

BLACKROCK FLOATING RATE INCOME TRUST

Form N-CSR

January 05, 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

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Date of fiscal year end: 10/31/2011

Date of reporting period: 10/31/2011

Item 1 – Report to Stockholders

October 31, 2011

Annual Report

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

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

} BlackRock Credit Allocation Income Trust III (BPP)

} BlackRock Credit Allocation Income Trust IV (BTZ)

} BlackRock Floating Rate Income Trust (BGT)

Not FDIC Insured No Bank Guarantee May Lose Value

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Dear Shareholder

One year ago, the global economy appeared to solidly be in recovery mode and investors were optimistic as the US Federal Reserve launched its second round of quantitative easing. Stock markets rallied despite ongoing sovereign debt problems in Europe and inflationary pressures looming over emerging markets. Fixed income markets, however, saw yields move sharply upward (pushing prices down), especially on the long end of the historically steep yield curve. While high yield bonds benefited from the risk rally, most fixed income sectors declined in the fourth quarter of 2010. The tax-exempt municipal market faced additional headwinds as it became evident that the Build America Bond program would not be extended and municipal finance troubles burgeoned.

Early 2011 saw spikes of volatility as political turmoil swept across the Middle East/North Africa region and prices of oil and other commodities soared. Natural disasters in Japan disrupted industrial supply chains and concerns mounted regarding US debt and deficit issues. Nevertheless, equities generally performed well early in the year as investors chose to focus on the continuing stream of strong corporate earnings and positive economic data. Credit markets were surprisingly resilient in this environment and yields regained relative stability in 2011. The tax-exempt market saw relief from its headwinds and steadily recovered from its fourth-quarter lows. Equities, commodities and high yield bonds outpaced higher-quality assets as investors increased their risk tolerance.

However, the environment changed dramatically in the middle of the second quarter. Markets dropped sharply in May when fears mounted over the possibility of Greece defaulting on its debt, rekindling fears about the broader sovereign debt crisis. Concurrently, economic data signaled that the recovery had slowed in the United States and other developed nations. Confidence was further shaken by the prolonged debt ceiling debate in Washington, DC. On August 5th, 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 Greece teetered on the brink of default. Financial problems intensified in Italy and Spain and both countries faced credit rating downgrades. Debt worries spread to the core European nations of France and Germany, and the entire euro-zone banking system came under intense pressure. Late in the summer, economic data out of the United States and Europe grew increasingly bleak while China and other emerging economies began to show signs of slowing growth. By the end of the third quarter, equity markets had fallen nearly 20% from their April peak while safe-haven assets such as US Treasuries, gold and the Swiss franc skyrocketed.

October brought enough positive economic data to assuage fears of a double-dip recession in the United States and corporate earnings continued to be strong. Additionally, European policymakers demonstrated an increased willingness to unite in their struggle to resolve the region's debt and banking crisis. These encouraging developments brought many investors back from the sidelines and risk assets rallied through the month, albeit with large daily swings as investor reactions to news from Europe vacillated between faith and skepticism.

Overall, lower-risk investments including US Treasuries, municipal securities and investment grade credits posted gains for the 6- and 12-month periods ended October 31, 2011. Risk assets, including equities and high yield debt, broadly declined over the six months; however, US stocks and high yield bonds remained in positive territory on a 12-month basis. Continued low short-term interest rates kept yields on money market securities near their all-time lows. While markets remain volatile and uncertainties abound, BlackRock remains dedicated to finding opportunities and managing risk in this environment.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

While markets remain volatile and uncertainties abound, BlackRock remains dedicated to finding opportunities and managing risk in this environment.

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of October 31, 2011

	6-month	12-month
US large cap equities (S&P 500® Index)	(7.11)%	8.09 %
US small cap equities (Russell 2000® Index)	(13.76)	6.71
International equities (MSCI Europe, Australasia, Far East Index)	(14.90)	(4.08)
Emerging market equities (MSCI Emerging Markets Index)	(15.91)	(7.72)
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.04	0.13
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	12.11	7.79
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	4.98	5.00
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	5.56	3.78
US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	(0.95)	5.16

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 October 31, 2011

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 12 months ended October 31, 2011, the Fund returned 2.20% based on market price and 4.55% 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 2.90% based on market price and 4.65% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The primary driver of the Fund s positive performance was its duration positioning (management of interest rate sensitivity) as interest rates generally moved lower during the period. However, duration in the Fund was partially hedged using interest rate derivative instruments such as futures contracts, options and swaps. These hedges were put in place to limit expected volatility in interest rates and had a net negative contribution to performance.

The Fund s allocation to high yield corporate credit benefited performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within investment grade corporate credit, security selection was focused on increasing the overall quality and liquidity of the Fund s holdings, which contributed positively to returns.

Conversely, sector allocation within investment grade corporate credit had a negative impact on performance. The Fund held capital securities in the financials sector, which mostly underperformed other credit sectors as investors feared the sovereign debt crisis in Europe would ultimately have a negative impact on US-based financial companies. Capital securities were particularly hurt as they are lower in the capital structure and therefore tend to exhibit higher volatility during periods of risk aversion.

Describe recent portfolio activity.

During the 12-month period, the Fund increased its leveraged exposure to corporate credit in order to position itself to benefit from improving corporate fundamentals in an accommodative monetary policy environment. In the latter half of the period, the Fund reduced exposure to riskier credits as these names typically require significant economic growth to realize a boost in valuations. From an industry perspective, the Fund increased exposure to independent

energy names. Within the wireless telecommunications services sector, the Fund increased its credit quality profile by selling names in high yield to purchase investment grade credits with better predictability of earnings.

Describe portfolio positioning at period end.

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 industrials over financials and utilities. Within industrials, the Fund favored media cable and media non-cable names.

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.

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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 October 31, 2011 (\$9.25) ¹	7.72%
Current Monthly Distribution per Common Share ²	\$ 0.0595
Current Annualized Distribution per Common Share ²	\$ 0.7140
Leverage as of October 31, 2011 ³	33%

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.

Represents 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.

³ The table below summarizes the changes in the Fund's market price and NAV per share:

	10/31/11	10/31/10	Change	High	Low
Market Price	\$ 9.25	\$ 9.67	(4.34)%	\$ 9.89	\$8.52
Net Asset Value	\$10.52	\$10.75	(2.14)%	\$10.90	\$9.88

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

Portfolio Composition

	10/31/11	10/31/10
Corporate Bonds	82 %	69 %
Preferred Securities	15	16
Asset Backed Securities	1	
Taxable Municipal Bonds	1	1
US Treasury Obligations	1	14

Credit Quality Allocations⁴

	10/31/11	10/31/10
AAA/Aaa ⁵	1 %	14 %
AA/Aa	7	10
A	28	23
BBB/Baa	38	38

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BB/Ba	15	12
B	8	1
CCC/Caa	1	
Not Rated	2	2

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

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

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Fund Summary as of October 31, 2011

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 12 months ended October 31, 2011, the Fund returned 0.16% based on market price and 3.71% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds (BBB-Rated) category posted an average return of 2.90% based on market price and 4.65% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The primary driver of the Fund s positive performance was its duration positioning (management of interest rate sensitivity) as interest rates generally moved lower during the period. However, duration in the Fund was partially hedged using interest rate derivative instruments such as futures contracts, options and swaps. These hedges were put into place to limit expected volatility in interest rates and had a net negative contribution to performance.

The Fund s allocation to high yield corporate credit benefited performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within investment grade corporate credit, security selection was focused on increasing the overall quality and liquidity of the Fund s holdings, which contributed positively to returns.

Conversely, sector allocation within investment grade corporate credit had a negative impact on performance. The Fund held capital securities in the financials sector, which mostly underperformed other credit sectors as investors feared the sovereign debt crisis in Europe would ultimately have a negative impact on US-based financial companies. Capital securities were particularly hurt as they are lower in the capital structure and therefore tend to exhibit higher volatility during periods of risk aversion.

Describe recent portfolio activity.

During the 12-month period, the Fund increased its leveraged exposure to corporate credit in order to position itself to benefit from improving corporate fundamentals in an accommodative monetary policy environment. In the latter half of the period, the Fund reduced exposure to riskier credits as these names typically require significant economic growth to realize a boost in valuations. From an industry perspective, the Fund increased exposure to independent energy names. Within the wireless telecommunications services sector, the Fund increased its credit quality profile by selling names in high yield to purchased investment grade credits with better predictability of earnings.

Describe portfolio positioning at period end.

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 industrials over financials and utilities. Within industrials, the Fund favored media cable and media non-cable names.

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.

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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 October 31, 2011 (\$9.74) ¹	7.52%
Current Monthly Distribution per Common Share ²	\$0.0610
Current Annualized Distribution per Common Share ²	\$0.7320
Leverage as of October 31, 2011 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 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:

	10/31/11	10/31/10	Change	High	Low
Market Price	\$ 9.74	\$10.39	(6.26)%	\$10.60	\$ 9.08
Net Asset Value	\$11.25	\$11.59	(2.93)%	\$11.72	\$10.61

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

Portfolio Composition

	10/31/11		10/31/10	
Corporate Bonds	80	%	64	%
Preferred Securities	17		19	
US Treasury Obligations	1		16	
Asset Backed Securities	1			
Taxable Municipal Bonds	1		1	

Credit Quality Allocations⁴

	10/31/11		10/31/10	
AAA/Aaa ⁵	1	%	16	%
AA/Aa	7		7	
A	26		21	
BBB/Baa	39		42	
BB/Ba	17		12	
B	7		1	
CCC/Caa	1			

Not Rated 2 1

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

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

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Fund Summary as of October 31, 2011

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 12 months ended October 31, 2011, the Fund returned (0.16)% based on market price and 3.56% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds (BBB-Rated) category posted an average return of 2.90% based on market price and 4.65% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The primary driver of the Fund s positive performance was its duration positioning (management of interest rate sensitivity) as interest rates generally moved lower during the period. However, duration in the Fund was partially hedged using interest rate derivative instruments such as futures contracts, options and swaps. These hedges were put into place to limit expected volatility in interest rates and had a net negative contribution to performance.

The Fund s allocation to high yield corporate credit benefited performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within investment grade corporate credit, security selection was focused on increasing the overall quality and liquidity of the Fund s holdings, which contributed positively to returns.

Conversely, sector allocation within investment grade corporate credit had a negative impact on performance. The Fund held capital securities in the financials sector, which mostly underperformed other credit sectors as investors feared the sovereign debt crisis in Europe would ultimately have a negative impact on US-based financial companies. Capital securities were particularly hurt as they are lower in the capital structure and therefore tend to exhibit higher volatility during periods of risk aversion.

Describe recent portfolio activity.

During the 12-month period, the Fund increased its leveraged exposure to corporate credit in order to position itself to benefit from improving corporate fundamentals in an accommodative monetary policy environment. In the latter half of the period, the Fund reduced exposure to riskier credits as these names typically require significant economic growth to realize a boost in valuations. From an industry perspective, the Fund increased exposure to independent energy names. Within the wireless telecommunications services sector, the Fund increased its credit quality profile by selling names in high yield to purchase investment grade credits with better predictability of earnings.

Describe portfolio positioning at period end.

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 industrials over financials and utilities. Within industrials, the Fund favored media cable and media non-cable names.

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.

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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 October 31, 2011 (\$10.53) ¹	7.01%
Current Monthly Distribution per Common Share ²	\$0.0615
Current Annualized Distribution per Common Share ²	\$0.7380
Leverage as of October 31, 2011 ³	29%

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

A change in the distribution rate was declared on December 5, 2011. The Monthly Distribution per Common Share increased to \$0.0635. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and

² Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

³ Represents 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:

	10/31/11	10/31/10	Change	High	Low
Market Price	\$10.53	\$11.23	(6.23)%	\$11.31	\$ 9.71
Net Asset Value	\$12.07	\$12.41	(2.74)%	\$12.62	\$11.35

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

Portfolio Composition

	10/31/11		10/31/10	
Corporate Bonds	83	%	72	%
Preferred Securities	15		18	
US Treasury Obligations	1		9	
Taxable Municipal Bonds	1		1	

Credit Quality Allocations⁴

	10/31/11		10/31/10	
AAA/Aaa ⁵	1	%	9	%
AA/Aa	6		8	
A	31		26	
BBB/Baa	37		40	
BB/Ba	15		14	

B	8	1
CCC/Caa	1	1
Not Rated	1	1

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

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

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Fund Summary as of October 31, 2011

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 12 months ended October 31, 2011, the Fund returned (0.60)% based on market price and 3.28% based on NAV. For the same period, the closed-end Lipper Corporate Debt Funds (BBB-Rated) category posted an average return of 2.90% based on market price and 4.65% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The primary driver of the Fund s positive performance was its duration positioning (management of interest rate sensitivity) as interest rates generally moved lower during the period. However, duration in the Fund was partially hedged using interest rate derivative instruments such as futures contracts, options and swaps. These hedges were put into place to limit expected volatility in interest rates and had a net negative contribution to performance.

The Fund s allocation to high yield corporate credit benefited performance despite recent weakness in the sector, as higher carry yields (income generation) and improving fundamentals helped to offset price declines. Within investment grade corporate credit, security selection was focused on increasing the overall quality and liquidity of the Fund s holdings, which contributed positively to returns.

Conversely, sector allocation within investment grade corporate credit had a negative impact on performance. The Fund held capital securities in the financials sector, which mostly underperformed other credit sectors as investors feared the sovereign debt crisis in Europe would ultimately have a negative impact on US-based financial companies. Capital securities were particularly hurt as they are lower in the capital structure and therefore tend to exhibit higher volatility during periods of risk aversion.

Describe recent portfolio activity.

During the 12-month period, the Fund increased its leveraged exposure to corporate credit in order to position itself to benefit from improving corporate fundamentals in an accommodative monetary policy environment. In the latter half of the period, the Fund reduced exposure to riskier credits as these names typically require significant economic growth to realize a boost in valuations. From an industry perspective, the Fund increased exposure to independent energy names. Within the wireless telecommunications services sector, the Fund increased its credit quality profile by selling names in high yield to purchase investment grade credits with better predictability of earnings.

Describe portfolio positioning at period end.

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 industrials over financials and utilities. Within industrials, the Fund favored media cable and media non-cable names.

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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 October 31, 2011 (\$12.08) ¹	7.60%
Current Monthly Distribution per Common Share ²	\$0.0765
Current Annualized Distribution per Common Share ²	\$0.9180
Leverage as of October 31, 2011 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.

A change in the distribution rate was declared on December 5, 2011. The Monthly Distribution per Common Share increased to \$0.0785. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and

² Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

³ Represents 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:

	10/31/11	10/31/10	Change	High	Low
Market Price	\$12.08	\$13.02	(7.22)%	\$13.20	\$11.19
Net Asset Value	\$13.94	\$14.46	(3.60)%	\$14.56	\$13.10

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

	10/31/11		10/31/10	
Corporate Bonds	80	%	64	%
Preferred Securities	17		19	
US Treasury Obligations	1		15	
Taxable Municipal Bonds	1		2	
Asset Backed Securities	1			

Credit Quality Allocations⁴

	10/31/11		10/31/10	
AAA/Aaa ⁵	1	%		
AA/Aa	7		11	%
A	29		22	
BBB/Baa	37		44	

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BB/Ba	16	19
B	8	2
Not Rated	2	2

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

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

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Fund Summary as of October 31, 2011

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 12 months ended October 31, 2011, the Fund returned (3.46)% based on market price and 4.03% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 0.51% based on market price and 4.01% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount 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?

Floating rate loan interests (bank loans) performed well over the 12-month period. Although it lagged a number of its fixed income peers, the asset class benefited from a favorable technical backdrop, solid corporate fundamentals and record low default rates. More recently, however, macroeconomic concerns have weighed on the sector, triggering sharp bouts of volatility, some modest spread widening and significant price depreciation from the near-par levels seen in the first quarter of 2011.

The Fund s positive performance was driven primarily by security selection within the higher-quality tiers of the bank loan market. By and large, positive selection reflected the Fund s higher-quality bias and focus on more recession-resistant sectors that are not heavily reliant on a strong consumer, such as chemicals and non-captive diversified industrials.

While the Fund invests primarily in bank loans, it also maintains an allocation to emerging market and high yield bonds (approximately 25% of the leveraged portfolio). During the reporting period, the Fund pursued a bias towards high yield corporate bonds at the expense of its emerging market exposure. This positioning benefited performance for the year as high yield has outperformed not only emerging market debt, but bank loans as well.

As the fund is mandated to hold a certain percentage of its assets in non-US instruments, our exposure to non-US-dollar denominated loans, particularly those issued in Europe, detracted from performance given a much lower level of liquidity and market transparency. This mainly impaired the portfolio when the global sell-off commenced in August.

Describe recent portfolio activity.

During the 12-month period, the Fund maintained its higher-quality bias in terms of loan structure, overall credit quality and liquidity. Prior to the market correction in August, management reduced exposure to some of the Fund s lower-quality holdings and increased its level of cash as market conditions appeared to be weakening and our outlook grew increasingly uncertain. While transitioning the overall portfolio to a more conservative stance, management

continued to seek investment opportunities in the market, albeit cautiously, targeting companies with superior credit fundamentals (i.e., stable income streams, earnings visibility, and attractive downside protection).

Describe portfolio positioning at period end.

At period end, the Fund held large exposures to the non-captive diversified industrials, chemicals and wireless sectors, while exposure to healthcare, media non-cable and technology was limited. The Fund held 78% of its total portfolio in bank loans, 18% in corporate bonds and the remainder invested in a mix of asset backed securities, foreign agency obligations and other interests. The Fund ended the period with leverage at 27% 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.

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BlackRock Floating Rate Income Trust

Fund Information

Symbol on NYSE	BGT
Initial Offering Date	August 30, 2004
Yield on Closing Market Price as of October 31, 2011 (\$13.00) ¹	7.15%
Current Monthly Distribution per Common Share ²	\$0.0775
Current Annualized Distribution per Common Share ²	\$0.9300
Leverage as of October 31, 2011 ³	27%

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 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:

	10/31/11	10/31/10	Change	High	Low
Market Price	\$13.00	\$14.52	(10.47)%	\$17.00	\$11.71
Net Asset Value	\$13.97	\$14.48	(3.52)%	\$14.83	\$13.25

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

	10/31/11		10/31/10	
Floating Rate Loan Interests	78	%	79	%
Corporate Bonds	18		16	
Asset Backed Securities	2			
Foreign Agency Obligations	1		4	
Other Interests	1		1	

Credit Quality Allocations⁴

	10/31/11		10/31/10	
AA/Aa	9	%		
A	2		4	%
BBB/Baa	25		21	
BB/Ba	27		23	
B	34		29	
CCC/Caa	1		1	
Not Rated	2		22	⁵

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

⁵ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010, the market value of these securities was \$606,918, representing 1% of the Fund's long-term investments.

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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. The Funds also had auction market preferred shares (Preferred Shares) issuances outstanding during the year ended October 31, 2011. 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 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

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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, the Funds are permitted to borrow through their credit facility or by entering into reverse repurchase agreements up to 33¹/₃% of their total managed assets. As of October 31, 2011, the Funds had outstanding leverage from borrowings as a percentage of their total managed assets as follows:

	Percent of Leverage
PSW	33%
PSY	32%
BPP	29%
BTZ	32%
BGT	27%

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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.

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Schedule of Investments October 31, 2011

BlackRock Credit Allocation Income Trust I, Inc.
(PSW)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Asset-Backed Securities		
Atrium CDO Corp., Series 5A, Class A4, 0.69%, 7/20/20 (a)(b)	USD650	\$ 503,750
SLM Student Loan Trust, Series 2004-B, Class A2, 0.55%, 6/15/21 (b)	516	493,571
Total Asset-Backed Securities 0.9%		997,321
Corporate Bonds		
Aerospace & Defense 1.8%		
BE Aerospace, Inc., 8.50%, 7/01/18	560	611,800
Bombardier, Inc., 7.75%, 3/15/20 (a)	720	792,000
Huntington Ingalls Industries, Inc. (a): 6.88%, 3/15/18	150	151,125
7.13%, 3/15/21	140	141,750
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	282	291,870
		1,988,545
Airlines 1.0%		
American Airlines Pass-Through Trust: Series 2011-1, Class A, 5.25%, 7/31/22	325	295,313
Series 2011-2, Class A, 8.63%, 4/15/23	115	115,000
Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17	335	344,636
Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24	294	290,371
		1,045,320
Auto Components 1.5%		
Daimler Finance North America LLC, 2.63%, 9/15/16 (a)(c)	800	795,098
Delphi Corp., 6.13%, 5/15/21 (a)	130	132,600
Icahn Enterprises LP: 7.75%, 1/15/16	200	205,000
8.00%, 1/15/18	500	508,750
		1,641,448
Beverages 0.5%		
Constellation Brands, Inc., 7.25%, 5/15/17	460	506,000
Building Products 0.4%		
Building Materials Corp. of America (a): 7.00%, 2/15/20	85	90,100
6.75%, 5/01/21	270	280,125
		370,225
Capital Markets 4.9%		

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Ameriprise Financial, Inc., 5.30%, 3/15/20 (c)	750	817,321
E*Trade Financial Corp., 12.50%, 11/30/17 (d)	440	507,100
The Goldman Sachs Group, Inc., 6.25%, 2/01/41 (c)	1,050	1,082,767
Macquarie Bank Ltd., 6.63%, 4/07/21 (a)(c)	445	435,838
Morgan Stanley (c):		
5.75%, 1/25/21	1,025	1,012,283
5.50%, 7/28/21	390	380,926
UBS AG (c):		
2.25%, 1/28/14	375	373,679
5.88%, 7/15/16	650	671,476
		5,281,390

Chemicals 1.0%

Ashland, Inc., 9.13%, 6/01/17	120	134,100
Celanese US Holdings LLC, 5.88%, 6/15/21	370	393,125

Corporate Bonds

	Par (000)	Value
--	----------------------	--------------

Chemicals (concluded)

Lyondell Chemical Co., 11.00%, 5/01/18	USD290	\$322,988
Solutia, Inc., 7.88%, 3/15/20	200	214,000
		1,064,213

Commercial Banks 5.9%

Amsouth Bank, Series AI, 4.85%, 4/01/13	200	192,500
Asciano Finance Ltd., 5.00%, 4/07/18 (a)	200	212,630
Associated Banc-Corp, 5.13%, 3/28/16	515	531,376
BNP Paribas, 3.60%, 2/23/16 (c)	390	388,907
Branch Banking & Trust Co. (b):		
0.66%, 9/13/16	250	231,631
0.60%, 5/23/17	150	136,184
CIT Group, Inc.:		
7.00%, 5/01/15	60	60,000
7.00%, 5/02/16 (a)	370	369,075
7.00%, 5/01/17	331	331,000
7.00%, 5/02/17 (a)	90	89,775
City National Corp., 5.25%, 9/15/20 (c)	550	560,704
Discover Bank, 8.70%, 11/18/19	300	339,312
HSBC Holdings Plc, 5.10%, 4/05/21 (c)	1,300	1,400,188
Regions Financial Corp.:		
4.88%, 4/26/13	600	585,000
5.75%, 6/15/15	460	442,750
SVB Financial Group, 5.38%, 9/15/20 (c)	550	567,574
		6,438,606

Commercial Services & Supplies 3.8%

Aviation Capital Group Corp. (a):		
7.13%, 10/15/20 (c)	2,200	2,129,486
6.75%, 4/06/21	550	529,601
Casella Waste Systems, Inc., 7.75%, 2/15/19	169	162,240
Clean Harbors, Inc., 7.63%, 8/15/16	306	323,595
Corrections Corp. of America, 7.75%, 6/01/17	775	838,937
Iron Mountain, Inc., 7.75%, 10/01/19	90	93,375
Mobile Mini, Inc., 7.88%, 12/01/20	65	65,000

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4,142,234

Communications Equipment 0.9%

Avaya, Inc., 9.75%, 11/01/15	200	177,000
Brocade Communications Systems, Inc., 6.88%, 1/15/20	700	733,250
EH Holding Corp., 6.50%, 6/15/19 (a)	100	102,250
		1,012,500

Consumer Finance 4.4%

American Express Credit Corp., 2.75%, 9/15/15 (c)	1,400	1,417,451
Capital One Bank USA NA, 8.80%, 7/15/19	775	920,554
Ford Motor Credit Co., LLC, 7.00%, 4/15/15	690	752,100
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)	420	449,400
SLM Corp., 6.25%, 1/25/16	1,180	1,180,000
		4,719,505

Containers & Packaging 1.6%

Ball Corp.:		
7.13%, 9/01/16	400	433,000
6.75%, 9/15/20	505	544,137
Bemis Co., Inc., 6.80%, 8/01/19	200	234,419
Crown Americas LLC, 6.25%, 2/01/21 (a)	200	210,000
Graphic Packaging International, Inc., 9.50%, 6/15/17	155	169,337
Rock-Tenn Co., 9.25%, 3/15/16	75	79,688
Sealed Air Corp., 8.38%, 9/15/21 (a)	30	32,475
		1,703,056

Portfolio Abbreviations

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

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

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust I, Inc.
(PSW)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Diversified Financial Services 10.0%		
Ally Financial, Inc.:		
4.50%, 2/11/14	USD225	\$219,938
8.30%, 2/12/15	390	409,500
8.00%, 11/01/31	440	438,900
Bank of America Corp. (c):		
5.30%, 3/15/17	855	817,627
5.00%, 5/13/21	1,325	1,244,058
Citigroup, Inc.:		
6.38%, 8/12/14	300	323,863
4.59%, 12/15/15 (c)	225	235,084
Dolphin Subsidiary II, Inc., 7.25%, 10/15/21 (a)	210	225,225
General Electric Capital Corp., 5.30%, 2/11/21 (c)	1,125	1,197,296
General Motors Financial Co., Inc., 6.75%, 6/01/18 (a)	120	121,098
ING Bank NV, 5.00%, 6/09/21 (a)(c)	550	564,531
Intesa Sanpaolo SpA (c):		
2.38%, 12/21/12	800	779,110
6.50%, 2/24/21 (a)	200	184,541
JPMorgan Chase & Co., 3.15%, 7/05/16 (c)	950	951,612
Moody's Corp., 6.06%, 9/07/17	2,500	2,642,573
Reynolds Group Issuer, Inc. (a):		
7.88%, 8/15/19	255	266,475
8.25%, 2/15/21	190	174,325
WMG Acquisition Corp., 9.50%, 6/15/16 (a)	50	53,000
		10,848,756
Diversified Telecommunication Services 4.4%		
AT&T, Inc., 6.30%, 1/15/38 (c)	1,000	1,201,729
France Telecom SA, 4.13%, 9/14/21	150	154,534
Level 3 Financing, Inc.:		
8.75%, 2/15/17	165	168,712
8.13%, 7/01/19 (a)	758	750,420
Qwest Corp., 8.38%, 5/01/16	390	445,575
Telecom Italia Capital SA, 6.18%, 6/18/14	225	228,555
Telefonica Emisiones SAU, 5.46%, 2/16/21	310	314,186
Verizon Communications, Inc., 7.35%, 4/01/39 (c)	925	1,276,923
Windstream Corp., 7.88%, 11/01/17	240	259,200
		4,799,834
Electric Utilities 1.2%		
Progress Energy, Inc., 7.00%, 10/30/31 (c)	1,000	1,311,396
Electronic Equipment, Instruments & Components 0.9%		
Jabil Circuit, Inc., 8.25%, 3/15/18	200	232,000
NXP BV, 3.15%, 10/15/13 (b)	700	686,000
		918,000

Energy Equipment & Services 1.2%

EnSCO Plc, 4.70%, 3/15/21 (c)	460	484,010
Frac Tech Services LLC, 7.63%, 11/15/18 (a)	250	261,250
Key Energy Services, Inc., 6.75%, 3/01/21	175	178,938
MEG Energy Corp., 6.50%, 3/15/21 (a)	225	234,562
Oil States International, Inc., 6.50%, 6/01/19	120	125,700
SunCoke Energy, Inc., 7.63%, 8/01/19 (a)	45	45,450
		1,329,910

Food & Staples Retailing 2.9%

CVS Caremark Corp., 6.30%, 6/01/62 (b)	800	777,000
Wal-Mart Stores, Inc., 6.20%, 4/15/38 (c)	1,825	2,379,672
		3,156,672

Food Products 1.0%

Kraft Foods, Inc.:		
6.50%, 8/11/17	385	460,191
6.13%, 8/23/18	390	464,103
Smithfield Foods, Inc., 10.00%, 7/15/14	86	99,975
		1,024,269

Corporate Bonds**Gas Utilities 0.1%**

Targa Resources Partners LP, 6.88%, 2/01/21 (a)	USD 115	\$ 113,563
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Health Care Equipment & Supplies 0.6%

Fresenius US Finance II, Inc., 9.00%, 7/15/15 (a)	500	565,000
Teleflex, Inc., 6.88%, 6/01/19	115	119,025
		684,025

Health Care Providers & Services 3.6%

Aetna, Inc., 6.75%, 12/15/37 (c)	400	508,966
Aviv Healthcare Properties LP, 7.75%, 2/15/19	105	101,325
HCA, Inc.:		
8.50%, 4/15/19	55	60,500
6.50%, 2/15/20	560	586,600
7.25%, 9/15/20	195	208,894
7.50%, 2/15/22	470	479,400
INC Research LLC, 11.50%, 7/15/19 (a)	165	148,500
inVentiv Health, Inc., 10.00%, 8/15/18 (a)	120	115,200
Tenet Healthcare Corp.:		
10.00%, 5/01/18	350	401,625
8.88%, 7/01/19	250	282,500
UnitedHealth Group, Inc., 6.88%, 2/15/38 (c)	800	1,054,925
		3,948,435

Household Durables 0.3%

Cemex Espana Luxembourg, 9.25%, 5/12/20 (a)	365	289,263
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Independent Power Producers & Energy Traders 1.3%

AES Corp.:		
9.75%, 4/15/16	235	266,725
7.38%, 7/01/21 (a)	75	80,250
Calpine Construction Finance Co. LP, 8.00%, 6/01/16 (a)	125	133,125
Calpine Corp., 7.25%, 10/15/17 (a)	100	104,000
Energy Future Intermediate Holding Co., LLC, 10.00%,		

