

BLACKROCK INCOME TRUST INC  
Form N-CSR  
January 07, 2005

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: 811-05542

BlackRock Income Trust, Inc.  
(Exact name of registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE

19809

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(Address of principal executive offices)

(Zip code)

Robert S. Kapito, President

#### **BlackRock Income Trust, Inc.**

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: October 31, 2004

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#### **Item 1. Reports to Shareholders.**

The Registrant's annual report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

FIXED INCOME

LIQUIDITY

EQUITIES

ALTERNATIVES

BLACKROCK SOLUTIONS

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## BlackRock Closed-End Funds Annual Report

OCTOBER 31, 2004

BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)

BlackRock Core Bond Trust (BHK)

BlackRock High Yield Trust (BHY)

BlackRock Income Opportunity Trust (BNA)

BlackRock Income Trust Inc. (BKT)

BlackRock Limited Duration Income Trust (BLW)

BlackRock Strategic Bond Trust (BHD)

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NOT FDIC INSURED  
MAY LOSE VALUE  
NO BANK GUARANTEE

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### **Privacy Principles of the Trusts**

The Trusts are committed to maintaining the privacy of shareholders and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information the Trusts collect, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, the Trusts do not receive any non-public personal information relating to their shareholders, although certain non-public personal information of shareholders may become available to the Trusts. The Trusts do not disclose any non-public personal information about their shareholders or former shareholders to anyone, except as permitted by law or as is necessary in order to service shareholder accounts (for example, to a transfer agent or third party administrator).

The Trusts restrict access to non-public personal information about their shareholders to BlackRock employees with a legitimate business need for the information. The Trusts maintain physical, electronic and procedural safeguards designed to protect the non-public personal information of their shareholders.

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## **LETTER TO SHAREHOLDERS**

October 31, 2004

Dear Shareholder:

We are pleased to report that during the annual period, the Trusts provided the opportunity to invest in various portfolios of fixed income securities. This report contains the Trusts' audited financial statements and a listing of the portfolios' holdings.

The portfolio management team continuously monitors the fixed income markets and adjusts the portfolios in order to gain exposure to various issuers and security types. This strategy enables the Trusts to move among

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different sectors, credits and coupons to capitalize on changing market conditions.

The following table shows the Trusts' yields, closing market prices per share and net asset values (NAV) per share as of October 31, 2004.

Trust	Yield <sup>1</sup>	Market Price	NAV
BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)	5.70%	\$15.80	\$15.98
BlackRock Core Bond Trust (BHK)	7.49	14.02	15.22
BlackRock High Yield Trust (BHY)	8.82	9.30	7.95
BlackRock Income Opportunity Trust (BNA)	7.38	11.38	12.38
BlackRock Income Trust Inc. (BKT)	8.17	7.50	6.95
BlackRock Limited Duration Income Trust (BLW)	7.52	19.95	20.13
BlackRock Strategic Bond Trust (BHD)	9.34	16.70	15.10

<sup>1</sup>Yield is based on market price.

BlackRock, Inc. (BlackRock), a world leader in asset management, has a proven commitment to managing fixed income securities. As of September 30, 2004, BlackRock managed \$233 billion in bonds, including 20 open-end and 48 closed-end bond funds. BlackRock is recognized for its emphasis on risk management and proprietary analytics and for its reputation managing money for the world's largest institutional investors. BlackRock Advisors, Inc., and its affiliate, BlackRock Financial Management, Inc., are wholly owned subsidiaries of BlackRock, Inc.

On behalf of BlackRock, we thank you for your continued confidence and assure you that we remain committed to excellence in managing your assets.

Sincerely,

Laurence D. Fink  
Chief Executive Officer  
BlackRock Advisors, Inc.

Ralph L. Schlosstein  
President  
BlackRock Advisors, Inc.

**BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)****Trust Information**

Symbol on American Stock Exchange:	BCT
Initial Offering Date:	June 17, 1993
Closing Market Price as of 10/31/04:	\$15.80
Net Asset Value as of 10/31/04:	\$15.98
Yield on Closing Market Price as of 10/31/04 (\$15.80): <sup>1</sup>	5.70%
Current Monthly Distribution per Share: <sup>2</sup>	\$0.075
Current Annualized Distribution per Share: <sup>2</sup>	\$0.900

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

<sup>2</sup> The distribution is not constant and is subject to change.

