BLACKROCK GLOBAL FLOATING RATE INCOME TRUST

FORM N-CSR
(Unknown)

Filed 3/8/2005 For Period Ending 12/31/2004

Address	40 EAST 52ND STREET
	NEW YORK, New York 10022
Telephone	212-754-5336
CIK	0001287480
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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

BlackRock Global Floating Rate Income 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 Global Floating Rate Income 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: December 31, 2004

Date of reporting period: December 31, 2004

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

BlackRock
Closed-End Funds
Annual Report

DECEMBER 31, 2004

BlackRock Advantage Term Trust (BAT)

BlackRock Global Floating Rate Income Trust (BGT)

BlackRock Preferred Opportunity Trust (BPP)

BLACKROCK

TABLE OF CONTENTS

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.

LETTER TO SHAREHOLDERS

December 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 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 December 31, 2004.

Trust (Ticker)	Yield [1]	Market Price	NAV
BlackRock Advantage Term Trust (BAT)	6.69%	$ 10.47	$ 10.49
BlackRock Global Floating Rate Income Trust (BGT)	6.01	18.63	19.21
BlackRock Preferred Opportunity Trust (BPP)	7.88	25.39	25.88

1 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 December 31, 2004, BlackRock managed $239 billion in bonds, including 20 open-end and 47 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.

CONSOLIDATED TRUST SUMMARIES
DECEMBER 31, 2004

BlackRock Advantage Term Trust (BAT)

Trust Information

Symbol on New York Stock Exchange:	BAT
Initial Offering Date:	April 27, 1990
Termination Date (on or shortly before):	December 31, 2005
Closing Market Price as of 12/31/04:	$10.47
Net Asset Value as of 12/31/04:	$10.49
Yield on Closing Market Price as of 12/31/04 ($10.47): [1]	6.69%
Current Monthly Distribution per Share: [2]	$0.058333
Current Annualized Distribution per Share: [2]	$0.699996

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.
[2] The distribution is not constant and is subject to change.

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

	12/31/04	**12/31/03**	**Change**	**High**	**Low**
Market Price	$10.47	$11.30	(7.35)%	$11.47	$10.35
NAV	$10.49	$11.40	(7.98)%	$11.48	$10.48

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

Portfolio Composition

Composition	**December 31, 2004**	**December 31, 2003**
U.S. Government and Agency Zero Coupon Bonds	76%	72%
Agency Multiple Class Mortgage Pass-Through Securities	6	4
Taxable Municipal Bonds	5	5
Corporate Bonds	5	4
U.S. Government and Agency Securities	2	1
Principal Only Mortgage-Backed Securities	2	2

Commercial Mortgage-Backed Securities	2	2
Inverse Floating Rate Mortgage Securities	1	1
Interest Only Mortgage-Backed Securities	1	1
Mortgage Pass-Through Securities	—	1
Stripped Money Market Instruments	—	7

TRUST SUMMARIES
DECEMBER 31, 2004

BlackRock Global Floating Rate Income Trust (BGT)

Trust Information

Symbol on New York Stock Exchange:	BGT
Initial Offering Date:	August 30, 2004
Closing Market Price as of 12/31/04:	$18.63
Net Asset Value as of 12/31/04:	$19.21
Yield on Closing Market Price as of 12/31/04 ($18.63): [1]	6.01%
Current Quarterly Distribution per Share: [2]	$0.0933
Current Annualized Distribution per Share: [2]	$1.1196

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.
[2] The distribution is not constant and is subject to change.

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

	12/31/04	High	Low
Market Price	$18.63	$ 20.02	$18.33
NAV	$19.21	$19.29	$19.04

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

Portfolio Composition

Composition	December 31, 2004
Foreign Government Bonds	22%
Media	13
Basic Materials	10
Consumer Products	9
Energy	8
Health Care	7
Entertainment & Leisure	6
Telecommunications	5

Containers & Packaging	3
Financial Institutions	3
Real Estate	3
Technology	2
Automotive	2
Building & Development	2
Conglomerates	1
Aero & Defense	1
Ecological Services & Equipment	1
Industrials	1
Transportation	1

Corporate Credit Breakdown [3]

Credit Rating	**December 31, 2004**
BBB/Baa	21%
BB/Ba	20
B	29
CCC	2
Not Rated	28

[3] Using the higher of S&P's, Moody's or Fitch's rating. Corporate bonds represent approximately 18.1% of December 31, 2004, net assets.

CONSOLIDATED TRUST SUMMARIES
DECEMBER 31, 2004

BlackRock Preferred Opportunity Trust (BPP)

Trust Information

Symbol on New York Stock Exchange:	BPP
Initial Offering Date:	February 28, 2003
Closing Market Price as of 12/31/04:	$25.39
Net Asset Value as of 12/31/04:	$25.88
Yield on Closing Market Price as of 12/31/04 ($25.39): [1]	7.88%
Current Monthly Distribution per Share: [2]	$0.166667
Current Annualized Distribution per Share: [2]	$2.000004

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.
[2] The distribution is not constant and is subject to change.

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

	12/31/04	12/31/03	Change	High	Low
Market Price	$25.39	$24.83	2.26%	$25.50	$21.25
NAV	$25.88	$25.58	1.17%	$26.48	$24.18

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

Portfolio Composition

Composition	December 31, 2004	December 31, 2003
Financial Institutions	71%	63%
Real Estate	12	9
Energy	7	13
Media	3	2
Consumer Products	2	2
Telecommunications	1	2
Automotive	1	1
Basic Materials	1	—
Containers & Packaging	1	—

Conglomerates	—	1
Transportation	—	1
Other	1	6

Credit Breakdown [3]

Credit Rating	**December 31, 2004**	**December 31, 2003**
AAA/Aaa	1%	1%
AA/Aa	20	16
A	33	32
BBB/Baa	27	30
BB/Ba	10	8
B	9	12
Not Rated	—	1

[3] Using the higher of Standard & Poor's ("S&P"), Moody's Investors Service ("Moody's") or Fitch Ratings ("Fitch") rating.

CONSOLIDATED PORTFOLIO OF INVESTMENTS
DECEMBER 31, 2004

BlackRock Advantage Term Trust (BAT)

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS—126.2%	
		Mortgage Pass-Through Securities—0.5%	
	$ 158	Federal Home Loan Mortgage Corp., 6.50%, 8/01/25 - 10/01/25	$ 166,822
	1	Federal National Mortgage Assoc., 9.50%, 7/01/20	1,239
	262	Government National Mortgage Assoc., 8.00%, 1/15/26 - 7/15/27	284,745
		Total Mortgage Pass-Through Securities	452,806
		Agency Multiple Class Mortgage Pass-Through Securities—7.9%	
		Federal Home Loan Mortgage Corp.,	
	640	Ser. 2534, Class NG, 3/15/22	640,351
	1,751	Ser. 2772, Class GF, 4/15/34	1,754,617
	158	Ser. 2822, Class WZ, 7/15/19	157,195
	923	Ser. 2822, Class ZH, 5/15/33	926,098
	2,914	Ser. 2865, Class OA, 8/15/07	2,924,956
	122	Federal National Mortgage Assoc., Ser. 43, Class E, 4/25/22	126,843
	1,407	Government National Mortgage Assoc., Ser. 88, Class ZB, 10/20/34	1,402,397
		Total Agency Multiple Class Mortgage Pass-Through Securities	7,932,457
		Inverse Floating Rate Mortgage Securities—1.3%	
		Federal Home Loan Mortgage Corp.,	
	77[2]	Ser. 1621, Class SH, 10.542%, 11/15/22	78,270
	829[2]	Ser. 2752, Class SV, 13.164%, 9/15/33	836,230
	303[2]	Federal National Mortgage Assoc., Ser. 190, Class S, 18.21%, 11/25/07	340,031
		Total Inverse Floating Rate Mortgage Securities	1,254,531
		Interest Only Mortgage-Backed Securities—0.7%	
	8,000	Deutsche Mortgage Secs., Inc. Mortgage Loan Trust, Ser. 2, Class AIO, 2/25/06	220,320
		Federal Home Loan Mortgage Corp.,	
	105	Ser. 1543, Class VU, 4/15/23	13,658
	139	Ser. 1588, Class PM, 9/15/22	4,335
	4,189	Ser. 2543, Class IJ, 10/15/12	232,585
	2,578	Ser. 2620, Class WI, 4/15/33	222,696
		Federal National Mortgage Assoc.,	
	133	Ser. 188, Class VA, 3/25/13	2,844
	354	Ser. 194, Class PV, 6/25/08	9,198
	136	Ser. 223, Class PT, 10/25/23	12,639
		Total Interest Only Mortgage-Backed Securities	718,275
		Principal Only Mortgage-Backed Securities—2.2%	
AAA	10[2]	Collateralized Mortgage Obligation Trust, Ser. 29, Class A, 5/23/17	9,497
		Federal National Mortgage Assoc.,	
	1,444	Ser. 193, Class E, 9/25/23	1,016,159
	1,353	Ser. 225, Class ME, 11/25/23	1,132,733

		Total Principal Only Mortgage-Backed Securities	2,158,389
		Commercial Mortgage-Backed Securities—2.0%	
Aaa	1,868[3]	New York City Mortgage Loan Trust, Multi-Family, Class A2, 6.75%, 6/25/11	1,976,131
		Asset-Backed Securities—0.0%	
NR	397[2,3,4,5]	Global Rated Eligible Asset Trust, Ser. A, Class 1, 7.33%, 9/15/07	7,937
NR	850[2,4,5]	Structured Mortgage Asset Residential Trust, Ser. 3, 8.724%, 4/15/06	8,497
		Total Asset-Backed Securities	16,434
		Collateralized Mortgage Obligation Residuals—0.0%	
	10	Federal Home Loan Mortgage Corp., Ser. 1035, Class R, 1/15/21	0
		U.S. Government and Agency Zero Coupon Bonds—96.3%	
	12,407	Aid to Israel, 2/15/05 - 8/15/05	12,290,628
	11,026[6]	Financing Corp. (FICO) Strips, 12/06/05	10,729,996
		Government Trust Certificates,	
	5,220	Israel, Ser. 2F, 5/15/05	5,167,330
	13,760	Turkey, Ser. T-1, 5/15/05	13,621,162
	22,926[6]	Resolution Funding Corp., 7/15/05	22,658,225
	6,216	Tennessee Valley Authority, 11/01/05	6,065,448

