

BLACKROCK CORE BOND TRUST
Form N-Q
September 29, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file
number: 811-10543

BlackRock Core Bond Trust

(Exact name of registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE

19809

(Address of principal executive offices)

(Zip code)

Robert S. Kapito, President
BlackRock Core Bond Trust
40 East 52nd Street, New York, NY 10022

(Name and address of agent for service)

Registrant's
telephone number, including area
code: 888-825-2257

Date of fiscal
year end: October 31, 2004

Date of
reporting
period: July 31, 2004

Item 1. Schedule of Investments

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The Trust's schedule of investments pursuant to Rule 30b1-5 under the Investment Company Act of 1940 is as follows:

PORTFOLIO OF INVESTMENTS (unaudited)
JULY 31, 2004

BlackRock Core Bond Trust (BHK)

Rating ¹	Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 145.5%			
Mortgage Pass-Throughs 26.7%			
Federal Home Loan Mortgage Corp.,			
\$ 1,875	3.50%, 4/01/08		\$ 1,851,563
465	3.875%, 11/10/08		463,944
1,400	4.125%, 2/24/11		1,343,118
1,125	4.50%, 12/16/10		1,107,011
2,795	4.75%, 12/08/10		2,789,801
99	5.00%, 5/01/34		96,895
10,291	5.50%, 11/01/18 - 9/01/33		10,420,045
6,144	6.00%, 9/01/10 - 12/01/18		6,427,640
735	6.875%, 9/15/10		831,586
4,166 ²	7.00%, 3/15/10 - 9/01/31		4,711,787
Federal National Mortgage Assoc.,			
870	1.75%, 6/16/06		851,582
3,675	2.35%, 4/05/07		3,569,050
22,425 ²	3.125%, 5/04/07		22,329,806
2,600	4.50%, 5/01/19 - 6/01/19		2,560,653
1,280	4.75%, 2/21/13		1,245,850
1,531	5.00%, 1/01/34 - 2/01/34		1,496,056
15,000	5.00%, TBA		15,107,820
11,601	5.50%, 1/01/18 - 7/01/34		11,662,006
1,540	5.75%, 2/15/08		1,647,615
4,089	6.00%, 5/15/08 - 4/01/34		4,249,162
1,450	6.625%, 9/15/09		1,612,429
880	7.00%, 1/01/31 - 7/01/32		931,758
4,675 ²	7.125%, 6/15/10		5,340,112
553	Government National Mortgage Assoc., 5.50%, 5/15/33 - 9/15/33		557,423
2,510	Small Business Admin., Ser. P10B, Class 1, 5.136%, 8/10/13		2,527,929
Total Mortgage Pass-Throughs			105,732,641
Interest Only Asset-Backed Securities 1.0%			
44,658	Sterling Coofs Trust, 4/15/29		3,977,357
Interest Only Mortgage-Backed Securities 2.7%			
Federal Home Loan Mortgage Corp.,			

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4,370	Ser. 2579, Class HI, 8/15/17	513,028
9,313	Ser. 2611, Class QI, 9/15/32	1,889,209
Federal National Mortgage Assoc.,		
8,543	Ser. 16, Class IW, 11/25/12	654,769
14,009	Ser. 64, Class QI, 1/25/33	2,900,496
24,146	Ser. 92, Class IC, 4/25/13	2,752,911
20,122	Residential Accredited Loans, Inc., Ser. QS10, Class A16, 5/25/33	2,007,525
Total Interest Only Mortgage-Backed Securities		10,717,938
Commercial Mortgage-Backed Securities 2.9%		
AAA	1,677 Heller Financial Commercial Mortgage Asset Co., Ser. PH1, Class A2, 6.847%, 5/15/31	1,830,345
AAA	1,790 JP Morgan Commercial Mortgage Finance Corp., 7.371%, 8/15/32	2,009,848
AAA	1,470 Morgan Stanley Capital I, Inc., Ser. HF2, Class A2, 6.48%, 11/15/30	1,591,043
AAA	3,500 Salomon Brothers Mortgage Securities VII, Ser. C1, Class A2, 7.52%, 12/18/09	3,970,903
AAA	1,910 Wachovia Bank Commercial Mortgage Trust, 5.411%, 7/15/41	1,933,302
AAA	192 Washington Mutual Mortgage Securitization Corp., Ser. 12, Class A, 6.50%, 5/25/32	193,155
Total Commercial Mortgage-Backed Securities		11,528,596