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

	<b>10/31/04</b>	<b>10/31/03</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$15.80	\$15.85	(0.32)%	\$16.52	\$15.20
NAV	\$15.98	\$16.02	(0.25)%	\$16.58	\$15.38

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

**Portfolio Composition**

<b>Composition</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
U.S. Government and Agency Securities	63%	56%
Agency Multiple Class Mortgage Pass-Throughs	13	8
Interest Only Mortgage-Backed Securities	7	12
Corporate Bonds	6	8

Taxable Municipal Bonds	5	5
Inverse Floating Rate Mortgages	4	8
Commercial Mortgage-Backed Securities	1	1
Mortgage Pass-Throughs	1	1
Other	□	1

### Corporate Credit Breakdown<sup>3</sup>

Credit Rating	October 31, 2004	October 31, 2003
AA/Aa	42%	35%
A	43	43
BBB/Baa	13	21
CCC/Caa	2	1

<sup>3</sup> Using the higher of Standard & Poor's (S&P), Moody's Investors Service (Moody's) or Fitch Ratings (Fitch) rating. Corporate bonds represented approximately 8.7% and 11.0% of net assets on October 31, 2004, and October 31, 2003, respectively.

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## TRUST SUMMARIES

### OCTOBER 31, 2004

#### BlackRock Core Bond Trust (BHK)

#### Trust Information

Symbol on New York Stock Exchange:	BHK
Initial Offering Date:	November 27, 2001
Closing Market Price as of 10/31/04:	\$14.02
Net Asset Value as of 10/31/04:	\$15.22
Yield on Closing Market Price as of 10/31/04 (\$14.02): <sup>1</sup>	7.49%

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Current Monthly Distribution per Share:<sup>2</sup> \$0.0875

Current Annualized Distribution per Share:<sup>2</sup> \$1.0500

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

<sup>2</sup> The distribution is not constant and is subject to change.

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

	<b>10/31/04</b>	<b>10/31/03</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$14.02	\$13.57	3.32%	\$14.50	\$12.55
NAV	\$15.22	\$14.75	3.19%	\$15.45	\$14.08

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

**Portfolio Composition**

<b>Composition</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
Corporate Bonds	45%	46%
U.S. Government and Agency Securities	27	16
Mortgage Pass-Throughs	15	26
Foreign Government Bonds	7	7
Interest Only Mortgage-Backed Securities	2	1
Commercial Mortgage-Backed Securities	2	2
Asset-Backed Securities	1	□
Collateralized Mortgage Obligations	1	□
Taxable Municipal Bonds	□	2

**Corporate Credit Breakdown<sup>3</sup>**

<b>Credit Rating</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
AAA/Aaa	4%	3%
AA/Aa	21	11
A	26	25
BBB/Baa	19	21
BB/Ba	7	12
B	18	23
CCC/Caa	2	5
Not Rated	3	□

3 Using the higher of S&P's, Moody's or Fitch's rating. Corporate bonds represented approximately 61.3% and 61.6% of net assets on October 31, 2004, and October 31, 2003, respectively.

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## **TRUST SUMMARIES**

### **OCTOBER 31, 2004**

#### **BlackRock High Yield Trust (BHY)**

#### **Trust Information**

Symbol on New York Stock Exchange:	BHY
Initial Offering Date:	December 23, 1998
Closing Market Price as of 10/31/04:	\$9.30
Net Asset Value as of 10/31/04:	\$7.95
Yield on Closing Market Price as of 10/31/04 (\$9.30): <sup>1</sup>	8.82%
Current Monthly Distribution per Share: <sup>2</sup>	\$0.068333
Current Annualized Distribution per Share: <sup>2</sup>	\$0.819996

<sup>1</sup> Yield on closing market price is calculated by dividing the annualized distribution per share by the closing market price.



<sup>2</sup> The distribution is not constant and is subject to change.

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

	<b>10/31/04</b>	<b>10/31/03</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$9.30	\$10.25	(9.27)%	\$11.75	\$9.05
NAV	\$7.95	\$6.96	14.22%	\$7.96	\$6.80

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

### Corporate Portfolio Composition

<b>Composition</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
Energy	19%	7%
Financial Institutions	15	12
Basic Materials	14	7
Telecommunications	11	4
Media	9	11
Consumer Products	5	16
Industrials	4	5
Health Care	4	2
Transportation	4	7
Entertainment & Leisure	3	□
Building & Development	2	6
Technology	2	7
Aero & Defense	2	2
Containers & Glass	2	4
Automotive	2	3

Ecological Services & Equipment	1	2
Real Estate	1	□
Conglomerates	□	2
Other	□	3

### Corporate Credit Breakdown<sup>3</sup>

Credit Rating	October 31, 2004	October 31, 2003
BBB/Baa	2%	3%
BB/Ba	31	12
B	54	52
CCC/Caa	11	25
CC/Ca	1	5
Not Rated	1	3

<sup>3</sup> Using the higher of S&P's, Moody's or Fitch's rating. Corporate bonds represented approximately 133.8% and 135.4% of net assets on October 31, 2004, and October 31, 2003, respectively.