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12/01/20	410	430,500
NRG Energy, Inc., 7.38%, 1/15/17	400	416,500
		1,431,100
Insurance 8.3%		
Allianz Finance II BV, 5.75%, 7/08/41 (b)	EUR200	247,763
The Allstate Corp., 7.45%, 5/16/19 (c)	USD900	1,119,175
American International Group, Inc., 6.40%, 12/15/20 (c)	410	429,412
Aon Corp., 5.00%, 9/30/20 (c)	1,600	1,753,397
Dai-ichi Life Insurance Co. Ltd., 7.25%, 12/31/49 (a)(b)(e)	88	89,924
Fairfax Financial Holdings Ltd., 5.80%, 5/15/21 (a)	700	659,637
Forethought Financial Group, Inc., 8.63%, 4/15/21 (a)	250	253,962
Genworth Financial, Inc., 7.63%, 9/24/21	225	203,384
Manulife Financial Corp., 4.90%, 9/17/20 (c)	1,000	1,027,102
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	100	86,000
Northwestern Mutual Life Insurance, 6.06%, 3/30/40 (a)(c)	900	1,054,781
Principal Financial Group, Inc., 8.88%, 5/15/19	225	285,076
Prudential Financial, Inc., 6.63%, 12/01/37 (c)	800	951,260
XL Group Ltd., 5.75%, 10/01/21 (c)	810	854,066
		9,014,939
IT Services 0.7%		
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)	160	149,600
First Data Corp. (a):		
7.38%, 6/15/19	170	168,300
8.25%, 1/15/21	20	19,000
12.63%, 1/15/21	215	203,175
SunGard Data Systems, Inc., 7.38%, 11/15/18	230	235,175
		775,250
Life Sciences Tools & Services 1.9%		
Bio-Rad Laboratories, Inc., 8.00%, 9/15/16	865	942,850
Life Technologies Corp., 6.00%, 3/01/20 (c)	1,000	1,114,541
		2,057,391

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust I, Inc.
(PSW)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Machinery 1.1%		
Ingersoll-Rand Global Holding Co. Ltd., 9.50%, 4/15/14	USD800	\$940,430
Navistar International Corp., 8.25%, 11/01/21	218	237,075
		1,177,505
Media 9.2%		
AMC Networks, Inc., 7.75%, 7/15/21 (a)	90	97,650
CCH II LLC, 13.50%, 11/30/16	541	623,502
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (a)	165	130,350
Comcast Corp., 6.30%, 11/15/17	800	945,182
Cox Communications, Inc., 8.38%, 3/01/39 (a)	800	1,118,633
CSC Holdings LLC:		
8.50%, 4/15/14	160	175,600
8.50%, 6/15/15	400	434,000
8.63%, 2/15/19	275	312,125
DIRECTV Holdings LLC, 5.00%, 3/01/21 (c)	600	656,813
DISH DBS Corp., 7.00%, 10/01/13	450	475,875
Intelsat Luxembourg SA (d):		
11.50%, 2/04/17 (a)	40	40,000
11.50%, 2/04/17	100	100,000
The Interpublic Group of Cos., Inc., 10.00%, 7/15/17	275	314,875
Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a)	230	239,200
News America, Inc., 6.15%, 3/01/37 (c)	950	1,043,310
Time Warner Cable, Inc., 6.75%, 6/15/39	925	1,124,334
Time Warner, Inc., 7.70%, 5/01/32 (c)	950	1,237,053
Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a)	240	255,600
Virgin Media Secured Finance Plc, 6.50%, 1/15/18	600	646,500
		9,970,602
Metals & Mining 2.6%		
Alcoa, Inc., 5.40%, 4/15/21	580	574,699
Barrick Gold Corp., 2.90%, 5/30/16	275	285,522
Barrick North America Finance LLC, 5.70%, 5/30/16	413	348,674
FMG Resources August 2006 Property Ltd. (a):		
6.88%, 2/01/18	55	52,800
8.25%, 11/01/19	45	45,450
Freeport-McMoRan Corp., 7.13%, 11/01/27	700	813,361
Novelis, Inc., 8.75%, 12/15/20	230	250,700
Teck Resources Ltd., 10.75%, 5/15/19	400	494,000
		2,865,206

Multi-Utilities 1.6%

CenterPoint Energy, Inc.:

5.95%, 2/01/17	750	844,566
6.50%, 5/01/18	775	902,905
		1,747,471

Multiline Retail 0.6%

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

700	659,750
-----	---------

Oil, Gas & Consumable Fuels 12.5%

Alpha Natural Resources, Inc.:

6.00%, 6/01/19	60	59,550
6.25%, 6/01/21	165	162,938

Anadarko Petroleum Corp.:

5.95%, 9/15/16	244	280,409
6.38%, 9/15/17	10	11,767

Arch Coal, Inc. (a):

7.00%, 6/15/19	50	51,750
7.25%, 6/15/21	165	169,950

BP Capital Markets Plc, 3.88%, 3/10/15 (c)

350	374,701
-----	---------

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

225	236,963
-----	---------

Chesapeake Energy Corp., 6.13%, 2/15/21

770	806,575
-----	---------

Chesapeake Midstream Partners LP, 5.88%, 4/15/21 (a)

140	141,400
-----	---------

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

65	66,788
----	--------

Consol Energy, Inc., 6.38%, 3/01/21 (a)

105	104,475
-----	---------

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

130	132,925
-----	---------

Corporate Bonds

**Par
(000) Value**

Oil, Gas & Consumable Fuels (concluded)

DCP Midstream LLC, 4.75%, 9/30/21 (a)	USD 325	\$ 339,213
Denbury Resources, Inc., 6.38%, 8/15/21	135	139,050
El Paso Corp., 7.00%, 6/15/17	335	375,200
El Paso Pipeline Partners Operating Co., LLC, 5.00%, 10/01/21	125	128,184
Enbridge Energy Partners LP, 9.88%, 3/01/19	475	636,165
Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19	240	242,400
Enterprise Products Operating LLC, 6.65%, 4/15/18 (c)	1,000	1,176,342
Forest Oil Corp., 8.50%, 2/15/14	295	318,600
Hilcorp Energy I LP, 7.75%, 11/01/15 (a)	165	169,274
Kinder Morgan Energy Partners LP, 6.85%, 2/15/20	1,000	1,194,906
Linn Energy LLC, 7.75%, 2/01/21	225	240,187
Marathon Petroleum Corp., 3.50%, 3/01/16 (a)(c)	325	333,402
MarkWest Energy Partners LP, 6.25%, 6/15/22 (f)	125	128,125
Newfield Exploration Co., 5.75%, 1/30/22	115	121,900
Oasis Petroleum, Inc.:		
7.25%, 2/01/19 (a)	80	84,400
6.50%, 11/01/21 (f)	70	70,350
OGX Petroleo e Gas Participacoes SA, 8.50%, 6/01/18 (a)	280	277,200
ONEOK Partners LP, 8.63%, 3/01/19	800	1,034,405
Petrobras International Finance Co., 3.88%, 1/27/16	875	895,388
Petrohawk Energy Corp.:		

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10.50%, 8/01/14	145	162,581
6.25%, 6/01/19	165	186,450
Pioneer Natural Resources Co.:		
6.65%, 3/15/17	150	162,908
6.88%, 5/01/18	115	124,351
Plains Exploration & Production Co.:		
7.75%, 6/15/15	185	191,937
10.00%, 3/01/16	95	105,450
Precision Drilling Corp., 6.50%, 12/15/21 (a)	95	100,225
Premier Oil, 5.00%, 6/09/18	825	858,000
Range Resources Corp., 6.75%, 8/01/20	200	222,000
SandRidge Energy, Inc., 7.50%, 3/15/21 (a)	170	164,050
SM Energy Co., 6.63%, 2/15/19 (a)	55	55,550
Western Gas Partners LP, 5.38%, 6/01/21	350	372,204
The Williams Cos., Inc., 8.75%, 3/15/32	275	374,410
		13,584,998
Paper & Forest Products 2.8%		
Boise Paper Holdings LLC, 8.00%, 4/01/20	150	157,875
Georgia-Pacific LLC, 8.25%, 5/01/16 (a)	785	870,439
International Paper Co.:		
7.50%, 8/15/21	775	941,845
7.30%, 11/15/39	800	932,843
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a)	80	81,200
Verso Paper Holdings LLC, 11.50%, 7/01/14	85	89,250
		3,073,452
Pharmaceuticals 9.8%		
Bristol-Myers Squibb Co., 5.88%, 11/15/36 (c)	892	1,133,257
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (a)	EUR 100	141,137
GlaxoSmithKline Capital, Inc., 6.38%, 5/15/38 (c)	USD 1,690	2,284,327
Merck & Co., Inc. (c):		
6.50%, 12/01/33	475	649,655
6.55%, 9/15/37	1,504	2,093,809
Pfizer, Inc., 7.20%, 3/15/39 (c)	2,500	3,734,135
Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a)	65	65,000
Watson Pharmaceuticals, Inc., 6.13%, 8/15/19 (c)	490	572,398
		10,673,718
Real Estate Investment Trusts (REITs) 2.8%		
AvalonBay Communities, Inc., 6.10%, 3/15/20 (c)	800	907,763
Developers Diversified Realty Corp.:		
4.75%, 4/15/18	155	145,864
7.88%, 9/01/20	175	189,420
ERP Operating LP, 5.75%, 6/15/17	800	894,065

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust I, Inc.
(PSW)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Real Estate Investment Trusts (REITs) (concluded)		
HCP, Inc., 5.38%, 2/01/21	USD 250	\$256,759
UDR, Inc., 4.25%, 6/01/18	350	359,902
Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21	270	264,397
		3,018,170
Real Estate Management & Development 0.2%		
Realogy Corp., 7.88%, 2/15/19 (a)	135	121,500
Shea Homes LP, 8.63%, 5/15/19 (a)	110	99,550
		221,050
Road & Rail 1.6%		
Avis Budget Car Rental LLC, 8.25%, 1/15/19	100	99,750
Florida East Coast Railway Corp., 8.13%, 2/01/17	40	40,000
The Hertz Corp., 6.75%, 4/15/19	207	211,140
Norfolk Southern Corp., 6.00%, 3/15/2105 (c)	1,200	1,388,004
		1,738,894
Semiconductors & Semiconductor Equipment 0.7%		
Advanced Micro Devices, Inc., 7.75%, 8/01/20	190	192,850
KLA-Tencor Corp., 6.90%, 5/01/18	461	524,795
		717,645
Specialty Retail 1.2%		
AutoNation, Inc., 6.75%, 4/15/18	445	461,688
Best Buy Co., Inc., 5.50%, 3/15/21	150	143,380
Limited Brands, Inc., 7.00%, 5/01/20	230	244,950
QVC, Inc., 7.38%, 10/15/20 (a)	25	27,250
VF Corp., 5.95%, 11/01/17	350	414,480
		1,291,748
Tobacco 2.0%		
Altria Group, Inc.:		
9.25%, 8/06/19	115	152,876
10.20%, 2/06/39	937	1,447,508
Lorillard Tobacco Co., 3.50%, 8/04/16	600	602,329
		2,202,713
Wireless Telecommunication Services 3.6%		
America Movil SAB de CV, 2.38%, 9/08/16	585	584,060
American Tower Corp.:		
4.50%, 1/15/18	450	462,846
5.90%, 11/01/21	295	326,046
Cricket Communications, Inc., 7.75%, 5/15/16	155	160,812
Crown Castle International Corp., 9.00%, 1/15/15	210	228,900
Crown Castle Towers LLC (a):		
5.50%, 1/15/37	275	299,543
6.11%, 1/15/40	300	331,498
Digicel Group Ltd., 8.25%, 9/01/17 (a)	125	127,500

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Intelsat Jackson Holdings SA, 7.25%, 4/01/19 (a)	50	50,250
Nextel Communications, Inc., Series E, 6.88%, 10/31/13	195	192,562
SBA Tower Trust, 5.10%, 4/15/42 (a)	1,000	1,089,500
Sprint Capital Corp., 6.88%, 11/15/28	110	80,300
		3,933,817
Total Corporate Bonds	118.4%	128,492,584

Preferred Securities

Capital Trusts

Capital Markets 4.2%

Ameriprise Financial, Inc., 7.52%, 6/01/66 (b)	500	505,000
State Street Capital Trust III, 5.34% (b)(e)	725	726,232
State Street Capital Trust IV, 1.35%, 6/01/37 (b)	4,740	3,319,991
		4,551,223

Capital Trusts

Commercial Banks 2.7%

Barclays Bank Plc (a)(b)(e):		
5.93%	USD425	\$344,250
7.43% (c)	150	140,250
BNP Paribas, 7.20% (a)(b)(c)(e)	300	247,500
Credit Agricole SA (a)(b)(e):		
6.64% (c)	350	236,425
8.38%	350	308,000
Dresdner Funding Trust I, 8.15%, 6/30/31 (a)	530	413,400
M&T Capital Trust II, 8.28%, 6/01/27	910	919,115
National City Preferred Capital Trust I, 12.00% (b)(e)	300	311,298
		2,920,238

Diversified Financial Services 2.3%

ING Capital Funding Trust III, 3.97% (b)(e)	400	338,890
JPMorgan Chase Capital XXIII, 1.29%, 5/15/77 (b)	3,085	2,129,921
		2,468,811

Electric Utilities 0.4%

PPL Capital Funding, 6.70%, 3/30/67 (b)	500	482,500
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Insurance 7.4%

Ace Capital Trust II, 9.70%, 4/01/30	500	648,966
The Allstate Corp., 6.50%, 5/15/67 (b)	500	465,625
American International Group, Inc., 8.18%, 5/15/68 (b)	225	217,125
AXA SA, 6.38% (a)(b)(e)	1,000	747,500
Chubb Corp., 6.38%, 3/29/67 (b)(c)	500	502,500
Farmers Exchange Capital, 7.05%, 7/15/28 (a)(c)	500	542,153
Great-West Life & Annuity Insurance Co.,		
7.15%, 5/16/46 (a)(b)	500	487,500
Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b)	500	607,500
Lincoln National Corp., 7.00%, 5/17/66 (b)(c)	500	470,000
MetLife, Inc., 6.40%, 12/15/66	500	491,169
Reinsurance Group of America, 6.75%, 12/15/65 (b)	700	607,480
Swiss Re Capital I LP, 6.85% (a)(b)(e)	450	405,782

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ZFS Finance (USA), Trust II, 6.45%, 12/15/65 (a)(b)	1,800	1,728,000
ZFS Finance (USA), Trust IV, 5.88%, 5/09/32 (a)(b)	146	141,620
		8,062,920
Multi-Utilities 0.9%		
Dominion Resources Capital Trust I, 7.83%, 12/01/27	500	504,057
Dominion Resources, Inc., 7.50%, 6/30/66 (b)	500	525,000
		1,029,057
Oil, Gas & Consumable Fuels 1.3%		
Enterprise Products Operating LLC, 8.38%, 8/01/66 (b)	825	853,875
TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b)	500	509,587
		1,363,462
Total Capital Trusts 19.2%		20,878,211

Preferred Stocks	Shares	
Auto Components 0.1%		
Dana Holding Corp., 4.00% (a)	1,000	123,750
Commercial Banks 1.0%		
SG Preferred Capital II, 6.30% (a)(b)	1,000	1,004,687
Diversified Financial Services 0.3%		
Ally Financial, Inc., 7.00% (a)	440	328,144
Thriffs & Mortgage Finance 0.0%		
Fannie Mae, Series S, 8.25% (b)(g)	3,000	5,880
Freddie Mac, Series Z, 8.38% (b)(g)	3,000	6,420
		12,300
Wireless Telecommunication Services 2.9%		
Centaur Funding Corp., 9.08% (a)	2,720	3,144,150
Total Preferred Stocks 4.3%		4,613,031

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust I, Inc.
(PSW)
(Percentages shown are based on Net Assets)

Trust Preferreds	Shares	Value
Diversified Financial Services 0.3%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)	16,010	\$328,614
Total Trust Preferreds 0.3%		328,614
Total Preferred Securities 23.8%		25,819,856
	Par	
	(000)	
Taxable Municipal Bonds		
Metropolitan Transportation Authority, RB, Build America Bonds, 6.55%, 11/15/31	USD800	903,248
Total Taxable Municipal Bonds 0.8%		903,248
US Government Sponsored Agency Securities		
Agency Obligations 0.3%		
Fannie Mae, 4.23%, 10/09/19 (c)(h)	390	294,830
Total US Government Sponsored Agency Securities 0.3%		294,830
US Treasury Obligations		
US Treasury Notes, 2.13%, 8/15/21 (c)	780	776,592
Total US Treasury Obligations 0.7%		776,592
Total Long-Term Investments		
(Cost \$151,118,071) 144.9%		157,284,431
Short-Term Securities	Shares	Value
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.14% (i)(j)	1,362,932	1,362,932
Total Short-Term Securities		
(Cost \$1,362,932) 1.3%		1,362,932
	Notional	
	Amount	
	(000)	
Options Purchased		
Over-the-Counter Put Swaptions 0.0%		
Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 9/16/13, Broker Credit Suisse International	EUR1,300	26,527

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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	28,902
Total Options Purchased		
(Cost \$66,622) 0.0%		55,429
Total Investments Before Options Written		
(Cost \$152,547,625*) 146.2%		158,702,792

Options Written

Over-the-Counter Call Swaptions (0.2)%

Pay a fixed rate of 4.03% and receive a floating rate based on 3-month LIBOR, Expires 4/16/12,

Broker UBS AG	USD 1,800	(255,028)
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Options Written

Over-the-Counter Put Swaptions (0.0)%

Receive a fixed rate of 4.03% and pay a floating rate based on 3-month LIBOR, Expires 4/16/12,

Broker UBS AG	USD 1,800	\$(2,881)
---------------	-----------	------------

Total Options Written

(Premiums Received \$129,600) (0.2)% (257,909)

Total Investments, Net of Options Written 146.0% 158,444,883

Liabilities in Excess of Other Assets (46.0)% (49,915,746)

Net Assets 100.0% \$108,529,137

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$	152,469,279
Gross unrealized appreciation	\$	9,163,076
Gross unrealized depreciation		(2,929,563)
Net unrealized appreciation	\$	6,233,513

(a) Security exempt from registration pursuant to Rule 144A of 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 payment-in-kind security which may pay interest/dividends in additional par/shares.

(e) Security is perpetual in nature and has no stated maturity date.

(f) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
Barclays Capital, Inc.	\$128,125	\$3,125
JPMorgan Chase Bank NA	\$ 70,350	\$ 350

(g) Non-income producing security.

(h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(i)

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Investments in companies considered to be an affiliate of the Fund during the year, 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, 2010	Net Activity	Shares Held at October 31, 2011	Income
BlackRock Liquidity Funds, TempFund, Institutional Class	5,884,098	(4,521,166)	1,362,932	\$824

(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.

See Notes to Financial Statements.

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

Schedule of Investments (continued)

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows:

Counterparty	Interest Rate	Trade Date	Maturity Date ¹	Net	
				Closing Amount	Face Amount
Credit Suisse Securities (USA) LLC	0.40 %	5/18/11	Open	\$1,041,022	\$1,039,093
UBS Securities LLC	0.38 %	5/18/11	Open	1,967,462	1,964,000
UBS Securities LLC	0.38 %	5/19/11	Open	873,528	872,000
Credit Suisse Securities (USA) LLC	0.40 %	5/20/11	Open	1,298,940	1,296,562
UBS Securities LLC	0.35 %	6/08/11	Open	2,227,658	2,224,500
UBS Securities LLC	0.38 %	6/14/11	Open	1,126,663	1,125,000
Credit Suisse Securities (USA) LLC	0.40 %	6/15/11	Open	1,016,129	1,014,562
UBS Securities LLC	0.37 %	6/27/11	Open	957,919	956,670
Deutsche Bank Securities, Inc.	0.36 %	7/01/11	Open	537,210	536,550
Credit Suisse Securities (USA) LLC	0.35 %	7/05/11	Open	1,290,116	1,288,624
Credit Suisse Securities (USA) LLC	0.35 %	7/11/11	Open	862,359	861,412
UBS Securities LLC	0.32 %	7/12/11	Open	526,048	525,525
UBS Securities LLC	0.28 %	7/16/11	Open	196,165	196,000
Credit Suisse Securities (USA) LLC	0.35 %	7/18/11	Open	416,066	415,638
Deutsche Bank Securities, Inc.	0.35 %	7/20/11	Open	2,357,006	2,354,625
UBS Securities LLC	0.35 %	8/01/11	Open	872,780	872,000
UBS Securities LLC	0.32 %	8/02/11	Open	382,509	382,200
BNP Paribas Securities Corp.	0.03 %	8/04/11	Open	285,209	285,188
Credit Suisse Securities (USA) LLC	0.40 %	8/05/11	Open	597,584	597,000
BNP Paribas Securities Corp.	0.37 %	8/16/11	Open	1,018,656	1,017,850
BNP Paribas Securities Corp.	0.37 %	8/17/11	Open	956,447	955,700
Barclays Capital, Inc.	0.35 %	8/26/11	Open	557,238	556,875

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Barclays Capital, Inc.	0.35 %	8/31/11	Open	1,194,470	1,193,750
Credit Suisse Securities (USA) LLC	0.35 %	9/08/11	Open	1,043,172	1,042,626
Deutsche Bank Securities, Inc.	0.35 %	9/08/11	Open	310,413	310,250
UBS Securities LLC Credit Suisse Securities (USA) LLC	0.37 %	9/08/11	Open	302,418	302,250
Barclays Capital, Inc.	0.35 %	9/09/11	Open	491,253	491,000
Deutsche Bank Securities, Inc.	0.35 %	9/14/11	Open	1,626,821	1,626,063
UBS Securities LLC	0.35 %	9/14/11	Open	418,495	418,300
UBS Securities LLC	0.35 %	9/14/11	Open	357,167	357,000
UBS Securities LLC	0.38 %	9/14/11	Open	3,690,869	3,689,000

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows (concluded):

Counterparty	Interest Rate	Trade Date	Maturity Date	Net Closing Amount	Face Amount
Barclays Capital, Inc.	0.40 %	9/23/11	Open	\$738,320	\$738,000
Barclays Capital, Inc.	0.40 %	9/30/11	Open	748,001	747,736
Deutsche Bank Securities, Inc.	0.40 %	10/04/11	Open	591,434	591,250
Deutsche Bank Securities, Inc.	0.35 %	10/14/11	Open	1,233,903	1,233,688
Deutsche Bank Securities, Inc.	0.38 %	10/20/11	Open	208,526	208,500
Barclays Capital, Inc.	0.40 %	10/26/11	Open	4,293,701	4,293,415
BNP Paribas Securities Corp.	0.40 %	10/26/11	Open	9,757,010	9,756,360
Deutsche Bank Securities, Inc.	0.40 %	10/26/11	Open	2,955,546	2,955,350
Credit Suisse Securities (USA) LLC	0.35 %	10/27/11	Open	1,197,526	1,197,468
BNP Paribas Securities Corp.	0.08 %	10/31/11	Open	778,051	778,051
Total				\$53,301,810	\$53,267,631

¹ Certain agreements have no stated maturity and can be terminated by either party at anytime.

Financial futures contracts sold as of October 31, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
95	Euro-Schatz	Eurex	December 2011	EUR 10,421,025	\$ (8,689)

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1	German Euro Bund	Chicago Mercantile	December 2011	EUR	135,470	(306)
219	10-Year US Treasury Note	Chicago Board of Trade	December 2011	USD	28,264,688	49,508	
13	Ultra US Treasury Bond	Chicago Board of Trade	December 2011	USD	1,980,875	82,070	
Total							\$ 122,583

Foreign currency exchange contracts as of October 31, 2011 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Depreciation
USD 342,375	EUR 249,000	Citibank NA	1/25/12	\$ (1,979)
USD 33,064	EUR 24,000	Deutsche Bank AG	1/25/12	(127)
Total				\$ (2,106)

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Credit default swaps on single-name issues buy protection outstanding as of October 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Raytheon Co.	1.00 %	Citibank NA Deutsche	9/20/16	USD 225	\$ 1,272
Raytheon Co. General Dynamics Corp.	1.00 %	Bank AG JPMorgan Chase & Co.	9/20/16	USD 270	(212)
Computer Sciences Corp. General Dynamics Corp.	1.00 %	Morgan Stanley & Co., Inc.	9/20/16	USD 625	5,383
Raytheon Co.	1.00 %	Morgan Stanley & Co., Inc.	9/20/16	USD 275	1,295
Dell, Inc.	1.00 %	Morgan Stanley & Co., Inc.	9/20/16	USD 400	1,225
Computer Sciences Corp. Lockheed Martin Corp. STMicroelectronics NV	1.00 %	Barclays Bank Plc Credit Suisse Securities (USA) LLC Deutsche Bank AG Deutsche Bank AG	9/20/16 12/20/16 12/20/16 12/20/16 12/20/16 12/20/16	USD 150 USD 630 USD 280 USD 750 EUR 285	(187) (4,234) (5,686) 7,956 (348)
Southwest Airlines Co. Southwest Airlines Co.	1.00 %	Goldman Sachs Capital Markets LP Royal Bank of Scotland Plc	12/20/16 12/20/16 12/20/16 12/20/16	USD 280 USD 280 USD 280	(66) (1,272)
Total					\$ 5,126

Credit default swaps on single-name issues sold protection outstanding as of October 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating ¹	Notional Amount (000) ²	Appreciation (Depreciation)
Aviva USA Corp. Assured	1.00 %	Deutsche Bank AG	5/25/12	AA-	USD 650	\$ 1,175

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Guaranty Corp. Assured	5.00	%	Citibank NA	12/20/14	AA+	USD 40	(223)
Guaranty Corp.	5.00	%	Citibank NA	3/20/15	AA+	USD 185	296	
MetLife, Inc.	1.00	%	Deutsche Bank AG	3/20/18	A+	USD 200	(9,776)
Total							\$ (8,528)

¹ Using S&P's rating.

² The 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 buy protection outstanding as of October 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Depreciation
Dow Jones CDX North America High Yield Index Series 17	5.00%	JPMorgan Chase Bank & Co.	12/20/16	USD 1,050	\$(100,610)

Interest rate swaps outstanding as of October 31, 2011 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
1.43% ^(b)	3-month LIBOR	Deutsche Bank AG	9/13/13	EUR 10,600	\$ (8,635)
2.72% ^(b)	3-month LIBOR	Deutsche Bank AG	8/08/21	USD 1,400	52,236
4.35% ^(a)	3-month LIBOR	Deutsche Bank AG	4/15/41	USD 600	(167,211)
3.93% ^(a)	3-month LIBOR	Citibank NA	7/21/41	USD 1,600	(311,632)
3.01% ^(b)	3-month LIBOR	Deutsche Bank AG	9/13/41	USD 200	1,780
2.63% ^(b)	3-month LIBOR	Deutsche Bank AG	9/26/41	USD 400	(27,485)
2.81% ^(a)	3-month LIBOR	Credit Suisse Securities (USA) LLC	10/11/41	USD 400	13,186
3.00% ^(a)	3-month LIBOR	Credit Suisse Securities (USA) LLC	10/18/41	USD 300	(1,882)
Total					\$ (449,643)

(a) Fund pays a fixed interest rate and receives floating rate.

(b) Fund 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 in 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 does not necessarily correspond to the Fund's perceived risk of 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.

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Schedule of Investments (concluded)

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

The following tables summarize the inputs used as of October 31, 2011 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		\$493,571	\$503,750	\$997,321
Corporate				
Bonds		127,634,584	858,000	128,492,584
Preferred				
Securities	\$340,913	25,478,943		25,819,856
Taxable				
Municipal				
Bonds		903,248		903,248
US Government				
Sponsored				
Agency				
Securities		294,830		294,830
US Treasury				
Obligations		776,592		776,592
Short-Term				
Securities	1,362,932			1,362,932
Total	\$1,703,845	\$155,581,768	\$1,361,750	\$158,647,363

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial				
Instruments ¹				
Assets:				
Interest rate				
contracts	\$131,578	\$122,631		\$254,209
Credit				
contracts		17,427	\$1,175	18,602
Liabilities:				
Interest rate				
contracts	(8,995)	(774,754)		(783,749)
Foreign currency				
exchange				
contracts		(2,106)		(2,106)
Credit				
contracts		(122,614)		(122,614)
Total	\$122,583	\$(759,416)	\$1,175	\$(635,658)

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 to determine fair value:

	Asset-Backed Corporate		
	Securities	Bonds	Total
Assets:			
Balance, as of October 31, 2010			
Accrued discounts/premiums			
Net realized gain (loss)			
Net change in unrealized appreciation/depreciation ²	\$ (52,364)	\$ 33,000	\$(19,364)
Purchases	556,114	825,000	1,381,114
Sales			
Transfers in ³			
Transfers out ³			
Balance, as of October 31, 2011	\$ 503,750	\$ 858,000	\$ 1,361,750

² Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The net change in unrealized appreciation/depreciation on investments still held at October 31, 2011 was \$(19,364).

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 is a reconciliation of Level 3 derivative financial instruments for which significant unobservable inputs were used to determine fair value:

	Credit
	Contracts
Assets:	
Balance, as of October 31, 2010	
Accrued discounts/premiums	\$ 1,984
Net realized gain (loss)	
Net change in unrealized appreciation/depreciation ⁴	1,175
Purchases	
Issuances ⁵	3,440
Sales	
Settlements ⁶	(5,424)
Transfers in ³	
Transfers out ³	
Balance, as of October 31, 2011	\$ 1,175

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 October 31, 2011 was \$1,175.

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 year in relation to net assets.

See Notes to Financial Statements.