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		U.S. Government and Agency Zero Coupon Bonds—(cont'd)	
		U.S. Treasury Strips,	
	$ 18,000[6]	8/15/05	$ 17,715,528
	8,000	11/15/05	7,812,192
		Total U.S. Government and Agency Zero Coupon Bonds	96,060,509
		Corporate Bonds—5.6%	
		Energy—1.1%	
BBB+	1,000[3]	Israel Electric Corp., Ltd., 7.25%, 12/15/06 (Israel)	1,064,520
		Financial Institutions—2.0%	
AA+	950	Citigroup, Inc., 5.75%, 5/10/06	982,347
NR	1,070[3]	Equitable Life Assurance Society, zero coupon, 6/01/05 - 12/01/05	1,033,875
			2,016,222
		Telecommunications—1.1%	
A	1,000	Alltel Corp., 7.50%, 3/01/06	1,048,740
		Transportation—1.4%	
NR	1,453	Union Pacific Corp., zero coupon, 5/01/05	1,435,653
		Total Corporate Bonds	5,565,135
		U.S. Government and Agency Securities—3.0%	
	360	Small Business Investment Companies, Ser. P10A, Class 1, 6.12%, 2/01/08	375,952
		U.S. Treasury Notes,	
	1,450	3.50%, 11/15/06	1,462,235
	1,150	4.00%, 2/15/14	1,134,544
		Total U.S. Government and Agency Securities	2,972,731
		Taxable Municipal Bonds—6.7%	
AAA	1,000	Alameda Cnty. California Pension Oblig., zero coupon, 12/01/05	971,140
AAA	1,000	Alaska Energy Auth., zero coupon, 7/01/05	989,740
Aaa	1,067	Kern Cnty. California Pension Oblig., zero coupon, 2/15/05 - 8/15/05	1,046,816
		Long Beach California Pension Oblig.,	
NR	1,068	zero coupon, 3/01/05 - 9/01/05	1,046,043
AAA	500	7.09%, 9/01/09	564,328
		Los Angeles Cnty. California Pension Oblig.,	
Aaa	34	zero coupon, 6/30/05	33,320
Aaa	1,000	6.77%, 6/30/05	984,350
AAA	1,000	Ser. A, 8.62%, 6/30/06	1,078,650
		Total Taxable Municipal Bonds	6,714,387
		Total Long-Term Investments (cost $122,868,063)	125,821,785
		SHORT-TERM INVESTMENT—14.3%	
		U.S. Government and Agency Zero Coupon Bond	

14,300	Federal Home Loan Bank, zero coupon, 1/03/05 (cost $14,299,007)	14,299,007
	Total investments—140.5% (cost $137,167,070)	$ 140,120,792
	Liabilities in excess of other assets —(40.5)%	(40,388,065)
	Net Assets—100%	$ 99,732,727

1 Using the higher of S&P's, Moody's or Fitch's rating.

2 Security interest rate is as of December 31, 2004.

3 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 December 31, 2004, the Trust held 4.1% of its net assets, with a current market value of $4,082,463, in securities restricted as to resale.

4 Security is fair valued.

5 Illiquid securities representing 0.02% of net assets.

6 Entire or partial principal amount pledged as collateral for reverse repurchase agreements.

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

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS
DECEMBER 31, 2004

BlackRock Global Floating Rate Income Trust (BGT)

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		LONG-TERM INVESTMENTS—156.5%	
		Corporate Bonds—18.1%	
		Automotive—0.2%	
BB+	$ 750	Arvinmeritor, Inc., 8.75%, 3/01/12	$ 862,538
		Basic Materials—1.3%	
B-	700[2]	BCP Caylux Holdings SCA, 9.625%, 6/15/14 (Luxembourg)	786,625
B+	665[2]	Boise Cascade LLC, 5.005%, 10/15/12	689,938
B1	750[2]	Foundation Pennsylvania Coal Co., 7.25%, 8/01/14	802,500
BB+	225	Georgia Pacific Corp., 8.00%, 1/15/24	263,250
Ba3	750	Hercules, Inc., 6.75%, 10/15/29	774,375
B-	750	Huntsman Intl., LLC, 9.875%, 3/01/09	824,062
BB	225	Intl. Steel Group, Inc., 6.50%, 4/15/14	241,875
		Lyondell Chemical Co.,	
B+	300	11.125%, 7/15/12	355,500
B+	300	Ser. A, 9.625%, 5/01/07	330,000
B-	750	Nalco Co., 8.875%, 11/15/13	823,125
			5,891,250
		Building & Development—0.2%	
B+	1,000[2]	Ainsworth Lumber Co. Ltd., 6.29875%, 10/01/10 (Canada)	1,026,980
		Conglomerates—0.2%	
B	750	Trimas Corp., 9.875%, 6/15/12	795,000
		Consumer Products—0.4%	
B2	1,000[2]	Duane Reade, Inc., 7.01%, 12/15/10	1,018,750
B-	400	Lazy Days RV Center, Inc., 11.75%, 5/15/12	435,000
B+	350	Stoneridge, Inc., 11.50%, 5/01/12	408,188
			1,861,938
		Containers & Packaging—0.2%	
B	750	Crown European Holdings SA, 10.875%, 3/01/13 (France)	886,875
		Ecological Services & Equipment—0.1%	
BB-	625	Allied Waste NA, Inc., Ser. B, 5.75%, 2/15/11	587,500
		Energy—8.5%	
BB	750[2]	AES Corp., 9.00%, 5/15/15	857,812
B	750	Compton Petroleum Corp., Ser. A, 9.90%, 5/15/09 (Canada)	828,750
B1	750	Edison Mission Energy, 10.00%, 8/15/08	862,500
B-	750	El Paso Production Holding Co., 7.75%, 6/01/13	787,500
NR	14,430	Gazprom, 9.625%, 3/01/13 (Russia)	17,109,651
B	750	Hanover Compressor Co., 9.00%, 6/01/14	840,000

B-	730	KCS Energy, Inc., 7.125%, 4/01/12	768,325
B1	750[2]	NRG Energy, Inc., 8.00%, 12/15/13	817,500
Baa1	12,700	Pemex Project Funding Master Trust, Ser. 15, 3.87%, 10/15/09	13,303,250
Baa1	800	Petroleos Mexicanos, 9.375%, 12/02/08 (Mexico)	939,200
		Reliant Energy, Inc.,	
BB-	250	6.75%, 12/15/14	250,000
BB-	750	9.25%, 7/15/10	840,000
BB-	300	Swift Energy Co., 7.625%, 7/15/11	324,750
			38,529,238
		Entertainment & Leisure—0.2%	
BB+	750	MGM Mirage, 5.875%, 2/27/14	738,750
		Financial Institutions—2.4%	
BB	750	Crum & Forster Holdings Corp., 10.375%, 6/15/13	836,250
NR	5,455	Kazkommerts Intl. BV, 8.50%, 4/16/13 (Netherlands)	5,729,113
Baa2	3,000[2]	Kazkommertsbank Intl. BV, 8.50%, 4/16/13 (Netherlands)	3,135,000
BBB	25	Marsh & McLennan Cos, Inc., 2.193%, 7/13/07	24,505
B3	750[2]	Rainbow National Services LLC, 8.75%, 9/01/12	821,250
B-	300[2]	Universal City Florida Holding Co., 7.20%, 5/01/10	312,750
			10,858,868

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		Health Care—0.5%	
B-	$ 750	IASIS Healthcare LLC, 8.75%, 6/15/14	$ 817,500
B-	650	Universal Hospital Services, Inc., 10.125%, 11/01/11	676,000
B2	750[2]	US Oncology, Inc., 9.00%, 8/15/12	838,125
			2,331,625
		Industrials—0.3%	
B-	400	Cenveo Corp., 7.875%, 12/01/13	372,000
CCC+	350[2]	Park Ohio Industries, Inc., 8.375%, 11/15/14	349,125
B+	750	United Rentals NA, Inc., 7.00%, 2/15/14	705,000
			1,426,125
		Media—0.8%	
CCC+	750	Charter Communications Holdings II, LLC, 10.25%, 9/15/10	795,000
BB-	350[2]	Choctaw Resort Development Enterprise, 7.25%, 11/15/19	353,500
BB-	750	Echostar DBS Corp., 6.375%, 10/01/11	768,750
B	750	Primedia, Inc., 7.625%, 4/01/08	759,375
B-	750[2]	WMG Holdings Corp., 6.905%, 12/15/11	755,625
			3,432,250
		Real Estate—1.3%	
BB+	6,350	Rouse Co., 5.375%, 11/26/13	6,090,920
		Technology—0.2%	
Ba3	750	Celestica, Inc., 7.875%, 7/01/11 (Canada)	804,375
		Telecommunications—1.0%	
		Cincinnati Bell, Inc.,	
B+	400	7.25%, 7/15/13	410,000
B-	400	8.375%, 1/15/14	406,000
		Dobson Cellular Systems, Inc.,	
B2	325[2]	6.96%, 11/01/11	336,375
B2	350[2]	8.375%, 11/01/11	361,375
BB+	750	Nextel Communications, Inc., 5.95%, 3/15/14	778,125
		Qwest Corp.,	
BB	750[2]	7.875%, 9/01/11	813,750
B+	750[2]	14.00%, 12/15/10	901,875
BB	400[2]	Rogers Wireless Communications, Inc., 5.525%, 12/15/10	419,000
			4,426,500
		Transportation—0.3%	
B3	400[2]	Horizon Lines LLC, 9.00%, 11/01/12	432,000
B+	750	OMI Corp., 7.625%, 12/01/13 (Marshall Islands)	802,500