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## TRUST SUMMARIES

### OCTOBER 31, 2004

#### BlackRock Income Opportunity Trust (BNA)

#### Trust Information

Symbol on New York Stock Exchange:	BNA
Initial Offering Date:	December 20, 1991
Closing Market Price as of 10/31/04:	\$11.38
Net Asset Value as of 10/31/04:	\$12.38

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Yield on Closing Market Price as of 10/31/04 (\$11.38): <sup>1</sup>	7.38%
Current Monthly Distribution per Share: <sup>2</sup>	\$0.07
Current Annualized Distribution per Share: <sup>2</sup>	\$0.84

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

<sup>2</sup> The distribution is not constant and is subject to change.

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

	10/31/04	10/31/03	Change	High	Low
Market Price	\$11.38	\$10.95	3.93%	\$11.63	\$10.02
NAV	\$12.38	\$11.93	3.77%	\$12.40	\$16.55

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

**Portfolio Breakdown**

Composition	October 31, 2004	October 31, 2003
Corporate Bonds	46%	59%
U.S. Government and Agency Securities	33	7
Mortgage Pass-Through Securities	14	29
Non-Agency Multiple Class Mortgage Pass-Through Securities	2	□
Interest Only Mortgage-Backed Securities	2	2
Interest Only Asset-Backed Securities	1	□
Agency Multiple Class Mortgage Pass-Through Securities	1	□
Federal Housing Administration	1	2
Inverse Floating Rate Mortgage Securities	□	1

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**Corporate Credit Breakdown<sup>3</sup>**

<b>Credit Rating</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
AAA/Aaa	6%	6%
AA/Aa	18	12
A	21	22
BBB/Baa	27	19
BB/Ba	9	17
B	15	22
CCC/Caa	2	2
Not Rated	2	□

<sup>3</sup> Using the higher of S&P's, Moody's or Fitch's rating. Corporate bonds represented approximately 59.6% and 71.2% of net assets on October 31, 2004 and 2003, respectively.

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**TRUST SUMMARIES**  
**OCTOBER 31, 2004**
**BlackRock Income Trust Inc. (BKT)**
**Trust Information**

Symbol on New York Stock Exchange:	BKT
Initial Offering Date:	July 22, 1988
Closing Market Price as of 10/31/04:	\$7.50
Net Asset Value as of 10/31/04:	\$6.95
Yield on Closing Market Price as of 10/31/04 (\$7.50): <sup>1</sup>	8.17%
Current Monthly Distribution per Share: <sup>2</sup>	\$0.051042
Current Annualized Distribution per Share: <sup>2</sup>	\$0.612504

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

<sup>2</sup> The distribution is not constant and is subject to change.

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

	<b>10/31/04</b>	<b>10/31/03</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$7.50	\$7.71	(2.72)%	\$7.96	\$6.40
NAV	\$6.95	\$7.21	(3.61)%	\$7.25	\$ 6.88

The following chart shows the portfolio composition of the Trust's long-term investments:

#### **Portfolio Composition**

<b>Composition</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
U.S. Government and Agency Securities	32%	30%
Mortgage Pass-Through Securities	23	32
Agency Multiple Class Mortgage Pass-Through Securities	12	3
Interest Only Mortgage-Backed Securities	10	15
Collateralized Mortgage Obligations	10	□
Principal Only Mortgage-Backed Securities	6	11
Inverse Floating Rate Mortgage Securities	2	4
Commercial Mortgage-Backed Securities	2	2
Federal Housing Administration	2	3
Interest Only Asset-Backed Securities	1	□

**TRUST SUMMARIES**  
**OCTOBER 31, 2004**
**BlackRock Limited Duration Income Trust (BLW)**
**Trust Information**

Symbol on New York Stock Exchange:	BLW
Initial Offering Date:	July 30, 2003
Closing Market Price as of 10/31/04:	\$19.95
Net Asset Value as of 10/31/04:	\$20.13
Yield on Closing Market Price as of 10/31/04 (\$19.95): <sup>1</sup>	7.52%
Current Monthly Distribution per Share: <sup>2</sup>	\$0.125
Current Annualized Distribution per Share: <sup>2</sup>	\$1.500

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

<sup>2</sup> The distribution is not constant and is subject to change.