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BlackRock Core Bond Trust (BHK) (continued)

Rating ¹	Principal Amount (000)	Description	Value
U.S. Government and Agency Securities 40.8%			
	\$ 1,670	Aid to Israel, 5.50%, 4/26/24 - 9/18/33	\$ 1,672,567
	1,050	Resolution Funding Corp., zero coupon, 7/15/18 - 10/15/18	487,961
U.S. Treasury Bonds,			
	25,215 ²	5.375%, 2/15/31	25,821,673
	1,630 ²	6.00%, 2/15/26	1,779,566
	1,810 ²	6.125%, 11/15/27	2,010,222
	8,960 ²	6.75%, 8/15/26	10,668,000
	1,075	8.00%, 11/15/21	1,425,425
	21,505 ²	8.125%, 8/15/19	28,489,093
	2,655 ²	10.375%, 11/15/12	3,238,582
U.S. Treasury Notes,			
	7,375	2.25%, 4/30/06	7,336,945
	36,255 ²	2.50%, 5/31/06	36,186,841
	16,345	2.75%, 6/30/06 - 7/31/06	16,366,840
	4,980	3.125%, 5/15/07	4,995,537
	445	3.625%, 7/15/09	443,678
	20,095	4.75%, 5/15/14	20,522,019

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Total U.S. Government and Agency Securities 161,444,949

Corporate Bonds 63.2%			
Aero & Defense 2.0%			
B-	3,000	BE Aerospace, Inc., Ser. B, 8.00%, 3/01/08	2,910,000
		Lockheed Martin Corp.,	
BBB	380	7.20%, 5/01/36	434,956
BBB	1,175	8.50%, 12/01/29	1,491,580
		Northrop Grumman Corp.,	
BBB	380	7.125%, 2/15/11	427,739
BBB	960	7.875%, 3/01/26	1,131,895
BBB-	800	Raytheon Co., 4.85%, 1/15/11	800,568
BB+	690	RC Trust I, 7.00%, 5/15/06	728,336
			7,925,074
Automotive 3.0%			
DaimlerChrysler NA Holding Corp.,			
A3	250	4.05%, 6/04/08	247,707
A3	940	4.75%, 1/15/08	955,482
A3	660	7.45%, 3/01/27	690,322
B3	1,500	Delco Remy Intl., Inc., 11.00%, 5/01/09	1,608,750
General Motors Acceptance Corp.,			
A3	1,160	zero coupon, 12/01/12	672,555
A3	4,510	5.625%, 5/15/09	4,519,832
A3	2,029	6.875%, 9/15/11	2,077,554
BB-	892	TRW Automotive, Inc., 9.375%, 2/15/13	1,016,880
			11,789,082
Basic Material 0.1%			
A-	400	Alcan Inc., 6.125%, 12/15/33 (Canada)	398,260
Building & Development 1.0%			
BB+	3,000	Hovnanian Enterprises, Inc., 10.50%, 10/01/07	3,465,000
BBB+	600	Pulte Homes Inc., 4.875%, 7/15/09	599,562
			4,064,562
Chemical 1.5%			
CCC	2,000	Avecia Group PLC, 11.00%, 7/01/09 (United Kingdom)	1,530,000
B+	4,000	Lyondell Chemical Co., Ser. B, 9.875%, 5/01/07	4,180,000
			5,710,000