		1,234,500
	Total Corporate Bonds	81,785,232
	Bank Loans—105.4%	
	Aerospace & Defense—1.7%	
2,985	CACI Intl., Inc., Term Loan, LIBOR + 1.50%, 2/04/07	3,016,678
2,000	MRO Acquisition LLC, Term Loan, LIBOR + 5.25%, 9/15/11	2,018,750
2,631	Standard Aero, Inc., Term Loan, LIBOR + 2.50%, 8/18/12	2,665,298
		7,700,726
	Automotive—3.0%	
1,897	Plastech, Inc., Term Loan B, LIBOR + 2.75%, 2/12/10	1,924,297
1,750	Polar Corp., Term Loan, LIBOR, 5/30/10	1,785,000
3,000	Progressive Moulded Products, Ltd., Term Loan B, LIBOR + 2.50%, 8/30/11	3,003,750
3,000	TI Group Automotive Systems NA, Term Loan C, LIBOR + 3.25%, 6/30/11	2,960,625
	TRW Automotive, Inc.,	
1,500	Term Loan, LIBOR + 1.50%, 6/30/12	1,501,875
2,500	Term Loan E, LIBOR + 1.50%, 10/31/10	2,510,157
		13,685,704

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		Basic Materials—13.7%	
	$ 2,985	Appleton Papers, Inc., Term Loan, LIBOR + 2.25%, 6/30/10	$ 3,016,343
		Boise Cascade LLC,	
	4,000	Term Loan B, LIBOR + 2.25%, 10/31/11	4,043,332
	4,178	Term Loan C, LIBOR + 2.25%, 10/31/10	4,183,305
		Buckeye Technologies, Inc., Term Loan,	
	904	LIBOR + 2.50%, 4/15/10	915,466
	69	PRIME + 1.50%, 4/15/10	70,342
		Celanese AG, Term Loan	
	1,995	LIBOR + 2.25%, 6/03/11	2,013,288
	620	LIBOR + 2.50%, 6/03/11	626,056
	2,000	Cognis Deutschland, Term Loan, LIBOR + 4.75%, 11/15/13	2,070,000
	1,638	Foundation Coal Corp., Term Loan B, LIBOR + 2.50%, 7/30/11	1,660,824
	997	Hercules, Inc., Term Loan B, LIBOR + 1.75%, 4/07/10	1,001,976
	3,000	Huntsman Intl., LLC, Term Loan B, LIBOR + 2.50%, 12/31/10	3,030,000
	5,500	Huntsman LLC, Term Loan, LIBOR + 3.50%, 3/30/10	5,591,669
		Innophos, Inc., Term Loan,	
	3,228	LIBOR + 2.75%, 8/15/10	3,264,591
	764	0.50%, 8/15/10	772,227
	4,882	Invista, Term Loan, LIBOR + 2.75%, 4/30/11	4,964,743
	1,231	Koch Cellulose, LLC, Term Loan, LIBOR + 2.25%, 5/01/11	1,239,981
		Kraton Polymers, LLC, Term Loan,	
	222	LIBOR + 2.75%, 12/15/10	224,699
	1	PRIME + 1.50%, 12/15/10	567
	5,831	Nalco Co., Term Loan B, LIBOR + 2.00%, 11/04/10	5,909,071
	988	Professional Paint, Inc., Term Loan, LIBOR + 3.25%, 9/30/11	999,844
	1,990	Ripplewood Phosphorus US, LLC, Term Loan, LIBOR + 3.00%, 7/16/11	2,014,875
	6,500	Rockwood Specialties Group, Inc., Term Loan D, LIBOR + 2.25%, 8/15/12	6,537,576
	2,458	Rollcoater, Term Loan, LIBOR + 3.25%, 11/30/10	2,452,188
		United Industries Corp., Term Loan,	
	2,985	LIBOR + 2.50%, 4/30/11	3,029,775
	1,990	LIBOR + 4.50%, 4/30/11	2,019,850
			61,652,588
		Building & Development—2.5%	
	2,000	Juno Lighting, Inc., Term Loan, LIBOR + 5.50%, 5/10/11	2,027,500
	2,000	Landsource Communities Development, LLC, Term Loan B, LIBOR + 2.50%, 3/31/10	2,027,500
		Nortek, Inc., Term Loan,	
	929	LIBOR + 2.50%, 8/24/11	943,080
	69	PRIME + 1.50%, 8/24/11	70,006
		Ply Gem Industries, Inc.,	
	1,500	Term Loan B, LIBOR + 2.50%, 10/01/11	1,515,000
	306	CND Term Loan, LIBOR + 2.50%, 10/01/11	309,075
	1,691	USD Term Loan, LIBOR + 2.50%, 10/01/11	1,708,394
	2,500	Resolution Specialty Materials, Term Loan, LIBOR + 2.75%, 8/15/10	2,534,375
			11,134,930
		Business Equipment & Services—0.2%	

1,000	Latham Intl. Ltd., Term Loan, LIBOR + 4.00%, 12/31/10	995,000
	Conglomerates—3.0%	
3,483	Honeywell Security Group, Term Loan B, LIBOR + 4.00%, 6/28/10	3,512,972
	Invensys Intl. Holdings Ltd., Term Loan,	
2,000	LIBOR + 4.75%, 11/30/09	2,052,500
4,000	LIBOR + 3.00%, 3/05/09	3,980,000
984	Term Loan B1, LIBOR + 3.50%, 8/30/09	997,999
2,736	Polypore, Inc., Term Loan, LIBOR + 2.25%, 11/15/11	2,770,453
		13,313,924
	Consumer Products—14.1%	
	Ames True Temper, Inc., Term Loan B,	
1,986	LIBOR + 3.00%, 6/23/11	2,008,675
4	PRIME + 1.75%, 6/23/11	4,335

See Notes to Financial Statements.

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Consumer Products—(cont'd)	
		Berkline/BenchCraft Holdings, LLC,	
	$ 2,000	Term Loan, PRIME + 6.75%, 4/30/12	$ 2,020,000
	2,000	Term Loan B, PRIME + 6.75%, 10/31/11	2,005,000
	1,000	Carrols Corp., Term Loan, LIBOR + 2.50%, 12/31/10	1,015,000
	1,820	Church & Dwight Co., Inc., Term Loan B, LIBOR + 1.75%, 5/31/11	1,839,620
	1,566	CKE Restaurants, Inc., Term Loan, LIBOR + 2.75%, 5/17/09	1,589,914
	1,977	Coinmach Service Corp., Term Loan B, LIBOR + 3.00%, 7/30/09	1,996,629
	2,000	Constellation Brands, Inc., Term Loan, LIBOR + 1.75%, 12/31/11	2,026,500
	750	Culligan Water Co., Term Loan B, LIBOR + 2.75%, 10/15/11	761,250
	3,500	Denny's Corp., Term Loan, LIBOR, 8/25/10	3,591,875
	3,000	Desa LLC, Term Loan, PRIME + 2.00%, 12/30/11	3,022,500
	998	Doane Pet Care Co., Term Loan, LIBOR + 4.00%, 11/15/09	1,012,463
	500	Herbalife, Term Loan, LIBOR + 2.25%, 12/31/10	506,250
	1,500	Jarden Corp., Term Loan, LIBOR + 2.00%, 1/15/12	1,513,125
	1,845	Knoll, Inc., Term Loan, LIBOR + 3.00%, 10/15/11	1,862,000
	1,000	Landrys Restaurants, Term Loan, LIBOR + 1.75%, 12/31/10	1,010,000
	2,921	Language Line, Inc., Term Loan B, LIBOR + 4.25%, 6/14/11	2,953,914
		Maidenform, Inc., Term Loan,	
	297	LIBOR + 2.25%, 5/14/10	299,591
	587	LIBOR + 7.50%, 5/11/11	598,358
	2,944	National Bedding Co., LLC, Term Loan B, LIBOR + 2.25%, 8/25/08	2,973,599
	3,500	Olympus Cable Holdings, LLC, Term Loan B, PRIME + 2.00%, 9/30/10	3,474,296
		Oriental Trading Co., Inc., Term Loan,	
	1,441	LIBOR + 2.75%, 8/06/10	1,444,187
	1,000	LIBOR + 6.00%, 12/02/10	1,015,417
	5,496	OSI Group LLC, Term Loan, LIBOR + 2.50%, 9/15/11	5,564,883
	2,838	Pierre Foods, Inc., Term Loan B, LIBOR + 2.75%, 7/15/10	2,861,145
		Prestige Brands Holdings, Inc., Term Loan B,	
	1,985	LIBOR, 4/07/11	2,004,850
	5	PRIME + 1.75%, 4/07/11	5,050
	1,000	Propex Fabrics, Inc., Term Loan, LIBOR + 2.25%, 12/31/10	1,005,000
		R.H. Donnelley, Inc.,	
	722	Term Loan, LIBOR + 1.75%, 6/30/11	728,718
	2,190	Term Loan D, LIBOR + 1.75%, 12/31/11	2,210,790
	2,993	Rite Aid Corp., Term Loan, LIBOR + 1.75%, 9/15/09	3,007,463
	1,000	Travel Centers of America, Inc., Term Loan C, LIBOR + 1.75%, 11/30/11	1,007,500
		United Subcontractors, Inc., Term Loan,	
	4,000	LIBOR + 3.25%, 4/21/11	4,010,000
	500	LIBOR + 7.00%, 10/21/11	503,750
			63,453,647
		Containers & Packaging—4.7%	
	2,715	Berry Plastics Corp., Term Loan C, LIBOR + 2.00%, 3/11/11	2,747,637
		FlexSol Packaging Corp., Term Loan,	
	1,000	LIBOR + 3.25%, 11/30/11	1,002,500
	1,000	LIBOR + 7.00%, 11/30/12	1,015,000
		Graham Packaging Co., Inc.,	
	6,500	Term Loan B, LIBOR, 10/01/11	6,583,571