The table below summarizes the Trust's market price and NAV:

	<b>10/31/04</b>	<b>10/31/03</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$19.95	\$18.80	6.12%	\$20.45	\$17.95
NAV	\$20.13	\$19.74	1.98%	\$20.32	\$19.24

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

**Portfolio Composition**

<b>Composition</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
Corporate Bonds	43%	47%
Bank Loans	31	20

Mortgage Pass-Throughs	16	24
U.S. Government and Agency Securities	4	8
Foreign Government Bonds	2	1
Collateralized Mortgage Obligations	2	□
Asset-Backed Securities	1	□
Interest Only Asset-Backed Securities	1	□

### Corporate Credit Breakdown<sup>3</sup>

Credit Rating	October 31, 2004	October 31, 2003
A	5%	6%
BBB/Baa	12	8
BB/Ba	28	26
B	50	60
CCC/Caa	2	□
Not Rated	3	□

<sup>3</sup> Using the higher of S&P's, Moody's or Fitch's rating. Corporate bonds represented approximately 58.2% and 64.6% of net assets on October 31, 2004 and October 31, 2003, respectively.

## TRUST SUMMARIES

### OCTOBER 31, 2004

#### BlackRock Strategic Bond Trust (BHD)

#### Trust Information

Symbol on New York Stock Exchange:	BHD
Initial Offering Date:	February 26, 2002
Closing Market Price as of 10/31/04:	\$16.70

Net Asset Value as of 10/31/04:	\$15.10
Yield on Closing Market Price as of 10/31/04 (\$16.70): <sup>1</sup>	9.34%
Current Monthly Distribution per Share: <sup>2</sup>	\$0.13
Current Annualized Distribution per Share: <sup>2</sup>	\$1.56

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

<sup>2</sup> The distribution is not constant and is subject to change.

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

	10/31/04	10/31/03	Change	High	Low
Market Price	\$16.70	\$15.27	9.36%	\$16.70	\$13.68
NAV	\$15.10	\$15.07	0.20%	\$15.60	\$14.61

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

#### Corporate Portfolio Composition

Composition	October 31, 2004	October 31, 2003
Financial Institutions	17%	12%
Energy	13	16
Media	13	10
Automotive	10	11
Health Care	7	5
Telecommunications	7	7
Basic Materials	6	8
Consumer Products	5	3



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Aero & Defense	4	3
Building & Development	3	4
Technology	3	2
Entertainment and Leisure	3	2
Ecological Services & Equipment	3	3
Real Estate	2	2
Conglomerates	2	4
Container & Glass	1	2
Transportation	1	2
Industrials	□	3
Other	□	1

**Corporate Credit Breakdown<sup>3</sup>**

<b>Credit Rating</b>	<b>October 31, 2004</b>	<b>October 31, 2003</b>
AAA/Aaa	4%	1%
AA/Aa	10	5
A	10	9
BBB/Baa	17	10
BB/Ba	11	23
B	40	47
CCC/Caa	5	4
Not Rated	3	1

<sup>3</sup> Using the higher of S&P's, Moody's or Fitch's rating. Corporate bonds represented approximately 106.5% and 134.4% of net assets of

**CONSOLIDATED PORTFOLIO OF INVESTMENTS  
OCTOBER 31, 2004**
**BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT)**

Rating <sup>1</sup> (unaudited)	Principal Amount (000)	Description	Value
<b>LONG-TERM INVESTMENTS</b> 134.1%			
<b>Mortgage Pass-Through Securities</b> 1.3%			
		Federal National Mortgage Assoc.,	
	\$ 591	5.50%, 1/01/17 - 2/01/17	\$ 613,312
	19	6.50%, 7/01/29	20,451
Total Mortgage Pass-Through Securities			633,763
<b>Agency Multiple Class Mortgage Pass-Through Securities</b> 17.3%			
		Federal Home Loan Mortgage Corp.,	
	2,168	Ser. 1510, Class G, 7.05%, 5/15/13	2,361,148
	78	Ser. 1512, Class H, 6.50%, 2/15/08	79,199
	400	Ser. 1534, Class IG, 5.00%, 2/15/10	404,667
	2,000	Ser. 1598, Class J, 6.50%, 10/15/08	2,137,160
	713	Ser. 2534, Class NG, 4.50%, 3/15/22	714,579
	206	Ser. 2822, Class WZ, 5.00%, 7/15/19	205,793
	162	Ser. 2822, Class ZU, 5.00%, 11/15/32	160,369
		Federal National Mortgage Assoc.,	
	108	Ser. 13, Class SJ, 8.75%, 2/25/09	111,036
	100	Ser. 22, Class GN, 6.50%, 8/25/31	105,021
	66	Ser. 43, Class E, 7.50%, 4/25/22	68,936
	1,000	Ser. 49, Class H, 7.00%, 4/25/13	1,100,510
	350	Ser. 214, Class SK, 10.00%, 12/25/08	375,118
	351	Government National Mortgage Assoc., Remic Trust 2000, Class 16, 2.539% 12/16/27	352,043
Total Agency Multiple Class Mortgage Pass-Through Securities			8,175,579
<b>Inverse Floating Rate Mortgages</b> 5.1%			
AAA	302	Citicorp Mortgage Securities, Inc., Ser. 14, Class A-4, 20.554%, 11/25/23	315,495
		Federal Home Loan Mortgage Corp.,	
	336	Ser. 1425, Class SB, 19.894%, 12/15/07	391,390
	76	Ser. 1506, Class S, 16.73%, 5/15/08	86,149
	106	Ser. 1515, Class S, 17.141%, 5/15/08	124,619
	70	Ser. 1618, Class SA, 8.25%, 11/15/08	71,215
	59	Ser. 1621, Class SH, 10.942%, 11/15/22	60,351
	85	Ser. 1661, Class SB, 16.981%, 1/15/09	94,862
	280	Ser. 1688, Class S, 10.303%, 12/15/13	296,840
		Federal National Mortgage Assoc.,	
	284	Ser. 187, Class SB, 19.968%, 10/25/07	328,529
	144	Ser. 190, Class S, 19.894%, 11/25/07	166,006