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Schedule of Investments October 31, 2011

BlackRock Credit Allocation Income Trust II, Inc.
(PSY)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Asset-Backed Securities		
Atrium CDO Corp., Series 5A, Class A4, 0.69%, 7/20/20 (a)(b)	USD2,650	\$2,053,750
SLM Student Loan Trust, Series 2004-B, Class A2, 0.55%, 6/15/21 (b)	2,170	2,077,112
Total Asset-Backed Securities 0.9%		4,130,862
Corporate Bonds		
Aerospace & Defense 1.9%		
BE Aerospace, Inc., 8.50%, 7/01/18	2,500	2,731,250
Bombardier, Inc., 7.75%, 3/15/20 (a)	3,205	3,525,500
Huntington Ingalls Industries, Inc. (a):		
6.88%, 3/15/18	610	614,575
7.13%, 3/15/21	600	607,500
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	1,014	1,049,490
		8,528,315
Airlines 1.0%		
American Airlines Pass-Through Trust:		
Series 2011-1, Class A, 5.25%, 7/31/22	1,408	1,281,203
Series 2011-2, Class A, 8.63%, 4/15/23	570	570,000
Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17	1,453	1,493,424
Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24	1,146	1,131,963
		4,476,590
Auto Components 1.5%		
Daimler Finance North America LLC, 2.63%, 9/15/16 (a)(c)	3,425	3,404,015
Delphi Corp., 6.13%, 5/15/21 (a)	570	581,400
Icahn Enterprises LP:		
7.75%, 1/15/16	880	902,000
8.00%, 1/15/18	2,000	2,035,000
		6,922,415
Beverages 0.5%		
Constellation Brands, Inc., 7.25%, 5/15/17	1,970	2,167,000
Building Products 0.3%		
Building Materials Corp. of America (a):		
7.00%, 2/15/20	375	397,500
6.75%, 5/01/21	1,160	1,203,500
		1,601,000
Capital Markets 5.5%		

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Ameriprise Financial, Inc., 5.30%, 3/15/20 (c)	3,250	3,541,723
E*Trade Financial Corp., 12.50%, 11/30/17 (d)	1,865	2,149,412
The Goldman Sachs Group, Inc.:		
5.25%, 7/27/21	2,900	2,927,272
6.25%, 2/01/41 (c)	4,450	4,588,871
Macquarie Bank Ltd., 6.63%, 4/07/21 (a)(c)	1,745	1,709,072
Morgan Stanley (c):		
5.75%, 1/25/21	3,915	3,866,427
5.50%, 7/28/21	1,910	1,865,560
UBS AG:		
2.25%, 1/28/14	1,627	1,621,268
5.88%, 7/15/16 (c)	2,800	2,892,512
		25,162,117

Chemicals 1.0%

Ashland, Inc., 9.13%, 6/01/17	505	564,338
Celanese US Holdings LLC, 5.88%, 6/15/21	1,545	1,641,562
Lyondell Chemical Co., 11.00%, 5/01/18	1,250	1,392,188
Solutia, Inc., 7.88%, 3/15/20	860	920,200
		4,518,288

Commercial Banks 4.9%

Amsouth Bank, Series AI, 4.85%, 4/01/13	1,050	1,010,625
Asciano Finance Ltd., 5.00%, 4/07/18 (a)	900	956,833

	Par (000)	Value
Corporate Bonds		
Commercial Banks (concluded)		
Associated Banc-Corp, 5.13%, 3/28/16	USD 2,200	\$ 2,269,958
BNP Paribas, 3.60%, 2/23/16 (c)	998	995,203
Branch Banking & Trust Co. (b)(c):		
0.66%, 9/13/16	1,100	1,019,176
0.60%, 5/23/17	675	612,830
CIT Group, Inc.:		
7.00%, 5/01/15	260	260,000
7.00%, 5/02/16 (a)	1,570	1,566,075
7.00%, 5/01/17	1,263	1,263,000
7.00%, 5/02/17 (a)	350	349,125
City National Corp., 5.25%, 9/15/20 (c)	2,350	2,395,733
Discover Bank, 8.70%, 11/18/19	1,200	1,357,248
HSBC Holdings Plc, 5.10%, 4/05/21 (c)	1,625	1,750,235
Regions Financial Corp.:		
4.88%, 4/26/13	2,525	2,461,875
5.75%, 6/15/15	1,800	1,732,500
SVB Financial Group, 5.38%, 9/15/20	2,300	2,373,490
		22,373,906
Commercial Services & Supplies 3.8%		
Aviation Capital Group Corp. (a):		
7.13%, 10/15/20 (c)	9,300	9,001,917
6.75%, 4/06/21	2,325	2,238,766
Casella Waste Systems, Inc., 7.75%, 2/15/19	721	692,160
Clean Harbors, Inc., 7.63%, 8/15/16	1,314	1,389,555
Corrections Corp. of America, 7.75%, 6/01/17	3,375	3,653,438

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Iron Mountain, Inc., 7.75%, 10/01/19	390	404,625
Mobile Mini, Inc., 7.88%, 12/01/20	275	275,000
		17,655,461
Communications Equipment 0.9%		
Avaya, Inc., 9.75%, 11/01/15	900	796,500
Brocade Communications Systems, Inc., 6.88%, 1/15/20	2,965	3,105,838
EH Holding Corp., 6.50%, 6/15/19 (a)	420	429,450
		4,331,788
Consumer Finance 4.2%		
American Express Credit Corp., 2.75%, 9/15/15 (c)	5,850	5,922,920
Capital One Bank USA NA, 8.80%, 7/15/19	3,325	3,949,475
Ford Motor Credit Co., LLC, 7.00%, 4/15/15	2,580	2,812,200
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)	1,815	1,942,050
SLM Corp., 6.25%, 1/25/16	4,870	4,870,000
		19,496,645
Containers & Packaging 1.4%		
Ball Corp.:		
7.13%, 9/01/16	1,750	1,894,375
6.75%, 9/15/20	2,210	2,381,275
Crown Americas LLC, 6.25%, 2/01/21 (a)	825	866,250
Graphic Packaging International, Inc., 9.50%, 6/15/17	665	726,512
Rock-Tenn Co., 9.25%, 3/15/16	325	345,313
Sealed Air Corp., 8.38%, 9/15/21 (a)	130	140,725
		6,354,450
Diversified Financial Services 7.8%		
Ally Financial, Inc.:		
4.50%, 2/11/14	1,775	1,735,062
8.30%, 2/12/15	1,230	1,291,500
8.00%, 11/01/31	1,620	1,615,950
Bank of America Corp.:		
5.30%, 3/15/17 (c)	3,640	3,480,892
5.00%, 5/13/21	50	46,946
Citigroup, Inc.:		
6.38%, 8/12/14	1,300	1,403,407
4.59%, 12/15/15 (c)	975	1,018,696
Dolphin Subsidiary II, Inc., 7.25%, 10/15/21 (a)	890	954,525
General Electric Capital Corp., 5.30%, 2/11/21 (c)	4,600	4,895,610
General Motors Financial Co., Inc., 6.75%, 6/01/18 (a)	500	504,576
ING Bank NV, 5.00%, 6/09/21 (a)(c)	2,350	2,412,087

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust II, Inc.
(PSY)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Diversified Financial Services (concluded)		
Intesa Sanpaolo SpA (c):		
2.38%, 12/21/12	USD3,500	\$3,408,608
6.50%, 2/24/21 (a)	600	553,624
JPMorgan Chase & Co., 3.15%, 7/05/16 (c)	4,075	4,081,915
Moody's Corp., 6.06%, 9/07/17	6,000	6,342,174
Reynolds Group Issuer, Inc. (a):		
7.13%, 4/15/19	245	249,900
7.88%, 8/15/19	870	909,150
6.88%, 2/15/21	215	217,150
8.25%, 2/15/21	485	444,988
WMG Acquisition Corp., 9.50%, 6/15/16 (a)	205	217,300
		35,784,060
Diversified Telecommunication Services 5.4%		
AT&T, Inc., 6.30%, 1/15/38 (c)	4,000	4,806,916
France Telecom SA, 4.13%, 9/14/21	675	695,404
Level 3 Financing, Inc.:		
8.75%, 2/15/17	675	690,188
8.13%, 7/01/19 (a)	2,489	2,464,110
Qwest Corp., 8.38%, 5/01/16	2,795	3,193,287
Telecom Italia Capital SA, 6.18%, 6/18/14	975	990,404
Telefonica Emisiones SAU, 5.46%, 2/16/21	1,360	1,378,365
Verizon Communications, Inc.:		
1.95%, 3/28/14 (c)	3,650	3,748,189
7.35%, 4/01/39	4,025	5,556,339
Windstream Corp., 7.88%, 11/01/17	1,150	1,242,000
		24,765,202
Electric Utilities 1.1%		
Progress Energy, Inc., 7.00%, 10/30/31 (c)	4,000	5,245,584
Electronic Equipment, Instruments & Components		
0.8%		
Jabil Circuit, Inc., 8.25%, 3/15/18	800	928,000
NXP BV, 3.15%, 10/15/13 (b)	2,950	2,891,000
		3,819,000
Energy Equipment & Services 1.2%		
EnSCO Plc, 4.70%, 3/15/21 (c)	1,965	2,067,565
Frac Tech Services LLC, 7.63%, 11/15/18 (a)	1,085	1,133,825
Key Energy Services, Inc., 6.75%, 3/01/21	745	761,763
MEG Energy Corp., 6.50%, 3/15/21 (a)	955	995,587
Oil States International, Inc., 6.50%, 6/01/19	505	528,988
SunCoke Energy, Inc., 7.63%, 8/01/19 (a)	190	191,900
		5,679,628
Food & Staples Retailing 2.4%		

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CVS Caremark Corp., 6.30%, 6/01/62 (b)	3,650	3,545,062
Wal-Mart Stores, Inc. (c):		
5.25%, 9/01/35	2,500	2,913,065
6.20%, 4/15/38	3,375	4,400,764
		10,858,891

Food Products 1.0%

Kraft Foods, Inc.:		
6.50%, 8/11/17	1,665	1,990,176
6.13%, 8/23/18	1,660	1,975,415
Smithfield Foods, Inc., 10.00%, 7/15/14	374	434,775
		4,400,366

Gas Utilities 0.1%

Targa Resources Partners LP, 6.88%, 2/01/21 (a)	495	488,813
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Health Care Equipment & Supplies 0.7%

Fresenius US Finance II, Inc., 9.00%, 7/15/15 (a)	2,250	2,542,500
Teleflex, Inc., 6.88%, 6/01/19	490	507,150
		3,049,650

Health Care Providers & Services 4.3%

Aetna, Inc., 6.75%, 12/15/37 (c)	1,700	2,163,106
Aviv Healthcare Properties LP, 7.75%, 2/15/19	460	443,900

Corporate Bonds

Health Care Providers & Services (concluded)

	Par (000)	Value
HCA, Inc.:		
8.50%, 4/15/19	USD240	\$264,000
6.50%, 2/15/20	2,380	2,493,050
7.25%, 9/15/20	3,435	3,679,744
7.50%, 2/15/22	2,020	2,060,400
INC Research LLC, 11.50%, 7/15/19 (a)	695	625,500
inVentiv Health, Inc., 10.00%, 8/15/18 (a)	510	489,600
Tenet Healthcare Corp.:		
10.00%, 5/01/18	1,530	1,755,675
8.88%, 7/01/19	1,125	1,271,250
UnitedHealth Group, Inc., 6.88%, 2/15/38	3,400	4,483,430
		19,729,655

Household Durables 0.3%

Cemex Espana Luxembourg, 9.25%, 5/12/20 (a)	1,462	1,158,635
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Independent Power Producers & Energy Traders 1.3%

AES Corp.:		
9.75%, 4/15/16	985	1,117,975
7.38%, 7/01/21 (a)	325	347,750
Calpine Construction Finance Co. LP, 8.00%, 6/01/16 (a)	535	569,775
Calpine Corp., 7.25%, 10/15/17 (a)	440	457,600
Energy Future Intermediate Holding Co., LLC, 10.00%, 12/01/20	1,745	1,832,250
NRG Energy, Inc., 7.38%, 1/15/17	1,710	1,780,537
		6,105,887

Insurance 8.3%

Allianz Finance II BV, 5.75%, 7/08/41 (b)	EUR700	867,169
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The Allstate Corp., 7.45%, 5/16/19 (c)	USD5,600	6,963,757
American International Group, Inc., 6.40%, 12/15/20 (c)	1,690	1,770,017
Aon Corp., 5.00%, 9/30/20 (c)	4,600	5,041,016
Fairfax Financial Holdings Ltd., 5.80%, 5/15/21 (a)	2,800	2,638,549
Forethought Financial Group, Inc., 8.63%, 4/15/21 (a)	1,000	1,015,846
Genworth Financial, Inc., 7.63%, 9/24/21	970	876,812
Manulife Financial Corp., 4.90%, 9/17/20 (c)	4,700	4,827,379
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	430	369,800
Muenchener Rueckversicherungs AG, 6.00%, 5/26/41 (b)	EUR 300	399,239
Northwestern Mutual Life Insurance, 6.06%, 3/30/40 (a)	USD3,800	4,453,520
Principal Financial Group, Inc., 8.88%, 5/15/19	980	1,241,662
Prudential Financial, Inc., 6.63%, 12/01/37 (c)	3,400	4,042,855
XL Group Ltd., 5.75%, 10/01/21 (c)	3,430	3,616,602
		38,124,223
IT Services 0.7%		
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)	720	673,200
First Data Corp. (a): 7.38%, 6/15/19	725	717,750
8.25%, 1/15/21	90	85,500
12.63%, 1/15/21	905	855,225
SunGard Data Systems, Inc., 7.38%, 11/15/18	970	991,825
		3,323,500
Life Sciences Tools & Services 1.9%		
Bio-Rad Laboratories, Inc., 8.00%, 9/15/16	3,825	4,169,250
Life Technologies Corp., 6.00%, 3/01/20 (c)	4,200	4,681,072
		8,850,322
Machinery 1.1%		
Ingersoll-Rand Global Holding Co. Ltd., 9.50%, 4/15/14 (c)	3,400	3,996,829
Navistar International Corp., 8.25%, 11/01/21	931	1,012,463
		5,009,292

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust II, Inc.
(PSY)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Media 9.3%		
AMC Networks, Inc., 7.75%, 7/15/21 (a)	USD395	\$428,575
CCH II LLC, 13.50%, 11/30/16	2,317	2,670,342
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (a)	700	553,000
Comcast Corp., 6.30%, 11/15/17 (c)	3,400	4,017,022
Cox Communications, Inc., 8.38%, 3/01/39 (a)	3,400	4,754,193
CSC Holdings LLC:		
8.50%, 4/15/14	680	746,300
8.50%, 6/15/15	1,500	1,627,500
8.63%, 2/15/19	1,200	1,362,000
DIRECTV Holdings LLC, 5.00%, 3/01/21	2,575	2,818,822
DISH DBS Corp., 7.00%, 10/01/13	1,750	1,850,625
Intelsat Luxembourg SA (d):		
11.50%, 2/04/17 (a)	140	140,000
11.50%, 2/04/17	400	400,000
The Interpublic Group of Cos., Inc., 10.00%, 7/15/17	1,175	1,345,375
Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a)	1,040	1,081,600
News America, Inc., 6.15%, 3/01/37 (c)	4,200	4,612,528
Time Warner Cable, Inc., 6.75%, 6/15/39	4,050	4,922,759
Time Warner, Inc., 7.70%, 5/01/32	4,150	5,403,968
Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a)	1,030	1,096,950
Virgin Media Secured Finance Plc, 6.50%, 1/15/18	2,675	2,882,312
		42,713,871
Metals & Mining 2.6%		
Alcoa, Inc., 5.40%, 4/15/21 (c)	2,455	2,432,561
Barrick Gold Corp., 2.90%, 5/30/16	1,150	1,194,001
Barrick North America Finance LLC, 5.70%, 5/30/41	1,325	1,539,975
FMG Resources August 2006 Property Ltd. (a):		
6.88%, 2/01/18	235	225,600
8.25%, 11/01/19	190	191,900
Freeport-McMoRan Corp., 7.13%, 11/01/27	2,900	3,369,641
Novelis, Inc., 8.75%, 12/15/20	975	1,062,750
Teck Resources Ltd., 10.75%, 5/15/19 (c)	1,750	2,161,250
		12,177,678
Multi-Utilities 1.6%		
CenterPoint Energy, Inc.:		
5.95%, 2/01/17	3,150	3,547,177
6.50%, 5/01/18	3,350	3,902,881
		7,450,058

Multiline Retail 1.3%

JC Penney Co., Inc., 5.65%, 6/01/20	6,300	5,937,750
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Oil, Gas & Consumable Fuels 13.0%

Alpha Natural Resources, Inc.:

6.00%, 6/01/19	255	253,088
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6.25%, 6/01/21	705	696,188
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Anadarko Petroleum Corp.:

5.95%, 9/15/16	994	1,142,322
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6.38%, 9/15/17	23	27,065
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Arch Coal, Inc. (a):

7.00%, 6/15/19	220	227,700
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7.25%, 6/15/21	720	741,600
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BP Capital Markets Plc (c):

3.88%, 3/10/15	1,500	1,605,862
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3.20%, 3/11/16	1,875	1,969,978
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Buckeye Partners LP, 4.88%, 2/01/21	1,000	1,053,169
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Chesapeake Energy Corp., 6.13%, 2/15/21	3,445	3,608,637
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Chesapeake Midstream Partners LP, 5.88%, 4/15/21 (a)	595	600,950
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Chesapeake Oilfield Operating LLC, 6.63%, 11/15/19 (a)	270	277,425
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Consol Energy, Inc., 6.38%, 3/01/21 (a)	450	447,750
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Copano Energy LLC, 7.13%, 4/01/21	560	572,600
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DCP Midstream LLC, 4.75%, 9/30/21 (a)	1,200	1,252,478
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Denbury Resources, Inc., 6.38%, 8/15/21	575	592,250
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El Paso Corp., 7.00%, 6/15/17	1,430	1,601,600
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Corporate Bonds**Par
(000) Value****Oil, Gas & Consumable Fuels (concluded)**

El Paso Pipeline Partners Operating Co., LLC,

5.00%, 10/01/21	USD 525	\$ 538,374
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Enbridge Energy Partners LP, 9.88%, 3/01/19	2,100	2,812,517
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Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19	1,025	1,035,250
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Enterprise Products Operating LLC, 6.65%, 4/15/18	4,200	4,940,636
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Forest Oil Corp., 8.50%, 2/15/14	1,240	1,339,200
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Hilcorp Energy I LP, 7.75%, 11/01/15 (a)	710	728,389
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Kinder Morgan Energy Partners LP, 6.85%, 2/15/20	4,200	5,018,605
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Linn Energy LLC, 7.75%, 2/01/21	955	1,019,463
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Marathon Petroleum Corp., 3.50%, 3/01/16 (a)	1,375	1,410,545
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MarkWest Energy Partners LP, 6.25%, 6/15/22 (e)	530	543,250
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Newfield Exploration Co., 5.75%, 1/30/22	495	524,700
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Oasis Petroleum, Inc.:

7.25%, 2/01/19 (a)	340	358,700
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6.50%, 11/01/21 (e)	305	306,525
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OGX Petroleo e Gas Participacoes SA, 8.50%, 6/01/18 (a)	1,200	1,188,000
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ONEOK Partners LP, 8.63%, 3/01/19	3,400	4,396,220
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Petrobras International Finance Co., 3.88%, 1/27/16	3,725	3,811,796
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Petrohawk Energy Corp.:

10.50%, 8/01/14	615	689,569
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6.25%, 6/01/19	715	807,950
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Pioneer Natural Resources Co.:

6.65%, 3/15/17	650	705,933
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6.88%, 5/01/18	490	529,845
Plains Exploration & Production Co.:		
7.75%, 6/15/15	785	814,438
10.00%, 3/01/16	405	449,550
Precision Drilling Corp., 6.50%, 12/15/21 (a)	425	448,375
Premier Oil, 5.00%, 6/09/18	3,400	3,536,000
Range Resources Corp., 6.75%, 8/01/20	855	949,050
SandRidge Energy, Inc., 7.50%, 3/15/21 (a)	720	694,800
SM Energy Co., 6.63%, 2/15/19 (a)	220	222,200
Western Gas Partners LP, 5.38%, 6/01/21	1,525	1,621,746
The Williams Cos., Inc., 8.75%, 3/15/32	1,150	1,565,715
		59,678,003
Paper & Forest Products 2.9%		
Boise Paper Holdings LLC, 8.00%, 4/01/20	645	678,862
Georgia-Pacific LLC, 8.25%, 5/01/16 (a)	3,400	3,770,053
International Paper Co.:		
7.50%, 8/15/21	3,325	4,040,819
7.30%, 11/15/39	3,400	3,964,584
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a)	330	334,950
Verso Paper Holdings LLC, 11.50%, 7/01/14	355	372,750
		13,162,018
Pharmaceuticals 7.5%		
Bristol-Myers Squibb Co., 5.88%, 11/15/36 (c)	2,214	2,812,814
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (a)	EUR300	423,412
GlaxoSmithKline Capital, Inc., 6.38%, 5/15/38 (c)	USD7,250	9,799,629
Merck & Co., Inc. (c):		
6.50%, 12/01/33	2,070	2,831,129
6.55%, 9/15/37	4,572	6,364,956
Pfizer, Inc., 7.20%, 3/15/39 (c)	6,250	9,335,337
Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a)	250	250,000
Watson Pharmaceuticals, Inc., 6.13%, 8/15/19	2,075	2,423,930
		34,241,207
Real Estate Investment Trusts (REITs) 2.8%		
AvalonBay Communities, Inc., 6.10%, 3/15/20	3,400	3,857,994
Developers Diversified Realty Corp.:		
4.75%, 4/15/18	645	606,981
7.88%, 9/01/20	775	838,861
ERP Operating LP, 5.75%, 6/15/17 (c)	3,405	3,805,363
HCP, Inc., 5.38%, 2/01/21	1,025	1,052,710
UDR, Inc., 4.25%, 6/01/18	1,475	1,516,731
Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21	1,135	1,111,449
		12,790,089

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust II, Inc.
(PSY)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Real Estate Management & Development 0.2%		
Realogy Corp., 7.88%, 2/15/19 (a)	USD 570	\$ 513,000
Shea Homes LP, 8.63%, 5/15/19 (a)	480	434,400
		947,400
Road & Rail 1.6%		
Avis Budget Car Rental LLC, 8.25%, 1/15/19	435	433,912
Florida East Coast Railway Corp., 8.13%, 2/01/17	200	200,000
The Hertz Corp., 6.75%, 4/15/19	933	951,660
Norfolk Southern Corp., 6.00%, 3/15/2105 (c)	5,000	5,783,350
		7,368,922
Semiconductors & Semiconductor Equipment 0.6%		
Advanced Micro Devices, Inc., 7.75%, 8/01/20	775	786,625
KLA-Tencor Corp., 6.90%, 5/01/18	1,928	2,194,802
		2,981,427
Specialty Retail 1.2%		
AutoNation, Inc., 6.75%, 4/15/18	1,965	2,038,688
Best Buy Co., Inc., 5.50%, 3/15/21	550	525,727
Limited Brands, Inc., 7.00%, 5/01/20	980	1,043,700
QVC, Inc., 7.38%, 10/15/20 (a)	105	114,450
VF Corp., 5.95%, 11/01/17	1,475	1,746,736
		5,469,301
Tobacco 2.0%		
Altria Group, Inc.:		
9.25%, 8/06/19	485	644,737
10.20%, 2/06/39	3,929	6,069,649
Lorillard Tobacco Co., 3.50%, 8/04/16	2,450	2,459,508
		9,173,894
Wireless Telecommunication Services 3.6%		
America Movil SAB de CV, 2.38%, 9/08/16	2,675	2,670,701
American Tower Corp.:		
4.50%, 1/15/18	1,925	1,979,951
5.90%, 11/01/21	1,295	1,431,287
Cricket Communications, Inc., 7.75%, 5/15/16	670	695,125
Crown Castle International Corp., 9.00%, 1/15/15	890	970,100
Crown Castle Towers LLC (a):		
5.50%, 1/15/37	1,175	1,279,864
6.11%, 1/15/40	1,300	1,436,491
Intelsat Jackson Holdings SA, 7.25%, 4/01/19 (a)	190	190,950
Nextel Communications, Inc., Series E, 6.88%, 10/31/13	840	829,500
SBA Tower Trust, 5.10%, 4/15/42 (a)	4,225	4,603,138
Sprint Capital Corp., 6.88%, 11/15/28	470	343,100
		16,430,207
Total Corporate Bonds 115.5%		530,502,508

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

Ameriprise Financial, Inc., 7.52%, 6/01/66 (b)	2,500	2,525,000
State Street Capital Trust III, 5.34% (b)(f)	2,920	2,924,964
State Street Capital Trust IV, 1.35%, 6/01/37 (b)	18,235	12,772,159
		18,222,123

Commercial Banks 5.4%

Barclays Bank Plc, 7.43% (a)(b)(c)(f)	650	607,750
BNP Paribas, 7.20% (a)(b)(c)(f)	1,500	1,237,500
Credit Agricole SA (a)(b)(c)(f):		
6.64%	1,475	996,363
8.38%	1,475	1,298,000
Dresdner Funding Trust I, 8.15%, 6/30/31 (a)	2,240	1,747,200

Capital Trusts**Commercial Banks (concluded)**

	Par (000)	Value
HSBC Capital Funding LP/Jersey Channel Islands, 10.18% (a)(b)(c)(f)	USD4,835	\$6,055,837
M&T Capital Trust II, 8.28%, 6/01/27	3,630	3,666,358
National City Preferred Capital Trust I, 12.00% (b)(f)	1,100	1,141,426
NationsBank Capital Trust III, 0.95%, 1/15/27 (b)	13,470	8,021,708
		24,772,142

Diversified Financial Services 1.7%

ING Capital Funding Trust III, 3.97% (b)(f)	1,800	1,525,003
JPMorgan Chase Capital XXIII, 1.29%, 5/15/77 (b)(c)	8,775	6,058,365
		7,583,368

Electric Utilities 0.6%

PPL Capital Funding, 6.70%, 3/30/67 (b)	3,000	2,895,000
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Insurance 8.6%

Ace Capital Trust II, 9.70%, 4/01/30	2,500	3,244,830
The Allstate Corp., 6.50%, 5/15/67 (b)	5,000	4,656,250
American General Capital II, 8.50%, 7/01/30	100	98,000
American International Group, Inc., 8.18%, 5/15/68 (b)	900	868,500
Aon Corp., 8.21%, 1/01/27	2,500	2,911,810
AXA SA, 6.38% (a)(b)(f)	3,000	2,242,500
Bank One Capital III, 8.75%, 9/01/30 (c)	2,000	2,437,998
Chubb Corp., 6.38%, 3/29/67 (b)(c)	2,000	2,010,000
Farmers Exchange Capital, 7.05%, 7/15/28 (a)(c)	2,500	2,710,765
Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b)	2,925	3,553,875
Lincoln National Corp., 7.00%, 5/17/66 (b)(c)	3,350	3,149,000
MetLife, Inc., 6.40%, 12/15/66	3,325	3,266,274
Principal Life Insurance Co., 8.00%, 3/01/44 (a)	2,500	3,136,742
Reinsurance Group of America, 6.75%, 12/15/65 (b)	3,000	2,603,487
Swiss Re Solutions Holding Corp., 7.75%, 6/15/30 (c)	2,000	2,267,248
ZFS Finance (USA), Trust IV, 5.88%, 5/09/32 (a)(b)	379	367,630
		39,524,909

Multi-Utilities 1.5%

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Dominion Resources Capital Trust I, 7.83%, 12/01/27	2,500	2,520,288
Dominion Resources, Inc., 7.50%, 6/30/66 (b)	3,900	4,095,000
		6,615,288
Oil, Gas & Consumable Fuels 1.3%		
Enterprise Products Operating LLC, 8.38%, 8/01/66 (b)	2,000	2,070,000
TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b)	4,000	4,076,696
		6,146,696
Road & Rail 0.8%		
BNSF Funding Trust I, 6.61%, 12/15/55 (b)	3,750	3,810,938
Total Capital Trusts 23.9%		109,570,464

Preferred Stocks	Shares	
Auto Components 0.1%		
Dana Holding Corp., 4.00% (a)	4,000	495,000
Commercial Banks 0.2%		
SG Preferred Capital II, 6.30% (a)(b)	1,000	1,004,687
Diversified Financial Services 0.3%		
Ally Financial, Inc., 7.00% (a)	1,880	1,402,069
Thriffs & Mortgage Finance 0.0%		
Fannie Mae, Series S, 8.25% (b)(g)	14,000	27,440
Freddie Mac, Series Z, 8.38% (b)(g)	14,000	29,960
		57,400
Wireless Telecommunication Services 0.6%		
Centaur Funding Corp., 9.08% (a)	2,423	2,800,837
Total Preferred Stocks 1.2%		5,759,993

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust II, Inc.
(PSY)
(Percentages shown are based on Net Assets)

Trust Preferreds	Shares	Value
Diversified Financial Services 0.3%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)	66,410	\$1,363,099
Total Trust Preferreds 0.3%		1,363,099
Total Preferred Securities 25.4%		116,693,556

Taxable Municipal Bonds	Par (000)	
Metropolitan Transportation Authority, RB, Build America Bonds, 6.55%, 11/15/31	USD3,450	3,895,257
Total Taxable Municipal Bonds 0.8%		3,895,257

US Government Sponsored Agency Securities		
Agency Obligations 0.3%		
Fannie Mae, 4.23%, 10/09/19 (c)(h)	1,670	1,262,477
Total US Government Sponsored Agency Securities 0.3%		1,262,477

US Treasury Obligations		
US Treasury Bonds, 4.75%, 2/15/41 (c)	2,670	3,471,000
US Treasury Notes, 1.00%, 9/30/16 (c)	1,450	1,451,015
Total US Treasury Obligations 1.1%		4,922,015
Total Long-Term Investments (Cost \$641,902,640) 144.0%		661,406,675

Short-Term Securities	Shares	
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.14% (i)(j)	405,708	405,708
Total Short-Term Securities (Cost \$405,708) 0.1%		405,708

Options Purchased	Notional Amount (000)	
Over-the-Counter Put Swaptions 0.0%		
Pay a fixed rate of 4.50% and receive a floating rate based on 3-month LIBOR, Expires 9/16/13, Broker Credit Suisse International	EUR5,300	108,147
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	111,161
		219,308

Total Options Purchased	
(Cost \$264,170) 0.0%	219,308
Total Investments Before Options Written	
(Cost \$642,572,518*) 144.1%	662,031,691

	Notional Amount (000)	Value
Options Written		
Over-the-Counter Call Swaptions (0.2)%		
Pay a fixed rate of 4.03% and receive a floating rate based on 3-month LIBOR, Expires 4/16/12, Broker UBS AG	USD 7,700	\$(1,090,952)
Over-the-Counter Put Swaptions (0.0)%		
Receive a fixed rate of 4.03% and pay a floating rate based on 3-month LIBOR, Expires 4/16/12, Broker UBS AG	7,700	(12,325)
Total Options Written		
(Premiums Received \$554,400) (0.2)%		(1,103,277)
Total Investments, Net of Options Written 143.9%		660,928,414
Liabilities in Excess of Other Assets (43.9)%		(201,649,692)
Net Assets 100.0%		\$459,278,722

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$642,431,656
Gross unrealized appreciation	\$36,903,817
Gross unrealized depreciation	(17,303,782)
Net unrealized appreciation	\$19,600,035

- (a) Security exempt from registration pursuant to Rule 144A of 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 payment-in-kind security which may pay interest/dividends in additional par/shares.
- (e) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
Barclays Capital, Inc.	\$543,250	\$ 13,250
JPMorgan Chase Bank NA	\$306,525	\$ 1,525

- (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 year, 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, Net 2010	Activity	Shares Held at October 31, 2011	Income
BlackRock Liquidity				

Funds, TempFund,
Institutional Class 1,483,567 (1,077,859)405,708 \$5,540

(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.

