not Rated	1	1

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

Trust Summary as of August 31, 2012 **BlackRock Income Opportunity Trust, Inc.**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 24.92% based on market price and 16.81% based on NAV. For the same period, the closed-end Lipper Corporate BBB-Rated Debt Funds (Leveraged) category posted an average return of 20.04% based on market price and 14.26% based on NAV. All returns reflect reinvestment of dividends. The Trust s slight discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Concerns over US economic growth potential, political uncertainty and sovereign debt problems abroad drove investors to safe assets during the majority of the reporting period. Therefore, the Trust s increased use of leverage to purchase a broad, diversified basket of high-quality assets and an overall long duration profile proved beneficial as interest rates touched new lows during the period.

Spread sectors outperformed government-related debt for the twelve-month period as persistently low interest rates drove strong investor demand for higher-yielding assets. Spread sectors were also buoyed by supportive US and European monetary policy action as well as continued improvement in US underlying credit fundamentals. As a result, the Trust benefited from its sector allocations to high yield and investment grade corporate credit. The Trust also benefited from exposure to securitized assets such as CMBS and non-agency residential MBS. In particular, the Trust favored higher-quality multi-family CMBS, which performed well due to strong demand for rental housing.

The Trust s duration stance modestly detracted from performance during a brief period of rising interest rates in the first quarter of 2012. However, the Trust s longer duration at that time did not represent a tactical stance, rather it was a result of the Trust s leveraged exposure to credit spread sectors to generate an attractive level of income. The net result of the Trust s duration positioning remains positive for the reporting period as a whole.

Describe recent portfolio activity.

Investor risk aversion began to wane as the European Central Bank s long-term refinancing operation program alleviated liquidity risk in the euro zone toward the end of 2011. The Trust increased duration to take advantage of low borrowing costs and gain additional exposure to higher-yielding credit spread sectors. Within investment grade credit, the Trust increased exposure to utilities given their attractive valuation relative to industrial names. The Trust also increased its diversified exposure to financial names in banking and insurance both in the United States and Europe. Toward period end, the Trust added exposure to European securitized credit in the form of United Kingdom residential MBS.

Describe portfolio positioning at period end.

At period end, the Trust maintained a diversified exposure to non-government spread sectors, including investment grade credit, high yield corporate credit, CMBS, asset-backed securities and non-agency residential MBS. The Trust also held allocations to government-related sectors such as US Treasuries, agency debt and agency MBS. The Trust ended the reporting period with a long duration profile.

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BlackRock Income Opportunity Trust, Inc.

Trust Information

Symbol on NYSE	BNA
Initial Offering Date	December 20, 1991
Yield on Closing Market Price as of August 31, 2012 ($11.58)[1]	5.91%
Current Monthly Distribution per Common Share[2]	$0.057
Current Annualized Distribution per Common Share[2]	$0.684
Economic Leverage as of August 31, 2012[3]	32%

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

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

3 Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/12	8/31/11	Change	High	Low
Market Price	$ 11.58	$ 9.85	17.56%	$ 11.61	$ 9.66
Net Asset Value	$ 11.84	$10.77	9.94%	$ 11.87	$ 10.68

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

Portfolio Composition

	8/31/12	8/31/11
Corporate Bonds	51%	52%
US Treasury Obligations	15	16
US Government Sponsored Agency Securities	14	13
Non-Agency Mortgage-Backed Securities	11	12
Asset-Backed Securities	4	4
Taxable Municipal Bonds	2	1
Preferred Securities	2	1
Foreign Agency Obligations	1	1

Credit Quality Allocations[4]

	8/31/12	8/31/11
AAA/Aaa[5]	37%	40%
AA/Aa	3	7
A	19	19
BBB/Baa	23	16
BB/Ba	6	7
B	9	9
CCC/Caa	2	2
Not Rated	1	

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

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

Trust Summary as of August 31, 2012 **BlackRock Income Trust, Inc.**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 13.19% based on market price and 6.24% based on NAV. For the same period, the closed-end Lipper US Mortgage Funds category posted an average return of 18.47% based on market price and 13.18% based on NAV. All returns reflect reinvestment of dividends. The Trust s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The Trust s exposure to undervalued prepayment-sensitive interest-only agency MBS contributed positively to returns. These securities performed well as interest rates generally moved lower over the reporting period. In particular, the Trust s holdings in this space were focused on securities that would be less impacted by potential government policy changes and were purchased at attractive levels given concerns about increasing refinance activity.