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187	Ser. 191, Class SD, 13.37%, 10/25/08	200,853
252	Ser. 214, Class SH, 13.569%, 12/25/08	265,147

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Total Inverse Floating Rate Mortgages	2,401,456
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**Interest Only Mortgage-Backed Securities** 8.9%

Federal Home Loan Mortgage Corp.,

162	Ser. 65, Class I, 8/15/20	2,077
54	Ser. 141, Class H, 5/15/21	759
118	Ser. 1114, Class J, 7/15/06	2,069
61	Ser. 1285, Class M, 5/15/07	1,060
706	Ser. 1645, Class IB, 9/15/08	43,904
1,970	Ser. 2523, Class EH, 4/15/20	265,983
1,888	Ser. 2543, Class IJ, 10/15/12	108,035
1,897	Ser. 2543, Class IM, 9/15/12	87,157
5,419	Ser. 2572, Class IT, 5/15/19	183,093
3,578	Ser. 2633, Class PI, 3/15/12	188,298
4,254	Ser. 2672, Class TP, 9/15/16	194,449
5,605	Ser. 2739, Class PI, 3/15/22	726,770
2,550	Ser. 2775 Class UB, 12/15/17	221,876

See Notes to Financial Statements.

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**BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT) (continued)**

Rating <sup>1</sup> (unaudited)	Principal Amount (000)	Description	Value
<b>Interest Only Mortgage-Backed Securities</b> (cont'd)			
Federal National Mortgage Assoc.,			
	\$ 343	Ser. 8, Class HA, 1/25/08	\$ 47,188
	3,000	Ser. 13, Class IG, 10/25/22	282,540
	341	Ser. 20, Class SL, 9/25/08	59,968
	31	Ser. 39, Class PE, 1/25/23	502
	905	Ser. 49, Class L, 4/25/13	57,514
	781	Ser. 51, Class K, 4/25/07	78,506
	12,992	Ser. 70, Class ID, 4/25/22	1,489,793
	78	Ser. 72, Class H, 7/25/06	6,917
	1,635	Ser. 82, Class IR, 9/25/12	80,208
	179	Ser. 194, Class PV, 6/25/08	5,298
	173	Ser. 223, Class PT, 10/25/23	16,598
	5	Ser. G-21, Class L, 7/25/21	8,083
	18	PNC Mortgage Securities Corp., Ser. 8, Class 4-X, 10/25/28	773
	23,305	Vendee Mortgage Trust, Ser. 1, Class IO, 10/15/31	28,666
Total Interest Only Mortgage-Backed Securities			4,188,084