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows:

Counterparty	Interest Rate	Trade Date	Maturity Date	Net Closing Face	
				Amount	Amount
UBS Securities LLC Credit Suisse Securities (USA) LLC	0.38%	5/18/11	Open	\$ 12,935,169	\$ 12,912,000
UBS Securities LLC Credit Suisse Securities (USA) LLC	0.38%	5/19/11	Open	4,646,054	4,637,500
UBS Securities LLC Credit Suisse Securities (USA) LLC	0.38%	5/19/11	Open	2,183,820	2,180,000
Barclays Capital Inc. Credit Suisse Securities (USA) LLC	0.40%	5/20/11	Open	3,398,407	3,392,188
Barclays Capital Inc. Credit Suisse Securities (USA) LLC	0.40%	5/31/11	Open	2,048,499	2,045,000
UBS Securities LLC BNP Paribas Securities Corp. UBS Securities LLC	0.35%	6/01/11	Open	6,953,547	6,943,219
UBS Securities LLC BNP Paribas Securities Corp.	0.35%	6/08/11	Open	4,836,856	4,830,000
UBS Securities LLC BNP Paribas Securities Corp.	0.38%	6/14/11	Open	6,404,450	6,395,000
UBS Securities LLC BNP Paribas Securities Corp.	0.38%	6/15/11	Open	9,065,464	9,051,999
UBS Securities LLC Credit Suisse Securities (USA) LLC	0.35%	6/20/11	Open	1,920,339	1,917,840
UBS Securities LLC Credit Suisse Securities (USA) LLC	0.37%	6/22/11	Open	3,536,166	3,531,375
UBS Securities LLC Credit Suisse Securities (USA) LLC	0.37%	6/27/11	Open	1,849,286	1,846,875
UBS Securities LLC Deutsche Bank Securities, Inc.	0.35%	7/05/11	Open	1,612,645	1,610,781
UBS Securities LLC Deutsche Bank Securities, Inc.	0.35%	7/11/11	Open	2,408,543	2,405,900
UBS Securities LLC Deutsche Bank Securities, Inc.	0.32%	7/12/11	Open	2,247,660	2,245,425
UBS Securities LLC Deutsche Bank Securities, Inc.	0.28%	7/13/11	Open	588,508	588,000
UBS Securities LLC Deutsche Bank Securities, Inc.	0.35%	7/20/11	Open	9,139,106	9,129,875
UBS Securities LLC Deutsche Bank Securities, Inc.	0.17%	7/29/11	Open	2,971,708	2,970,375
UBS Securities LLC Deutsche Bank Securities, Inc.	0.38%	8/01/11	Open	3,711,633	3,706,000
UBS Securities LLC BNP Paribas Securities Corp.	0.35%	8/03/11	Open	3,624,969	3,621,800
BNP Paribas Securities Corp.	0.09%	8/05/11	Open	1,227,720	1,227,450
BNP Paribas Securities Corp.	0.35%	8/16/11	Open	1,863,394	1,862,000
BNP Paribas Securities Corp.	0.39%	8/17/11	Open	1,483,220	1,482,000
Barclays Capital Inc.	0.35%	8/18/11	Open	3,912,851	3,910,000
Barclays Capital Inc.	0.35%	8/26/11	Open	2,401,501	2,399,938
Barclays					

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Capital Inc. Barclays	0.35%	8/30/11	Open	4,528,272	4,525,500
Capital Inc. Barclays	0.35%	8/31/11	Open	4,777,878	4,775,000
Capital Inc. BNP Paribas	0.35%	9/01/11	Open	17,070,843	17,060,725
Securities Corp. Credit Suisse	0.35%	9/01/11	Open	36,121,583	36,100,174
Securities (USA) LLC	0.35%	9/09/11	Open	7,104,147	7,100,489
Credit Suisse Securities (USA) LLC	0.35%	9/12/11	Open	2,087,825	2,086,750
Deutsche Bank Securities, Inc.	0.40%	9/12/11	Open	3,980,210	3,978,000
Deutsche Bank Securities, Inc.	0.35%	9/20/11	Open	1,820,743	1,820,000
Barclays Capital Inc.	0.40%	9/23/11	Open	3,160,932	3,159,563
Barclays Capital Inc.	0.40%	9/30/11	Open	3,171,065	3,169,938

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows (concluded):

Counterparty	Interest Rate	Trade Date	Maturity Date	Net Closing Amount	Face Amount
Deutsche Bank Securities, Inc.	0.40 %	10/04/11	Open	\$2,957,170	\$2,956,250
Credit Suisse Securities (USA) LLC	0.35 %	10/06/11	Open	509,566	509,438
Barclays Capital Inc.	0.35 %	10/12/11	Open	1,991,637	1,991,250
Deutsche Bank Securities, Inc.	0.35 %	10/12/11	Open	4,600,894	4,600,000
Deutsche Bank Securities, Inc.	0.35 %	10/14/11	Open	7,464,694	7,463,388
Deutsche Bank Securities, Inc.	0.38 %	10/20/11	Open	1,042,632	1,042,500
Credit Suisse Securities (USA) LLC	0.35 %	10/27/11	Open	1,618,566	1,618,487
Credit Suisse Securities (USA) LLC	0.40 %	10/27/11	Open	5,838,587	5,838,262
BNP Paribas Securities Corp.	0.39 %	10/27/11	Open	1,529,858	1,529,774
Credit Suisse Securities (USA) LLC	(0.70%)	10/31/11	Open	1,449,972	1,450,000
UBS Securities LLC	0.38 %	10/31/11	Open	3,415,366	3,415,185
Total				\$213,213,955	\$213,033,213

¹ Certain agreements have no stated maturity and can be terminated by either party at anytime.

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Financial futures contracts sold as of October 31, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
404	Euro-Schatz	Eurex	December 2011	EUR 44,316,780	\$ (36,951)
1	German Euro Bund	Chicago Mercantile	December 2011	EUR 135,470	(306)
890	10-Year US Treasury Note	Chicago Board of Trade	December 2011	USD 114,865,625	205,436
77	Ultra US Treasury Bond	Chicago Board of Trade	December 2011	USD 11,732,875	341,830
Total					\$ 510,009

Foreign currency exchange contracts as of October 31, 2011 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Depreciation
USD 1,477,438	EUR 1,074,500	Citibank NA	1/25/12	\$ (8,539)
USD 123,988	EUR 90,000	Deutsche Bank AG	1/25/12	(477)
Total				\$ (9,016)

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Credit default swaps on single-name issues buy protection outstanding as of October 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Raytheon Co.	1.00%	Citibank NA	9/20/16	USD 1,100	\$ 6,220
Raytheon Co.	1.00%	Deutsche Bank AG	9/20/16	USD 1,150	(902)
General Dynamics Corp.	1.00%	JPMorgan Chase Bank & Co.	9/20/16	USD 2,475	21,317
Computer Sciences Corp.	1.00%	Morgan Stanley & Co., Inc.	9/20/16	USD 1,160	5,463
General Dynamics Corp.	1.00%	Morgan Stanley & Co., Inc.	9/20/16	USD 1,725	5,245
Raytheon Co.	1.00%	Morgan Stanley & Co., Inc.	9/20/16	USD 650	(812)
Dell, Inc.	1.00%	Barclays Bank Plc	12/20/16	USD 2,665	(17,909)
Computer Sciences Corp.	1.00%	Credit Suisse Securities (USA) LLC	12/20/16	USD 1,185	(24,066)
Lockheed Martin Corp.	1.00%	Deutsche Bank AG	12/20/16	USD 3,025	32,089
STMicroelectron- ics NV	1.00%	Deutsche Bank AG	12/20/16	EUR 1,215	(1,481)
Southwest Airlines Co.	1.00%	Goldman Sachs Capital Markets LP	12/20/16	USD 1,185	(279)
Southwest Airlines Co.	1.00%	Royal Bank of Scotland Plc	12/20/16	USD 1,185	(5,382)
Total					\$ 19,503

Credit default swaps on single-name issues sold protection outstanding as of October 31, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation (Depreciation)
Aviva USA Corp.	1.00%	Deutsche Bank AG	5/25/12	AA	USD 2,775	\$ 5,018
Assured Guaranty Corp.	5.00%	Citibank NA	12/20/14	AA+	USD 180	(1,004)
Assured						

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Guaranty

Corp.	5.00%	Citibank NA	3/20/15	AA+	USD	770	1,234	
MetLife, Inc.	1.00%	Deutsche						
		Bank AG	3/20/18	A+	USD	900	(43,991)
Total							\$ (38,743)

¹ Using S&P's rating.

² The 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 buy protection outstanding as of October 31, 2011 were as follows:

Index	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Depreciation
Dow Jones CDX North America High Yield Index Series 17	5.00%	JPMorgan & Co.	12/20/16	USD 4,450	\$ (426,393)

Interest rate swaps outstanding as of October 31, 2011 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
1.43%(b)	3-month LIBOR	Deutsche Bank AG	9/13/13	EUR 44,900	\$ (36,575)
2.72%(b)	3-month LIBOR	Deutsche Bank AG	8/08/21	USD 6,500	242,524
4.35%(a)	3-month LIBOR	Deutsche Bank AG	4/15/41	USD 3,000	(836,056)
3.93%(a)	3-month LIBOR	Citibank NA	7/21/41	USD 6,400	(1,246,530)
3.01%(b)	3-month LIBOR	Deutsche Bank AG	9/13/41	USD 900	8,010
2.63%(b)	3-month LIBOR	Deutsche Bank AG	9/26/41	USD 1,900	(130,552)
2.81%(a)	3-month LIBOR	Credit Suisse Securities (USA) LLC	10/11/41	USD 1,900	62,636
3.00%(a)	3-month LIBOR	Credit Suisse Securities (USA) LLC	10/18/41	USD 1,200	(7,526)
Total					\$ (1,944,069)

(a) Pays a fixed interest rate and receives floating rate.

(b) 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 in 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 does not necessarily correspond to the Fund's perceived risk of 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.

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Schedule of Investments (concluded)

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

The following tables summarize the inputs used as of October 31, 2011 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-Back				
Securities		\$2,077,112	\$2,053,750	\$4,130,862
Corporate				
Bonds		526,966,508	3,536,000	530,502,508
Preferred				
Securities	\$1,420,499	115,273,057		116,693,556
Taxable				
Municipal				
Bonds		3,895,257		3,895,257
US Government				
Sponsored				
Agency				
Securities		1,262,477		1,262,477
US Treasury				
Obligations		4,922,015		4,922,015
Short-Term				
Securities	405,708			405,708
Total	\$1,826,207	\$654,396,426	\$5,589,750	\$661,812,383

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial				
Instruments ¹				
Assets:				
Interest rate				
contracts	\$547,266	\$532,478		\$1,079,744
Credit				
contracts		71,568	\$5,018	76,586
Liabilities:				
Interest rate				
contracts	(37,257)	(3,360,516)		(3,397,773)
Foreign				
currency				
exchange				
contracts		(9,016)		(9,016)
Credit				
contracts		(522,219)		(522,219)
Total	\$510,009	\$(3,287,705)	\$5,018	\$(2,772,678)

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 to determine fair value:

	Asset-Backed Corporate		
	Securities	Bonds	Total
Assets:			
Balance, as of October 31, 2010		\$ 103,025	\$ 103,025
Accrued discounts/premiums	\$ 20,514		20,514
Net realized gain (loss)		34	34
Net change in unrealized appreciation/depreciation ²	(233,998)	141,388	(92,610)
Purchases	2,267,234	3,400,000	5,667,234
Sales		(108,447)	(108,447)
Transfers in ³			
Transfers out ³			
Balance, as of October 31, 2011	\$ 2,053,750	\$ 3,536,000	\$ 5,589,750

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 October 31, 2011 was \$(97,998).

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 is a reconciliation of Level 3 derivative financial instruments for which significant unobservable inputs were used to determine fair value:

	Credit
	Contracts
Assets:	
Balance, as of October 31, 2010	
Accrued discounts/premiums	\$ 8,471
Net realized gain (loss)	
Net change in unrealized appreciation/depreciation ⁴	5,018
Purchases	
Issuances ⁵	14,687
Sales	
Settlements ⁶	(23,158)
Transfers in ³	
Transfers out ³	
Balance, as of October 31, 2011	\$ 5,018

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 October 31, 2011 was \$5,018.

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 year in relation to net assets.

See Notes to Financial Statements.

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Schedule of Investments October 31, 2011

BlackRock Credit Allocation Income Trust III
(BPP)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Asset-Backed Securities		
Atrium CDO Corp., Series 5A, Class A4, 0.69%, 7/20/20 (a)(b)	USD 1,300	\$ 1,007,500
Total Asset-Backed Securities 0.5%		1,007,500
 Corporate Bonds		
Aerospace & Defense 1.8%		
BE Aerospace, Inc., 8.50%, 7/01/18	1,215	1,327,387
Bombardier, Inc., 7.75%, 3/15/20 (a)	1,405	1,545,500
Huntington Ingalls Industries, Inc. (a):		
6.88%, 3/15/18	290	292,175
7.13%, 3/15/21	300	303,750
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	460	476,100
		3,944,912
 Airlines 1.0%		
American Airlines Pass-Through Trust:		
Series 2011-1, Class A, 5.25%, 7/31/22	639	581,539
Series 2011-2, Class A, 8.63%, 4/15/23	265	265,000
Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17	693	712,248
Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24	588	580,742
		2,139,529
 Auto Components 1.5%		
Daimler Finance North America LLC, 2.63%, 9/15/16 (a)(c)	1,650	1,639,890
Delphi Corp., 6.13%, 5/15/21 (a)	280	285,600
Icahn Enterprises LP:		
7.75%, 1/15/16	420	430,500
8.00%, 1/15/18	1,000	1,017,500
		3,373,490
 Beverages 0.5%		
Constellation Brands, Inc., 7.25%, 5/15/17	955	1,050,500
 Building Products 0.3%		
Building Materials Corp. of America (a):		
7.00%, 2/15/20	180	190,800
6.75%, 5/01/21	570	591,375
		782,175
 Capital Markets 3.9%		
Ameriprise Financial, Inc., 5.30%, 3/15/20 (c)	1,500	1,634,641
E*Trade Financial Corp., 12.50%, 11/30/17 (d)	900	1,037,250

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The Goldman Sachs Group, Inc., 6.25%, 2/01/41 (c)	2,150	2,217,095
Macquarie Bank Ltd., 6.63%, 4/07/21 (a)(e)	805	788,426
Morgan Stanley, 5.50%, 7/28/21 (c)(e)	2,400	2,344,159
UBS AG, 2.25%, 1/28/14 (c)	775	772,270
		8,793,841

Chemicals 1.0%

Ashland, Inc., 9.13%, 6/01/17	245	273,788
Celanese US Holdings LLC, 5.88%, 6/15/21	760	807,500
Lyondell Chemical Co., 11.00%, 5/01/18	595	662,681
Solutia, Inc., 7.88%, 3/15/20	415	444,050
		2,188,019

Commercial Banks 5.4%

Amsouth Bank, Series AI, 4.85%, 4/01/13	525	505,312
Asciano Finance Ltd., 5.00%, 4/07/18 (a)	425	451,838
Associated Banc-Corp, 5.13%, 3/28/16	1,070	1,104,025
BNP Paribas, 3.60%, 2/23/16 (c)	810	807,730
Branch Banking & Trust Co. (b):		
0.66%, 9/13/16	550	509,588
0.60%, 5/23/17	325	295,066

Corporate Bonds

**Par
(000) Value**

Commercial Banks (concluded)

CIT Group, Inc.:		
7.00%, 5/01/15	USD 120	\$ 120,000
7.00%, 5/02/16 (a)	720	718,200
7.00%, 5/01/17	685	685,000
7.00%, 5/02/17 (a)	100	99,750
Discover Bank, 8.70%, 11/18/19	550	622,072
HSBC Holdings Plc, 5.10%, 4/05/21 (c)	2,700	2,908,084
RESPARCS Funding LP I, 8.00% (f)(g)(h)	4,000	1,120,000
Regions Financial Corp.:		
4.88%, 4/26/13	1,225	1,194,375
5.75%, 6/15/15	850	818,125
		11,959,165

Commercial Services & Supplies 3.8%

Aviation Capital Group Corp. (a):		
7.13%, 10/15/20 (c)	4,500	4,355,766
6.75%, 4/06/21	1,125	1,083,274
Casella Waste Systems, Inc., 7.75%, 2/15/19	336	322,560
Clean Harbors, Inc., 7.63%, 8/15/16	630	666,225
Corrections Corp. of America, 7.75%, 6/01/17	1,600	1,732,000
Iron Mountain, Inc., 7.75%, 10/01/19	190	197,125
Mobile Mini, Inc., 7.88%, 12/01/20	135	135,000
		8,491,950

Communications Equipment 0.9%

Avaya, Inc., 9.75%, 11/01/15	400	354,000
Brocade Communications Systems, Inc., 6.88%, 1/15/20	1,450	1,518,875
EH Holding Corp., 6.50%, 6/15/19 (a)	210	214,725
		2,087,600

Consumer Finance 4.4%

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American Express Credit Corp., 2.75%, 9/15/15 (c)	2,900	2,936,148
Capital One Bank USA NA, 8.80%, 7/15/19	1,625	1,930,195
Ford Motor Credit Co., LLC, 7.00%, 4/15/15	1,420	1,547,800
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)	870	930,900
SLM Corp., 6.25%, 1/25/16	2,365	2,365,000
		9,710,043

Containers & Packaging 1.4%

Ball Corp.:		
7.13%, 9/01/16	850	920,125
6.75%, 9/15/20	1,070	1,152,925
Crown Americas LLC, 6.25%, 2/01/21 (a)	400	420,000
Graphic Packaging International, Inc., 9.50%, 6/15/17	325	355,062
Rock-Tenn Co., 9.25%, 3/15/16	150	159,375
Sealed Air Corp., 8.38%, 9/15/21 (a)	65	70,363
		3,077,850

Diversified Financial Services 9.0%

Ally Financial, Inc.:		
4.50%, 2/11/14	400	391,000
8.30%, 2/12/15	780	819,000
8.00%, 11/01/31	990	987,525
Bank of America Corp. (c):		
5.30%, 3/15/17	2,440	2,333,345
5.00%, 5/13/21	3,625	3,403,556
Citigroup, Inc.:		
6.38%, 8/12/14	625	674,715
4.59%, 12/15/15 (c)	475	496,288
8.50%, 5/22/19	550	680,580
Countrywide Financial Corp., 6.25%, 5/15/16	1,569	1,533,040
Dolphin Subsidiary II, Inc., 7.25%, 10/15/21 (a)	430	461,175
General Electric Capital Corp., 5.30%, 2/11/21 (c)	2,225	2,367,985
General Motors Financial Co., Inc., 6.75%, 6/01/18 (a)	250	252,288
ING Bank NV, 5.00%, 6/09/21 (a)(c)	1,150	1,180,383
Intesa Sanpaolo SpA:		
2.38%, 12/21/12 (c)(e)	1,700	1,655,610
6.50%, 2/24/21 (a)	300	276,812

See Notes to Financial Statements.

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BlackRock Credit Allocation Income Trust III
(BPP)
(Percentages shown are based on Net Assets)

Schedule of Investments (continued)

	Par	Value
	(000)	
Corporate Bonds		
Diversified Financial Services (concluded)		
Moody's Corp., 6.06%, 9/07/17	USD 1,500	\$ 1,585,543
Reynolds Group Issuer, Inc. (a):		
7.13%, 4/15/19	115	117,300
7.88%, 8/15/19	420	438,900
6.88%, 2/15/21	105	106,050
8.25%, 2/15/21	190	174,325
WMG Acquisition Corp., 9.50%, 6/15/16 (a)	100	106,000
		20,041,420
Diversified Telecommunication Services 5.5%		
AT&T, Inc., 6.30%, 1/15/38 (c)	2,000	2,403,458
France Telecom SA, 4.13%, 9/14/21	325	334,824
Level 3 Financing, Inc.:		
8.75%, 2/15/17	355	362,988
8.13%, 7/01/19 (a)	1,247	1,234,530
Qwest Corp., 8.38%, 5/01/16	1,360	1,553,800
Telecom Italia Capital SA, 6.18%, 6/18/14	500	507,899
Telefonica Emisiones SAU, 5.46%, 2/16/21	660	668,913
Verizon Communications, Inc. (c):		
1.95%, 3/28/14	1,775	1,822,749
7.35%, 4/01/39	1,950	2,691,891
Windstream Corp., 7.88%, 11/01/17	640	691,200
		12,272,252
Electric Utilities 1.8%		
Duke Energy Corp., 3.55%, 9/15/21	825	847,464
Progress Energy, Inc., 7.00%, 10/30/31 (c)	2,000	2,622,792
Southern Co., 1.95%, 9/01/16	475	478,714
		3,948,970
Electronic Equipment, Instruments & Components 0.8%		
Jabil Circuit, Inc., 8.25%, 3/15/18	400	464,000
NXP BV, 3.15%, 10/15/13 (b)	1,450	1,421,000
		1,885,000
Energy Equipment & Services 1.2%		
EnSCO Plc, 4.70%, 3/15/21	960	1,010,108
Frac Tech Services LLC, 7.63%, 11/15/18 (a)	525	548,625
Key Energy Services, Inc., 6.75%, 3/01/21	360	368,100
MEG Energy Corp., 6.50%, 3/15/21 (a)	465	484,762
Oil States International, Inc., 6.50%, 6/01/19	245	256,638
SunCoke Energy, Inc., 7.63%, 8/01/19 (a)	90	90,900
		2,759,133
Food & Staples Retailing 2.3%		
CVS Caremark Corp., 6.30%, 6/01/62 (b)	1,650	1,602,562
Wal-Mart Stores, Inc. (c):		

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5.25%, 9/01/35	1,850	2,155,668
6.20%, 4/15/38	1,075	1,401,725
		5,159,955

Food Products 1.0%

Kraft Foods, Inc.:		
6.50%, 8/11/17	800	956,241
6.13%, 8/23/18	800	952,007
Smithfield Foods, Inc., 10.00%, 7/15/14	187	217,388
		2,125,636

Gas Utilities 0.1%

Targa Resources Partners LP, 6.88%, 2/01/21 (a)	240	237,000
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Health Care Equipment & Supplies 0.6%

Fresenius US Finance II, Inc., 9.00%, 7/15/15 (a)	1,000	1,130,000
Teleflex, Inc., 6.88%, 6/01/19	240	248,400
		1,378,400

Corporate Bonds

**Par
(000) Value**

Health Care Providers & Services 4.3%

Aetna, Inc., 6.75%, 12/15/37 (c)	USD 850	\$1,081,553
Aviv Healthcare Properties LP, 7.75%, 2/15/19	220	212,300
HCA, Inc.:		
8.50%, 4/15/19	105	115,500
6.50%, 2/15/20	1,145	1,199,387
7.25%, 9/15/20	1,645	1,762,206
7.50%, 2/15/22	985	1,004,700
INC Research LLC, 11.50%, 7/15/19 (a)	340	306,000
inVentiv Health, Inc., 10.00%, 8/15/18 (a)	250	240,000
Tenet Healthcare Corp.:		
10.00%, 5/01/18	745	854,888
8.88%, 7/01/19	550	621,500
UnitedHealth Group, Inc., 6.88%, 2/15/38 (c)	1,725	2,274,682
		9,672,716

Household Durables 0.3%

Cemex Espana Luxembourg, 9.25%, 5/12/20 (a)	723	572,978
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Independent Power Producers & Energy Traders

1.4%

AES Corp.:		
9.75%, 4/15/16	480	544,800
7.38%, 7/01/21 (a)	160	171,200
Calpine Construction Finance Co. LP, 8.00%, 6/01/16 (a)	375	399,375
Calpine Corp., 7.25%, 10/15/17 (a)	220	228,800
Energy Future Intermediate Holding Co., LLC,		
10.00%, 12/01/20	850	892,500
NRG Energy, Inc., 7.38%, 1/15/17	825	859,031
		3,095,706

Insurance 5.7%

American International Group, Inc., 6.40%, 12/15/20 (c)	810	848,351
Aon Corp., 5.00%, 9/30/20	1,500	1,643,810
Fairfax Financial Holdings Ltd., 5.80%, 5/15/21 (a)	1,500	1,413,509
Forethought Financial Group, Inc., 8.63%, 4/15/21 (a)	525	533,319

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Genworth Financial, Inc., 7.63%, 9/24/21	480	433,886
Manulife Financial Corp., 4.90%, 9/17/20	1,075	1,104,135
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	210	180,600
Northwestern Mutual Life Insurance, 6.06%, 3/30/40 (a)(c)	1,800	2,109,562
Principal Financial Group, Inc., 8.88%, 5/15/19	475	601,826
Prudential Financial, Inc., 6.63%, 12/01/37 (c)	1,725	2,051,154
XL Group Ltd., 5.75%, 10/01/21 (c)	1,740	1,834,661
		12,754,813
IT Services 0.7%		
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)	340	317,900
First Data Corp. (a):		
7.38%, 6/15/19	355	351,450
8.25%, 1/15/21	45	42,750
12.63%, 1/15/21	440	415,800
SunGard Data Systems, Inc., 7.38%, 11/15/18	470	480,575
		1,608,475
Life Sciences Tools & Services 1.9%		
Bio-Rad Laboratories, Inc., 8.00%, 9/15/16	1,830	1,994,700
Life Technologies Corp., 6.00%, 3/01/20	2,000	2,229,082
		4,223,782
Machinery 1.3%		
AGY Holding Corp., 11.00%, 11/15/14	390	287,625
Ingersoll-Rand Global Holding Co. Ltd., 9.50%, 4/15/14 (c)	1,725	2,027,803
Navistar International Corp., 8.25%, 11/01/21	451	490,463
		2,805,891

See Notes to Financial Statements.