2,000	Term Loan C, LIBOR, 4/01/12	2,049,000
3,576	Graphic Packaging Intl., Inc., Term Loan C, LIBOR + 2.50%, 8/08/10	3,636,358
1,000	Smurfit Stone Containter Corp., Term Loan B, LIBOR + 2.00%, 11/01/11	1,014,250
2,985	Solo Cup Co., Term Loan, LIBOR + 2.50%, 2/27/11	3,037,199
		21,085,515
	Ecological Services & Equipment—1.3%	
1,963	Allied Waste NA, Inc., Term Loan B, LIBOR + 2.75%, 1/15/10	1,987,281
3,773	Envirosolutions, Inc., Term Loan, LIBOR + 4.50%, 2/28/09	3,759,033
		5,746,314

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		Energy—4.5%	
	$ 1,500	AES Corp., Term Loan, LIBOR + 2.25%, 4/30/08	$ 1,521,875
		Belden & Blake Corp., Term Loan,	
	1,780	LIBOR + 2.75%, 7/15/11	1,786,675
	15	PRIME + 1.75%, 7/15/11	15,056
	500	Coleto Creek WLE LP, Term Loan C, LIBOR + 3.50%, 8/05/12	508,334
	1,990	Dynegy Holdings, Inc., Term Loan, LIBOR + 4.00%, 5/10/10	2,018,606
		El Paso Corp., Term Loan B,	
	1,250	LIBOR + 2.75%, 11/30/09	1,259,722
	750	LIBOR + 2.85%, 11/30/09	755,834
	500	Mainline LP, Term Loan, LIBOR + 2.375%, 12/31/11	505,000
		Reliant Energy, Inc.,	
	2,000	Term Loan, LIBOR + 4.00%, 3/15/07	2,033,000
	6,000	Term Loan B, LIBOR + 2.375%, 4/30/10	6,070,002
		Semgroup, LP, Term Loan B,	
	1,980	LIBOR + 3.25%, 9/01/10	2,007,225
	20	PRIME + 1.75%, 9/01/10	20,275
		Texas Genco LLC,	
	585	Term Loan, 5.00%, 12/15/11	592,132
	1,415	Term Loan B, LIBOR + 2.00%, 12/15/11	1,433,835
			20,527,571
		Entertainment & Leisure—8.5%	
	1,000	Blockbuster Entertainment Corp., Term Loan B, LIBOR + 2.50%, 8/20/11	995,000
	1,990	Boyd Gaming Corp., Term Loan B, LIBOR + 1.75%, 5/14/11	2,015,372
	1,940	Greektown Casino, LLC, Term Loan D, LIBOR + 3.50%, 12/31/05	1,954,467
	3,000	Kerasotes Theatres, Inc., Term Loan B, LIBOR + 2.75%, 11/01/11	3,045,000
	4,987	Loews Cineplex Entertainment Corp., Term Loan B, LIBOR + 2.25%, 8/15/11	5,049,843
	2,000	Marina District Finance Co., Inc., Term Loan B, LIBOR + 4.50%, 10/15/11	2,015,000
	2,000	MGM Mirage, Term Loan B, LIBOR + 2.50%, 4/30/11	2,004,000
	1,573	Penn National Gaming, Inc., Term Loan D, LIBOR + 2.50%, 9/01/07	1,577,062
	1,000	Universal City Development Partners, Ltd., Term Loan B, LIBOR + 2.00%, 6/30/12	1,015,000
	1,724	Venetian Casino Resorts LLC, Term Loan B, LIBOR + 1.50%, 8/15/11	1,751,694
	4,241	Wallace Theaters, Term Loan, LIBOR + 3.25%, 8/01/09 - 1/21/10	4,301,745
		Wyndham Intl., Inc.,	
	6,099	Term Loan I, LIBOR + 4.75%, 6/30/06	6,128,610
	2,373	Term Loan II, LIBOR + 5.75%, 4/01/06	2,389,921
	4,000	Wynn Resorts, Term Loan, LIBOR + 2.45%, 12/31/11	4,046,669
			38,289,383
		Financial Institutions—2.4%	
	1,872	Global Cash Access, LLC, Term Loan, LIBOR + 2.75%, 3/15/10	1,897,917
	4,000	Jostens, Inc., Term Loan C, LIBOR + 2.00%, 10/15/11	4,025,716
	1,995	Refco Finance Holdings LLC, Term Loan B, LIBOR, 7/30/11	2,015,948
		Titan Corp., Term Loan B,	
	2,982	LIBOR + 3.25%, 4/24/09	3,016,994
	10	PRIME + 1.50%, 4/24/09	9,953

		10,966,528
	Foreign Government—1.4%	
6,400	Kingdom of Morocco, LIBOR + 0.8125%, 1/02/09	6,280,000
	Health Care—10.6%	
5,975	Accredo Health, Inc., Term Loan B, LIBOR + 1.75%, 8/05/11	6,012,331
1,617	Advanced Medical Optics, Term Loan B, LIBOR + 2.25%, 6/30/07	1,630,750
4,000	Arizant, Inc., Term Loan, LIBOR + 3.75%, 8/15/10	4,015,000
7,431	Community Health Systems, Inc., Term Loan, LIBOR + 1.75%, 8/15/11	7,485,951
4,846	Concentra Operating Corp., Term Loan, LIBOR + 2.50%, 6/30/10	4,884,013
750	Cooper Companies, Term Loan, LIBOR + 1.75%, 11/15/11	759,375
2,977	Davita, Inc., Term Loan B, LIBOR + 2.00%, 6/30/10	2,980,099
2,000	HealthSouth Corp., Term Loan, LIBOR, 1/15/11	2,187,500
2,985	IASIS Healthcare Corp., Term Loan B, LIBOR + 2.50%, 6/30/11	3,025,423
2,743	Jean Coutu Group, Inc., Term Loan B, LIBOR + 2.25%, 6/30/11	2,782,714
2,539	Kinetic Concepts, Inc., Term Loan B2, LIBOR + 1.75%, 8/05/10	2,554,287

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		Health Care—(cont'd)	
	$ 875	Medco Health Solutions, Term Loan, LIBOR + 1.25%, 3/13/08	$ 879,740
	1,000	Pacificare Health Systems, Inc., Term Loan B, LIBOR + 1.50%, 12/15/10	1,000,000
	4,993	US Oncology, Inc., Term Loan, LIBOR + 2.75%, 6/30/11	5,036,184
	3,098	Vanguard Health Systems, Term Loan, LIBOR + 3.25%, 9/30/11	3,144,737
			48,378,104
		Industrials—0.8%	
	664	Alderwoods Group, Inc., Term Loan B2, LIBOR + 2.00%, 9/29/09	670,231
	1,000	Exide Technologies, Term Loan, LIBOR + 3.50%, 5/01/10	980,000
	2,000	Tinnerman Palnut Engineered Products, Inc., Term Loan, LIBOR + 7.25%, 11/01/11	2,050,000
			3,700,231
		Media—19.1%	
		Advertising Directory Solutions,	
	1,000	Term Loan, LIBOR + 3.75%, 5/30/12	1,019,000
	3,000	Term Loan B, LIBOR + 2.00%, 11/30/11	3,022,500
	2,000	Alliance Atlantis, Term Loan B, PRIME + 7.50%, 11/30/11	2,025,000
	1,995	Bragg Communications, Inc., Term Loan B, LIBOR + 2.50%, 9/15/11	2,019,938
	1,000	Bresnan Communications LLC, Term Loan B, LIBOR + 3.50%, 9/30/10	1,013,125
		Century TCI California LP,	
	2,000	Term Loan, PRIME + 0.75%, 12/31/07	1,994,000
	10,000	Term Loan B, LIBOR + 2.50%, 12/31/09	9,928,570
		Charter Communications Operating, LLC,	
	5,995	Term Loan A, LIBOR, 4/27/10	5,998,124
	1,995	Term Loan B, LIBOR + 3.25%, 4/30/11	1,996,039
		Dex Media East, LLC, Term Loan B,	
	3,918	LIBOR + 1.75%, 12/31/08	3,957,290
	52	PRIME + 0.75%, 12/31/08	52,103
		Dex Media West, LLC,	
	1,160	Term Loan A, LIBOR + 2.00%, 9/10/09	1,169,467
	18	Term Loan A, PRIME + 1.00%, 9/10/09	18,744
	1,842	Term Loan B, LIBOR + 1.75%, 9/01/09	1,859,006
	28	Term Loan B, PRIME + 0.75%, 9/01/09	28,035
	2,000	Emmis Operating Co., Term Loan B, LIBOR, 5/15/12	2,018,334
	4,750	Freedom Communications, Inc., Term Loan, LIBOR + 1.75%, 4/04/12	4,818,875
		Insight Midwest Holdings, LLC,	
	4,681	Term Loan A, LIBOR + 1.50%, 6/30/09	4,674,026
	997	Term Loan B, LIBOR + 2.75%, 1/06/10	1,012,166
	3,483	Media News, Term Loan C, LIBOR + 3.125%, 8/25/10	3,499,912
	2,300	Mediacom Broadband LLC, Term Loan A, LIBOR + 1.50%, 3/31/10	2,284,907
	2,000	Mediacom Illinois LLC, Term Loan B, LIBOR + 2.25%, 3/31/13	2,005,000
	698	NEP Supershooters LP, Term Loan, LIBOR + 4.00%, 2/01/11	709,597
	2,000	New Skies Satellites, Term Loan B, LIBOR + 2.75%, 4/12/11	2,025,834
	2,985	Nexstar Broadcasting, Inc., Term Loan D, LIBOR + 1.75%, 12/31/10	2,992,463
	5,000	NTL Investment Holding Ltd., Term Loan B, LIBOR + 3.00%, 4/13/12	5,025,000
	2,500	Raycom Media, Inc., Term Loan B, LIBOR + 1.75%, 4/01/12	2,528,125
		Transwestern Publishing Co., Term Loan,	

1,500	LIBOR + 2.25%, 2/25/11	1,516,407
2,987	LIBOR + 4.50%, 2/25/12	3,028,544
2,985	Warner Music Group, Corp., Term Loan B, LIBOR + 2.75%, 4/08/11	3,022,274
	Western Wireless Corp.,	
5,766	Term Loan A, LIBOR + 2.25%, 5/28/10	5,792,607
2,993	Term Loan B, LIBOR + 3.00%, 5/30/11	3,036,319
		86,091,331
	Real Estate—2.7%	
	General Growth Properties,	
3,000	Term Loan A, LIBOR + 2.25%, 11/12/07	2,998,635
3,500	Term Loan B, LIBOR + 2.25%, 11/12/08	3,508,750
	Headwaters, Inc., Term Loan,	
3,688	LIBOR + 3.25%, 4/30/11	3,732,056
1,000	LIBOR + 5.50%, 4/30/11	1,030,833

See Notes to Financial Statements.