		<b>Collateralized Mortgage Obligation Residuals</b>	<b>0.0%</b>
	6	Ser. 174, Class S, 9/25/22	17,194
	562	Ser. 208, Class S, 2/25/23	19,172
			<hr/>
		Total Collateralized Mortgage Obligation Residuals	36.366
			<hr/>
		<b>Principal Only Mortgage-Backed Securities</b>	<b>0.1%</b>
Aaa	40	Salomon Brothers Mortgage Securities, Inc. VI, Ser. 3, Class A, 10/23/17	37,267
			<hr/>
		<b>Commercial Mortgage-Backed Securities</b>	<b>1.7%</b>
AAA	7502	New York City Mortgage Loan Trust, Multi-Family, Class A2, 6.75%, 6/25/11	805,090
			<hr/>
		<b>Asset-Backed Securities</b>	<b>0.0%</b>
NR	238 2,3,4	Global Rated Eligible Asset Trust, Ser. A, Class 1, 7.33%, 9/15/07	4,757
		Structured Mortgage Asset Residential Trust,	
NR	5753,4	Ser. 2, 8.24%, 3/15/06	5,749
NR	6373,4	Ser. 3, 8.724%, 4/15/06	6,373
			<hr/>
		Total Asset-Backed Securities	16,879
			<hr/>
		<b>Corporate Bonds</b>	<b>8.7%</b>
		<b>Basic Materials</b>	<b>2.6%</b>
A+	1,000	Dow Capital BV, 9.20%, 6/01/10 (Netherlands)	1,225,040
			<hr/>
		<b>Energy</b>	<b>1.1%</b>
BBB+	5002	Israel Electric Corp., Ltd., 7.25%, 12/15/06 (Israel)	538,225
			<hr/>
		<b>Financial Institutions</b>	<b>3.7%</b>
AA-	1,0005	Morgan Stanley Group, Inc., 10.00%, 6/15/08	1,209,040
AA+	500	UBS PaineWebber Group, Inc., 8.875%, 3/15/05	510,645
			<hr/>
			1,719,685
			<hr/>
		<b>Telecommunications</b>	<b>1.1%</b>
A	500	ALLTEL Corp., 7.50%, 3/01/06	529,585
			<hr/>
		<b>Transportation</b>	<b>0.2%</b>
Caa2	100	American Airlines, Inc., 10.44%, 3/04/07	79,250
			<hr/>
		Total Corporate Bonds	4,091,785
			<hr/>
		<b>U.S. Government and Agency Securities</b>	<b>83.8%</b>
	206	Small Business Investment Companies, Ser. P10A, Class 1, 6.12%, 2/01/08	218,386
	27,0005	U.S. Treasury Bond, zero coupon, 11/15/09	22,697,145
		U.S. Treasury Notes,	
	3,200	3.50%, 11/15/06	3,258,874
	7,000	4.375%, 8/15/12	7,264,669
	1,700	5.75%, 11/15/05	1,760,761
	3,550	6.00%, 8/15/09	3,978,357

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385	6.625%, 5/15/07	421,846
Total U.S. Government and Agency Securities		39,600,038

See Notes to Financial Statements.

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**BlackRock Broad Investment Grade 2009 Term Trust Inc. (BCT) (continued)**

Rating <sup>1</sup> (unaudited)	Principal Amount (000)	Description	Value
<b>Taxable Municipal Bonds</b> 7.2%			
AAA	\$ 500	Fresno California Pension Oblig., 7.80%, 6/01/14	\$ 621,915
AAA	500	Kern County California Pension Oblig., 6.98%, 8/15/09	565,870
AAA	1,000	Los Angeles County California Pension Oblig., Ser. A, 8.62%, 6/30/06	1,095,830
AAA	500	Ser. D, 6.97%, 6/30/08	556,515
AAA	500	Orleans Parish Louisiana School Board, Ser. A, 6.60%, 2/01/08	544,870
Total Taxable Municipal Bonds			3,385,000
<b>Total Long-Term Investments</b> (cost \$60,802,403)			63,371,306
<b>SHORT-TERM INVESTMENT</b> 5.9%			
<b>U.S. Government and Agency Security</b> 5.9%			
	2,800	Federal Home Loan Bank, 1.69%, 11/01/04 (cost \$2,800,000)	2,800,000
<b>Total Investments</b> 140.0% (cost \$63,602,403)			\$ 66,171,306
Liabilities in excess of other assets (40.0)%			(18,915,873)
<b>Net Assets</b> 100%			\$ 47,255,433

- 1 Using the higher of S&P's, Moody's or Fitch's rating.
- 2 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of October 31, 2004, the Trust held 2.9% of its net assets, with a current market value of \$1,348,072, in securities restricted as to resale.
- 3 Security is fair valued.
- 4 Illiquid securities representing 0.04% of net assets.
- 5 Entire or partial principal amount pledged as collateral for reverse repurchase agreements or financial futures contracts.

Details of open reverse repurchase agreements are disclosed in Note 4 in the Notes to Financial Statements.

A category in the Corporate Bonds section may contain multiple industries as defined by the SEC's Standard Industry Codes.

See Notes to Financial Statements.