The Trust also benefited from its leveraged exposure to agency pass-through MBS, as the sector was supported by monetary policy operations and increased demand from financial institutions seeking relatively safer investments and an alternative to US Treasuries. Adding to performance was the Trust s positioning within the agency MBS with heavier weightings in low- and high-coupon issues and limited exposure to coupons in the middle, which are most vulnerable to refinancing risk.

Detracting slightly from performance was tactical trading in anticipation of the early 2012 policy changes relating to the government s Home Affordable Refinance Program (HARP). The Trust actively reduced its sensitivity to prepayment risk in advance of the policy changes; however, this defensive stance ultimately proved too early as the increase in refinancing activity resulting from the changes to HARP took longer to materialize than had been expected.

Also detracting slightly were the Trust s interest rate hedges designed to protect the portfolio from market volatility. The Trust uses interest rate derivatives including futures, options, swaps and swaptions, mainly for the purpose of managing duration, convexity and yield curve positioning. During the period, the Trust held short positions in US Treasury futures in order to reduce the overall duration profile of the portfolio. These positions served as a drag on performance as the US Treasury market generally advanced over the period.

Describe recent portfolio activity.

The Trust increased its allocation to agency MBS in the fourth quarter of 2011, after spreads had widened in the space due to increased policy risk. The Trust slightly reduced these holdings after their strong performance in late 2011 and early 2012. The sales were concentrated in the lower-coupon securities, which are more likely to be extended. The Trust maintained a strong level of yield by increasing exposure to prepayment-sensitive securities. The Trust also maintained a limited exposure to CMBS and non-agency residential MBS, which have performed well primarily due to improving underlying fundamentals.

Describe portfolio positioning at period end.

The backdrop for agency MBS appears constructive given the impact of the Federal Reserve s mortgage reinvestment program in curtailing net supply along with the sector s attractive yields relative to other high-quality asset classes in a low interest rate environment. However, prepayment risk for higher-coupon agency MBS remains high and, therefore, the Trust maintains a cautious stance. As of period end, the Trust maintained exposure to high-quality agency MBS with varying maturities and coupon rates. The Trust also held small allocations to non-agency MBS and CMBS. The Trust ended the reporting period with a slightly short duration profile.

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BlackRock Income Trust, Inc.

Trust Information

Symbol on NYSE	BKT
Initial Offering Date	July 22, 1988
Yield on Closing Market Price as of August 31, 2012 ($7.63)[1]	6.37%
Current Monthly Distribution per Common Share[2]	$0.0405
Current Annualized Distribution per Common Share[2]	$0.4860
Economic Leverage as of August 31, 2012[3]	19%

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

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

3 Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see the Benefits and Risks of Leveraging on page 20.

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

	8/31/12	**8/31/11**	**Change**	**High**	**Low**
Market Price	$ 7.63	$ 7.18	6.27%	$7.73	$7.00
Net Asset Value	$ 7.94	$ 7.96	(0.25)%	$8.12	$7.87

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

Portfolio Composition

	8/31/12	**8/31/11**
US Government Sponsored Agency Securities	86%	84%
US Treasury Obligations	11	12
Non-Agency Mortgage-Backed Securities	2	3
Asset-Backed Securities	1	1

Credit Quality Allocations[4]

	8/31/12	**8/31/11**
AAA/Aaa[5]	100%	100%

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

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

Trust Summary as of August 31, 2012 **BlackRock Strategic Bond Trust**

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

For the 12-month period ended August 31, 2012, the Trust returned 21.58% based on market price and 15.66% based on NAV. For the same period, the closed-end Lipper High Yield Funds (Leveraged) category posted an average return of 22.72% based on market price and 16.49% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Security selection among higher-quality debt instruments (including both bonds and loans) had a positive impact on the Trust s performance. While the surge in risk assets benefited overall performance, the Trust s tactical exposure to equity securities was particularly helpful as equities outperformed high yield bonds, bank loans and investment grade credits amid improving investor demand for riskier assets over the 12-month period. Security selection in the consumer services, non-captive diversified financials and wireless sectors boosted returns.