Rating[1] (unaudited)	Principal Amount (000)	Description	Value
		Real Estate—(cont'd)	
		Lake Las Vegas Resort, Term Loan,	
	$ 828	LIBOR + 2.50%, 10/13/09	$ 831,983
	172	PRIME, 10/13/09	173,330
			12,275,587
		Technology—3.3%	
		Directed Electronics, Inc., Term Loan,	
	2,762	LIBOR + 4.25%, 3/15/10	2,782,444
	154	PRIME + 3.25%, 3/15/10	155,000
	2,767	Knowles Electronics, Inc., Term Loan B2, LIBOR + 5.00%, 6/29/07	2,780,721
	1,990	Network Communications, Inc., Term Loan B, LIBOR + 4.00%, 6/15/11	2,009,900
	2,985	UGS PLM, Term Loan B, LIBOR + 2.25%, 5/30/11	3,029,775
	2,985	Verifone, Inc., Term Loan B, LIBOR + 2.50%, 6/30/11	3,029,776
	1,000	Westcom Corp., Term Loan B, PRIME + 1.75%, 12/31/10	1,015,000
			14,802,616
		Telecommunications—7.1%	
	2,000	Atlantic Broadband Finance, LLC, Term Loan B, LIBOR + 3.25%, 1/30/11	2,037,500
	5,231	Centennial Cellular Operating Co., Term Loan B, LIBOR + 2.75%, 2/09/11	5,295,125
	2,000	Iowa Telecom, Term Loan B, LIBOR + 2.00%, 11/30/11	2,017,500
	1,995	Nextel Finance Co., Term Loan E, LIBOR + 2.25%, 12/15/10	1,996,086
	2,000	Nextel Partners Operating Corp., Term Loan C, LIBOR + 2.50%, 5/18/11	2,026,786
		PanAmSat Corp.,	
	2,364	Term Loan, LIBOR + 2.50%, 8/20/09	2,372,464
	1,985	Term Loan B, LIBOR + 2.50%, 7/16/11	1,994,658
	5,000	Qwest Corp., Term Loan A, LIBOR + 4.75%, 6/30/07	5,209,375
	4,500	Triton PCS, Inc., Term Loan, LIBOR + 3.75%, 11/15/09	4,550,625
	4,000	Valor Telecommunications LLC, Term Loan, LIBOR + 7.75%, 11/15/11	4,033,332
			31,533,451
		Transportation—0.8%	
	2,500	Sirva Worldwide, Inc., Term Loan, LIBOR + 2.00%, 12/31/09	2,512,500
	1,184	Transport Industries, LP, Term Loan, LIBOR + 4.00%, 6/14/10	1,184,055
			3,696,555
		Total Bank Loans	475,309,705
		Foreign Government Bonds—33.0%	
NR	8,714	Bolivarian Republic of Venezuela, 3.625%, 12/18/07	8,670,310
		Federative Republic of Brazil,	
NR	14,400	3.125%, 4/15/05	13,932,885
NR	10,696	8.00%, 4/15/14	10,942,726
NR	14,435	8.299%, 6/29/09	16,997,213
BB-	2,400	Ser. B, 10.00%, 8/07/11	2,781,600
NR	1,600	Islamic Republic of Pakistan, 6.75%, 2/19/09	1,640,544

A-	800	Malaysia, 8.75%, 6/01/09	947,992
NR	3,500	Republic of Argentina, 1.98%, 8/03/12	2,975,000
NR	8,610	Republic of Bulgaria, 2.75%, 1/28/05	8,602,636
A	2,400	Republic of Chile, 6.875%, 4/28/09	2,649,288
BB+	7,665	Republic of Colombia, 9.75%, 4/09/11	8,776,076
NR	3,200	Republic of Costa Rica, 9.335%, 5/15/09	3,516,000
NR	2,400	Republic of Ecuador, 12.00%, 11/15/12	2,448,000
NR	800	Republic of El Salvador, 9.50%, 8/15/06	868,000
		Republic of Panama,	
NR	12,714	2.75%, 1/18/05	11,983,202
BB+	840	8.25%, 4/22/08	930,300
		Republic of Peru,	
NR	5,600	4.50%, 3/07/05	5,236,000
BB	2,400	9.125%, 1/15/08	2,736,000
BBB	2,400	Republic of South Africa, 7.375%, 4/25/12	2,732,400
NR	2,400	Republic of the Philippines, 8.875%, 4/15/08	2,591,694
BB-	2,400	Republic of Turkey, 12.00%, 12/15/08	2,931,600

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		Foreign Government Bonds—(cont'd)	
		Republic of Venezuela,	
NR	$ 5,535	3.063%, 3/31/05	$ 5,507,697
B+	4,000	3.09%, 4/20/11	3,630,000
B	4,800	9.125%, 6/18/07	5,208,000
NR	2,000	11.00%, 3/05/08 EUR	3,180,411
		Ukraine,	
B+	8,100 [2]	5.33%, 8/05/09	8,483,616
B+	2,800 [2]	6.875%, 3/04/11	2,856,000
Baa2	4,800	United Mexican States, 2.753%, 1/13/09	4,869,600
		Total Foreign Government Bonds	148,624,790
		Total Long-Term Investments (cost $697,309,968)	705,719,727
		SHORT-TERM INVESTMENT—7.3%	
		U.S. Government and Agency Zero Coupon Bond	
	33,200	Federal Home Loan Bank, zero coupon 1/03/05 (cost $33,197,694)	33,197,694
		Total investments—163.8% (cost $730,507,662)	$ 738,917,421
		Liabilities in excess of other assets —(9.8)%	(44,304,399)
		Preferred shares at redemption value, including dividends payable—(54.0)%	(243,485,706)
		Net Assets applicable to common shareholders—100%	$ 451,127,316

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 December 31, 2004, the Trust held 6.0% of its net assets, with a current market value of $27,169,471, in securities restricted as to resale.

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

KEY TO ABBREVIATIONS

EUR – European Monetary Unit

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS DECEMBER 31, 2004

BlackRock Preferred Opportunity Trust (BPP)

Rating [1] (unaudited)	Shares	Description	Value
		LONG-TERM INVESTMENTS—141.9%	
		Preferred Securities—54.2%	
		Consumer Products—0.5%	
BBB-	20,000 [2]	Dairy Farmers of America, Inc., 7.875%	$ 2,082,500
		Energy—3.9%	
A-	45,200	Apache Corp., Ser. B, 5.68%	4,757,300
BBB+	900	Central Maine Power Co., 3.50%	55,183
BB+	5,000	Devon Energy Corp., Ser. A, 6.49%	510,000
B-	115,000	Hanover Compressor Cap. Trust, 7.25%, expires 12/14/29, price $17.875, 2.7972 shares	5,904,905
Baa3	275,000	Nexen, Inc., 7.35% (Canada)	7,397,500
			18,624,888
		Financial Institutions—34.0%	
A3	600 [2]	ABN Amro NA, Inc., 6.46%	600,000
Aa3	400,000	BAC Capital Trust IV, 6.00%	10,028,000
A2	30,000 [2]	Banesto Hldgs. Ltd., Ser. A, 10.50% (Bailiwick of Guernsey)	990,000
A-	100,000	Bear Stearns Co., Inc., Ser. E, 6.15%	5,253,000
B+	60,000	Chevy Chase Preferred Cap. Corp., Ser. A, 10.375%	3,465,600
A3	23,600	Citigroup Cap. I, 6.75% (CORTS)	609,352
AA	40,000	Citigroup Cap. X, 6.10%	1,006,800
AA	50,000	Citigroup Cap. XI, 6.00%	1,246,500
BB	80,000	Colonial Cap. Trust IV, 7.875%	2,136,000
		Credit Suisse First Boston, Inc. (SATURNS)	
Aa3	11,100	6.25%	281,718
Aa3	12,300	7.00%	320,954
BBB+	137,500	Everest Re Cap. Trust, 7.85% (Barbados)	3,798,437
BBB+	30,000	Everest Re Cap. Trust II, Ser. B, 6.20%	702,300
		Federal Home Loan Mortgage Corp.	
AA-	121,150	Ser. F, 5.00%	5,209,450
AA-	102,958	Ser. H, 5.10%	4,488,969
AA	15,200	Financial Security Assurance Holdings Ltd., 5.60%	365,408
BBB-	277,200	First Republic Bank, 6.70%	7,354,476
BBB-	120,000	First Republic Preferred Cap. Corp., 7.25%	3,054,000
Aa3	85,000	Fleet Cap. Trust VII, 7.20%	2,250,800
Aa3	26,100	Fleet Cap. Trust VIII, 7.20%	695,304
		Goldman Sachs Group, Inc., The,	
Aa3	42,000	5.80% (CORTS)	1,047,900
Aa3	20,000	5.625% (SATURNS)	465,600
Aa3	102,900	6.00% (SATURNS)	2,553,206
		ING Groep NV (Netherlands)	

A-	76,700	7.05%	2,056,519
A2	560,337	7.20%	15,224,356
A1	80,000	JP Morgan Chase Cap. XII, 6.25%	2,056,000
A1	150,000	JP Morgan Chase Cap. XIV, 6.20%	3,832,500
A3	117,200	KeyCorp Cap. V, 5.875%	2,893,375
A2	263,400	Lehman Brothers Holdings Cap. Trust III, Ser. K, 6.375%	6,729,870
A2	90,000	Lehman Brothers Holdings Cap. Trust IV, Ser. L, 6.375%	2,317,500
A2	146,500	Lehman Brothers Holdings Cap. Trust V, Ser. M, 6.00%	3,647,850
A-	31,100	Lehman Brothers Holdings, Inc., Ser. D, 5.67%	1,586,100
A1	20,000	Merrill Lynch Preferred Cap. Trust III, 7.00%	537,500
A1	86,900	Merrill Lynch Preferred Cap. Trust V, 7.28%	2,356,728
A+	337,000	Morgan Stanley Cap. Trust III, 6.25%	8,569,910
BBB-	7,200	News Corp. Ltd., The, Ser. 9, Class 1, 8.125% (CORTS)	189,432
A	209,400	Partnerre Ltd., Ser. C, 6.75% (Bermuda)	5,418,225
BBB	79,385	Phoenix Cos, Inc., The, 7.45%	2,024,317
BBB+	18,400	PLC Cap. Trust IV, 7.25%	489,440

See Notes to Financial Statements.