**PORTFOLIO OF INVESTMENTS  
OCTOBER 31, 2004**
**BlackRock Core Bond Trust (BHK)**

Rating <sup>1</sup> (unaudited)	Principal Amount (000)	Description	Value
<b>LONG-TERM INVESTMENTS □ 136.2%</b>			
<b>Mortgage Pass-Through Securities □ 20.1%</b>			
Federal Home Loan Mortgage Corp.,			
\$ 1,875	3.50%, 4/01/08		\$ 1,868,794
465	3.875%, 11/10/08		468,582
1,400	4.125%, 2/24/11		1,378,636
1,125	4.50%, 12/16/10		1,130,546
2,795 2	4.75%, 12/08/10		2,835,863
98	5.00%, 5/01/34		98,036
9,894	5.50%, 11/01/18 - 9/01/33		10,143,867
5,558	6.00%, 9/01/10 - 12/01/18		5,838,547
735 2	6.875%, 9/15/10		850,454
4,156 2	7.00%, 3/15/10 - 9/01/31		4,789,546
Federal National Mortgage Assoc.,			
870	1.75%, 6/16/06		856,045
3,6752	2.35%, 4/05/07		3,599,185
2,570	4.50%, 5/01/19 - 8/01/19		2,579,540
1,2802	4.75%, 2/21/13		1,275,635
16,350	5.00%, 11/01/17 - 2/01/34		16,673,116
9,066	5.50%, 1/01/18 - 7/01/34		9,255,954
1,540	5.75%, 2/15/08		1,662,461
3,102	6.00%, 3/01/17 - 10/01/34		3,227,776
1,450	6.625%, 9/15/09		1,641,661
770	7.00%, 1/01/31 - 7/01/32		817,731
6,425 2	7.125%, 6/15/10		7,493,863
511	Government National Mortgage Assoc., 5.50%, 5/15/33 - 9/15/33		523,426
Small Business Administration,			
1,000	Ser. P10B, Class 1, 4.754%, 8/10/14		1,001,875
2,475	Ser. P10B, Class 1, 5.136%, 8/10/13		2,546,837
Total Mortgage Pass-Through Securities			82,557,976
<b>Agency Multiple Class Mortgage Pass-Through Securities □ 1.0%</b>			
Federal Home Loan Mortgage Corp.,			
2,000	Ser. 82, Class HJ, 9/25/32		2,079,375
1,686	Ser. 2825, Class VP, 6/15/15		1,754,097
Total Agency Multiple Class Mortgage Pass-Through Securities			3,833,472
<b>Interest Only Asset-Backed Securities □ 1.5%</b>			

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		Sterling Coofs Trust,	
42,564		Ser. 1, 4/15/29	3,780,244
30,350		Ser. 2, 3/30/30	2,418,516
			<hr/>
		Total Interest Only Asset-Backed Securities	6,198,760
			<hr/>
		<b>Interest Only Mortgage-Backed Securities</b> <b>2.1%</b>	
		Federal Home Loan Mortgage Corp.,	
4,150		Ser. 2579, Class HI, 8/15/17	462,600
9,079		Ser. 2611, Class QI, 9/15/32	1,717,898
		Federal National Mortgage Assoc.,	
13,659		Ser. 64, Class QI, 1/25/33	2,638,838
37,000		Ser. 90, Class JH, 12/31/49	3,948,594
			<hr/>
		Total Interest Only Mortgage-Backed Securities	8,767,930
			<hr/>
		<b>Commercial Mortgage-Backed Securities</b> <b>3.3%</b>	
		GMAC Commercial Mortgage Securities, Inc., Ser. C3, Class A2, 7.179%,	
AAA	1,993	8/15/36	2,244,734
		Heller Financial Commercial Mortgage Asset Co., Ser. PH1, Class A2, 6.847%,	
AAA	1,677	5/15/31	1,852,196
AAA	1,790	JP Morgan Commercial Mortgage Finance Corp., 7.371%, 8/15/32	2,044,413
AAA	3,070	Morgan Stanley Cap. Trust I, Ser. HF2, Class A2, 6.48%, 11/15/30	3,346,123
AAA	3,500	Salomon Brothers Mortgage Securities VII, Ser. C1, Class A2, 7.52%, 12/18/09	4,032,959
			<hr/>
		Total Commercial Mortgage-Backed Securities	13,520,425
			<hr/>
		<b>Collateralized Mortgage Obligation</b> <b>0.8%</b>	
AAA	3,453	Structured Asset Securities Corp., Class A2, 3.45%, 2/25/32	3,255,612
			<hr/>

See Notes to Financial Statements.