The Trust differs from its Lipper category competitors, which invest primarily in high yield bonds, in that the Trust also invests in floating rate loan interests (bank loans) and investment grade credits. While the Trust s allocations to bank loans and investment grade credit did not detract from performance on an absolute basis, these asset classes underperformed high yield bonds for the period.

Describe recent portfolio activity.

The 12-month period began with severe market volatility in reaction to head- winds from Europe s debt crisis and a possible US government shut-down. However, the environment shifted in December when the European Central Bank announced its program of long-term refinancing operations. As financial market conditions improved, the Trust selectively added back some risk in names with appealing risk-reward characteristics. Over the first eight months of 2012, the high yield market surged, prompting the Trust to moderate its risk profile. The Trust s view on high yield remained positive throughout this period; however, as valuations paced higher, the Trust became increasingly focused on higher-quality, income-oriented credit names with stable fundamentals and an attractive coupon rate, since the potential for price appreciation had largely diminished. Given global growth concerns posing a persistent threat and fueling uncertainty, the Trust continued to favor issuers in mature industries that exhibit consistent cash flows and good earnings visibility and debt instruments that are backed by profitable assets. The Trust generally remained cautious of cyclical credits that tend to be more vulnerable to slower economic growth and/or macroeconomic weakness.

Describe portfolio positioning at period end.

At period end, the Trust held 79% of its total portfolio in corporate bonds and 17% in floating rate loan interests (bank loans), with the remainder in preferred securities, common stocks and US Treasury obligations. The Trust s largest sector exposures included non-cable media, health care and wireless. The Trust ended the period with economic leverage at 23% of its total managed assets.

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BlackRock Strategic Bond Trust

Trust Information

Symbol on NYSE	BHD
Initial Offering Date	February 26, 2002
Yield on Closing Market Price as of August 31, 2012 ($14.52)[1]	6.98%
Current Monthly Distribution per Common Share[2]	$0.0845
Current Annualized Distribution per Common Share[2]	$1.0140
Economic Leverage as of August 31, 2012[3]	23%

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

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

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

	8/31/12	8/31/11	Change	High	Low
Market Price	$14.52	$12.93	12.30%	$14.91	$11.86
Net Asset Value	$14.40	$13.48	6.82%	$14.40	$12.72

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

Portfolio Composition

	8/31/12	8/31/11
Corporate Bonds	79%	85%
Floating Rate Loan Interests	17	12
Preferred Securities	2	1
Common Stocks	1	
US Treasury Obligations	1	
Other Interests		2

Credit Quality Allocations[4]

	8/31/12	8/31/11
AA/Aa	1%	3%
A	12	13
BBB/Baa	21	16
BB/Ba	26	26
B	32	34
CCC/Caa	7	6
D		1

Not Rated	1	1

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

The Benefits and Risks of Leveraging

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

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

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

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

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

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

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

Under the Investment Company Act of 1940, as amended (the 1940 Act), the Trusts are permitted to issue senior securities representing indebtedness up to $33^1/_3$% of their total managed assets (each Trust s net assets plus the proceeds of any outstanding borrowings). If the Trusts 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. In addition, each Trust voluntarily limits its aggregate economic leverage to 50% of its managed assets. As of August 31, 2012, the Trusts had aggregate economic leverage from reverse repurchase agreements, treasury roll transactions and/or borrowings through a credit facility as a percentage of their total managed assets as follows:

	Percent of Economic Leverage
BHK	31%

HYV	30%
HYT	29%
HIS	25%
BHY	29%
BNA	32%
BKT	19%
BHD	23%

Derivative Financial Instruments

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

Schedule of Investments August 31, 2012

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

Asset-Backed Securities		**Par (000)**	**Value**
Asset-Backed Securities 6.6%			
321 Henderson Receivables I LLC, Series 2010-3A, Class A, 3.82%, 12/15/48 (a)	USD	761	$ 795,261
AH Mortgage Advance Co. Ltd., Series SART-3, Class 1A1, 2.98%, 3/13/43 (a)		630	634,369
AmeriCredit Automobile Receivables Trust, Series 2011-5, Class C, 3.44%, 10/08/17		400	411,338
CarMax Auto Owner Trust, Series 2012-1:			
Class B, 1.76%, 8/15/17		210	212,152
Class C, 2.20%, 10/16/17		125	126,840
Class D, 3.09%, 8/15/18		155	156,507
CenterPoint Energy Transition Bond Co. LLC, Series 2012-1, Class A3, 3.03%, 10/15/25		1,105	1,197,989
Countrywide Asset-Backed Certificates, Series 2006-13, Class 3AV2, 0.39%, 1/25/37 (b)		1,082	826,078
Credit Acceptance Auto Loan Trust, Series 2010-1, Class B, 3.63%, 10/15/18 (a)		1,980	2,000,380
DT Auto Owner Trust (a):			
Series 2011-2A, Class C, 3.05%, 2/16/16		1,500	1,500,462
Series 2011-3A, Class C, 4.03%, 2/15/17		255	258,822
Ford Credit Floorplan Master Owner Trust:			
Series 2012-1, Class B, 1.14%, 1/15/16 (b)		180	180,001
Series 2012-1, Class C, 1.74%, 1/15/16 (b)		475	475,002
Series 2012-1, Class D, 2.34%, 1/15/16 (b)		445	445,001
Series 2012-2, Class B, 2.32%, 1/15/19		245	252,208
Series 2012-2, Class C, 2.86%, 1/15/19		105	107,018
Series 2012-2, Class D, 3.50%, 1/15/19		200	203,357
Home Equity Asset Trust, Series 2007-2, Class 2A1, 0.35%, 7/25/37 (b)		70	69,203
Nelnet Student Loan Trust (b):			
Series 2006-1, Class A5, 0.54%, 8/23/27		525	497,842
Series 2008-3, Class A4, 2.08%, 11/25/24		615	644,333
PFS Financing Corp., Series 2012-AA, Class A, 1.44%, 2/15/16 (a)(b)		480	481,654
Santander Consumer Acquired Receivables Trust (a):			
Series 2011-S1A, Class B, 1.66%, 8/15/16		521	522,220
Series 2011-S1A, Class C, 2.01%, 8/15/16		367	365,529
Series 2011-S1A, Class D, 3.15%, 8/15/16		382	379,916
Series 2011-WO, Class C, 3.19%, 10/15/15		580	584,309
Santander Drive Auto Receivables Trust:			
Series 2010-2, Class B, 2.24%, 12/15/14		860	864,475
Series 2010-2, Class C, 3.89%, 7/17/17		1,010	1,045,327
Series 2010-B, Class B, 2.10%, 9/15/14 (a)		700	702,535
Series 2010-B, Class C, 3.02%, 10/17/16 (a)		740	754,145
Series 2011-1, Class D, 4.01%, 2/15/17		940	960,565
Series 2011-S1A, Class B, 1.48%, 5/15/17 (a)		270	269,363
Series 2011-S1A, Class D, 3.10%, 5/15/17 (a)		293	294,267
Series 2011-S2A, Class C, 2.86%, 6/15/17 (a)		693	700,253
Series 2012-1, Class B, 2.72%, 5/16/16		240	244,548
Series 2012-1, Class C, 3.78%, 11/15/17		325	335,789