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Rating ¹	Principal Amount (000)	Description	Value
Conglomerates 1.9%			
A	\$ 1,025	Avery Dennison Corp., 4.875%, 1/15/13	\$ 1,012,167
		General Electric Cap. Corp.,	
AAA	2,280	Ser. A, 5.875%, 2/15/12	2,414,337
AAA	1,170	Ser. A, 6.00%, 6/15/12	1,247,688
AAA	2,745	General Electric Co., 5.00%, 2/01/13	2,739,620
			<u>7,413,812</u>
Consumer Products 2.8%			
A	1,680	Diageo Capital PLC, 3.375%, 3/20/08 (United Kingdom)	1,651,440
BBB+	1,010	General Mills, Inc., 5.125%, 2/15/07	1,049,249
BBB+	990	Kellogg Co., Ser. B, 6.60%, 4/01/11	1,091,128
		Kraft Foods, Inc.,	
A3	400	5.25%, 6/01/07	416,396
A3	1,880	5.625%, 11/01/11	1,934,558
BBB	650	Kroger Co., 6.80%, 4/01/11	713,823
B-	1,000	Pantry Inc., The 7.75%, 2/15/14	992,500
B+	2,100	Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	2,157,750
B+	1,000	Stoneridge, Inc., 11.50%, 5/01/12	1,180,000
			<u>11,186,844</u>
Containers & Glass 0.7%			
B	1,000	Crown European Holdings SA, 10.875%, 3/01/13	1,155,000
BB-	1,500	Owens-Brockway Glass Container, 8.75%, 11/15/12	1,646,250
			<u>2,801,250</u>
Ecological Services & Equipment 1.0%			
B+	3,913	Allied Waste NA, Inc., Ser. B, 10.00%, 8/01/09	4,118,433
Electronics 0.1%			
CCC	500	Knowles Electronics Holdings, Inc., 13.125%, 10/15/09	522,500
Energy 8.6%			
BBB-	1,650	Amerada Hess Corp., 7.125%, 3/15/33	1,673,826
BBB+	1,815 ²	Anadarko Finance Co., Ser. B, 7.50%, 5/01/31 (Canada)	2,100,772
BBB+	765 ²	Anadarko Petroleum Corp., 5.375%, 3/01/07	800,274
B+	1,000	Calpine Canada Energy Finance ULC, 8.50%, 5/01/08 (Canada)	625,000
BB	1,250	Chesapeake Energy Corp., 9.00%, 8/15/12	1,428,125
BB	1,000	Compagnie Generale de Geophysique SA, 10.625%, 11/15/07 (France)	1,063,750
A-	1,800	Conoco Funding Co., 6.35%, 10/15/11	1,968,102
A-	350	ConocoPhillips Holding Co., 6.95%, 4/15/29	390,243
BBB	1,915	Devon Energy Corp., 7.95%, 4/15/32	2,245,261
BBB	230	Devon Financing Corp. ULC, 7.875%, 9/30/31	266,570

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Baa2	895	Dominion Resources Capital Trust III, 8.40%, 1/15/31	1,040,518
BBB+	150	Dominion Resources, Inc., 5.70%, 9/17/12	154,121
B	3,000	Dresser, Inc., 9.375%, 4/15/11	3,240,000
B	1,875 ³	Dynegy Holdings, Inc., 10.125%, 7/15/13	2,062,500
		El Paso Natural Gas Co.,	
B1	850	7.625%, 8/01/10	879,750
B1	265	8.625%, 1/15/22	265,662
B-	2,250	El Paso Production Holding Co., 7.75%, 6/01/13	2,148,750
		EnCana Corp. (Canada),	
A-	1,810	4.75%, 10/15/13	1,728,170
A-	350	6.50%, 8/15/34	351,725
A-	605	Encana Holdings Finance Corp., 5.80%, 5/01/14 (Canada)	624,094
BBB+	305	Exelon Corp., 6.75%, 5/01/11	333,765
BBB-	1,420	FirstEnergy Corp., Ser. C, 7.375%, 11/15/31	1,534,449
BBB+	360	Occidental Petroleum Corp., 7.20%, 4/01/28	405,782
AA	835	Ontario Electricity Financial Corp., 6.10%, 1/30/08	900,147
BBB+	790	Peco Energy Cap. Trust IV, 5.75%, 6/15/33	704,262
Baa1	1,650	Petroleos Mexicanos, 9.375%, 12/02/08 (Mexico)	1,897,500
Aa1	440 ³	SP PowerAssets Ltd., 5.00%, 10/22/13 (Singapore)	436,172
A-	445	Suncor Energy Inc., 5.95%, 12/01/34 (Canada)	436,686
AA	1,050	Texaco Capital Inc., 8.875%, 9/01/21	1,416,859
A3	725	Virginia Electric & Power Co., Ser. A, 5.75%, 3/31/06	756,160
			33,878,995

BlackRock Core Bond Trust (BHK) (continued)

Rating ¹	Principal Amount (000)	Description	Value
Finance & Banking 20.8%			
AA+	\$ 1,000 ^{2,3}	American General Institute Capital A, 7.57%, 12/01/45	\$ 1,159,840
AA+	455 ²	Associates Corporation of North America, 6.95%, 11/01/18	513,313
		Bank of America Corp.,	
Aa2	765	3.25%, 8/15/08	743,251
Aa2	1,640	3.375%, 2/17/09	1,588,521
Aa2	1,000	3.875%, 1/15/08	1,005,570
Aa2	105	4.375%, 12/01/10	103,931
Aa2	370	5.25%, 2/01/07	386,794
Aa2	880	5.375%, 6/15/14	884,365
Aa3	1,225	7.40%, 1/15/11	1,398,423
Aa2	325	Bank One NA, 3.70%, 1/15/08	325,718
Aa3	565 ³	Barclays Bank PLC, 8.55%, 9/29/49 (United Kingdom)	675,759
AAA	1,200 ³	Berkshire Hathaway Finance Corp., 3.40%, 7/02/07	1,195,848
		Citigroup, Inc.,	