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**BlackRock Core Bond Trust (BHK) (continued)**

Rating <sup>1</sup> (unaudited)	Principal Amount (000)	Description	Value
		<b>U.S. Government and Agency Securities</b> <b>36.2%</b>	
	\$ 1,670	Aid to Israel, 5.50%, 4/26/24 - 9/18/33	\$ 1,769,898
	1,050	Resolution Funding Corp., zero coupon, 7/15/18 - 10/15/18	529,625
		U.S. Treasury Bonds,	
	63,900	5.50%, 8/15/28	69,640,776
	3,8602	6.00%, 2/15/26	4,455,135
	3,245 2	6.125%, 11/15/27	3,813,881
	8,9602	6.75%, 8/15/26	11,260,901
	3,170 2	12.00%, 8/15/13	4,178,440
		U.S. Treasury Notes,	

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4,3232	2.00%, 7/15/14	4,472,792
22,550 2	2.375%, 8/31/06	22,493,625
18,800 2	2.50%, 5/31/06 - 9/30/06	18,805,611
5,140 2	2.75%, 6/30/06 - 8/15/07	5,161,672
255	3.125%, 5/15/07	257,629
1,900	4.25%, 8/15/14	1,932,946

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Total U.S. Government and Agency Securities 148,772,931

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**Corporate Bonds** 61.3%

**Aero & Defense** 2.0%

B-	3,000	BE Aerospace, Inc., Ser. B, 8.00%, 3/01/08 Lockheed Martin Corp.,	3,030,000
BBB+	380	7.20%, 5/01/36	464,790
BBB+	1,175	8.50%, 12/01/29 Northrop Grumman Corp.,	1,571,868
BBB	615	4.079%, 11/16/06	624,231
BBB	380	7.125%, 2/15/11	438,174
BBB	960	7.875%, 3/01/26	1,185,552
NR	690	Raytheon Co., 7.00%, 5/15/06	728,615

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8,043,230

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**Automotive** 2.1%

A3	660	DaimlerChrysler NA Holding Corp., 7.45%, 3/01/27	729,091
B3	1,500	Delco Remy Intl., Inc., 11.00%, 5/01/09 General Motors Acceptance Corp.,	1,575,000
Baa1	1,160	zero coupon, 12/01/12	705,098
Baa1	4,129	6.875%, 9/15/11	4,291,600
Baa1	330	8.00%, 11/01/31	340,725
BB-	892	TRW Automotive, Inc., 9.375%, 2/15/13	1,025,800

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8,667,314

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**Building & Development** 0.8%

BB+	3,000	Hovnanian Enterprises, Inc., 10.50%, 10/01/07	3,465,000
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**Basic Materials** 1.9%

B	3,425	Caraustar Industries, Inc., 9.875%, 4/01/11	3,724,687
B+	3,600	Lyondell Chemical Co., 9.50%, 12/15/08	3,915,000

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7,639,687

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**Conglomerates** 2.1%

		General Electric Cap. Corp.,	
AAA	2,200	1.762%, 7/28/08	2,201,320
AAA	6,385	3.60%, 10/15/08	6,382,893

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8,584,213

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**Consumer Products** 2.5%

A-	465	3	CVS Corp., 4.875%, 9/15/14	468,371
A+	1,680		Diageo Cap. PLC, 3.375%, 3/20/08 (United Kingdom)	1,677,917
BBB+	1,010		General Mills, Inc., 5.125%, 2/15/07	1,052,824
BBB+	990		Kellogg Co., Ser. B, 6.60%, 4/01/11	1,121,027
A3	865		Kraft Foods, Inc., 5.625%, 11/01/11	920,637
BBB	650		Kroger Co., 6.80%, 4/01/11	734,137
B-	1,000		Pantry, Inc., The, 7.75%, 2/15/14	1,047,500
B+	2,100		Sonic Automotive, Inc., Ser. B, 8.625%, 8/15/13	2,215,500
B+	1,000		Stoneridge, Inc., 11.50%, 5/01/12	1,122,500
				10,360,413

See Notes to Financial Statements.

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**BlackRock Core Bond Trust (BHK) (continued)**

Rating <sup>1</sup> (unaudited)	Principal Amount (000)	Description	Value
<b>Containers &amp; Glass</b> 0.7%			
B	\$ 1,000	Crown European Holdings SA, 10.875%, 3/01/13 (France)	\$ 1,190,000
BB-	1,500	Owens-Brockway Glass Container, Inc., 8.75%, 11/15/12	1,680,000
			2,870,000
<b>Ecological Services &amp; Equipment</b> 0.7%			
B+	2,825	Allied Waste NA, Inc., Ser. B, 10.00%, 8/01/09	2,952,125
<b>Energy</b> 7.8%			
BBB-	1,650	Amerada Hess Corp., 7.125%, 3/15/33	1,814,241
BBB+	1,315		