Rating[1] (unaudited)	Shares	Description	Value
		Financial Institutions—(cont'd)	
		Renaissancere Holdings Ltd. (Bermuda)	
BBB+	271,725	Ser. B, 7.30%	$ 7,293,099
BBB+	240,000	Ser. C, 6.08%	5,728,800
BBB-	30	Roslyn Real Estate Asset Corp., Ser. C, 8.95%	3,030,000
		Safeco Cap. Trust I,	
Baa2	4,100	8.072% (CORTS)	112,586
Baa2	2,000	8.375% (CORTS)	56,000
Baa2	14,700	8.70% (CORTS)	400,722
Baa2	35,700	8.75% (CORTS)	1,060,260
Baa2	23,600	8.25% (SATURNS)	632,371
A-	5,000	SLM Corp., Ser. A, 6.97%	288,438
BBB-	50,600	Sprint Corp., Ser. 17, Class A1, 7.00% (CORTS)	1,290,806
BBB-	103,439	Structured Repackaged Asset-Backed Trust Securities, 6.50%	2,570,459
A	60[2]	Union Planters Preferred Funding Corp., 7.75%	6,420,000
BBB	11,100	Valero Energy Corp. (PPLUS), 7.25%	290,265
A2	271,200	Wachovia Preferred Funding Corp., Ser. A, 7.25%	7,729,200
Baa1	5,200	Washington Mutual Cap. I, 7.65% (CORTS)	135,850
BBB+	13,500	XL Cap. Ltd., Ser. A, 8.00% (Cayman Islands)	368,298
Baa1	143,865	Zions Cap. Trust, 8.00%	3,951,799
Baa2	2,000[2]	Zurich Regcaps Funding Trust, 6.58%	2,079,000
			161,291,349
		Media—2.5%	
BBB+	253,100	AOL Time Warner, Inc., Ser. A-1, 7.625% (CABCO)	6,745,115
BBB-	110,000	Comcast Corp., expires 11/15/29, price $85.929, 0.95 shares	5,138,650
			11,883,765
		Real Estate—13.3%	
		AMB Property Corp.,	
BBB	80,000	Ser. L, 6.50%	2,045,000
BBB	170,000	Ser. M, 6.75%	4,369,000
		BRE Properties,	
BBB-	225,000	Ser. C, 6.75%	5,625,000
BBB-	80,000	Ser. D, 6.75%	2,012,504
BBB-	78,888	CarrAmerica Realty Corp. Ser. E, 7.50%	2,087,377
		Developers Diversified Realty Corp.	
BBB-	120,000	7.375%	3,108,756
BBB-	15,900	7.50%	411,810
		Duke Realty Corp.,	
BBB	90,000	Ser. J, 6.625%	2,358,000
BBB	160,800	Ser. K, 6.50%	4,055,183
BBB	100,000	Equity Residential, Ser. N, 6.48%	2,530,000
BBB+	255,000	Kimco Realty Corp., Ser. F, 6.65%	6,598,125
BBB+	255,200	NB Cap. Corp., 8.35%	7,074,144
BBB	324,000	Regency Centers Corp., 7.45%	8,656,891
Aa3	30[2]	Sun Trust Real Estate Investment Corp., 9.00%	3,861,855
A-	320,000	Weingarten Realty Investors, Ser. D, 6.75%	8,243,200

			63,036,845
		Total Preferred Securities	256,919,347

	Principal Amount (000)		
		Trust Preferred Securities—51.1%	
		Energy—2.5%	
BB+	$ 3,000	HL&P Cap. Trust II, Ser. B, 8.257%, 2/01/37	3,145,680
BBB-	4,655	K N Cap. Trust III, 7.63%, 4/15/28	5,206,152
Ba1	3,000	Puget Sound Energy Cap. Trust I, Ser. B, 8.231%, 6/01/27	3,161,370
			11,513,202

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		Financial Institutions—44.8%	
A+	$ 6,000	Abbey National Cap. Trust I, 8.963%, 12/29/49	$ 8,277,180
Ba2	6,500	AFC Cap. Trust I, Ser. B, 8.207%, 2/03/27	6,751,374
A2	6,000 [2]	AgFirst Farm Credit Bank, 7.30%, 10/14/49	6,220,860
AA+	2,000 [2]	American General Institute Cap. B, 8.125%, 3/15/46	2,611,500
BBB	5,000	Astoria Cap. Trust 1, Ser. B, 9.75%, 11/01/29	6,042,700
A3	9,774	AXA SA, 7.10%, 5/29/49 (France)	10,219,412
A1	4,600	Bank One Cap. III, 8.75%, 9/01/30	6,177,340
A+	3,557	BNP Paribas Cap. Trust V, 7.20%, 12/31/49	3,765,440
A2	8,000 [2]	CBA Cap. Trust I, 5.805%, 12/31/49	8,294,320
BBB-	1,100	Colonial Cap. Trust II, Ser. A, 8.92%, 1/15/27	1,218,657
A1	3,000	Credit Agricole Preferred Fund Trust II, 7.00%, 8/29/49 (Luxembourg)	3,120,000
Aa3	10,000 [2]	Danske Bank A/S, 5.914%, 12/29/49 (Denmark)	10,603,900
A+	4,500 [2]	Deutsche Bank Cap. Funding, 7.872%, 12/29/49	5,103,270
A3	6,000 [2]	Dresdner Funding Trust I, 8.151%, 6/30/31	7,376,640
Baa2	1,100	FCB/NC Cap. Trust I, 8.05%, 3/01/28	1,173,381
A3	5,000	Greenpoint Cap. Trust I, 9.10%, 6/01/27	5,897,750
		HBOS Cap. Funding LP,	
AA-	10,000 [2]	6.071%, 6/30/49 (United Kingdom)	10,707,400
A1	5,000	6.85%, 3/29/49 (United Kingdom)	5,212,500
AA-	10,835 [2]	HSBC Cap. Funding LP, 9.55%, 6/30/49 (Bailiwick of Jersey)	13,313,940
BBB-	1,400	HUBCO Cap. Trust I, Ser. B, 8.98%, 2/01/27	1,591,898
BBB-	3,000	HUBCO Cap. Trust II, Ser. B, 7.65%, 6/15/28	3,142,215
A1	1,000	JPM Cap. Trust II, 7.95%, 2/01/27	1,091,129
BBB+	10,000 [2]	Mangrove Bay Pass-Through Trust, 6.102%, 7/15/33	9,922,600
BB+	3,145	Markel Cap. Trust I, Ser. B, 8.71%, 1/01/46	3,400,626
Aa3	1	Morgan Stanley, 7.05%, 4/01/32 (PPLUS)	34,491
A3	3,000	North Fork Cap. Trust II, 8.00%, 12/15/27	3,343,620
Baa2	5,000	Old Mutual Cap. Funding, 8.00%, 5/29/49 (Jersey)	5,287,000
BB+	4,200	Provident Financing Trust I, 7.405%, 3/15/38	3,701,250
AA	11,200 [2]	Rabobank Capital Funding Trust, 5.254%, 12/29/49	11,139,128
A1	8,000	RBS Cap. Trust, 6.80%, 12/31/49 (United Kingdom)	8,269,383
AA	10,000	Royal Bank of Scotland Group PLC, 7.648%, 8/31/49 (United Kingdom)	11,908,700
A+	4,600 [2]	State Street Institutional Capital A, Ser. A, 7.94%, 12/30/26	5,205,176
A+	7,500 [2]	Sun Life of Canada US Cap. Trust I, 8.526%, 5/29/49 (Canada)	8,435,025
A+	7,270	Transamerica Cap. III, 7.625%, 11/15/37	8,221,352
BBB-	5,000 [2]	Webster Cap. Trust I, 9.36%, 1/29/27	5,542,700
			212,323,857
		Real Estate—2.6%	
BB+	8,000 [2]	Sovereign Real Estate Investor Corp., 12.00%, 8/29/49	12,344,000
		Telecommunications—1.2%	
BB+	5,000	TCI Communications Financing III, 9.65%, 3/31/27	5,785,900
		Total Trust Preferred Securities	241,966,959

		Corporate Bonds—35.9%	
		Automotive—1.3%	
B	3,000	Dura Operating Corp., Ser. B, 8.625%, 4/15/12	3,127,500
B-	2,850	Rexnord Corp., 10.125%, 12/15/12	3,224,062
			6,351,562
		Basic Materials—1.1%	
B	1,500	Caraustar Industries, Inc., 9.875%, 4/01/11	1,631,250
B+	3,000	Lyondell Chemical Co., 11.125%, 7/15/12	3,555,000
			5,186,250
		Conglomerates—0.7%	
B	3,000	Trimas Corp., 9.875%, 6/15/12	3,180,000
		Consumer Products—1.9%	
BB+	3,500	Delhaize America, Inc., 9.00%, 4/15/31	4,551,645
B-	1,000	Lazy Days RV Center, Inc., 11.75%, 5/15/12	1,087,500
B+	3,000	Stoneridge, Inc., 11.50%, 5/01/12	3,498,750
			9,137,895

See Notes to Financial Statements.