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BlackRock Credit Allocation Income Trust III
(BPP)
(Percentages shown are based on Net Assets)

Schedule of Investments (continued)

	Par	Value
	(000)	
Corporate Bonds		
Media 10.0%		
AMC Networks, Inc., 7.75%, 7/15/21 (a)	USD190	\$206,150
CCH II LLC, 13.50%, 11/30/16	1,128	1,300,020
Comcast Corp., 6.30%, 11/15/17 (c)	1,725	2,038,048
Cox Communications, Inc., 8.38%, 3/01/39 (a)	1,725	2,412,054
CSC Holdings LLC:		
8.50%, 4/15/14	330	362,175
8.50%, 6/15/15	800	868,000
8.63%, 2/15/19	580	658,300
DIRECTV Holdings LLC, 5.00%, 3/01/21 (c)	1,250	1,368,360
DISH DBS Corp., 7.00%, 10/01/13	850	898,875
Intelsat Luxembourg SA (d):		
11.50%, 2/04/17 (a)	60	60,000
11.50%, 2/04/17	190	190,000
The Interpublic Group of Cos., Inc., 10.00%, 7/15/17575		658,375
Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a)	500	520,000
News America, Inc., 6.15%, 3/01/37 (c)	2,000	2,196,442
The New York Times Co., 6.63%, 12/15/16	1,725	1,725,000
Time Warner Cable, Inc., 6.75%, 6/15/39	1,950	2,370,217
Time Warner, Inc., 7.70%, 5/01/32	2,000	2,604,322
Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a)	505	537,825
Virgin Media Secured Finance Plc, 6.50%, 1/15/18	1,300	1,400,750
		22,374,913
Metals & Mining 2.6%		
Alcoa, Inc., 5.40%, 4/15/21	1,190	1,179,124
Barrick Gold Corp., 2.90%, 5/30/16 (c)	550	571,044
Barrick North America Finance LLC, 5.70%, 5/30/41650		755,459
FMG Resources August 2006 Property Ltd. (a):		
6.88%, 2/01/18	115	110,400
8.25%, 11/01/19	90	90,900
Freeport-McMoRan Corp., 7.13%, 11/01/27	1,400	1,626,723
Novelis, Inc., 8.75%, 12/15/20	470	512,300
Teck Resources Ltd., 10.75%, 5/15/19 (c)	850	1,049,750
		5,895,700
Multi-Utilities 1.6%		
CenterPoint Energy, Inc.:		
5.95%, 2/01/17	1,500	1,689,132
6.50%, 5/01/18	1,600	1,864,062
		3,553,194

Multiline Retail 0.6%

JC Penney Co., Inc., 5.65%, 6/01/20	1,400	1,319,500
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Oil, Gas & Consumable Fuels 12.9%

Alpha Natural Resources, Inc.:

6.00%, 6/01/19	120	119,100
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6.25%, 6/01/21	340	335,750
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Anadarko Petroleum Corp.:

5.95%, 9/15/16	497	571,161
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6.38%, 9/15/17	12	14,121
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Arch Coal, Inc. (a):

7.00%, 6/15/19	115	119,025
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7.25%, 6/15/21	350	360,500
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BP Capital Markets Plc:

3.88%, 3/10/15	700	749,402
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3.20%, 3/11/16 (c)	925	971,856
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Buckeye Partners LP, 4.88%, 2/01/21	475	500,255
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Chesapeake Energy Corp., 6.13%, 2/15/21	1,690	1,770,275
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Chesapeake Midstream Partners LP, 5.88%, 4/15/21 (a)	285	287,850
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Chesapeake Oilfield Operating LLC,

6.63%, 11/15/19 (a)	130	133,575
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Consol Energy, Inc., 6.38%, 3/01/21 (a)	220	218,900
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Copano Energy LLC, 7.13%, 4/01/21	270	276,075
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DCP Midstream LLC, 4.75%, 9/30/21 (a)	625	652,332
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Denbury Resources, Inc., 6.38%, 8/15/21	280	288,400
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El Paso Corp., 7.00%, 6/15/17	690	772,800
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Corporate Bonds**Par
(000) Value****Oil, Gas & Consumable Fuels (concluded)**

El Paso Pipeline Partners Operating Co., LLC,

5.00%, 10/01/21	USD 300	\$ 307,642
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Enbridge Energy Partners LP, 9.88%, 3/01/19 (c)	1,000	1,339,294
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Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19	500	505,000
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Enterprise Products Operating LLC, 6.65%, 4/15/18	2,000	2,352,684
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Forest Oil Corp., 8.50%, 2/15/14	600	648,000
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Hilcorp Energy I LP, 7.75%, 11/01/15 (a)	345	353,936
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Kinder Morgan Energy Partners LP, 6.85%, 2/15/20 (c)	2,000	2,389,812
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Linn Energy LLC, 7.75%, 2/01/21	465	496,388
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Marathon Petroleum Corp., 3.50%, 3/01/16 (a)	650	666,803
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MarkWest Energy Partners LP, 6.25%, 6/15/22 (i)	255	261,375
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Newfield Exploration Co., 5.75%, 1/30/22	240	254,400
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Oasis Petroleum, Inc.:

7.25%, 2/01/19 (a)	165	174,075
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6.50%, 11/01/21 (i)	145	145,725
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OGX Petroleo e Gas Participacoes SA,

8.50%, 6/01/18 (a)	575	569,250
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ONEOK Partners LP, 8.63%, 3/01/19	1,725	2,230,435
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Petrobras International Finance Co., 3.88%, 1/27/16	1,800	1,841,942
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Petrohawk Energy Corp.:

10.50%, 8/01/14	300	336,375
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6.25%, 6/01/19	345	389,850
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Pioneer Natural Resources Co.:		
6.65%, 3/15/17	320	347,536
6.88%, 5/01/18	240	259,516
Plains Exploration & Production Co.:		
7.75%, 6/15/15	385	399,438
10.00%, 3/01/16	200	222,000
Precision Drilling Corp., 6.50%, 12/15/21 (a)	210	221,550
Premier Oil, 5.00%, 6/09/18	1,625	1,690,000
Range Resources Corp., 6.75%, 8/01/20	415	460,650
SandRidge Energy, Inc., 7.50%, 3/15/21 (a)	350	337,750
SM Energy Co., 6.63%, 2/15/19 (a)	110	111,100
Western Gas Partners LP, 5.38%, 6/01/21	725	770,994
The Williams Cos., Inc., 8.75%, 3/15/32	400	544,596
		28,769,493
Paper & Forest Products 3.4%		
Boise Paper Holdings LLC, 8.00%, 4/01/20	310	326,275
Georgia-Pacific LLC, 8.25%, 5/01/16 (a)	1,635	1,812,952
International Paper Co.:		
7.50%, 8/15/21	1,625	1,974,836
8.70%, 6/15/38	900	1,183,981
7.30%, 11/15/39	1,725	2,011,443
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a)	160	162,400
Verso Paper Holdings LLC, 11.50%, 7/01/14	170	178,500
		7,650,387
Pharmaceuticals 6.7%		
Bristol-Myers Squibb Co., 5.88%, 11/15/36 (c)	883	1,121,822
GlaxoSmithKline Capital, Inc., 6.38%, 5/15/38 (c)	3,460	4,676,789
Merck & Co., Inc. (c):		
6.50%, 12/01/33	990	1,354,018
6.55%, 9/15/37	1,979	2,755,085
Pfizer, Inc., 7.20%, 3/15/39 (c)	2,500	3,734,135
Valeant Pharmaceuticals International,		
6.50%, 7/15/16 (a)	125	125,000
Watson Pharmaceuticals, Inc., 6.13%, 8/15/19	1,021	1,192,690
		14,959,539
Professional Services 0.0%		
FTI Consulting, Inc., 7.75%, 10/01/16	100	104,250
Real Estate Investment Trusts (REITs) 2.9%		
AvalonBay Communities, Inc., 6.10%, 3/15/20 (c)	1,725	1,957,364
Developers Diversified Realty Corp.:		
4.75%, 4/15/18	315	296,433
7.88%, 9/01/20	375	405,901

See Notes to Financial Statements.

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BlackRock Credit Allocation Income Trust III
(BPP)
(Percentages shown are based on Net Assets)

Schedule of Investments (continued)

	Par	
	(000)	Value
Corporate Bonds		
Real Estate Investment Trusts (REITs) (concluded)		
ERP Operating LP, 5.75%, 6/15/17	USD 1,715	\$ 1,916,651
HCP, Inc., 5.38%, 2/01/21	500	513,517
UDR, Inc., 4.25%, 6/01/18	725	745,512
Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21	550	538,587
		6,373,965
Real Estate Management & Development 0.1%		
Shea Homes LP, 8.63%, 5/15/19 (a)	230	208,150
Road & Rail 1.7%		
Avis Budget Car Rental LLC, 8.25%, 1/15/19	209	208,478
Florida East Coast Railway Corp., 8.13%, 2/01/17	80	80,000
The Hertz Corp., 6.75%, 4/15/19	518	528,360
Norfolk Southern Corp., 6.00%, 3/15/21	505 (c)	2,891,675
		3,708,513
Semiconductors & Semiconductor Equipment 0.7%		
Advanced Micro Devices, Inc., 7.75%, 8/01/20	400	406,000
KLA-Tencor Corp., 6.90%, 5/01/18	918	1,045,036
		1,451,036
Specialty Retail 1.2%		
AutoNation, Inc., 6.75%, 4/15/18	940	975,250
Best Buy Co., Inc., 5.50%, 3/15/21	275	262,864
Limited Brands, Inc., 7.00%, 5/01/20	470	500,550
QVC, Inc., 7.38%, 10/15/20 (a)	50	54,500
VF Corp., 5.95%, 11/01/17	725	858,565
		2,651,729
Tobacco 2.6%		
Altria Group, Inc.:		
9.25%, 8/06/19	240	319,045
10.20%, 2/06/39 (c)	1,919	2,964,534
Lorillard Tobacco Co., 3.50%, 8/04/16	1,175	1,179,560
Philip Morris International, Inc., 2.50%, 5/16/16 (c)	1,225	1,273,596
		5,736,735
Wireless Telecommunication Services 4.4%		
America Movil SAB de CV, 2.38%, 9/08/16 (c)	1,780	1,777,140
American Tower Corp.:		
4.50%, 1/15/18	925	951,405
5.05%, 9/01/20	500	528,216
Cricket Communications, Inc., 7.75%, 5/15/16	325	337,188
Crown Castle International Corp., 9.00%, 1/15/15	430	468,700
Crown Castle Towers LLC (a):		
5.50%, 1/15/37	575	626,316
4.17%, 8/15/37	1,000	1,018,865
6.11%, 1/15/40	625	690,621

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Intelsat Jackson Holdings SA, 7.25%, 4/01/19 (a)	150	150,750
Nextel Communications, Inc., Series E, 6.88%, 10/31/13395		390,062
SBA Tower Trust, 5.10%, 4/15/42 (a)	2,500	2,723,750
Sprint Capital Corp., 6.88%, 11/15/28	230	167,900
		9,830,913
Total Corporate Bonds 115.2%		256,729,218

Preferred Securities

Capital Trusts

Capital Markets 3.7%

State Street Capital Trust III, 5.34% (b)(g)	1,385	1,387,355
State Street Capital Trust IV, 1.35%, 6/01/37 (b)	9,675	6,776,563
		8,163,918

Capital Trusts

Commercial Banks 3.3%

	Par (000)	Value
Barclays Bank Plc (a)(b)(g):		
5.93%	USD1,700	\$1,377,000
7.43%	325	303,875
BNP Paribas, 7.20% (a)(b)(g)	700	577,500
Credit Agricole SA (a)(b)(c)(g):		
6.64%	725	489,738
8.38%	725	638,000
Dresdner Funding Trust I, 8.15%, 6/30/31 (a)	1,095	854,100
FCB/NC Capital Trust I, 8.05%, 3/01/28	1,100	1,121,794
NBP Capital Trust III, 7.38% (g)	2,000	1,300,000
National City Preferred Capital Trust I, 12.00% (b)(g)	600	622,596
		7,284,603

Consumer Finance 0.3%

Capital One Financial Corp. Capital V, 10.25%, 8/15/39	750	776,250
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Diversified Financial Services 4.4%

ING Capital Funding Trust III, 3.97% (b)(g)	850	720,140
JPMorgan Chase Capital XXI, Series U, 1.21%, 2/02/37 (b)	7,125	4,937,946
JPMorgan Chase Capital XXIII, 1.29%, 5/15/77 (b)	6,190	4,273,650
		9,931,736

Electric Utilities 0.4%

PPL Capital Funding, 6.70%, 3/30/67 (b)	900	868,500
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Insurance 6.5%

The Allstate Corp., 6.50%, 5/15/67 (b)	900	838,125
American General Capital II, 8.50%, 7/01/30	100	98,000
American International Group, Inc., 8.18%, 5/15/68 (b)	400	386,000
AXA SA, 6.38% (a)(b)(g)	900	672,750
Chubb Corp., 6.38%, 3/29/67 (b)	900	904,500
Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b)	900	1,093,500
Lincoln National Corp., 7.00%, 5/17/66 (b)	900	846,000
MetLife, Inc., 6.40%, 12/15/66	900	884,104
Prudential Plc, 6.50% (g)	6,000	5,475,000

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Reinsurance Group of America, 6.75%, 12/15/65 (b)	1,300	1,128,178
Swiss Re Capital I LP, 6.85% (a)(b)(g)	1,000	901,738
ZFS Finance (USA), Trust II, 6.45%, 12/15/65 (a)(b)	1,150	1,104,000
ZFS Finance (USA), Trust IV, 5.88%, 5/09/32 (a)(b)	190	184,300
		14,516,195

Oil, Gas & Consumable Fuels 0.4%

TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b)	900	917,257
Total Capital Trusts 19.0%		42,458,459

Preferred Stocks

Shares

Commercial Banks 0.5%

SG Preferred Capital II, 6.30% (a)(b)	1,000	1,004,687
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Diversified Financial Services 0.3%

Ally Financial, Inc., 7.00% (a)	1,020	760,697
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Total Preferred Stocks 0.8%		1,765,384
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Trust Preferreds

Diversified Financial Services 0.3%

GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)	30,290	621,718
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Total Trust Preferreds 0.3%		621,718
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Total Preferred Securities 20.1%		44,845,561
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See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust III
(BPP)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Taxable Municipal Bonds		
Metropolitan Transportation Authority, RB, Build America Bonds, 6.55%, 11/15/31	USD 1,675	\$1,891,175
Total Taxable Municipal Bonds 0.8%		1,891,175
US Government Sponsored Agency Securities		
Agency Obligations 0.3%		
Fannie Mae, 4.23%, 10/09/19 (c)(j)	805	608,559
Total US Government Sponsored Agency Securities 0.3%		608,559
U.S. Treasury Obligations		
US Treasury Bonds, 4.75%, 2/15/41 (c)	1,295	1,683,500
US Treasury Notes, 2.13%, 8/15/21 (c)	1,902	1,893,688
Total U.S. Treasury Obligations 1.6%		3,577,188
Warrants (k)		
Media 0.0%		
Cumulus Media, Inc. (Expires 3/26/19)	5,183	14,822
Total Warrants 0.0%		14,822
Total Long-Term Investments		
(Cost \$303,928,660) 138.5%		308,674,023
Short-Term Securities		
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.14% (l)(m)	2,459,914	2,459,914
Total Short-Term Securities		
(Cost \$2,459,914) 1.1%		2,459,914
Total Investments Before Options Written		
(Cost \$306,388,574*) 139.6%		311,133,937
Options Written		
Over-the-Counter Call Swaptions (0.7)%		
Pay a fixed rate of 4.03% and receive a floating rate based on 3-month LIBOR, Expires 4/16/12, Broker UBS AG	USD 3,700	(524,223)

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

5,000 (788,225)
(1,312,448)

**Notional
Amount
(000) Value**

Options Written

Over-the-Counter Put Swaptions 0.0%

Receive a fixed rate of 4.03% and pay a floating rate based on 3-month LIBOR, Expires 4/16/12,

Broker UBS AG

USD3,700 \$(5,922)

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 (90,778)
(96,700)

Total Options Written

(Premiums Received \$851,400) (0.7)% (1,409,148)

Total Investments, Net of Options Written 138.9% 309,724,789

Liabilities in Excess of Other Assets (38.9)% (86,786,122)

Net Assets 100.0% \$222,938,667

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$	306,130,368	
Gross unrealized appreciation	\$	16,739,176	
Gross unrealized depreciation		(11,735,607)
Net unrealized appreciation	\$	5,003,569	

- (a) Security exempt from registration pursuant to Rule 144A of 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 payment-in-kind security which may pay interest/dividends in additional par/shares.
- (e) All or a portion of security has been pledged as collateral in connection with swaps.
- (f) Security is perpetual in nature and has no stated maturity date.
- (g) Non-income producing security.
- (h) Issuer filed for bankruptcy and/or is in default of interest payments.
- (i) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
Barclays Capital, Inc.	\$261,375	\$6,375
JPMorgan Chase Bank NA	\$145,725	\$ 725

- (j) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (k) 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.
- (l) Investments in companies considered to be an affiliate of the Fund during the year, 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, 2010	Net Activity	Shares Held at October 31, 2011	Income
BlackRock Liquidity Funds, TempFund, Institutional Class	34,466,527	(32,006,613)	2,459,914	\$ 7,711

(m) 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.

See Notes to Financial Statements.

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**BlackRock Credit Allocation Income Trust III
(BPP)**

Schedule of Investments (continued)

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows:

Counterparty	Interest Rate	Trade Date	Maturity Date ¹	Net Closing Amount	Face Amount
Credit Suisse Securities (USA) LLC	0.40%	6/07/11	Open	\$2,652,545	\$2,648,220
UBS Securities LLC	0.35%	6/09/11	Open	4,472,545	4,466,250
UBS Securities LLC	0.38%	6/10/11	Open	3,459,175	3,453,925
BNP Paribas Securities Corp.	0.35%	6/15/11	Open	2,109,847	2,107,000
UBS Securities LLC	0.38%	6/15/11	Open	1,766,400	1,763,812
UBS Securities LLC	0.37%	6/27/11	Open	558,979	558,250
BNP Paribas Securities Corp.	0.35%	6/28/11	Open	923,355	922,225
Credit Suisse Securities (USA) LLC	0.35%	7/05/11	Open	2,679,471	2,676,375
UBS Securities LLC	0.31%	7/07/11	Open	481,423	480,937
BNP Paribas Securities Corp.	0.35%	7/11/11	Open	849,002	848,070
UBS Securities LLC	0.30%	7/11/11	Open	2,454,509	2,452,200
Deutsche Bank Securities, Inc.	0.35%	7/20/11	Open	6,706,674	6,699,900
Deutsche Bank Securities, Inc.	0.17%	7/29/11	Open	1,441,334	1,440,688
UBS Securities LLC	0.35%	8/01/11	Open	1,881,932	1,880,250
BNP Paribas Securities Corp.	0.03%	8/04/11	Open	588,700	588,656
Credit Suisse Securities (USA) LLC	0.40%	8/05/11	Open	1,244,966	1,243,750
UBS Securities LLC	0.39%	8/05/11	Open	1,046,497	1,045,500
Credit Suisse Securities (USA) LLC	0.35%	8/10/11	Open	2,153,674	2,151,938
BNP Paribas Securities Corp.	0.35%	8/15/11	Open	1,191,603	1,190,700
UBS Securities LLC	0.35%	8/16/11	Open	1,152,012	1,151,150
BNP Paribas Securities Corp.	0.37%	8/17/11	Open	2,013,572	2,012,000
Barclays Capital Inc.	0.35%	8/18/11	Open	1,985,196	1,983,750
UBS Securities LLC	0.35%	8/18/11	Open	1,215,474	1,214,588
Barclays Capital Inc.	0.35%	8/25/11	Open	2,231,474	2,230,000
Barclays					

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Capital Inc. Credit Suisse Securities (USA) LLC	0.35%	8/31/11	Open	2,388,939	2,387,500
Deutsche Bank Securities, Inc.	0.38%	9/08/11	Open	1,301,491	1,300,750
UBS Securities LLC	0.37%	9/08/11	Open	1,744,906	1,743,938
UBS Securities LLC	0.40%	9/08/11	Open	1,678,657	1,677,650
UBS Securities LLC	0.38%	9/09/11	Open	4,658,730	4,656,125
UBS Securities LLC	0.40%	9/09/11	Open	1,587,184	1,586,250
Credit Suisse Securities (USA) LLC	0.35%	9/12/11	Open	1,043,882	1,043,375
Deutsche Bank Securities, Inc.	0.40%	9/12/11	Open	2,019,371	2,018,250
Barclays Capital Inc.	0.35%	9/14/11	Open	972,860	972,406
Credit Suisse Securities (USA) LLC	0.40%	9/14/11	Open	4,737,775	4,735,250

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows (concluded):

Counterparty	Interest Rate	Trade Date	Maturity Date	Net Closing Amount	Face Amount
UBS Securities LLC	0.38%	9/14/11	Open	\$7,123,607	\$7,120,000
Deutsche Bank Securities, Inc.	0.40%	9/19/11	Open	1,310,626	1,310,000
Deutsche Bank Securities, Inc.	0.35%	9/20/11	Open	273,111	273,000
Barclays Capital Inc.	0.40%	9/23/11	Open	1,552,798	1,552,125
Barclays Capital Inc.	0.40%	9/30/11	Open	2,143,575	2,142,813
Credit Suisse Securities (USA) LLC	0.35%	10/28/11	Open	3,276,221	3,276,093
BNP Paribas Securities Corp.	0.08%	10/31/11	Open	1,897,248	1,897,245
Credit Suisse Securities (USA) LLC	0.35%	10/31/11	Open	1,427,790	1,427,790
UBS Securities LLC	0.38%	10/31/11	Open	2,858,220	2,858,220
Total				\$93,040,645	\$92,971,273

¹ Certain agreements have no stated maturity and can be terminated by either party at anytime.

Financial futures contracts purchased as of October 31, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
3	2-Year US Treasury Note of Trade	Chicago Board	December 2011	USD660,844	\$ 416

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Financial futures contracts sold as of October 31, 2011 were as follows:

Contracts	Exchange	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
371 10-Year US Treasury Note	Chicago Board of Trade	December 2011	USD47,882,188	\$ 44,207
1 30-Year US Treasury Bond	Chicago Board of Trade	December 2011	USD139,031	(3,518)
6 Ultra US Treasury Bond	Chicago Board of Trade	December 2011	USD914,250	28,865
Total				\$ 69,554

Credit default swaps on single-name issues buy protection outstanding as of October 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Raytheon Co.	1.00%	Citibank NA	9/20/16	USD525	\$ 2,969
Raytheon Co.	1.00%	Deutsche Bank AG	9/20/16	USD560	(439)
General Dynamics Corp.	1.00%	JPMorgan Chase Bank & Co.	9/20/16	USD1,225	10,551
Computer Sciences Corp.	1.00%	Morgan Stanley & Co., Inc.	9/20/16	USD565	2,661
General Dynamics Corp.	1.00%	Morgan Stanley & Co., Inc.	9/20/16	USD850	2,607
Raytheon Co.	1.00%	Morgan Stanley & Co., Inc.	9/20/16	USD325	(406)
Dell, Inc.	1.00%	Barclays Bank Plc	12/20/16	USD1,290	(8,669)

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust III
(BPP)

Credit default swaps on single-name issues buy protection outstanding as of October 31, 2011 were as follows (concluded):

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	\$ 11,747
Computer Sciences Corp.	1.00%	Credit Suisse Securities (USA) LLC	12/20/16	USD 570	(11,576)
Lockheed Martin Corp.	1.00%	Deutsche Bank AG	12/20/16	USD 1,500	15,912
Southwest Airlines Co.	1.00%	Goldman Sachs Capital Markets LP	12/20/16	USD 570	(134)
Southwest Airlines Co.	1.00%	Royal Bank of Scotland Plc	12/20/16	USD 570	(2,589)
Total					\$ 22,634

Credit default swaps on single-name issuer sold protection outstanding as of October 31, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration	Issuer Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation (Depreciation)
Aviva USA Corp.	1.00%	Deutsche Bank AG	5/25/12	AA-	USD 1,300	\$ 2,351
Assured Guaranty Corp.	5.00%	Citibank NA	12/20/14	AA+	USD 85	(474)
Assured Guaranty Corp.	5.00%	Citibank NA	3/20/15	AA+	USD 365	585
MetLife, Inc.	1.00%	Deutsche Bank AG	3/20/18	A+	USD 425	(20,773)
Total						\$ (18,311)

¹ Using S&P's rating.

² The 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 buy protection outstanding as of October 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Depreciation
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Dow Jones
 CDX North
 America High Yield Index Series 17 5.00% & Co. JPMorgan Chase Bank 12/20/16 USD 2,150 \$(206,010)

Interest rate swaps outstanding as of October 31, 2011 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration Date	Notional Amount ('000)	Unrealized Appreciation (Depreciation)
0.63 ^(a)	3-month LIBOR	Credit Suisse Securities (USA) LLC	10/21/13	USD 30,600	\$ 40,700
0.64 ^(a)	3-month LIBOR	Deutsche Bank AG	10/21/13	USD 30,600	48,184
0.60 ^(b)	3-month LIBOR	Deutsche Bank AG	11/01/13	USD 61,000	(43,162)
2.32 ^(a)	3-month LIBOR	Citibank NA	3/28/16	USD 2,000	104,016
1.49 ^(b)	3-month LIBOR	Deutsche Bank AG	10/14/16	USD 1,800	(17,574)
2.72 ^(a)	3-month LIBOR	Deutsche Bank AG	8/08/21	USD 5,500	205,212
2.39 ^(a)	3-month LIBOR	Deutsche Bank AG	10/14/21	USD 1,000	5,915
4.38 ^(b)	3-month LIBOR	Goldman Sachs International	4/14/41	USD 200	(56,675)
4.35 ^(b)	3-month LIBOR	Deutsche Bank AG	4/15/41	USD 1,500	(418,028)
3.93 ^(b)	3-month LIBOR	Citibank NA	7/21/41	USD 2,600	(506,403)
2.63 ^(a)	3-month LIBOR	Deutsche Bank AG	9/26/41	USD 900	(61,840)
2.81 ^(b)	3-month LIBOR	Credit Suisse Securities (USA) LLC	10/11/41	USD 900	29,670
3.00 ^(b)	3-month LIBOR	Credit Suisse Securities (USA) LLC	10/18/41	USD 600	(3,763)
Total					\$ (673,748)

(a) Fund pays a floating interest rate and receives fixed rate.

(b) Fund pays a fixed interest rate and receives floating 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 in 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 does not necessarily correspond to the Fund's perceived risk of 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.

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**BlackRock Credit Allocation Income Trust III
(BPP)**

Schedule of Investments (concluded)

The following tables summarize the inputs used as of October 31, 2011 in determining the fair valuation of the Fund's investments and derivative financial instruments:

Investments in Securities

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term				
Investments:				
Asset-Back				
Securities			\$1,007,500	\$1,007,500
Corporate				
Bonds		\$255,039,218	1,690,000	256,729,218
Preferred				
Securities	\$621,718	44,223,843		44,845,561
Taxable				
Municipal				
Bonds		1,891,175		1,891,175
US Government				
Sponsored				
Agency				
Securities		608,559		608,559
US Treasury				
Obligations		3,577,188		3,577,188
Warrants		14,822		14,822
Short-Term				
Securities	2,459,914			2,459,914
Total	\$3,081,632	\$305,354,805	\$2,697,500	\$311,133,937

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments¹				
Assets:				
Interest rate				
contracts	\$73,488	\$433,697		\$507,185
Credit				
contracts		47,032	\$2,351	49,383
Liabilities:				
Interest rate				
contracts	(3,518)	(2,516,593)	-	(2,520,111)
Credit				
contracts		(251,070)		(251,070)
Total	\$69,970	\$(2,286,934)	\$2,351	\$(2,214,613)

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 to determine fair value:

	Asset-Backed Securities	Common Stocks	Corporate Bonds	Preferred Securities	Total
Assets:					
Balance, as of October 31, 2010		\$54,708	\$180	\$270,532	\$325,420
Accrued discounts/premiums	\$10,064		720		10,784
Net realized gain (loss)		(1,062,064)	3,233	452,316	(606,515)
Net change in unrealized appreciation/depreciation ²	(114,792)	1,129,549	69,964	(97,813)	986,908
Purchases	1,112,228		1,625,000		2,737,228
Sales		(122,193)	(9,097)	(625,035)	(756,325)
Transfers in ³					
Transfers out ³					
Balance, as of October 31, 2011	\$1,007,500		\$1,690,000		\$2,697,500

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 October 31, 2011 was \$(49,792).

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 is a reconciliation of Level 3 derivative financial instruments for which significant unobservable inputs were used to determine fair value:

	Credit Contracts
Assets:	
Balance, as of October 31, 2010	
Accrued discounts/premiums	\$3,968
Net realized gain (loss)	
Net change in unrealized appreciation/depreciation ⁴	2,351
Purchases	
Issuances ⁵	6,880
Sales	
Settlements ⁶	(10,848)
Transfers in ³	
Transfers out ³	
Balance, as of October 31, 2011	\$2,351

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 October 31, 2011 was \$2,351.

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 year

in relation to net assets.

See Notes to Financial Statements.