Asset-Backed Securities		Par (000)		Value
Asset-Backed Securities (concluded)				
SLM Student Loan Trust:				
Series 2004-B, Class A2, 0.67%, 6/15/21 (b)	USD	192	$	187,341
Series 2008-5, Class A3, 1.75%, 1/25/18 (b)		515		527,818
Series 2008-5, Class A4, 2.15%, 7/25/23 (b)		615		648,802
Series 2012-A, Class A1, 1.64%, 8/15/25 (a)(b)		330		332,543
Series 2012-A, Class A2, 3.83%, 1/17/45 (a)		345		368,769
Series 2012-D, Class A2, 2.95%, 2/15/46 (a)		2,830		2,930,025
Small Business Administration, Class 1:				
Series 2003-P10B, 5.14%, 8/10/13		178		183,913
Series 2004-P10B, 4.75%, 8/10/14		145		152,873
Structured Asset Securities Corp., Series 2002-AL1, Class A2, 3.45%, 2/25/32		1,324		1,211,492
World Financial Network Credit Card Master Trust, Series 2012-C, Class C, 4.55%, 8/15/22		1,180		1,184,931
				27,227,565
Interest Only Asset-Backed Securities 0.2%				
Sterling Bank Trust, Series 2004-2, Class Note, 2.08%, 3/30/30 (a)		3,873		306,221
Sterling Coofs Trust, Series 1, 2.36%, 4/15/29		5,949		453,649
				759,870
Total Asset-Backed Securities 6.8%				27,987,435

Common Stocks (c)	Shares	
Media 0.0%		
Cumulus Media, Inc., Class A	30,272	83,854
Software 0.0%		
Bankruptcy Management Solutions, Inc.	135	1
Total Common Stocks 0.0%		83,855

Corporate Bonds		Par (000)	
Aerospace & Defense 0.5%			
United Technologies Corp. (d):			
4.88%, 5/01/15	USD	1,125	1,251,596
6.13%, 7/15/38		700	949,832
			2,201,428
Airlines 0.6%			
Continental Airlines, Inc., Series 2010-1, Class B, 6.00%, 1/12/19		622	626,172
US Airways Pass-Through Trust, Series 2012-1, Class C, 9.13%, 10/01/15		1,673	1,706,460
			2,332,632

Portfolio Abbreviations

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

AUD	Australian Dollar
CAD	Canadian Dollar
CBA	Canadian Bankers Acceptances
DIP	Debtor-In-Possession
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
EUR	Euro
EURIBOR	Euro Interbank Offered Rate
FKA	Formerly Known As

FHLMC	Federal Home Loan Mortgage Corp.
GBP	British Pound
GO	General Obligation Bonds
LIBOR	London Interbank Offered Rate
RB	Revenue Bonds
TBA	To Be Announced
USD	US Dollar

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Corporate Bonds		**Par (000)**		**Value**
Auto Components 0.8%				
Icahn Enterprises LP (b)(e):				
4.00%, 8/15/13	USD	785	$	785,000
4.00%, 8/15/13 (a)		2,335		2,335,000
				3,120,000
Beverages 0.1%				
Crown European Holdings SA, 7.13%, 8/15/18 (a)	EUR	355		491,171
Building Products 0.1%				
Momentive Performance Materials, Inc., 11.50%, 12/01/16	USD	400		244,000
Capital Markets 4.6%				
CDP Financial, Inc., 5.60%, 11/25/39 (a)(d)		2,935		3,786,338
E*Trade Financial Corp., 12.50%, 11/30/17 (f)		1,570		1,791,762
The Goldman Sachs Group, Inc.:				
5.38%, 3/15/20		1,220		1,314,755
5.25%, 7/27/21		3,165		3,365,367
5.75%, 1/24/22		1,800		1,986,232
Morgan Stanley:				
2.94%, 5/14/13 (b)		1,890		1,903,011
4.20%, 11/20/14		490		502,672
4.00%, 7/24/15		410		417,899
6.25%, 8/28/17		1,930		2,091,246
Murray Street Investment Trust I, 4.65%, 3/09/17 (g)		1,650		1,722,267
				18,881,549
Chemicals 0.5%				
The Dow Chemical Co., 4.13%, 11/15/21		350		383,209
INEOS Finance Plc, 8.38%, 2/15/19 (a)		265		278,912
Tronox Finance LLC, 6.38%, 8/15/20 (a)		1,285		1,297,850
				1,959,971
Commercial Banks 3.8%				
CIT Group, Inc.:				
7.00%, 5/02/16 (a)		88		88,447
7.00%, 5/02/17 (a)		347		347,787
5.38%, 5/15/20		1,650		1,718,063
5.00%, 8/15/22		440		443,333
Cooperatieve Centrale Raiffeisen-Boerenleenbank BA/Netherlands, 3.88%, 2/08/22 (d)		1,390		1,447,629
Depfa ACS Bank, 5.13%, 3/16/37 (a)		3,775		2,633,063
Discover Bank, 8.70%, 11/18/19		250		316,369
Eksportfinans ASA, 5.50%, 6/26/17		950		964,483
HSBC Bank Brasil SA Banco Multiplo, 4.00%, 5/11/16 (a)		1,400		1,435,000
HSBC Bank Plc, 3.10%, 5/24/16 (a)(d)		700		733,718
HSBC Holdings Plc, 6.10%, 1/14/42 (d)		305		408,114
Wachovia Corp., 5.25%, 8/01/14 (d)		3,425		3,684,598
Wells Fargo & Co., 3.50%, 3/08/22 (d)		1,390		1,481,235
				15,701,839
Commercial Services & Supplies 0.2%				
ARAMARK Corp., 8.50%, 2/01/15		18		18,450
Clean Harbors, Inc., 5.25%, 8/01/20 (a)		391		401,264
Mobile Mini, Inc., 7.88%, 12/01/20		320		343,200
				762,914
Communications Equipment 1.2%				
ADC Telecommunications, Inc., 3.50%, 7/15/15 (e)		4,330		4,421,623
Zayo Group LLC/Zayo Capital, Inc., 8.13%, 1/01/20		640		680,000