Rating [1] (unaudited)	Principal Amount (000)	Description	Value
		Containers & Packaging—0.7%	
B+	$ 3,000	Crown European Holdings SA, 9.50%, 3/01/11 (France)	$ 3,420,000
		Ecological Services & Equipment—0.4%	
B	1,695	Allied Waste NA, Inc., Ser. B, 10.00%, 8/01/09	1,781,869
		Energy—3.2%	
B	3,000	AES Corp., 8.875%, 2/15/11	3,427,500
B	3,000	Dresser, Inc., 9.375%, 4/15/11	3,285,000
B	2,250[2]	Dynegy Holdings, Inc., 10.125%, 7/15/13	2,567,812
B	2,950	Orion Power Holdings, Inc., 12.00%, 5/01/10	3,746,500
BB	2,000	Williams Cos, Inc., 8.125%, 3/15/12	2,315,000
			15,341,812
		Entertainment & Leisure—0.2%	
Ba3	763	Host Marriot Corp., Ser. B, 7.875%, 8/01/08	786,844
		Financial Institutions—21.7%	
AA+	9,500[2,3]	American General Institute Cap. A, 7.57%, 12/01/45	11,780,665
Aa3	12,000[2]	Barclays Bank PLC, 6.86%, 9/29/49 (United Kingdom)	13,495,152
BB	1,000	Crum & Forster Holdings Corp., 10.375%, 6/15/13	1,115,000
B+	3,375[2]	E*Trade Financial Corp., 8.00%, 6/15/11	3,619,688
BB	8,000	Fairfax Financial Holdings, Ltd., 7.75%, 4/26/12 (Canada)	8,080,000
BBB	11,500	First Midwest Cap. Trust I, Ser. B, 6.95%, 12/01/33	12,525,701
AA-	8,000	HSBC Bank USA, Inc., 5.875%, 11/01/34	8,083,600
BBB-	5,000	Kingsway America, Inc., 7.50%, 2/01/14	5,164,700
AA	7,399	Lloyds Bank Ltd., 6.90%, 11/22/49 (United Kingdom)	7,760,368
BB	692	Midland Funding Corp. II, Ser. A, 11.75%, 7/23/05	726,329
A+	8,000	Prudential, 6.50%, 6/29/49	8,020,000
B	2,400[2]	Refco Finance Holdings LLC, 9.00%, 8/01/12	2,616,000
A3	4,000	Resparcs Funding LP, 8.00%, 12/30/49 (United Kingdom)	4,216,000
A+	5,000	Santander Financial Issuances, 7.25%, 11/01/15 (Cayman Islands)	5,911,650
Ba1	2,000	Sovereign Capital Trust 1, 9.00%, 4/01/27	2,267,300
AAA	4,479 [2]	Structured Asset Receivable Trust, 1.64%, 1/21/10	4,479,178
A2	3,000[2]	Westpac Cap. Trust IV, 5.256%, 12/29/49	2,934,060
			102,795,391
		Health Care—0.3%	
B3	1,415	Insight Health Services Corp., Ser. B, 9.875%, 11/01/11	1,429,150
		Industrials—0.1%	
B-	300	ERICO Intl. Corp., 8.875%, 3/01/12	315,000
		Media—1.3%	
B	1,950	Dex Media East, LLC, 12.125%, 11/15/12	2,379,000
B1	696	PEI Holdings Inc., 11.00%, 3/15/10	805,620
CCC	3,000	WRC Media, Inc., 12.75%, 11/15/09	2,853,750

			6,038,370
		Publishing—0.7%	
B+	3,000	Cenveo Corp., 9.625%, 3/15/12	3,315,000
		Real Estate—1.4%	
		Rouse Co.,	
BB+	5,000	3.625%, 3/15/09	4,712,750
BB+	2,000	5.375%, 11/26/13	1,918,400
			6,631,150
		Telecommunications—0.5%	
BB	2,000 [2]	Qwest Corp., 7.875%, 9/01/11	2,170,000
		Transportation—0.4%	
B	1,910	Sea Containers Ltd., 10.50%, 5/15/12 (Bermuda)	2,015,050
		Total Corporate Bonds	169,895,343
		Foreign Government Bonds—0.7%	
Baa2	3,000	United Mexican States, 8.00%, 9/24/22	3,439,500
		Total Long-Term Investments (cost $640,664,930)	672,221,149

See Notes to Financial Statements.

Principal Amount (000)	Description	Value
	SHORT-TERM INVESTMENT—4.0%	
	U.S. Government and Agency Zero Coupon Bond	
$ 18,800	Federal Home Loan Bank, zero coupon, 1/03/05 (cost $18,798,694)	$ 18,798,694
	Total Investments before borrowed bonds and investments sold short (cost $659,463,624)	691,019,843
	BORROWED BONDS—2.9%	
12,500[4]	U.S. Treasury Bonds, 1.80%, 1/03/05 (cost $13,796,875)	13,796,875
	INVESTMENT SOLD SHORT—(2.9)%	
(12,500)	U.S. Treasury Bonds, 5.375%, 2/15/31 (proceeds $13,066,406)	(13,503,875)
	Total investments, net of borrowed bonds and investments sold short—145.9%	$ 691,312,843
	Assets in excess of liabilities—0.7%	3,327,980
	Preferred shares at redemption value, including dividends payable—(46.6%)	(220,831,854)
	Net Assets applicable to common shareholders—100%	$ 473,808,969

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 December 31, 2004, the Trust held 37.3% of its net assets, with a current market value of $176,516,369, in securities restricted as to resale.

3 Entire or partial principal amount pledged as collateral for financial futures contracts.

4 Entire principal amount pledged as collateral for Investments Sold Short. See Note 1 in the Notes to Financial Statements.

A category in the Preferred Securities, Trust Preferred Securities and Corporate Bonds sections may contain multiple industries as defined by the SEC's Standard Industry Codes.

KEY TO ABBREVIATIONS

CABCO—Corporate Asset Backed Corporation

CORTS—Corporate Backed Trust Securities

PPLUS—Preferred Plus

SATURNS—Structured Asset Trust Unit Repackagings

See Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES
December 31, 2004

	Advantage Term Trust [1] (BAT)	Global Floating Rate Income Trust (BGT)	Preferred Opportunity Trust (BPP)
Assets			
Investments at value [2]	$ 140,120,792	$ 738,917,422	$ 691,019,843
Cash	—	1,993,271	2,695,625
Foreign currency at value [3]	—	13,882	—
Receivable from investments sold	10,000,000	452,366	—
Deposits with brokers as collateral for borrowed bonds	—	—	13,796,875
Receivable for open forward foreign currency contracts	—	3,367,954	—
Income receivable	191,956	5,602,993	5,950,133
Unrealized appreciation on interest rate swaps	—	—	323,859
Other assets	28,087	39,952	53,984
	150,340,835	750,387,840	713,840,319
Liabilities			
Reverse repurchase agreements	39,944,875	—	—
Payable to custodian	9,747,717	—	—
Payable for investments purchased	—	49,375,846	—
Variation margin payable	—	—	756,625
Investments sold short at value [4]	—	—	13,503,875
Interest payable	67,059	—	1,336,279
Payable for open forward foreign currency contacts	—	3,425,437	—
Dividends payable	554,786	2,190,779	3,050,969
Investment advisory fee payable	43,195	324,874	383,577
Administration fee payable	14,388	—	—
Deferred Directors' or Trustees' fees	23,980	2,095	34,370
Payable to affiliates	8,061	8,593	—
Other accrued expenses	204,047	447,194	133,801
	50,608,108	55,774,818	19,199,496
Preferred Shares at Redemption Value			
$0.001 par value per share and $25,000 liquidation value per share, including dividends payable [5]	$ —	$ 243,485,706	$ 220,831,854
Net Assets Applicable to Common Shareholders	$ 99,732,727	$ 451,127,316	$ 473,808,969
Composition of Net Assets Applicable to Common Shareholders:			
Par value	$ 95,107	$ 23,481	$ 18,306
Paid-in capital in excess of par	88,784,068	444,690,260	433,520,477
Undistributed (distributions in excess of) net investment income	10,040,004	(1,900,197)	(34,370)

Accumulated net realized gain (loss)	(2,140,174)	(44,284)	10,696,263
Net unrealized appreciation	2,953,722	8,358,056	29,608,293
Net assets applicable to common shareholders, December 31, 2004	$ 99,732,727	$ 451,127,316	$ 473,808,969
Net asset value per common share [6]	$ 10.49	$ 19.21	$ 25.88

[1] Consolidated Statement of Assets and Liabilities			
[2] Investments at cost	$ 137,167,070	$ 730,507,662	$ 659,463,624
[3] Foreign currency at cost	—	13,539	—
[4] Proceeds received	—	—	13,066,406
[5] Preferred shares outstanding	—	9,738	8,832
[6] Common shares outstanding	9,510,667	23,481,021	18,305,777

See Notes to Financial Statements.