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Schedule of Investments October 31, 2011

BlackRock Credit Allocation Income Trust IV
(BTZ)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Asset-Backed Securities		
Atrium CDO Corp., Series 5A, Class A4, 0.69%, 7/20/20 (a)(b)	\$4,400	\$3,410,000
SLM Student Loan Trust, Series 2004-B, Class A2, 0.55%, 6/15/21 (b)	3,995	3,825,176
Total Asset-Backed Securities 1.0%		7,235,176
Corporate Bonds		
Aerospace & Defense 1.7%		
BE Aerospace, Inc., 8.50%, 7/01/18	3,575	3,905,687
Bombardier, Inc., 7.75%, 3/15/20 (a)	4,500	4,950,000
Huntington Ingalls Industries, Inc. (a):		
6.88%, 3/15/18	990	997,425
7.13%, 3/15/21	960	972,000
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	1,662	1,720,170
		12,545,282
Airlines 1.0%		
American Airlines Pass-Through Trust:		
Series 2011-1, Class A, 5.25%, 7/31/22	2,421	2,203,488
Series 2011-2, Class A, 8.63%, 4/15/23	940	940,000
Continental Airlines Pass-Through Certificates, Series 2009-2, Class B, 9.25%, 5/10/17	1,990	2,044,841
Delta Air Lines, Inc., Series 02G1, 6.72%, 7/02/24	2,205	2,177,782
		7,366,111
Auto Components 1.5%		
Daimler Finance North America LLC, 2.63%, 9/15/16 (a)(c)	5,675	5,640,229
Delphi Corp., 6.13%, 5/15/21 (a)	950	969,000
Icahn Enterprises LP:		
7.75%, 1/15/16	1,700	1,742,500
8.00%, 1/15/18	2,500	2,543,750
		10,895,479
Beverages 0.5%		
Constellation Brands, Inc., 7.25%, 5/15/17	3,230	3,553,000
Building Products 0.4%		
Building Materials Corp. of America (a):		
7.00%, 2/15/20	790	837,400
6.75%, 5/01/21	1,930	2,002,375
		2,839,775
Capital Markets 5.4%		

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Ameriprise Financial, Inc., 5.30%, 3/15/20 (c)	4,500	4,903,925
E*Trade Financial Corp., 12.50%, 11/30/17 (d)	2,565	2,956,163
The Goldman Sachs Group, Inc. (c):		
7.50%, 2/15/19	6,850	7,738,972
6.25%, 2/01/41	7,350	7,579,371
Macquarie Bank Ltd., 6.63%, 4/07/21 (a)(c)	3,415	3,344,689
Morgan Stanley, 5.50%, 7/28/21 (c)	8,210	8,018,978
UBS AG (c):		
2.25%, 1/28/14	2,678	2,668,565
5.88%, 7/15/16	1,575	1,627,038
		38,837,701

Chemicals 1.0%

Ashland, Inc., 9.13%, 6/01/17	840	938,700
Celanese US Holdings LLC, 5.88%, 6/15/21	2,560	2,720,000
Lyondell Chemical Co., 11.00%, 5/01/18	2,080	2,316,600
Solutia, Inc., 7.88%, 3/15/20	1,425	1,524,750
		7,500,050

Commercial Banks 4.3%

Amsouth Bank, Series AI, 4.85%, 4/01/13	1,800	1,732,500
Asciano Finance Ltd., 5.00%, 4/07/18 (a)	1,475	1,568,143
Associated Banc-Corp, 5.13%, 3/28/16	3,645	3,760,907

	Par (000)	Value
Corporate Bonds		
Commercial Banks (concluded)		
BNP Paribas, 3.60%, 2/23/16 (c)	\$2,790	\$2,782,180
Branch Banking & Trust Co. (b)(c):		
0.66%, 9/13/16	1,850	1,714,069
0.60%, 5/23/17	1,100	998,686
CIT Group, Inc.:		
7.00%, 5/01/15	420	420,000
7.00%, 5/02/16 (a)	2,590	2,583,525
7.00%, 5/01/17	1,898	1,898,000
7.00%, 5/02/17 (a)	650	648,375
Discover Bank, 8.70%, 11/18/19	1,950	2,205,528
HSBC Holdings Plc, 5.10%, 4/05/21 (c)	3,500	3,769,738
Regions Financial Corp.:		
4.88%, 4/26/13	4,150	4,046,250
5.75%, 6/15/15	3,000	2,887,500
		31,015,401

Commercial Services & Supplies 3.9%

Aviation Capital Group Corp. (a):		
7.13%, 10/15/20 (c)	15,000	14,519,221
6.75%, 4/06/21	3,850	3,707,204
Casella Waste Systems, Inc., 7.75%, 2/15/19	1,201	1,152,960
Clean Harbors, Inc., 7.63%, 8/15/16	2,250	2,379,375
Corrections Corp. of America, 7.75%, 6/01/17	4,835	5,233,887
Iron Mountain, Inc., 7.75%, 10/01/19	650	674,375
Mobile Mini, Inc., 7.88%, 12/01/20	455	455,000
		28,122,022

Communications Equipment 0.8%

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Avaya, Inc., 9.75%, 11/01/15	1,400	1,239,000
Brocade Communications Systems, Inc., 6.88%, 1/15/20	3,580	3,750,050
EH Holding Corp., 6.50%, 6/15/19 (a)	700	715,750
		5,704,800
Consumer Finance 4.2%		
American Express Credit Corp., 2.75%, 9/15/15 (c)	9,850	9,972,780
Capital One Bank USA NA, 8.80%, 7/15/19	3,950	4,691,858
Ford Motor Credit Co., LLC, 7.00%, 4/15/15	4,730	5,155,700
Inmarsat Finance Plc, 7.38%, 12/01/17 (a)	2,515	2,691,050
SLM Corp., 6.25%, 1/25/16	8,205	8,205,000
		30,716,388
Containers & Packaging 1.3%		
Ball Corp.:		
7.13%, 9/01/16	2,000	2,165,000
6.75%, 9/15/20	3,575	3,852,062
Crown Americas LLC, 6.25%, 2/01/21 (a)	1,350	1,417,500
Graphic Packaging International, Inc., 9.50%, 6/15/17	1,105	1,207,213
Rock-Tenn Co., 9.25%, 3/15/16	800	850,000
Sealed Air Corp., 8.38%, 9/15/21 (a)	220	238,150
		9,729,925
Diversified Financial Services 10.4%		
Ally Financial, Inc.:		
4.50%, 2/11/14	1,500	1,466,250
8.30%, 2/12/15	2,890	3,034,500
8.00%, 11/01/31	2,900	2,892,750
Bank of America Corp. (c):		
5.30%, 3/15/17	6,505	6,220,660
5.00%, 5/13/21	12,100	11,360,835
Citigroup, Inc.:		
6.38%, 8/12/14	2,150	2,321,020
4.59%, 12/15/15 (c)	1,575	1,645,585
Countrywide Financial Corp., 6.25%, 5/15/16	6,500	6,351,026
Dolphin Subsidiary II, Inc., 7.25%, 10/15/21 (a)	1,475	1,581,938
General Electric Capital Corp., 5.30%, 2/11/21 (c)	7,775	8,274,645
General Motors Financial Co., Inc., 6.75%, 6/01/18 (a)	830	837,597
ING Bank NV, 5.00%, 6/09/21 (a)(c)	3,950	4,054,359

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust IV
(BTZ)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Diversified Financial Services (concluded)		
Intesa Sanpaolo SpA (c):		
2.38%, 12/21/12 (e)	\$5,800	\$5,648,550
6.50%, 2/24/21 (a)	922	850,735
JPMorgan Chase & Co., 3.15%, 7/05/16 (c)	4,375	4,382,424
Moody's Corp., 6.06%, 9/07/17	10,000	10,570,290
Reynolds Group Issuer, Inc. (a):		
7.13%, 4/15/19	420	428,400
7.88%, 8/15/19	1,470	1,536,150
6.88%, 2/15/21	360	363,600
8.25%, 2/15/21	795	729,413
WMG Acquisition Corp., 9.50%, 6/15/16 (a)	340	360,400
		74,911,127
Diversified Telecommunication Services 5.4%		
AT&T, Inc.:		
2.40%, 8/15/16	1,525	1,558,985
6.30%, 1/15/38 (c)	5,000	6,008,645
France Telecom SA, 4.13%, 9/14/21 (c)	1,125	1,159,007
Level 3 Financing, Inc.:		
8.75%, 2/15/17	1,240	1,267,900
8.13%, 7/01/19 (a)	4,407	4,362,930
Qwest Corp., 8.38%, 5/01/16	3,285	3,753,112
Telecom Italia Capital SA, 6.18%, 6/18/14	1,650	1,676,068
Telefonica Emisiones SAU, 5.46%, 2/16/21 (c)	2,250	2,280,384
Verizon Communications, Inc. (c):		
1.95%, 3/28/14	8,525	8,754,331
7.35%, 4/01/39	4,700	6,488,148
Windstream Corp., 7.88%, 11/01/17	1,580	1,706,400
		39,015,910
Electric Utilities 3.0%		
Dominion Resources, Inc., 8.88%, 1/15/19 (c)	8,000	10,580,224
Duke Energy Corp., 3.55%, 9/15/21 (c)	2,825	2,901,922
Progress Energy, Inc., 7.00%, 10/30/31 (c)	5,000	6,556,980
Southern Co., 1.95%, 9/01/16	1,625	1,637,706
		21,676,832
Electronic Equipment, Instruments & Components 0.9%		
Jabil Circuit, Inc., 8.25%, 3/15/18	1,200	1,392,000
NXP BV, 3.15%, 10/15/13 (b)	4,900	4,802,000
		6,194,000
Energy Equipment & Services 1.3%		
EnSCO Plc, 4.70%, 3/15/21	3,255	3,424,898
Frac Tech Services LLC, 7.63%, 11/15/18 (a)	1,795	1,875,775
Key Energy Services, Inc., 6.75%, 3/01/21	1,240	1,267,900

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MEG Energy Corp., 6.50%, 3/15/21 (a)	1,580	1,647,150
Oil States International, Inc., 6.50%, 6/01/19	835	874,662
SunCoke Energy, Inc., 7.63%, 8/01/19 (a)	320	323,200
		9,413,585
Food & Staples Retailing 1.8%		
CVS Caremark Corp., 6.30%, 6/01/62 (b)	2,900	2,816,625
Wal-Mart Stores, Inc. (c):		
5.25%, 9/01/35	2,650	3,087,849
6.20%, 4/15/38	5,225	6,813,034
		12,717,508
Food Products 0.8%		
Kraft Foods, Inc.:		
6.50%, 8/11/17	1,985	2,372,672
6.13%, 8/23/18	1,990	2,368,118
Smithfield Foods, Inc., 10.00%, 7/15/14	668	776,550
		5,517,340
Gas Utilities 0.1%		
Targa Resources Partners LP, 6.88%, 2/01/21 (a)	820	809,750
Health Care Equipment & Supplies 0.8%		
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (a)	4,250	4,802,500
Teleflex, Inc., 6.88%, 6/01/19	815	843,525
		5,646,025

Corporate Bonds	Par (000)	Value
Health Care Providers & Services 3.8%		
Aetna, Inc., 6.75%, 12/15/37 (c)	\$2,025	\$2,576,640
Aviv Healthcare Properties LP, 7.75%, 2/15/19	765	738,225
HCA, Inc.:		
8.50%, 4/15/19	265	291,500
6.50%, 2/15/20	3,780	3,959,550
7.25%, 9/15/20	4,590	4,917,038
7.50%, 2/15/22	3,365	3,432,300
INC Research LLC, 11.50%, 7/15/19 (a)	1,155	1,039,500
inVentiv Health, Inc., 10.00%, 8/15/18 (a)	840	806,400
Tenet Healthcare Corp.:		
10.00%, 5/01/18	2,175	2,495,813
8.88%, 7/01/19	1,825	2,062,250
UnitedHealth Group, Inc., 6.88%, 2/15/38	4,075	5,373,523
		27,692,739
Household Durables 0.5%		
Cemex Espana Luxembourg, 9.25%, 5/12/20 (a)	4,947	3,920,498
Independent Power Producers & Energy Traders 1.5%		
AES Corp.:		
9.75%, 4/15/16	1,620	1,838,700
7.38%, 7/01/21 (a)	535	572,450
Calpine Construction Finance Co. LP, 8.00%, 6/01/16	(a)1,265	1,347,225
Calpine Corp., 7.25%, 10/15/17 (a)	730	759,200

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Energy Future Intermediate Holding Co., LLC, 10.00%, 12/01/20	2,910	3,055,500
NRG Energy, Inc., 7.38%, 1/15/17	2,820	2,936,325
		10,509,400

Insurance 4.5%

American International Group, Inc., 6.40%, 12/15/20 (c)	2,800	2,932,572
Fairfax Financial Holdings Ltd., 5.80%, 5/15/21 (a)	4,975	4,688,137
Forethought Financial Group, Inc., 8.63%, 4/15/21 (a)	1,625	1,650,750
Genworth Financial, Inc., 7.63%, 9/24/21	1,615	1,459,847
Manulife Financial Corp., 4.90%, 9/17/20	3,650	3,748,922
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	715	614,900
Northwestern Mutual Life Insurance, 6.06%, 3/30/40		
	(a)(c)5,500	6,445,884
Principal Financial Group, Inc., 8.88%, 5/15/19	1,145	1,450,717
Prudential Financial, Inc., 6.63%, 12/01/37 (c)	4,075	4,845,481
XL Group Ltd., 5.75%, 10/01/21 (c)	4,105	4,328,324
		32,165,534

IT Services 0.8%

Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a)	1,180	1,103,300
First Data Corp. (a):		
7.38%, 6/15/19	1,205	1,192,950
8.25%, 1/15/21	145	137,750
12.63%, 1/15/21	1,490	1,408,050
SunGard Data Systems, Inc., 7.38%, 11/15/18	1,610	1,646,225
		5,488,275

Life Sciences Tools & Services 1.6%

Bio-Rad Laboratories, Inc., 8.00%, 9/15/16	5,480	5,973,200
Life Technologies Corp., 6.00%, 3/01/20	4,800	5,349,797
		11,322,997

Machinery 0.9%

Ingersoll-Rand Global Holding Co. Ltd., 9.50%, 4/15/14		
	(c)4,075	4,790,317
Navistar International Corp., 8.25%, 11/01/21	1,439	1,564,913
		6,355,230

Media 7.8%

AMC Networks, Inc., 7.75%, 7/15/21 (a)	655	710,675
CCH II LLC, 13.50%, 11/30/16	3,851	4,438,277
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15		
	(a)1,165	920,350
Comcast Corp., 6.30%, 11/15/17 (c)	4,075	4,814,519
Cox Communications, Inc., 8.38%, 3/01/39 (a)	4,075	5,698,040
CSC Holdings LLC:		
8.50%, 4/15/14	1,130	1,240,175
8.50%, 6/15/15	2,300	2,495,500
8.63%, 2/15/19	1,950	2,213,250

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust IV
(BTZ)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Media (concluded)		
DIRECTV Holdings LLC, 5.00%, 3/01/21 (c)	\$4,150	\$4,542,955
DISH DBS Corp., 7.00%, 10/01/13	1,950	2,062,125
Intelsat Luxembourg SA (d):		
11.50%, 2/04/17 (a)	240	240,000
11.50%, 2/04/17	630	630,000
The Interpublic Group of Cos., Inc., 10.00%, 7/15/17	1,975	2,261,375
Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a)	1,760	1,830,400
News America, Inc., 6.15%, 3/01/37 (c)	4,850	5,326,372
Time Warner Cable, Inc., 6.75%, 6/15/39	4,675	5,682,444
Time Warner, Inc., 7.70%, 5/01/32 (c)	4,900	6,380,589
Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a)	1,225	1,304,625
Virgin Media Secured Finance Plc, 6.50%, 1/15/18	3,175	3,421,062
		56,212,733
Metals & Mining 2.4%		
Alcoa, Inc., 5.40%, 4/15/21 (c)	4,090	4,052,618
Barrick Gold Corp., 2.90%, 5/30/16	1,925	1,998,654
Barrick North America Finance LLC, 5.70%, 5/30/41	2,275	2,644,107
FMG Resources August 2006 Property Ltd. (a):		
6.88%, 2/01/18	390	374,400
8.25%, 11/01/19	310	313,100
Freeport-McMoRan Corp., 7.13%, 11/01/27	3,500	4,066,808
Novelis, Inc., 8.75%, 12/15/20	1,610	1,754,900
Teck Resources Ltd., 10.75%, 5/15/19	2,000	2,470,000
		17,674,587
Multi-Utilities 1.2%		
CenterPoint Energy, Inc.:		
5.95%, 2/01/17	3,600	4,053,917
6.50%, 5/01/18	3,950	4,601,904
		8,655,821
Multiline Retail 1.6%		
JC Penney Co., Inc., 5.65%, 6/01/20	12,400	11,687,000
Oil, Gas & Consumable Fuels 12.5%		
Alpha Natural Resources, Inc.:		
6.00%, 6/01/19	415	411,888
6.25%, 6/01/21	1,165	1,150,438
Anadarko Petroleum Corp.:		
5.95%, 9/15/16	1,686	1,937,580
6.38%, 9/15/17	52	61,191
Arch Coal, Inc. (a):		

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7.00%, 6/15/19	370	382,950
7.25%, 6/15/21	1,195	1,230,850
BP Capital Markets Plc (c):		
5.25%, 11/07/13	2,100	2,271,032
3.88%, 3/10/15	3,085	3,302,724
Buckeye Partners LP, 4.88%, 2/01/21 (c)	1,650	1,737,729
Chesapeake Energy Corp., 6.13%, 2/15/21	5,745	6,017,887
Chesapeake Midstream Partners LP, 5.88%, 4/15/21 (a)	980	989,800
Chesapeake Oilfield Operating LLC, 6.63%, 11/15/19 (a)	450	462,375
Consol Energy, Inc., 6.38%, 3/01/21 (a)	745	741,275
Copano Energy LLC, 7.13%, 4/01/21	930	950,925
DCP Midstream LLC, 4.75%, 9/30/21 (a)	2,100	2,191,837
Denbury Resources, Inc., 6.38%, 8/15/21	955	983,650
El Paso Corp., 7.00%, 6/15/17	2,390	2,676,800
El Paso Pipeline Partners Operating Co., LLC, 5.00%, 10/01/21	900	922,927
Enbridge Energy Partners LP, 9.88%, 3/01/19 (c)	2,425	3,247,788
Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19	1,700	1,717,000
Enterprise Products Operating LLC, 6.65%, 4/15/18	4,800	5,646,442
Forest Oil Corp., 8.50%, 2/15/14	2,055	2,219,400
Hilcorp Energy I LP, 7.75%, 11/01/15 (a)	1,175	1,205,432
Kinder Morgan Energy Partners LP, 6.85%, 2/15/20	4,800	5,735,549
Linn Energy LLC, 7.75%, 2/01/21	1,585	1,691,987
Marathon Petroleum Corp., 3.50%, 3/01/16 (a)(c)	2,250	2,308,165
MarkWest Energy Partners LP, 6.25%, 6/15/22 (f)	880	902,000

	Par (000)	Value
Corporate Bonds		
Oil, Gas & Consumable Fuels (concluded)		
Newfield Exploration Co., 5.75%, 1/30/22	\$ 820	\$ 869,200
Oasis Petroleum, Inc.:		
7.25%, 2/01/19 (a)	560	590,800
6.50%, 11/01/21 (f)	505	507,525
OGX Petroleo e Gas Participacoes SA, 8.50%, 6/01/18 (a)	1,950	1,930,500
ONEOK Partners LP, 8.63%, 3/01/19 (c)	4,075	5,268,999
Petrobras International Finance Co., 3.88%, 1/27/16	6,150	6,293,301
Petrohawk Energy Corp.:		
10.50%, 8/01/14	1,020	1,143,675
6.25%, 6/01/19	1,180	1,333,400
Pioneer Natural Resources Co.:		
6.65%, 3/15/17	1,080	1,172,934
6.88%, 5/01/18	820	886,680
Plains Exploration & Production Co.:		
7.75%, 6/15/15	1,300	1,348,750
10.00%, 3/01/16	700	777,000
Precision Drilling Corp., 6.50%, 12/15/21 (a)	700	738,500
Premier Oil, 5.00%, 6/09/18	5,650	5,876,000
Range Resources Corp., 6.75%, 8/01/20	1,415	1,570,650
SandRidge Energy, Inc., 7.50%, 3/15/21 (a)	1,200	1,158,000
SM Energy Co., 6.63%, 2/15/19 (a)	365	368,650
Western Gas Partners LP, 5.38%, 6/01/21	2,525	2,685,186

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The Williams Cos., Inc., 8.75%, 3/15/32	1,900	2,586,833
		90,204,204
Paper & Forest Products 2.8%		
Boise Paper Holdings LLC, 8.00%, 4/01/20	1,070	1,126,175
Georgia-Pacific LLC, 8.25%, 5/01/16 (a)	3,955	4,385,458
International Paper Co.:		
7.50%, 8/15/21 (c)	3,950	4,800,372
8.70%, 6/15/38	3,100	4,078,155
7.30%, 11/15/39	4,075	4,751,670
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a)	545	553,175
Verso Paper Holdings LLC, 11.50%, 7/01/14	590	619,500
		20,314,505
Pharmaceuticals 7.1%		
Bristol-Myers Squibb Co., 5.88%, 11/15/36 (c)	3,549	4,508,888
GlaxoSmithKline Capital, Inc., 6.38%, 5/15/38 (c)	10,100	13,651,897
Merck & Co., Inc. (c):		
6.50%, 12/01/33	2,885	3,945,800
6.55%, 9/15/37	6,945	9,668,551
Pfizer, Inc., 7.20%, 3/15/39 (c)	10,000	14,936,540
Valeant Pharmaceuticals International,		
6.50%, 7/15/16 (a)	450	450,000
Watson Pharmaceuticals, Inc., 6.13%, 8/15/19	3,495	4,082,716
		51,244,392
Real Estate Investment Trusts (REITs) 2.5%		
AvalonBay Communities, Inc., 6.10%, 3/15/20 (c)	4,075	4,623,919
Developers Diversified Realty Corp.:		
4.75%, 4/15/18	1,025	964,582
7.88%, 9/01/20	1,325	1,434,183
ERP Operating LP, 5.75%, 6/15/17	4,080	4,559,730
HCP, Inc., 5.38%, 2/01/21	1,675	1,720,282
UDR, Inc., 4.25%, 6/01/18	2,675	2,750,681
Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21	1,880	1,840,990
		17,894,367
Real Estate Management & Development 0.2%		
Realty Corp., 7.88%, 2/15/19 (a)	940	846,000
Shea Homes LP, 8.63%, 5/15/19 (a)	805	728,525
		1,574,525
Road & Rail 1.7%		
Avis Budget Car Rental LLC, 8.25%, 1/15/19	720	718,200
Florida East Coast Railway Corp., 8.13%, 2/01/17	320	320,000
The Hertz Corp., 6.75%, 4/15/19	1,554	1,585,080
Norfolk Southern Corp., 6.00%, 3/15/2105 (c)	8,500	9,831,695
		12,454,975

See Notes to Financial Statements.

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Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust IV
(BTZ)**
 (Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Semiconductors & Semiconductor Equipment 0.5%		
Advanced Micro Devices, Inc., 7.75%, 8/01/20	\$1,300	\$1,319,500
KLA-Tencor Corp., 6.90%, 5/01/18	2,208	2,513,550
		3,833,050
Specialty Retail 1.2%		
AutoNation, Inc., 6.75%, 4/15/18	2,775	2,879,063
Best Buy Co., Inc., 5.50%, 3/15/21	1,050	1,003,661
Limited Brands, Inc., 7.00%, 5/01/20	1,370	1,459,050
QVC, Inc., 7.38%, 10/15/20 (a)	175	190,750
VF Corp., 5.95%, 11/01/17 (c)	2,450	2,901,359
		8,433,883
Tobacco 4.2%		
Altria Group, Inc.:		
9.70%, 11/10/18	4,075	5,476,885
9.25%, 8/06/19	4,780	6,354,312
10.20%, 2/06/39	6,607	10,206,712
Lorillard Tobacco Co., 3.50%, 8/04/16	4,150	4,166,106
Philip Morris International, Inc., 2.50%, 5/16/16 (c)	4,200	4,366,614
		30,570,629
Wireless Telecommunication Services 4.3%		
America Movil SAB de CV, 2.38%, 9/08/16	7,455	7,443,020
American Tower Corp.:		
4.50%, 1/15/18	3,200	3,291,347
5.90%, 11/01/21	2,180	2,409,425
Cricket Communications, Inc., 7.75%, 5/15/16	780	809,250
Crown Castle International Corp., 9.00%, 1/15/15	1,470	1,602,300
Crown Castle Towers LLC (a):		
5.50%, 1/15/37	1,975	2,151,261
4.17%, 8/15/37	2,000	2,037,730
6.11%, 1/15/40	2,330	2,574,634
Intelsat Jackson Holdings SA, 7.25%, 4/01/19 (a)	320	321,600
Nextel Communications, Inc., Series E, 6.88%, 10/31/13	1,040	1,027,000
SBA Tower Trust, 5.10%, 4/15/42 (a)	6,250	6,809,375
Sprint Capital Corp., 6.88%, 11/15/28	780	569,400
		31,046,342
Total Corporate Bonds 114.1%		823,983,697
Preferred Securities		
Capital Trusts		
Capital Markets 3.1%		
Credit Suisse Guernsey Ltd., 5.86% (b)(g)	1,050	908,250

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State Street Capital Trust III, 5.34% (b)(g)	1,740	1,742,958
State Street Capital Trust IV, 1.35%, 6/01/37 (b)	28,195	19,748,342
		22,399,550

Commercial Banks 5.8%

Barclays Bank Plc, 7.43% (a)(b)(g)	1,100	1,028,500
BB&T Capital Trust IV, 6.82%, 6/12/77 (b)	15,300	15,300,000
BNP Paribas, 7.20% (a)(b)(c)(g)	2,500	2,062,500
Credit Agricole SA (a)(b)(c)(g):		
6.64%	2,450	1,654,975
8.38%	2,450	2,156,000
Dresdner Funding Trust I, 8.15%, 6/30/31 (a)	3,715	2,897,700
HSBC Capital Funding LP/Jersey Channel Islands, 10.18% (a)(b)(c)(g)	7,000	8,767,500
National City Preferred Capital Trust I, 12.00% (b)(g)	3,713	3,852,832
Standard Chartered Plc, 7.01% (a)(b)(g)	5,000	4,477,080
		42,197,087

	Par	
	(000)	Value

Capital Trusts

Consumer Finance 0.2%

Capital One Financial Corp. Capital V, 10.25%, 8/15/39	\$1,275	\$1,319,625
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Diversified Financial Services 3.6%

ING Capital Funding Trust III, 3.97% (b)(g)	2,950	2,499,311
JPMorgan Chase Capital XXI, Series U, 1.21%, 2/02/37 (b)	12,875	8,922,954
JPMorgan Chase Capital XXIII, 1.29%, 5/15/77 (b)	20,695	14,288,076
		25,710,341

Electric Utilities 0.5%

PPL Capital Funding, 6.70%, 3/30/67 (b)	3,900	3,763,500
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Insurance 6.9%

Ace Capital Trust II, 9.70%, 4/01/30	4,000	5,191,728
The Allstate Corp., 6.50%, 5/15/67 (b)	4,000	3,725,000
American General Capital II, 8.50%, 7/01/30	300	294,000
American International Group, Inc., 8.18%, 5/15/68 (b)	1,300	1,254,500
Aon Corp., 8.21%, 1/01/27	4,000	4,658,896
AXA SA, 6.38% (a)(b)(g)	6,000	4,245,000
Chubb Corp., 6.38%, 3/29/67 (b)(c)	4,000	4,020,000
Liberty Mutual Group, Inc., 10.75%, 6/15/88 (a)(b)	4,000	4,860,000
Lincoln National Corp., 7.00%, 5/17/66 (b)	4,255	3,999,700
MetLife, Inc., 6.40%, 12/15/66	4,550	4,469,638
Reinsurance Group of America, 6.75%, 12/15/65 (b)(c)	7,000	6,074,803
Swiss Re Capital I LP, 6.85% (a)(b)(g)	3,000	2,705,214
ZFS Finance (USA), Trust II, 6.45%, 12/15/65 (a)(b)	3,850	3,696,000
ZFS Finance (USA), Trust IV, 5.88%, 5/09/32 (a)(b)	599	581,030
		49,775,509

Oil, Gas & Consumable Fuels 1.2%

Enterprise Products Operating LLC, 8.38%, 8/01/66 (b)	4,500	4,657,500
TransCanada PipeLines Ltd., 6.35%, 5/15/67 (b)	4,000	4,076,696
		8,734,196

Total Capital Trusts 21.3%		153,899,808
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Preferred Stocks	Shares	
Auto Components 0.1%		
Dana Holding Corp., 4.00% (a)	7,000	866,250
Commercial Banks 0.3%		
SG Preferred Capital II, 6.30% (a)(b)	2,000	2,009,375
Diversified Financial Services 0.3%		
Ally Financial, Inc., 7.00% (a)	3,130	2,334,296
Real Estate Investment Trusts (REITs) 1.1%		
Sovereign Real Estate Investment Trust, 12.00% (a)	7,000	7,540,960
Thriffs & Mortgage Finance 0.0%		
Fannie Mae, Series S, 8.25% (b)(h)	23,000	45,080
Freddie Mac, Series Z, 8.38% (b)(h)	23,000	49,220
		94,300
Wireless Telecommunication Services 1.6%		
Centaur Funding Corp., 9.08% (a)	10,000	11,559,375
Total Preferred Stocks 3.4%		24,404,556
Trust Preferreds		
Diversified Financial Services 0.3%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)	101,420	2,081,700
Total Trust Preferreds 0.3%		2,081,700
Total Preferred Securities 25.0%		180,386,064

See Notes to Financial Statements.

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Schedule of Investments (continued)

**BlackRock Credit Allocation Income Trust IV
(BTZ)**
(Percentages shown are based on Net Assets)

	Par (000)	Value
Taxable Municipal Bonds		
City of Chicago Illinois, RB, 6.85%, 1/01/38	\$5,000	\$ 5,433,750
Metropolitan Transportation Authority, RB, Build America Bonds, 6.55%, 11/15/31	4,075	4,600,919
Total Taxable Municipal Bonds 1.4%		10,034,669
US Government Sponsored Agency Securities		
Agency Obligations 0.3%		
Fannie Mae, 4.23%, 10/09/19 (c)(i)	2,765	2,090,268
Total US Government Sponsored Agency Securities 0.3%		2,090,268
US Treasury Obligations		
US Treasury Bonds, 4.75%, 2/15/41 (c)	4,505	5,856,500
US Treasury Notes, 2.13%, 8/15/21 (c)	5,047	5,024,945
Total US Treasury Obligations 1.5%		10,881,445
Total Long-Term Investments (Cost \$1,018,748,047) 143.3%		1,034,611,319
Short-Term Securities		
Shares		
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.14% (j)(k)	3,823,108	3,823,108
Total Short-Term Securities (Cost \$3,823,108) 0.5%		3,823,108
Total Investments Before Options Written (Cost \$1,022,571,155*) 143.8%		1,038,434,427
Options Written		
Over-the-Counter Call Swaptions (0.6)%		
Pay a fixed rate of 4.06% and receive a floating rate based on 3-month LIBOR, Expires 4/16/12, Broker Deutsche Bank AG	\$13,000	(1,875,818)
Pay a fixed rate of 4.75% and receive a floating rate based on 3-month LIBOR, Expires 3/24/14, Broker Citibank NA	17,000	(2,679,963)
		(4,555,781)
Over-the-Counter Put Swaptions (0.1)%		
Receive a fixed rate of 4.06% and pay a floating rate		

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based on the 3-month LIBOR, Expires 4/16/12, Broker Deutsche Bank AG	13,000	(19,481)
Receive a fixed rate of 4.75% and pay a floating rate based on 3-month LIBOR, Expires 3/24/14, Broker Citibank NA	17,000	(308,645) (328,126)
Total Options Written		
(Premiums Received \$2,923,700) (0.7)%		(4,883,907)
Total Investments, Net of Options Written 143.1%		1,033,550,520
Liabilities in Excess of Other Assets (43.1)%		(311,213,345)
Net Assets 100.0%		\$ 722,337,175

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 1,021,961,207
Gross unrealized appreciation	\$ 51,500,873
Gross unrealized depreciation	(35,027,653)
Net unrealized appreciation	\$ 16,473,220

- (a) Security exempt from registration pursuant to Rule 144A of 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 payment-in-kind security which may pay interest/dividends in additional par/shares.
- (e) All or a portion of security has been pledged as collateral in connection with swaps.
- (f) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized	
		Value	Appreciation
Barclays Capital, Inc.	\$ 902,000	\$ 22,000	
JPMorgan Chase Bank NA	\$ 507,525	\$ 2,525	

- (g) Security is perpetual in nature and has no stated maturity date.
- (h) Non-income producing security.
- (i) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (j) Investments in companies considered to be an affiliate of the Fund during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at		Shares Held at	Income
	October 31, 2010	Net Activity		
BlackRock Liquidity Funds, TempFund, Institutional Class	26,924,664	(23,101,556)	3,823,108	\$23,892

- (k) 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 October 31, 2011 were as follows:

Counterparty	Interest Trade		Maturity Date ¹	Net Closing Face Amount	Net Closing Face Amount
	Rate	Date			

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UBS Securities LLC 0.38%	5/10/11 Open	\$12,530,805	\$12,507,700
UBS Securities LLC 0.38%	5/18/11 Open	5,649,942	5,640,000
UBS Securities LLC 0.38%	5/19/11 Open	3,001,250	2,996,000
UBS Securities LLC 0.38%	5/31/11 Open	12,319,993	12,300,000
UBS Securities LLC 0.35%	6/9/11 Open	14,908,486	14,887,500
UBS Securities LLC 0.38%	6/10/11 Open	11,466,678	11,449,275
UBS Securities LLC 0.38%	6/14/11 Open	7,188,107	7,177,500
UBS Securities LLC 0.38%	6/15/11 Open	15,070,924	15,048,844
UBS Securities LLC 0.37%	6/22/11 Open	8,259,128	8,247,938
UBS Securities LLC 0.37%	6/27/11 Open	5,206,787	5,200,000
Credit Suisse Securities (USA) LLC	0.38% 6/29/11 Open	6,571,159	6,562,500
UBS Securities LLC	0.31% 6/30/11 Open	4,158,497	4,154,062
BNP Paribas Securities Corp.	0.35% 7/01/11 Open	4,585,777	4,580,300
Credit Suisse Securities (USA) LLC	0.35% 7/05/11 Open	8,856,485	8,846,250
UBS Securities LLC	0.35% 7/11/11 Open	4,012,603	4,008,200
BNP Paribas Securities Corp.	0.35% 7/12/11 Open	4,557,332	4,552,375
UBS Securities LLC	0.32% 7/12/11 Open	3,777,982	3,774,225

See Notes to Financial Statements.