				5,101,623
Construction & Engineering 0.3%				
ABB Finance USA, Inc., 4.38%, 5/08/42		192		216,826
URS Corp., 5.00%, 4/01/22 (a)		975		988,641
				1,205,467

Corporate Bonds		Par (000)		Value
Construction Materials 0.2%				
HD Supply, Inc., 8.13%, 4/15/19 (a)	USD	570	$	618,450
Lafarge SA, 7.13%, 7/15/36		135		137,025
				755,475
Consumer Finance 0.8%				
Ford Motor Credit Co. LLC, 8.13%, 1/15/20		1,265		1,566,267
SLM Corp.:				
6.25%, 1/25/16		661		707,270
Series A, 0.75%, 1/27/14 (b)		550		533,218
Toll Brothers Finance Corp., 5.88%, 2/15/22		345		376,071
				3,182,826
Containers & Packaging 0.6%				
Ardagh Packaging Finance Plc (a):				
7.38%, 10/15/17	EUR	425		565,303
7.38%, 10/15/17	USD	200		214,250
Smurfit Kappa Acquisitions (a):				
7.25%, 11/15/17	EUR	725		975,738
7.75%, 11/15/19		410		564,689
				2,319,980
Diversified Financial Services 8.5%				
Ally Financial, Inc.:				
8.30%, 2/12/15	USD	1,500		1,665,000
5.50%, 2/15/17		1,500		1,560,162
6.25%, 12/01/17		160		172,881
8.00%, 3/15/20		560		655,200
8.00%, 11/01/31		320		378,400
Bank of America Corp., 5.63%, 7/01/20		1,100		1,219,567
Capital One Financial Corp., 4.75%, 7/15/21		960		1,076,944
Citigroup, Inc.:				
5.00%, 9/15/14		285		298,130
4.59%, 12/15/15		6,390		6,874,892
General Electric Capital Corp. (d):				
6.15%, 8/07/37		2,150		2,696,212
6.88%, 1/10/39		135		184,515
JPMorgan Chase & Co.:				
7.90% (b)(h)		3,500		3,915,240
3.70%, 1/20/15 (d)		3,425		3,633,497
6.30%, 4/23/19 (d)		2,000		2,440,872
JPMorgan Chase Bank NA, Series BKNT, 6.00%, 10/01/17 (d)		2,050		2,413,529
Moody s Corp., 4.50%, 9/01/22		900		935,853
Reynolds Group Issuer, Inc.:				
7.75%, 10/15/16	EUR	550		714,273
7.88%, 8/15/19	USD	560		623,000
6.88%, 2/15/21		680		736,100
Spirit Issuer Plc, 5.86%, 12/28/21	GBP			