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AA+	5,000	4.25%, 7/29/09	4,990,900
AA	1,505	6.00%, 10/31/33	1,453,303
AA+	185	6.875%, 6/01/25	202,798
AA	1,445	7.25%, 10/01/10	1,635,928
BB	1,000	Crum & Forster Holdings Corp., 10.375%, 6/15/13	1,085,000
		Household Finance Corp.,	
A+	1,760	6.375%, 8/01/10 - 11/27/12	1,892,312
A+	2,325	6.75%, 5/15/11	2,555,129
Aa3	280	HSBC Bank USA Inc., 4.625%, 4/01/14	264,949
		JP Morgan Chase & Co.,	
Aa3	540	3.625%, 5/01/08	534,654
Aa3	1,600	5.25%, 5/30/07	1,672,512
Aa3	600	5.35%, 3/01/07	627,600
A1	325	6.625%, 3/15/12	354,458
A1	1,155	6.75%, 2/01/11	1,268,652
AA	1,415 ³	MetLife Global Funding I, 4.25%, 7/30/09	1,406,142
AA+	450 ³	Monumental Global Funding II, 4.375%, 7/30/09	450,072
		Morgan Stanley,	
AA-	595	5.30%, 3/01/13	592,197
AA-	160	6.75%, 4/15/11	175,482
A3	20,300 ³	Morgan Stanley Tracers, 5.838%, 3/01/07	21,280,896
Aa3	2,125 ³	Nationwide Building Society, 3.50%, 7/31/07 (United Kingdom)	2,118,412
AA	1,500	Protective Life Secured Trust, 3.70%, 11/24/08	1,482,248
A+	1,000 ³	Prudential Funding LLC, 6.60%, 5/15/08	1,086,620
AA	400 ³	Rabobank Capital Fund II, zero coupon, 12/31/49	392,348
		SLM Corp.,	
A	4,220	3.625%, 3/17/08	4,177,378
A	1,350	5.00%, 10/01/13	1,320,003
A	450	5.375%, 1/15/13	453,825
A	90	5.625%, 4/10/07	94,862
AAA	3,885	Structured Asset Receivable Trust, 2.13%, 1/21/10	3,871,560
AAA	1,265	SunTrust Bank, 4.415%, 6/15/09	1,272,843
Aa3	375	U.S. Bancorp, Ser. N, 3.95%, 8/23/07	379,230
		US Bank National Assoc.,	
Aa2	2,025	2.87%, 2/01/07	2,001,186
Aa3	2,790	6.50%, 2/01/08	3,047,684
		Wachovia Corp.,	
Aa3	4,200	3.50%, 8/15/08	4,120,830
Aa3	975	3.625%, 2/17/09	950,440
		Wells Fargo & Co.,	
Aa1	1,031	3.12%, 8/15/08	1,008,761
Aa1	1,975	4.00%, 8/15/08	1,969,687
Aa1	200	7.80%, 12/15/03	208,744
AA	85 ³	Western & Southern Financial Group Inc., 5.75%, 7/15/33	79,272
			82,460,250

BlackRock Core Bond Trust (BHK) (continued)

Rating ¹	Principal Amount (000)	Description	Value
Forest Products 0.9%			
B	\$ 3,425	Caraustar Industries, Inc., 9.875%, 4/01/11	\$ 3,562,000
Health Care 2.4%			
A+	2,295	Bristol Myers Squibb Co., 5.75%, 10/01/11	2,403,163
B-	235 ³	Curative Health Services, Inc., 10.75%, 5/01/11	212,675
AA	835	GlaxoSmithKline Cap. Inc., 4.375%, 4/15/14	790,996
	2,000	HealthSouth Corp., 7.625%, 6/01/12	1,875,000
		Tenet Healthcare Corp.,	
B-	380	6.375%, 12/01/11	341,050
B-	5	6.50%, 6/01/12	4,450
B-	525 ³	9.875%, 7/01/14	543,375
B	2,000	United Surgical Partners Int l, Inc., 10.00%, 12/15/11	