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

Schedule of Investments (continued)

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows (continued):

Counterparty	Interest Rate	Trade Date	Maturity Date ¹	Net Amount	Closing Face Amount
Deutsche Bank Securities, Inc.	0.35%	7/19/11	Open	\$ 13,843,993	\$ 13,829,875
UBS Securities LLC	0.35%	8/01/11	Open	8,146,030	8,138,750
BNP Paribas Securities Corp.	0.03%	8/04/11	Open	2,022,056	2,021,906
Credit Suisse Securities (USA) LLC	0.40%	8/05/11	Open	2,290,738	2,288,500
Credit Suisse Securities (USA) LLC	0.35%	8/11/11	Open	904,280	903,560
BNP Paribas Securities Corp.	0.35%	8/15/11	Open	6,541,557	6,536,600
BNP Paribas Securities Corp.	0.37%	8/17/11	Open	4,882,911	4,879,100
Barclays Capital Inc.	0.35%	8/18/11	Open	5,655,340	5,651,219
UBS Securities LLC	0.35%	8/18/11	Open	4,167,336	4,164,300
UBS Securities LLC	0.38%	8/22/11	Open	2,801,223	2,799,125
UBS Securities LLC	0.35%	8/26/11	Open	4,617,944	4,614,938
Barclays Capital Inc.	0.35%	8/26/11	Open	2,657,230	2,655,500
Barclays Capital Inc.	0.35%	8/31/11	Open	5,972,348	5,968,750
Barclays Capital Inc.	0.35%	9/08/11	Open	6,103,703	6,100,500
Credit Suisse Securities (USA) LLC	0.35%	9/08/11	Open	9,267,377	9,262,514
Deutsche Bank Securities, Inc.	0.35%	9/08/11	Open	4,444,082	4,441,750
UBS Securities LLC	0.38%	9/08/11	Open	6,312,784	6,309,188
BNP Paribas Securities Corp.	0.39%	9/09/11	Open	3,284,325	3,282,440
Credit Suisse Securities (USA) LLC	0.35%	9/09/11	Open	3,339,883	3,338,163
Credit Suisse Securities (USA) LLC	0.40%	9/09/11	Open	6,211,781	6,208,125
BNP Paribas Securities Corp.	0.39%	9/09/11	Open	1,657,551	1,656,600
UBS Securities LLC	0.38%	9/09/11	Open	12,480,478	12,473,500

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Credit Suisse Securities (USA) LLC	0.35%	9/09/11	Open	2,486,969	2,485,688
Deutsche Bank Securities, Inc.	0.40%	9/12/11	Open	4,770,399	4,767,750
Barclays Capital Inc.	0.35%	9/14/11	Open	3,287,596	3,286,063
Barclays Capital Inc.	0.40%	9/14/11	Open	7,318,995	7,315,094
Credit Suisse Securities (USA) LLC	0.35%	9/14/11	Open	9,706,778	9,702,250
Credit Suisse Securities (USA) LLC	0.40%	9/14/11	Open	6,637,663	6,634,125
Deutsche Bank Securities, Inc.	0.35%	9/14/11	Open	1,654,522	1,653,750
Deutsche Bank Securities, Inc.	0.40%	9/19/11	Open	3,178,268	3,176,750

Reverse repurchase agreements outstanding as of October 31, 2011 were as follows (concluded):

Counterparty	Interest Rate	Trade Date	Maturity Date ¹	Net Closing Amount	Face Amount
Deutsche Bank Securities, Inc.	0.35%	9/20/11	Open	\$2,731,115	\$2,730,000
Barclays Capital Inc.	0.40%	9/23/11	Open	5,237,457	5,235,188
Barclays Capital Inc.	0.40%	9/30/11	Open	3,795,812	3,794,462
Credit Suisse Securities (USA) LLC	0.40%	10/04/11	Open	1,076,116	1,075,780
UBS Securities LLC	0.35%	10/13/11	Open	4,426,443	4,425,624
Deutsche Bank Securities, Inc.	0.35%	10/14/11	Open	2,070,362	2,070,000
Deutsche Bank Securities, Inc.	0.38%	10/14/11	Open	1,113,422	1,113,210
Deutsche Bank Securities, Inc.	0.08%	10/25/11	Open	5,856,591	5,856,500
UBS Securities LLC	0.38%	10/27/11	Open	10,890,575	10,890,000
BNP Paribas Securities Corp.	0.08%	10/31/11	Open	5,034,394	5,034,382
Credit Suisse Securities (USA) LLC	0.35%	10/31/11	Open	5,915,058	5,915,000
UBS Securities LLC	0.38%	10/31/11	Open	2,684,008	2,683,980
Total				\$339,599,428	\$339,303,168

¹ Certain agreements have no stated maturity and can be terminated by either party at anytime.

Financial futures contracts purchased as of October 31, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
13	2-Year US	Chicago Board	December		

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Treasury Note of Trade 2011 \$2,863,656\$ 1,803

Financial futures contracts sold as of October 31, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
1,230	10-Year US Treasury Note	Chicago Board of Trade	December 2011	\$ 158,746,875	\$ 128,820
5	Ultra US Treasury Bond	Chicago Board of Trade	December 2011	\$ 761,875	24,054
Total					152,874

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Credit Allocation Income Trust IV
(BTZ)

Credit default swaps on single-name issues buy protection outstanding as of October 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Raytheon Co.	1.00%	Citibank NA	9/20/16	\$1,800	\$ 10,179
Raytheon Co.	1.00%	Deutsche Bank AG	9/20/16	\$1,910	(1,498)
General Dynamics Corp.	1.00%	JPMorgan Chase Bank & Co.	9/20/16	\$4,125	35,529
Dell, Inc.	1.00%	Barclays Bank Plc	12/20/16	\$4,415	(29,673)
Computer Sciences Corp.	1.00%	Credit Suisse Securities (USA) LLC	12/20/16	\$1,965	(39,906)
Lockheed Martin Corp.	1.00%	Deutsche Bank AG	12/20/16	\$5,025	53,305
Northrop Grumman Corp.	1.00%	Deutsche Bank AG	12/20/16	\$2,140	(6,083)
Southwest Airlines Co.	1.00%	Goldman Sachs Capital Markets LP	12/20/16	\$1,965	(463)
Southwest Airlines Co.	1.00%	Royal Bank of Scotland Plc	12/20/16	\$1,965	(8,924)
Total					\$ 12,466

Credit default swaps on single-name issues sold protection outstanding as of October 31, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation (Depreciation)
Aviva USA Corp.	1.00%	Deutsche Bank AG	5/25/12	AA-	\$4,525	\$8,182
Assured Guaranty Corp.	5.00%	Citibank NA	12/20/14	AA+	\$ 300	(1,673)
Assured Guaranty Corp.	5.00%	Citibank NA	3/20/15	AA+	\$1,275	2,043
MetLife, Inc.	1.00%	Deutsche Bank AG	3/20/18	A+	\$1,500	(73,318)
Total						\$(64,766)

¹ Using S&P's rating.

² The 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 buy protection outstanding as of October 31, 2011 were as follows:

Index	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Depreciation
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Dow Jones
 CDX North
 America High Yield Index Series 17 JPMorgan Chase Bank
 5.00% & Co. 12/20/16 \$7,350 \$ (704,267)

Interest rate swaps outstanding as of October 31, 2011 were as follows:

Fixed Rate	Floating Rate	Counter-party	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
0.63 ^(a)	3-month	Credit Suisse LIBOR Securities (USA) LLC	10/21/13	\$ 106,800	\$ 142,050
0.64 ^(a)	3-month	LIBOR Deutsche Bank AG	10/21/13	\$ 102,000	160,612
0.60 ^(b)	3-month	LIBOR Deutsche Bank AG	11/01/13	\$ 209,200	(148,024)
2.32 ^(a)	3-month	LIBOR Citibank NA	3/28/16	\$ 6,900	358,857
1.49 ^(b)	3-month	LIBOR Deutsche Bank AG	10/14/16	\$ 6,200	(60,532)
2.72 ^(a)	3-month	LIBOR Deutsche Bank AG	8/08/21	\$ 19,400	723,840
2.39 ^(a)	3-month	LIBOR Deutsche Bank AG	10/14/21	\$ 3,300	19,519
4.35 ^(b)	3-month	LIBOR Deutsche Bank AG	4/15/41	\$ 5,000	(1,393,426)
3.93 ^(b)	3-month	LIBOR Citibank NA	7/21/41	\$ 9,200	(1,791,887)
2.63 ^(a)	3-month	LIBOR Deutsche Bank AG	9/26/41	\$ 3,200	(219,877)
2.81 ^(b)	3-month	Credit Suisse LIBOR Securities (USA) LLC	10/11/41	\$ 3,200	105,492
3.00 ^(b)	3-month	Credit Suisse LIBOR Securities (USA) LLC	10/18/41	\$ 2,100	(13,171)
Total					\$ (2,116,547)

(a) Pays a fixed interest rate and receives floating rate.

(b) Pays 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 in 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 does not necessarily correspond to the Fund's perceived risk of 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.

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

Schedule of Investments (concluded)

The following tables summarize the inputs used as of October 31, 2011 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		\$3,825,176	\$3,410,000	\$7,235,176
Corporate				
Bonds		818,107,697	5,876,000	823,983,697
Preferred				
Securities	\$2,176,000	178,210,064		180,386,064
Taxable				
Municipal				
Bonds		10,034,669		10,034,669
US Government				
Sponsored				
Agency				
Securities		2,090,268		2,090,268
US Treasury				
Obligations .		10,881,445		10,881,445
Short-Term				
Securities	3,823,108			3,823,108
Total	\$5,999,108	\$1,023,149,319	\$9,286,000	\$1,038,434,427

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial				
Instruments ¹				
Assets:				
Interest rate				
contracts	\$154,677	\$1,510,370		\$1,665,047
Credit				
contracts		101,056	\$8,182	109,238
Liabilities:				
Interest rate				
contracts		(8,510,824)		(8,510,824)
Credit				
contracts		(865,805)		(865,805)
Total	\$ 154,677	\$(7,765,203)	\$8,182	\$(7,602,344)

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.

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The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Asset-Backed Securities	Corporate Bonds	Total
Assets:			
Balance, as of October 31, 2010		\$ 280,170	\$ 280,170
Accrued discounts/premiums	\$ 34,142	(559)	33,583
Net realized gain			
Net change in unrealized appreciation/depreciation ²	(388,606)	229,389	(159,217)
Purchases	3,764,464	5,650,000	9,414,464
Sales		(283,000)	(283,000)
Transfers in ³			
Transfers out ³			
Balance, as of October 31, 2011	\$ 3,410,000	\$ 5,876,000	\$ 9,286,000

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 October 31, 2011 was \$(162,606).

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 to determine fair value:

	Credit Contracts
Assets:	
Balance, as of October 31, 2010	
Accrued discounts/premiums	\$ 13,812
Net realized gain	
Net change in unrealized appreciation/depreciation ⁴	8,182
Purchases	
Issuances ⁵	23,949
Sales	
Settlements ⁶	(37,761)
Transfers in ³	
Transfers out ³	
Balance, as of October 31, 2011	\$ 8,182

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 October 31, 2011 was \$8,182.

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 year in relation to net assets.

See Notes to Financial Statements.

Schedule of Investments October 31, 2011

BlackRock Floating Rate Income Trust (BGT)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Asset-Backed Securities		
ARES CLO Funds, Series 2005-10A, Class B, 0.74%, 9/18/17 (a)(b)	USD 1,000	\$ 888,450
Ballyrock CDO Ltd., Series 2006-1A, Class B, 0.67%, 8/28/19 (a)(b)	1,000	780,000
Canaras Summit CLO Ltd., Series 2007-1A, Class B, 0.83%, 6/19/21 (a)(b)	930	735,435
Chatham Light CLO Ltd., Series 2005-2A, Class A2, 0.66%, 8/03/19 (a)(b)	1,000	840,000
Flagship CLO, Series 2006-1A, Class B, 0.70%, 9/20/19 (a)(b)	1,196	879,060
Franklin CLO Ltd., Series 6A, Class B, 0.72%, 8/09/19 (a)(b)	1,180	944,000
Gannett Peak CLO Ltd., Series 2006-1X, Class A2, 0.78%, 10/27/20 (b)	715	529,100
Greyrock CDO Ltd., Series 2005-1X, Class A2L, 0.71%, 11/15/17 (b)	1,495	1,200,635
Landmark CDO Ltd., Series 2006-8A, Class B, 0.77%, 10/19/20 (a)(b)	1,335	1,044,824
MAPS CLO Fund LLC, Series 2005-1A, Class C, 1.30%, 12/21/17 (a)(b)	705	600,590
Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%, 11/15/21 (b)	950	787,835
T2 Income Fund CLO Ltd., Series 2007-1A, Class B, 1.00%, 7/15/19 (a)(b)	815	730,207
Total Asset-Backed Securities 3.0%		9,960,136
Common Stocks (c)		
Construction & Engineering 0.0%		
USI United Subcontractors Common	7,645	61,156
Hotels, Restaurants & Leisure 0.1%		
BLB Worldwide Holdings, Inc.	50,832	304,992
Metals & Mining 0.1%		
Euramax International	1,135	340,560
Paper & Forest Products 0.1%		
Ainsworth Lumber Co. Ltd.	55,255	84,261
Ainsworth Lumber Co. Ltd. (a)	62,685	95,592
		179,853
Software 0.0%		
Bankruptcy Management Solutions, Inc.	2,947	30
HMH Holdings/EduMedia	115,632	173,448
		173,478

Total Common Stocks 0.3% 1,060,039

	Par (000)	
Corporate Bonds		
Airlines 0.3%		
Air Canada, 9.25%, 8/01/15 (a)	USD590	564,925
American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23	345	345,000 909,925
Auto Components 1.0%		
Icahn Enterprises LP, 7.75%, 1/15/16	3,175	3,254,375
Beverages 0.7%		
Central European Distribution Corp., 3.32%, 5/15/14	EUR1,500	1,701,951
Refresco Group BV, 5.54%, 5/15/18 (a)(b)	500	671,095 2,373,046
Building Products 0.3%		
Grohe Holding GmbH, 5.53%, 9/15/17 (a)(b)	700	891,171

	Par (000)	Value
Corporate Bonds		
Capital Markets 0.1%		
E*Trade Financial Corp., 3.35%, 8/31/19 (a)(d)(e)	USD439	\$460,401
Chemicals 0.2%		
Lyondell Chemical Co., 11.00%, 5/01/18	700	779,625
Commercial Banks 3.2%		
CIT Group, Inc.:		
7.00%, 5/01/15	450	450,000
7.00%, 5/01/17	2,542	2,542,000
7.00%, 5/02/17 (a)	400	399,000
VTB Capital SA:		
6.47%, 3/04/15	3,000	3,120,000
6.88%, 5/29/18	3,940	4,122,225 10,633,225
Commercial Services & Supplies 0.3%		
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)	817	813,130
Containers & Packaging 1.0%		
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (a)	EUR400	550,713
Ball Corp., 5.75%, 5/15/21	USD625	645,312
GCL Holdings SCA, 9.38%, 4/15/18 (a)	EUR329	409,713
Graphic Packaging International, Inc., 9.50%, 6/15/17	USD270	294,975
Smurfit Kappa Acquisitions (a):		
7.25%, 11/15/17	EUR655	928,982
7.75%, 11/15/19	416	592,888 3,422,583
Diversified Financial Services 1.1%		
Ally Financial, Inc., 2.53%, 12/01/14 (b)	USD1,850	1,619,099
FCE Bank Plc, 4.75%, 1/19/15	EUR450	619,552
Reynolds Group Issuer, Inc. (a):		
7.13%, 4/15/19	USD655	668,100
7.88%, 8/15/19	300	313,500

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6.88%, 2/15/21	490	494,900 3,715,151
Diversified Telecommunication Services 0.2%		
ITC Deltacom, Inc., 10.50%, 4/01/16	530	535,300
Energy Equipment & Services 0.0%		
Compagnie Generale de Geophysique Veritas, 7.75%, 5/15/17	45	46,631
Health Care Providers & Services 1.3%		
HCA, Inc.:		
6.50%, 2/15/20	1,445	1,513,637
7.25%, 9/15/20	1,230	1,317,637
7.50%, 2/15/22	515	525,300
Omnicare, Inc., 7.75%, 6/01/20	685	738,088
Tenet Healthcare Corp., 9.00%, 5/01/15	95	100,938 4,195,600
Hotels, Restaurants & Leisure 0.6%		
MGM Resorts International:		
10.38%, 5/15/14	705	786,075
11.13%, 11/15/17	1,050	1,191,750 1,977,825
Household Durables 0.5%		
Beazer Homes USA, Inc., 12.00%, 10/15/17	1,500	1,606,875
Berkline/Benchcraft LLC, 4.50%, 11/03/12 (c)(f)	400	 1,606,875
Independent Power Producers & Energy Traders 2.1%		
Calpine Corp., 7.25%, 10/15/17 (a)	3,200	3,328,000
Energy Future Holdings Corp., 10.00%, 1/15/20	1,000	1,045,000
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20	2,350	2,467,500 6,840,500
IT Services 0.3%		
First Data Corp., 7.38%, 6/15/19 (a)	940	930,600

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Floating Rate Income Trust (BGT)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Machinery 1.0%		
KION Finance SA, 5.82%, 4/15/18 (a)(b)	EUR3,000	\$3,320,880
Media 4.2%		
CCH II LLC, 13.50%, 11/30/16	USD224	257,652
Clear Channel Worldwide Holdings, Inc.: 9.25%, 12/15/17	501	541,080
Series B, 9.25%, 12/15/17	1,704	1,848,840
Kabel BW Erste Beteiligungs GmbH, 5.78%, 3/15/18 (a)(b)	EUR2,000	2,739,726
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (a)	GBP914	1,432,880
Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH): 8.13%, 12/01/17 (a)	USD2,500	2,662,500
8.13%, 12/01/17	EUR500	719,524
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP1,197	2,073,818
Ziggo Finance BV, 6.13%, 11/15/17 (a)	EUR1,005	1,411,478
		13,687,498
Metals & Mining 0.1%		
New World Resources NV, 7.88%, 5/01/18	285	368,721
Oil, Gas & Consumable Fuels 4.1%		
Alpha Natural Resources, Inc., 6.00%, 6/01/19	USD460	456,550
Coffeyville Resources LLC, 9.00%, 4/01/15 (a)	342	368,505
Gazprom OAO Via RBS AG, 9.63%, 3/01/13	7,230	7,873,470
KazmunaiGaz Finance Sub BV, 8.38%, 7/02/13	1,500	1,597,500
Petroleos de Venezuela SA, 5.25%, 4/12/17	4,000	2,465,000
Plains Exploration & Production Co., 7.00%, 3/15/17	580	601,750
		13,362,775
Paper & Forest Products 0.3%		
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(g)	532	351,075
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a)	420	426,300
Verso Paper Holdings LLC, Series B, 4.00%, 8/01/14 (b)	450	333,000
		1,110,375
Pharmaceuticals 0.3%		
Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a)	1,045	1,045,000
Specialty Retail 0.1%		
House of Fraser Plc, 8.88%, 8/15/18 (a)	GBP349	479,812
Transportation Infrastructure 0.4%		
Aguila 3 SA, 7.88%, 1/31/18 (a)	CHF1,100	1,215,539
Wireless Telecommunication Services 0.9%		
Cricket Communications, Inc., 7.75%, 5/15/16	USD1,950	2,023,125
iPCS, Inc., 2.38%, 5/01/13 (b)	1,155	1,045,275
		3,068,400
Total Corporate Bonds 24.6%		81,044,963

Floating Rate Loan Interests (b)**Aerospace & Defense 1.3%**

DynCorp International, Term Loan, 6.25% 6.75%, 7/05/16	550	537,349
Hawker Beechcraft Acquisition Co., LLC, Facility Deposit, 2.37%, 3/26/14	49	35,921
SI Organization, Inc., Term Loan B, 4.50%, 11/22/16	1,086	1,020,502
TransDigm, Inc., Term Loan (First Lien), 4.00%, 2/14/17	1,985	1,976,723
Wesco Aircraft Hardware Corp., Term Loan B, 4.25%, 4/07/17	833	835,423
		4,405,918

Airlines 0.6%

Delta Air Lines, Inc., Term Loan B, 5.50%, 4/20/17	2,020	1,962,713
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Floating Rate Loan Interests (b)**Auto Components 2.1%**

	Par (000)	Value
Allison Transmission, Inc., Term Loan, 2.75%, 8/07/14	USD3,564	\$3,441,415
Autoparts Holdings Ltd., Term Loan (First Lien), 6.50%, 7/28/17	1,650	1,654,125
Federal-Mogul Corp.:		
Term Loan B, 2.18% 2.19%, 12/29/14	724	682,026
Term Loan C, 2.18% 2.19%, 12/28/15	369	347,972
GPX International Tire Corp. (c)(f):		
12.00%, 3/30/12	4	
8.37%, 3/31/12	274	
UCI International, Inc., Term Loan, 5.50%, 7/26/17	943	942,875
		7,068,413

Beverages 0.0%

Le-Nature's, Inc, Tranche B Term Loan, 9.50%, 3/01/11 (c)(f)	1,000	100
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Biotechnology 0.2%

Grifols SA, Term Loan B, 6.00%, 6/01/17	803	803,325
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Building Products 2.6%

Armstrong World Industries, Inc., Term Loan B, 4.00%, 3/09/18	1,393	1,371,409
CPG International I, Inc., Term Loan B, 6.00%, 2/18/17	2,134	2,005,842
Goodman Global, Inc., Initial Term Loan (First Lien), 5.75%, 10/28/16	3,714	3,702,948
Momentive Performance Materials (Blitz 06-103 GmbH):		
Tranche B-1 Term Loan, 3.75%, 5/05/15	356	334,342
Tranche B-2B Term Loan, 4.87%, 5/05/15	EUR814	1,020,658
United Subcontractors, Inc., Term Loan (First Lien), 4.37%, 6/30/15	USD181	153,947
		8,589,146

Capital Markets 1.6%

American Capital Ltd., Term Loan B, 7.50%, 12/31/13	624	620,799
HarbourVest Partners, Term Loan (First Lien), 6.25%, 12/14/16	2,205	2,205,418
Marsico Parent Co., LLC, Term Loan, 5.25% 5.44%,		

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12/14/14	117	51,358
Nuveen Investments, Inc. (First Lien):		
Extended Term Loan, 5.81% 5.92%, 5/12/17	1,773	1,698,833
Non-Extended Term Loan, 3.37% 3.42%, 11/13/14	750	724,544
		5,300,952
Chemicals 5.6%		
American Rock Salt Co., LLC, Term Loan, 5.50%, 4/25/17	1,468	1,430,934
Arizona Chemical, Inc., Term Loan, 4.75%, 11/21/16	8	7,808
Ashland, Inc., Term Loan B, 3.75%, 8/23/18	950	951,834
Chemtura Corp., Term Facility, 5.50%, 8/27/16	1,800	1,795,500
Gentek, Inc., Term Loan B, 1.00%, 10/06/15	1,562	1,543,678
MacDermid, Inc., Tranche C Term Loan, 3.56%, 4/11/14	EUR1,424	1,915,843
Nexeo Solutions LLC, Term Loan B, 5.00%, 9/08/17	USD1,393	1,345,401
PQ Corp., Original Term Loan (First Lien), 3.50% 3.68%, 7/30/14	1,342	1,266,358
Styron Sarl, Term Loan, 6.00%, 8/02/17	2,251	2,053,393
Tronox Worldwide LLC, Exit Term Loan, 7.00%, 10/15/15	3,176	3,152,180
Univar, Inc., Term Loan B, 5.00%, 6/30/17	2,978	2,904,551
		18,367,480
Commercial Services & Supplies 3.1%		
Altegrity, Inc. (FKA US Investigations Services, Inc.), Tranche D Term Loan, 7.75%, 2/20/15	1,998	1,973,455
AWAS Finance Luxembourg Sarl, Term Loan, 5.25%, 6/10/16	1,240	1,240,272
Delos Aircraft, Inc., Term Loan 2, 7.00%, 3/17/16	2,175	2,188,594
KAR Auction Services, Inc., Term Loan B, 5.00%, 5/19/17	2,195	2,181,465
Synagro Technologies, Inc., Term Loan (First Lien), 2.25%, 4/02/14	1,737	1,514,104
Volume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 9/16/16	1,213	1,192,533
		10,290,423

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Floating Rate Income Trust (BGT)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Floating Rate Loan Interests (b)		
Communications Equipment 0.8%		
Avaya, Inc., Term Loan B, 3.06%, 10/24/14	USD 778	\$ 739,323
CommScope, Inc., Term Loan B, 5.00%, 1/14/18	1,989	1,973,099
		2,712,422
Construction & Engineering 1.0%		
BakerCorp International, Inc., Term Loan B, 5.00%, 6/01/18	683	673,038
Brand Energy & Infrastructure Services, Inc. (FR Brand Acqui- sition Corp.), Synthetic Letter of Credit, 2.63%, 2/07/14	500	403,335
Safway Services LLC, First Out Tranche Loan, 9.00%, 12/16/17	2,100	2,100,000
		3,176,373
Consumer Finance 1.6%		
Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17	5,920	5,404,131
Containers & Packaging 0.9%		
Sealed Air Corp., Term Loan B, 4.75%, 10/03/18	1,631	1,641,790
Smurfit Kappa Acquisitions (JSG):		
Term B1, 4.48% 4.71%, 12/01/14	EUR 458	627,051
Term Loan Facility C1, 4.73% 4.96%, 12/31/14	453	623,003
		2,891,844
Diversified Consumer Services 3.0%		
Coinmach Service Corp.:		
Delayed Draw Term Loan, 3.23% 3.32%, 11/20/14	USD 487	427,144
Term Loan, 3.30% 3.32%, 11/20/14	2,229	1,953,460
Laureate Education, Series A, Extended Term Loan, 5.25%, 8/15/18	4,661	4,342,181
ServiceMaster Co.:		
Closing Date Term Loan, 2.74% 2.83%, 7/24/14	2,936	2,803,916
Delayed Draw Term Loan, 2.75%, 7/24/14	292	279,228
		9,805,929
Diversified Financial Services 2.1%		
Reynolds Group Holdings, Inc., Term Loan B, 6.75%, 2/09/18	EUR 4,975	6,772,044
Diversified Telecommunication Services 4.2%		
Hawaiian Telcom Communications, Inc., Term Loan, 9.00%, 11/01/15	USD 1,814	1,814,824
Integra Telecom Holdings, Inc., Term Loan, 9.25%, 4/15/15	2,000	1,852,710
Level 3 Financing, Inc.:		

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Add on Term Loan, 11.50%, 3/13/14	1,450	1,506,796
Term Loan B2, 5.75%, 9/03/18	4,600	4,513,750
Tranche A Incremental Term Loan, 2.65%, 3/13/14	2,550	2,471,919
US Telepacific Corp., Term Loan B, 5.75%, 2/23/17	1,916	1,819,112
		13,979,111

Electronic Equipment, Instruments & Components

1.5%

Aeroflex, Inc., Term Loan B, 4.25%, 5/09/18	1,296	1,270,890
CDW LLC, Term Loan, 3.74%, 10/10/14	1,612	1,560,835
Sensata Technologies Finance Company LLC, Term Loan, 4.00%, 5/11/18	2,195	2,181,245
		5,012,970

Energy Equipment & Services 3.0%

CCS Corp., Term Loan B, 3.37%, 11/14/14	1,806	1,644,017
Dynegey Holdings, Inc.:		
CoalCo Term Loan, 9.25%, 8/04/16	795	781,087
GasCo Term Loan, 9.25%, 8/04/16	1,455	1,449,806
MEG Energy Corp., Term Loan B, 4.00%, 3/16/18	6,100	6,069,500
		9,944,410

Food & Staples Retailing 2.4%

AB Acquisitions UK Topco 2 Ltd., Facility B1, 3.63% 3.64%, 7/09/15	GBP4,525	6,589,138
US Foodservice, Inc., Term Loan B, 2.74% 2.75%, 7/03/14	USD1,461	1,349,047
		7,938,185

Floating Rate Loan Interests (b)

**Par
(000) Value**

Food Products 5.1%

Advance Pierre Foods, Term Loan: (First Lien), 7.00% 7.50%, 9/30/16	USD2,148	\$2,130,576
(Second Lien), 11.25%, 9/29/17	1,400	1,388,338
Birds Eye Iglo Group Ltd. (Liberator Midco Ltd.), Term Loan B, 5.87%, 4/30/16	EUR3,000	4,137,277
Del Monte Corp., Term Loan B, 4.50%, 3/08/18	USD5,844	5,668,850
Michaels Foods Group, Inc., Term Loan B, 4.25%, 2/23/18	323	318,488
Pinnacle Foods Finance LLC, Tranche D Term Loan, 6.00%, 4/02/14	1,468	1,479,052
Solvest Ltd. (Dole):		
Tranche B-1 Term Loan, 5.00% 6.00%, 7/06/18	583	581,062
Tranche C-1 Term Loan, 5.00% 6.00%, 7/06/18	1,083	1,079,116
		16,782,759

Health Care Equipment & Supplies 1.8%

Biomet, Inc.:		
Term Loan, 4.49%, 3/25/15	EUR985	1,318,071
Term Loan B, 3.24% 3.36%, 3/25/15	USD484	474,975
Capsugel Healthcare Ltd., Term Loan, 5.25%, 8/01/18	1,500	1,499,070
DJO Finance LLC, Term Loan, 3.25%, 5/20/14	1,013	974,565
Immucor, Inc., Term Loan B, 7.25%, 8/17/18	1,760	1,766,600
		6,033,281

Health Care Providers & Services 4.5%

CHS/Community Health Systems, Inc.:		
Extended Term Loan B, 3.82%, 1/25/17	214	207,877
Non-Extended Delayed Draw Term Loan, 2.57%, 7/25/14	83	80,390
Non-Extended Term Loan, 2.57%, 7/25/14	1,614	1,564,075
ConvaTec, Inc., Term Loan, 5.75%, 12/22/16	1,216	1,188,457
DaVita, Inc., Tranche B Term Loan, 4.50%, 10/20/16	1,886	1,874,982
Emergency Medical Services, Term Loan, 5.25% 6.00%, 5/25/18	2,079	2,030,843
Harden Healthcare, Inc.:		
Tranche A Additional Term Loan, 7.75%, 3/02/15	1,399	1,371,070
Tranche A Term Loan, 8.50%, 3/02/15	844	827,175
inVentiv Health, Inc.:		
Incremental Term Loan B3, 6.75%, 5/15/18	748	738,773
Term Loan B, 6.50%, 8/04/16	1,951	1,900,871
Medpace, Inc., Term Loan, 6.50% 7.25%, 6/16/17	1,496	1,421,437
Renal Advantage Holdings, Inc., Tranche B Term Loan, 5.75%, 12/16/16	1,489	1,486,264 14,692,214

Health Care Technology 1.3%

IMS Health, Inc., Term Loan B, 4.50%, 8/25/17	1,496	1,485,444
Kinetic Concepts, Inc., Term Loan B, 7.00%, 11/02/18	1,755	1,761,143
MedAssets, Inc., Term Loan B, 5.25%, 11/16/16	975	965,109 4,211,696

Hotels, Restaurants & Leisure 5.4%

Ameristar Casinos, Inc., Term Loan B, 4.00%, 4/13/18	1,566	1,563,120
Caesars Entertainment Operating Co., Inc. (FKA Harrah's Operating Co., Inc.):		
Term Loan B-2, 3.24% 3.42%, 1/28/15	667	586,573
Term Loan B-3, 3.32% 3.42%, 1/28/15	4,886	4,295,989
Term Loan B-4, 9.50%, 10/31/16	1,385	1,394,358
Dunkin' Brands, Inc., Term Loan B, 4.00%, 11/23/17	1,783	1,775,443
OSI Restaurant Partners LLC, Pre-Funded RC Loan, 2.69% 2.75%, 6/14/13	32	30,645
Seaworld Parks & Entertainment, Inc. (FKA SW Acquisitions Co., Inc.), Term Loan B, 4.00%, 8/17/17	1,432	1,421,594
Six Flags Theme Parks, Inc., Tranche B Term Loan (First Lien), 5.25%, 6/30/16	1,260	1,262,127
Twin River Worldwide Holdings, Inc., Term Loan, 7.75%, 11/05/15	1,282	1,264,923

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Floating Rate Income Trust (BGT)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Floating Rate Loan Interests (b)		
Hotels, Restaurants & Leisure (concluded)		
VML US Finance LLC:		
Term B Delayed Draw Project Loan, 4.75%, 5/25/12	USD 1,608	\$ 1,601,519
Term B Funded Project Loan, 4.75%, 5/27/13	2,783	2,772,649
		17,968,940
Household Durables 0.0%		
Berkline/Benchcraft LLC, Term Loan B, 14.00%, 11/03/13 (c)(f)	148	7,397
Independent Power Producers & Energy Traders 2.5%		
AES Corp., Term Loan B, 4.25%, 6/01/18	1,940	1,934,856
Calpine Corp., Term Loan B, 4.50%, 4/02/18	2,569	2,535,510
Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.74% 4.77%, 10/10/17	5,511	3,735,729
		8,206,095
Industrial Conglomerates 1.0%		
Sequa Corp.:		
Incremental Term Loan, 3.50% 7.50%, 12/03/14	675	675,000
Term Loan, 3.50% 3.63%, 12/03/14	2,822	2,719,934
		3,394,934
Insurance 0.5%		
CNO Financial Group, Inc., Term Loan B, 6.25%, 9/30/16	1,706	1,701,450
Internet Software & Services 0.3%		
Web.com Group, Inc., Term Loan B, 7.00%, 10/27/17	1,050	937,125
IT Services 3.8%		
Ceridian Corp., US Term Loan, 3.25%, 11/10/14	1,708	1,564,621
First Data Corp.:		
Initial Tranche B-1 Term Loan, 2.99%, 9/24/14	426	394,098
Initial Tranche B-2 Term Loan, 4.24%, 3/23/18	6,558	5,644,782
Initial Tranche B-3 Term Loan, 2.99%, 9/24/14	281	259,627
infoGROUP, Inc., Term Loan, 5.75%, 5/22/18	442	424,915
Trans Union LLC, Term Loan B, 4.75%, 2/12/18	2,845	2,822,287
Travellex Plc:		
Tranche B5, 2.70%, 10/31/13	637	631,270
Tranche C5, 3.20%, 10/31/14	632	629,031
		12,370,631
Machinery 1.5%		
Navistar Financial Corp., Term Loan B, 4.50%, 12/16/12	1,015	1,007,036
Tomkins Plc, Term Loan B, 4.25%, 9/21/16	2,010	2,003,886
Terex Corp.:		
Term Loan, 6.03%, 4/28/17	EUR 355	475,249
Term Loan B, 5.50%, 4/28/17	USD 1,300	1,296,204
		4,782,375
Media 20.2%		
Acosta, Inc., Term Loan, 4.75% 5.50%, 3/01/18	1,664	1,632,044

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Affinion Group, Inc., Tranche B Term Loan, 5.00%, 10/10/16	2,090	1,918,513
AMC Networks, Inc., Term Loan B, 4.00%, 12/31/18	1,796	1,779,035
Atlantic Broadband Finance LLC, Term Loan B, 4.00%, 3/08/16	914	894,005
Bresnan Telecommunications Co., LLC, Term Loan, 4.50% 5.25%, 12/14/17	1,558	1,539,389
Catalina Marketing Corp., Term Loan, 3.00%, 10/01/14	289	276,912
Cengage Learning Acquisitions, Inc. (Thomson Learning): Term Loan, 2.50%, 7/03/14	626	540,631
Tranche 1 Incremental Term Loan, 7.50%, 7/03/14	1,121	1,070,676
Charter Communications Operating LLC: Term Loan B, 7.25%, 3/06/14	36	35,629
Term Loan C, 3.62%, 9/06/16	628	621,778
Clarke American Corp., Term Loan B, 2.75% 2.87%, 6/30/14	324	272,218
Clear Channel Communications, Inc., Term Loan B, 3.90%, 1/28/16	2,385	1,864,927

	Par (000)	Value
Floating Rate Loan Interests (b)		
Media (concluded)		
Cumulus Media, Inc., Term Loan, 5.75%, 9/17/18	USD 1,500	\$ 1,481,250
Gray Television, Inc., Term Loan B, 3.74%, 12/31/14	1,478	1,440,994
HMH Publishing Co. Ltd., Tranche A Term Loan, 6.24%, 6/12/14	1,870	1,327,611
Hubbard Radio LLC, Term Loan (Second Lien), 5.25%, 4/28/17	1,097	1,087,649
Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings Ltd.), Tranche B Term Loan, 5.25%, 4/02/18	10,199	10,109,511
Interactive Data Corp., Term Loan B, 4.50%, 2/12/18	3,607	3,578,309
Kabel Deutschland GmbH: Term Loan A, 3.74%, 3/31/14	EUR 3,043	4,115,623
Term Loan D, 5.37%, 12/13/16	1,000	1,360,717
Term Loan E, 4.62%, 6/15/18	EUR 4,000	5,371,081
Knology, Inc., Term Loan B, 4.00%, 8/18/17	USD 418	407,219
Lavena Holding 3 GmbH (Prosiebensat.1 Media AG): Facility B1, 4.20%, 3/06/15	EUR 304	356,746
Facility C1, 4.45%, 3/04/16	608	717,697
Liberty Cablevision of Puerto Rico Ltd., Initial Term Facility, 2.35%, 6/13/14	USD 1,436	1,371,619
Mediacom Illinois LLC, Tranche D Term Loan, 5.50%, 3/31/17	2,212	2,179,219
Newsday LLC: Fixed Rate Term Loan, 10.50%, 8/01/13	1,500	1,548,750
Floating Rate Term Loan, 6.65%, 8/01/13	1,250	1,264,587
Nielsen Finance LLC, Class B Term Loan, 3.99%, 5/02/16	1,714	1,705,201
Serpering Investments BV (Casema NV), Term Loan B, 4.37%, 3/31/17	EUR 619	847,310
Sinclair Television Group, Inc., Term Loan B, 4.00%, 10/28/16	USD 839	838,232

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Sunshine Acquisition Ltd., Term Facility, 5.51%, 6/01/12	1,955	1,921,641
Telesat Canada:		
Delayed Draw Term Loan, 3.25%, 10/31/14	373	365,313
Term Loan B, 3.25%, 10/31/14	4,345	4,252,834
Univision Communications, Inc., Extended Term Loan (First Lien), 4.50%, 3/31/17	1,797	1,629,868
UPC Broadband Holding BV:		
Term Loan AB, 4.75%, 12/31/17	90	89,550
Term Loan U, 5.37%, 12/31/17	EUR 1,552	2,064,234
Weather Channel, Term Loan B, 4.25%, 2/13/17	USD 2,606	2,605,518
		66,484,040
Metals & Mining 2.3%		
Novelis, Inc., Term Loan, 3.75%, 3/10/17	3,304	3,274,076
SunCoke Energy, Inc., Term Loan B, 4.00% 5.25%, 7/26/18	848	845,755
Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18	3,636	3,619,147
		7,738,978
Multi-Utilities 0.0%		
Mach Gen LLC, Synthetic Letter of Credit Loan (First Lien), 2.37%, 2/22/13	69	62,432
Multiline Retail 1.6%		
Hema Holding BV:		
Facility B, 3.35%, 7/06/15	EUR 169	213,626
Facility C, 4.10%, 7/05/16	169	214,797
Facility D, 6.35%, 1/05/17	3,800	4,416,770
The Neiman Marcus Group, Inc., Term Loan, 4.75%, 5/16/18	USD 465	452,650
		5,297,843
Oil, Gas & Consumable Fuels 2.0%		
EquiPower Resources Holdings LLC, Term Loan B, 5.75%, 1/26/18	1,903	1,888,946
Gibson Energy, Term Loan B, 5.75%, 6/14/18	2,195	2,168,451
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15	2,380	2,380,313
		6,437,710
Paper & Forest Products 0.2%		
NewPage Corp., Term Loan, 8.00%, 3/07/13	550	551,831
Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (g)	412	205,898
		757,729

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Floating Rate Income Trust (BGT)
(Percentages shown are based on Net Assets)

	Par	(000) Value
Floating Rate Loan Interests (b)		
Pharmaceuticals 2.3%		
Aptalis Pharma, Inc., Term Loan B, 5.50%, 2/10/17	USD2,680	\$2,580,948
Endo Pharmaceuticals Holdings, Inc., Term Loan B, 4.00%, 6/18/18	1,046	1,046,036
Quintiles Transnational Corp., Term Loan B, 5.00%, 6/08/18	1,317	1,296,950
RPI Finance Trust, Term Loan Tranche 2, 4.00%, 5/09/18	1,097	1,092,674
Warner Chilcott Corp.:		
Term Loan B-1, 4.25%, 3/15/18	773	766,731
Term Loan B-2, 4.25%, 3/15/18	387	383,365
Term Loan B-3, 4.25%, 3/15/18	532	527,127
		7,693,831
Professional Services 1.0%		
Emdeon Business Services LLC, Term Loan B, 6.75%, 10/15/18	1,800	1,805,202
Fifth Third Processing Solutions LLC, Term Loan B (First Lien), 4.50%, 11/03/16	1,602	1,593,707
		3,398,909
Real Estate Investment Trusts (REITs) 0.8%		
iStar Financial, Inc., Term Loan A, 5.00%, 6/28/13	2,493	2,469,545
Real Estate Management & Development 1.5%		
Pivotal Promontory LLC, Term Loan (Second Lien), 12.00%, 8/31/11 (c)(f)	750	1
Realogy Corp.:		
Delayed Draw Term Loan, 3.27%, 10/10/13	1,976	1,844,989
Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16	177	153,645
Extended Term Loan, 4.52%, 10/10/16	2,575	2,232,217
Synthetic Letter of Credit, 3.19%, 10/10/13	81	76,039
Term Loan, 3.44%, 10/10/13	647	603,703
		4,910,594
Road & Rail 1.0%		
Avis Budget Car Rental LLC, Incremental Term Loan, 6.25%, 9/21/18	1,000	1,003,750
RAC Ltd., Term Loan B, 5.66%, 7/30/18	GBP 1,500	2,240,006
		3,243,756
Semiconductors & Semiconductor Equipment 0.6%		
Freescale Semiconductor, Inc., Extended Maturity Term Loan, 4.49%, 12/01/16	USD561	538,116
Microsemi Corp., Term Loan B, 5.75%, 11/02/17	1,471	1,471,019
		2,009,135
Software 0.6%		
Bankruptcy Management Solutions, Inc.:		

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Term Loan (First Lien), 7.50%, 8/20/14	719	145,683
Term Loan (Second Lien), 8.30%, 8/20/15	258	9,471
Blackboard, Inc., Term Loan B, 7.50%, 10/04/18	450	433,548
Rovi Corp., Term Loan B, 4.00%, 2/07/18	995	996,244
Vertafore, Inc., Term Loan B, 5.25%, 7/29/16	341	332,070
		1,917,016
Specialty Retail 3.9%		
Academy Ltd., Term Loan, 6.00%, 8/03/18	1,900	1,876,250
Burlington Coat Factory Warehouse Corp., Term Loan B, 6.25%, 2/23/17	1,062	1,037,380
General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/02/18	1,990	1,976,727
J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18	1,015	952,169
Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18	606	577,934
Michaels Stores, Inc.:		
Term Loan B-1, 2.63% 2.69%, 10/31/13	820	800,744
Term Loan B-2, 4.88% 4.94%, 7/31/16	920	900,882
Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/24/17	2,382	2,346,664
Toys R Us Delaware, Inc.:		
Term Loan, 6.00%, 9/01/16	2,105	2,069,290
Term Loan B, 5.25%, 5/25/18	499	486,531
		13,024,571

	Par (000)	Value
Floating Rate Loan Interests (b)		
Textiles, Apparel & Luxury Goods 0.9%		
Phillips-Van Heusen Corp., Term Loan B, 4.31% 4.50%, 5/06/16	EUR2,096	\$2,834,434
Wireless Telecommunication Services 1.8%		
Digicel International Finance Ltd., US Term Loan (Non-Rollover), 2.88%, 3/30/12	USD1,522	1,514,788
MetroPCS Wireless, Inc., Term Loan B, 4.00%, 3/16/18	1,062	1,045,873
Vodafone Americas Finance 2, Inc. (g):		
PIK Term Loan, 6.88%, 8/11/15	2,408	2,408,234
PIK Term Loan B, 6.25%, 7/11/16	800	804,000
		5,772,895
Total Floating Rate Loan Interests 106.0%		349,568,204

Foreign Agency Obligations

Argentina Bonos:		
0.44%, 8/03/12 (b)	1,250	1,195,620
7.00%, 10/03/15	2,000	1,766,334
Colombia Government International Bond, 3.90%, 3/17/13 (b)	540	545,400
Uruguay Government International Bond, 6.88%, 1/19/16	EUR950	1,422,305
Total Foreign Agency Obligations 1.5%		4,929,659

	Beneficial Interest (000)	
Other Interests (h)		
Auto Components 0.8%		
Delphi Debtor-in-Possession Holding Co., LLP, Class B		
Membership Interests (c)	USD (i)	2,687,136
Lear Corp. Escrow (c)	500	5,000
		2,692,136
Diversified Financial Services 0.4%		
BGT JGW SPV, LLC (JG Wentworth LLC Preferred		
Equity Interests) (c)(j)	1	1,269,904
Health Care Providers & Services 0.0%		
Critical Care Systems International, Inc. (c)	1	96
Hotels, Restaurants & Leisure 0.0%		
Wembley Contigent (c)	2	6,000
Household Durables 0.0%		
Bercline Benchcraft Equity LLC (c)	6	
Total Other Interests 1.2%		3,968,136
Warrants (k)		
Chemicals 0.0%		
British Vita Holdings Co. (Non-Expiring)	166	
Media 0.0%		
New Vision Holdings LLC:		
(Expires 9/30/14)	19,023	190
(Expires 9/30/14)	3,424	34
		224
Software 0.0%		
Bankruptcy Management Solutions, Inc. (Expires 9/29/17)	251	3
HMH Holdings/EduMedia (Expires 3/09/17)	21,894	
		3
Total Warrants 0.0%		227
Total Long-Term Investments		
(Cost \$463,999,793) 136.6%		450,531,364

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Floating Rate Income Trust (BGT)
(Percentages shown are based on Net Assets)

Short-Term Securities	Shares	Value
BlackRock Liquidity Funds, TempFund, Institutional Class 0.14% (1)(m)	1,071,567	\$ 1,071,567
Total Short-Term Securities (Cost \$1,071,567) 0.3%		1,071,567
 Options Purchased	 Contracts	
Over-the-Counter Call Options 0.0%		
Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA	26	
Total Options Purchased (Cost \$25,422) 0.0%		
Total Investments (Cost \$465,096,782*) 136.9%		451,602,931
Liabilities in Excess of Other Assets (36.9)%		(121,772,326)
Net Assets 100.0%		\$ 329,830,605

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$	462,508,581	
Gross unrealized appreciation	\$	8,056,994	
Gross unrealized depreciation		(18,962,644)
Net unrealized depreciation	\$	(10,905,650)

- (a) Security exempt from registration pursuant to Rule 144A of 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) Non-income producing security.
- (d) Convertible security.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) Issuer filed for bankruptcy and/or is in default of interest payments.
- (g) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (h) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (i) Amount is less than \$500.
- (j) The investment is held by a wholly owned subsidiary.
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.
- (k) Investments in companies considered to be an affiliate of the Fund during the year, 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, 2010	Net Activity	Shares Held at October 31, 2011	Income
BlackRock Liquidity				

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Funds, TempFund,

1,071,567

Institutional Class 8,770,511 (7,698,944) \$4,488

(m) Represents the current yield as of report date.

For Fund compliance purposes, the Fund's and 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.

Foreign currency exchange contracts as of October 31, 2011 were as follows:

Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
CAD	179,000	USD	172,140	Citibank NA	1/18/12	\$ 7,137
GBP	605,000	USD	947,939	Citibank NA	1/18/12	24,024
USD	1,179,725	CHF	1,055,000	UBS AG	1/18/12	(23,932)
USD	12,660,475	GBP	8,123,500	Citibank NA	1/18/12	(390,339)
USD	55,389,402	EUR	40,275,000	Citibank NA	1/25/12	(307,702)
Total						\$ (690,812)

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 in 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 does not necessarily correspond to the Fund's perceived risk of 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.

The following tables summarize the inputs used as of October 31, 2011 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		\$3,398,916	\$6,561,220	\$9,960,136
Common				
Stocks	\$84,261	741,144	234,634	1,060,039

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Corporate Bonds	81,044,963		81,044,963
Floating Rate Loan Interests	317,101,379	32,466,825	349,568,204
Foreign Agency Obligations	1,967,705	2,961,954	4,929,659
Other Interests	2,687,136	1,281,000	3,968,136
Warrants		227	227
Short-Term Securities	1,071,567		1,071,567
Total	\$1,155,828	\$406,941,243	\$43,505,860\$451,602,931

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Floating Rate Income Trust (BGT)

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments ¹				
Assets:				
Foreign currency exchange contracts		\$31,161		\$31,161
Liabilities:				
Foreign currency exchange contracts		(721,973)		(721,973)
Total		\$(690,812)		\$(690,812)

¹ Derivative financial instruments are foreign currency exchange contracts and options. 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	Common Stocks	Corporate Bonds	Floating Rate Loan Interests	Foreign Agency Obligations	Other Interests	Preferred Securities	Unfunded Loan Commitments Assets
Assets/Liabilities:								
Balance, as of October 31, 2010		\$595,520	\$61,912	\$64,699,477	\$4,228,067	\$5,533,239	\$85,828	\$160,394
Accrued discounts/premiums	\$85,168		101,941	258,256	197,954			
Realized gain (loss)		(348,191)	(1,019,809)	(5,061,690)	70,260		136,990	
Net change in unrealized appreciation/depreciation ¹	(694,398)	(132,121)	947,258	4,872,207	(284,327)	117,404	(31,032)	(160,394)
Purchases	6,613,650		38,466	27,438,429		26,311		
Sales		(38,760)	(129,768)	(49,981,028)	(1,250,000)		(191,786)	
Transfers in ²	556,800	158,186		2,149,987				
Transfers out ²				(11,908,813)		(4,395,954)		
Balance, as of October 31, 2011	\$6,561,220	\$234,634		\$32,466,825	\$2,961,954	\$1,281,000		

¹ 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 October 31, 2011 was \$(1,698,378).

² 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 to determine fair value:

Assets:	Credit Contracts
Balance, as of October 31, 2010	\$ 19,172
Accrued discounts/premiums	
Net realized gain (loss)	
Net change in unrealized appreciation/depreciation ³	(19,172)
Purchases	
Issuances ⁴	
Sales	
Settlements ⁵	
Transfers in ²	
Transfers out ²	
Balance, as of October 31, 2011	

Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The ³ change in unrealized appreciation/depreciation on derivative financial instruments still held at October 31, 2011 was \$0.

⁴ Issuances represent upfront cash received on certain derivative financial instruments.

⁵ 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 year in relation to net assets.

See Notes to Financial Statements.

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Statements of Assets and Liabilities

	BlackRock Credit Allocation Income Trust I, Inc. (PSW)	BlackRock Credit Allocation Income Trust II, Inc. (PSY)	BlackRock Credit Allocation Income Trust III (BPP)	BlackRock Credit Allocation Income Trust IV (BTZ)	BlackRock Floating Rate Income Trust (BGT)
October 31, 2011					
Assets					
Investments at value unaffiliated	\$157,339,860	\$661,625,983	\$308,674,023	\$1,034,611,319	\$450,531,364
Investments at value affiliated	1,362,932	405,708	2,459,914	3,823,108	1,071,567
Unrealized appreciation on swaps	85,804	389,756	483,080	1,619,608	
Unrealized appreciation on foreign currency exchange contracts					31,161
Cash	41,703	168,875	70,000	652,836	
Cash pledged as collateral for financial futures contracts	517,000	2,246,000	805,000	2,389,940	
Cash pledged as collateral for reverse repurchase agreements				690,000	
Cash pledged as collateral for swaps	600,000	1,270,000		5,350,000	
Interest receivable	2,359,673	10,314,414	4,562,840	16,006,139	1,613,341
Investments sold receivable	715,259	1,727,818	1,361,222	4,672,842	8,010,494
Reverse repurchase agreements receivable	372,450	960,076	2,207,010	8,598,980	
Swaps premiums paid	247,862	1,050,104	605,709	1,557,261	
Swaps receivable	13,608	62,192	61,081	213,170	
Foreign currency at value ³	10,294	39,404	497	47	
Dividends receivable	2,000	336	225	517	418
Prepaid expenses	6,616	15,844	22,905	61,431	54,023
Other assets	456	89,507	51,943	138,860	106,808
Total assets	163,675,517	680,366,017	321,365,449	1,080,386,058	461,419,176
Liabilities					
Reverse repurchase agreements	53,267,631	213,033,213	92,971,273	339,303,168	
Loan payable					122,000,000
Options written at value ⁴	257,909	1,103,277	1,409,148	4,883,907	
Unrealized depreciation on swaps	639,459	2,779,458	1,358,515	4,492,722	
Unrealized depreciation on foreign currency exchange contracts	2,106	9,016			721,973
Cash received as collateral for reverse repurchase agreements			325,000	848,000	
Cash received as collateral for swaps				700,000	
Investments purchased payable	362,501	1,529,078	1,192,636	4,078,480	7,845,710
Margin variation payable	287,296	1,253,555	383,266	1,208,177	
Investment advisory fees payable	80,372	335,809	168,017	567,361	278,383
Swaps premiums received	98,903	418,708	201,767	641,936	
Interest expense payable	32,175	143,436	69,913	361,942	98,390
Swaps payable	32,658	135,503	72,862	240,074	
Income dividends payable	27,362	124,515	36,737	226,785	47,461
Officer's and Directors' fees payable	538	90,328	58,445	153,605	109,199

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Bank overdraft on foreign currency at value ³					67,411
Other accrued expenses payable	57,470	131,399	179,203	342,726	420,044
Total liabilities	55,146,380	221,087,295	98,426,782	358,048,883	131,588,571
Net Assets	\$108,529,137	\$459,278,722	\$222,938,667	\$722,337,175	\$329,830,605
Net Assets Consist of					
Paid-in capital ^{5,6,7}	\$235,477,660	\$937,350,272	\$422,218,171	\$1,123,084,063	\$428,621,718
Undistributed net investment income	810,163	2,350,278	787,825	1,025,075	5,628,436
Accumulated net realized loss	(133,350,575)	(497,436,803)	(203,449,517)	(412,956,597)	(90,227,574)
Net unrealized appreciation/depreciation	5,591,889	17,014,975	3,382,188	11,184,634	(14,191,975)
Net Assets	\$108,529,137	\$459,278,722	\$222,938,667	\$722,337,175	\$329,830,605
Net asset value	\$10.52	\$11.25	\$12.07	\$13.94	\$13.97
¹ Investments at cost unaffiliated	\$151,184,693	\$642,166,810	\$303,928,660	\$1,018,748,047	\$464,025,215
² Investments at cost affiliated	\$1,362,932	\$405,708	\$2,459,914	\$3,823,108	\$1,071,567
³ Foreign currency at cost	\$12,054	\$46,155	\$459	\$43	\$(69,028)
⁴ Premiums received	\$129,600	\$554,400	\$851,400	\$2,923,700	
⁵ Common shares par value per share	\$0.100	\$0.100	\$0.001	\$0.001	\$0.001
⁶ Common shares outstanding	10,311,941	40,807,418	18,467,785	51,828,157	23,616,745
⁷ Common shares authorized	199,994,540	199,978,000	unlimited	unlimited	unlimited

See Notes to Financial Statements.

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Statements of Operations

Year Ended October 31, 2011	BlackRock Credit Allocation Income Trust I, Inc. (PSW)	BlackRock Credit Allocation Income Trust II, Inc. (PSY)	BlackRock Credit Allocation Income Trust III (BPP)	BlackRock Credit Allocation Income Trust IV (BTZ)	BlackRock Floating Rate Income Trust (BGT)
Investment Income					
Interest	\$8,059,109	\$34,533,976	\$15,284,006	\$51,582,916	\$28,901,520
Dividends unaffiliated	306,005	332,756	72,951	1,829,954	
Income affiliated	824	9,358	9,838	31,528	13,587
Facility and other fees					111,972
Total income	8,365,938	34,876,090	15,366,795	53,444,398	29,027,079
Expenses					
Investment advisory	884,816	3,796,125	1,838,844	6,192,077	3,491,061
Professional	60,097	461,461	80,727	389,219	317,644
Accounting services	42,295	89,744	56,942	130,008	57,689
Printing	10,042	44,563	64,686	158,254	62,789
Custodian	20,124	40,640	29,681	60,001	161,912
Officer and Directors	12,398	55,147	28,648	92,024	43,471
Transfer agent	35,562	88,349	11,780	17,606	22,799
Commissions for Preferred Shares	5,877	46,069	10,120	57,686	8,234
Registration	9,372	14,227	9,372	18,070	9,481
Borrowing costs ¹					378,407
Miscellaneous	31,665	54,068	43,785	85,353	74,392
Total expenses excluding interest expense	1,112,248	4,690,393	2,174,585	7,200,298	4,627,879
Interest expense	130,498	498,474	184,655	739,372	1,245,385
Total expenses	1,242,746	5,188,867	2,359,240	7,939,670	5,873,264
Less fees waived by advisor	(896)	(3,835)	(3,273)	(10,610)	(431,176)
Less fees paid indirectly	(21)	(75)	(23)	(136)	
Total expenses after fees waived and paid indirectly	1,241,829	5,184,957	2,355,944	7,928,924	5,442,088
Net investment income	7,124,109	29,691,133	13,010,851	45,515,474	23,584,991
Realized and Unrealized Gain (Loss)					
Net realized gain (loss) from:					
Investments	1,266,758	2,608,897	1,593,588	4,505,460	1,935,296
Financial futures contracts	(3,130,213)	(13,357,266)	(3,586,041)	(11,928,642)	
Foreign currency transactions	11,537	31,217		(25)	(5,403,756)
Options written	(40,906)	(172,975)	(53,664)	(154,409)	
Swaps	(452,769)	(1,816,534)	(1,008,740)		