STATEMENTS OF OPERATIONS
For the period [1] ended December 31, 2004

	Advantage Term Trust [2] (BAT)	Global Floating Rate Income Trust (BGT)	Preferred Opportunity Trust (BPP)
Investment Income			
Interest income	$ 7,765,147	$ 9,115,388	$ 30,348,979
Dividend income	1,215	—	16,946,942
Total investment income	7,766,362	9,115,388	47,295,921
Expenses			
Investment advisory	529,933	1,493,235	4,482,902
Administration	84,789	—	—
Transfer agent	15,573	7,624	15,006
Custodian	72,339	83,563	117,624
Reports to shareholders	30,490	38,962	89,026
Directors/Trustees	17,118	19,989	56,364
Registration	29,568	10,673	28,285
Independent accountants	42,686	51,238	44,512
Legal	33,294	18,872	61,375
Insurance	9,590	20,590	63,203
Organization	—	15,000	—
Auction agent	—	120,936	579,128
Miscellaneous	20,934	22,684	56,142
Total expenses excluding interest expense and excise tax	886,314	1,903,366	5,593,567
Interest expense	427,235	2,548	1,156,065
Excise tax	50,000	—	—
Total expenses	1,363,549	1,905,914	6,749,632
Less: fees waived by Advisor	—	(398,196)	—
Less: fees paid indirectly	(603)	(37,322)	(6,501)
Net expenses	1,362,946	1,470,396	6,743,131
Net investment income	6,403,416	7,644,992	40,552,790
Realized and Unrealized Gain (Loss)			
Net realized gain (loss) on:			
Investments	2,573,472	97,506	21,147,890
Foreign currency	—	7,055	—
Futures	9,141	—	(132,867)
Interest rate swaps	—	—	(7,461,538)
Short sales	—	—	(1,060,504)
	2,582,613	104,561	12,492,981
Net change in unrealized appreciation/depreciation on:			
Investments	(8,219,268)	8,409,759	(5,479,228)
Foreign currency	—	(51,703)	—

Futures	—	—	(1,649,386)
Interest rate swaps	—	—	1,330,855
Short sales	—	—	(437,469)
	(8,219,268)	8,358,056	(6,235,228)
Net gain (loss)	(5,636,655)	8,462,617	6,257,753
Dividends and Distributions to Preferred Shareholders from:			
Net investment income	—	(945,917)	(2,900,841)
Net realized gains	—	—	(402,710)
Total dividends and distributions	—	(945,917)	(3,303,551)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	$ 766,761	$ 15,161,692	$ 43,506,992

1 Commencement of investment operations for Global Floating Rate Income was August 30, 2004. This information includes the initial investment by BlackRock Funding, Inc. The other Trusts' statements are for a full year.

2 Consolidated Statement of Operations.

See Notes to Financial Statements.

STATEMENTS OF CASH FLOWS
For the period [1] ended December 31, 2004

Reconciliation of Net Increase in Net Assets Resulting from Operations to Net Cash Provided by (Used for) Operating Activities	Advantage Term Trust [2] (BAT)	Global Floating Rate Income Trust (BGT)	Preferred Opportunity Trust (BPP)
Net increase in net assets resulting from operations	$ 766,761	$ 15,161,692	$ 43,506,992
Purchases of long-term investments	(24,940,597)	(750,013,307)	(479,878,051)
Proceeds from sales of long-term investments	31,230,764	52,361,916	511,407,204
Net purchases of short-term investments	(6,899,164)	(32,676,373)	(17,358,395)
Amortization of premium and discount on investments	(5,761,799)	(75,338)	546,440
Net realized gain	(2,573,472)	(104,561)	(20,966,596)
Decrease (Increase) in unrealized appreciation/depreciation	8,219,268	(8,358,056)	5,479,229
Net effect of exchange rates on foreign currencies	—	(51,703)	—
Decrease in receivable for investments sold short	—	—	13,503,875
Increase in unrealized appreciation of interest rate swaps	—	—	(1,330,855)
Increase in deposits with brokers as collateral for borrowed bonds	—	—	(13,796,875)
Decrease (Increase) in receivable for investments sold	(10,000,000)	(452,366)	6,084,833
Increase in receivable for open forward foreign currency contracts	—	(3,367,954)	—
Decrease (Increase) in interest receivable	266	(5,602,993)	881,298
Increase in other assets	(3,374)	(39,952)	(6,923)
Increase (Decrease) in payable for investments purchased	—	49,375,846	(6,986,814)
Increase in payable for open forward foreign currency contacts	—	3,425,437	—
Increase in variation margin payable	—	—	694,125
Increase in interest payable	47,702	—	358,675
Increase (Decrease) in investment advisory fee payable	(3,031)	324,874	1,507
Decrease in administration fee payable	(485)	—	—
Increase in deferred Directors/Trustees fees	3,393	2,095	21,350
Increase (Decrease) in payable to affiliates	(3,864)	8,593	—
Increase (Decrease) in other accrued expenses	(280,453)	447,194	(21,692)
Total adjustments	(10,964,846)	(694,796,648)	(1,367,665)
Net cash provided by (used for) operating activities	$ (10,198,085)	$ (679,634,956)	$ 42,139,327
Increase (Decrease) in Cash			
Net cash provided by (used for) operating activities	$ (10,198,085)	$ (679,634,956)	$ 42,139,327
Cash provided by (used for) financing activities:			
Capital contributions	—	444,728,741	—
Increase (Decrease) in reverse repurchase agreements	9,867,050	—	(3,486,000)
Increase (Decrease) in preferred shares at redemption value including dividends payable	—	243,485,706	(8,920)
Cash dividends paid to common shareholders	(9,472,587)	(6,572,338)	(37,940,626)
Net cash provided by (used for) financing activities	394,463	681,642,109	(41,435,546)
Net increase (decrease) in cash	(9,803,622)	2,007,153	703,781
Cash at beginning of period	55,905	—	1,991,844
Cash and foreign currency (overdraft) at end of period	$ (9,747,717)	$ 2,007,153	$ 2,695,625

1 Commencement of investment operations for Global Floating Rate Income was August 30, 2004. This information includes the initial investment by BlackRock Funding, Inc. The other Trusts' statements are for a full year.

2 Consolidated Statement of Cash Flows.

See Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS
For the periods [1] ended December 31, 2004 and 2003

	Advantage Term Trust [2] (BAT)		Global Floating Rate Income Trust (BGT)	Preferred Opportunity Trust (BPP)	
	2004	**2003**	**2004**	**2004**	**2003**
Increase (Decrease) in Net Assets Applicable to Common Shareholders					
Operations:					
Net investment income	$ 6,403,416	$ 7,887,060	$ 7,644,992	$ 40,552,790	$ 31,539,785
Net realized gain (loss)	2,582,613	(5,849,233)	104,561	12,492,981	(374,554)
Net change in unrealized appreciation/ depreciation	(8,219,268)	(1,198,427)	8,358,056	(6,235,228)	35,843,521
Dividends and distributions to preferred shareholders from:					
Net investment income	—	—	(945,917)	(2,900,841)	(1,805,661)
Net realized gains	—	—	—	(402,710)	(4,742)
Net increase in net assets applicable to common shareholders resulting from operations	766,761	839,400	15,161,692	43,506,992	65,198,349
Dividends and Distributions to Common Shareholders from:					
Net investment income	(554,749)	(6,657,165)	(8,763,117)	(36,611,627)	(30,435,478)
Net realized gains	—	—	—	(1,328,999)	(74,051)
Tax return of capital distributions	(8,917,875)	—	—	—	—
Total dividends and distributions	(9,472,624)	(6,657,165)	(8,763,117)	(37,940,626)	(30,509,529)
Capital Share Transactions:					
Net proceeds from the issuance of common shares	—	—	438,510,001	—	388,477,506
Net proceeds from the underwriters' over-allotment option exercised	—	—	9,053,500	—	47,650,000
Offering costs relating to the issuance of preferred shares	—	—	(2,834,760)	—	(2,597,000)
Reinvestment of common dividends	—	—	—	—	23,277
Net proceeds from capital share transactions	—	—	444,728,741	—	433,553,783
Total increase (decrease)	(8,705,863)	(5,817,765)	451,127,316	5,566,366	468,242,603

Net Assets Applicable to Common Shareholders					
Beginning of period	108,438,590	114,256,355	—	468,242,603	—
End of period	$ 99,732,727	$108,438,590	$ 451,127,316	$473,808,969	$468,242,603
End of period undistributed (distributions in excess of) net investment income	$ 10,040,004	$ 16,107,109	$ (1,900,197)	$ (34,370)	$ (683,854)

1 Commencement of investment operations for Global Floating Rate Income and Preferred Opportunity was August 30, 2004, and February 28, 2003, respectively. This information includes the initial investment by BlackRock Funding, Inc. The other Trusts' statements are for a full year.

2 Consolidated Statement of Changes in Net Assets.

See Notes to Financial Statements

CONSOLIDATED FINANCIAL HIGHLIGHTS

BlackRock Advantage Term Trust (BAT)

	Year Ended December 31,				
	2004	**2003**	**2002**	**2001**	**2000**
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	$ 11.40	$ 12.01	$ 11.64	$ 10.83	$ 10.04
Investment operations:					
Net investment income	0.67	0.83	1.19	1.00	0.59
Net realized and unrealized gain (loss)	(0.58)	(0.74)	(0.18)	0.41	0.80
Net increase from investment operations	0.09	0.09	1.01	1.41	1.39
Dividends and distributions from:					
Net investment income	(0.06)	(0.70)	(0.64)	(0.60)	(0.60)
Tax return of capital	(0.94)	—	—	—	—
Total dividends and distributions	(1.00)	(0.70)	(0.64)	(0.60)	(0.60)
Net asset value, end of year	$ 10.49	$ 11.40	$ 12.01	$ 11.64	$ 10.83
Market price, end of year	$ 10.47	$ 11.30	$ 11.85	$ 11.15	$ 9.88
TOTAL INVESTMENT RETURN [1]	1.45%	1.25%	12.26%	19.44%	16.28%
RATIOS TO AVERAGE NET ASSETS:					
Total expenses	1.29%	1.42%	1.82%	2.87%	4.06%
Net expenses	1.29%	1.42%	1.82%	2.87%	4.06%
Net expenses excluding interest expense and excise tax	0.84%	0.84%	0.86%	0.92%	0.88%
Net investment income	6.04%	7.04%	9.98%	8.78%	5.72%
SUPPLEMENTAL DATA:					
Average net assets (000)	$ 105,987	$ 111,990	$ 113,632	$ 108,142	$ 98,368
Portfolio turnover	20%	8%	4%	17%	17%
Net assets, end of year (000)	$ 99,733	$ 108,439	$ 114,256	$ 110,685	$ 103,010
Reverse repurchase agreements outstanding, end of year (000)	$ 39,945	$ 30,078	$ 27,874	$ 34,500	$ 48,262
Asset coverage, end of year [2]	$ 3,497	$ 4,605	$ 5,099	$ 4,208	$ 3,134

1 Total investment return is calculated assuming a purchase of a share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

2 Per $1,000 of reverse repurchase agreements outstanding.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each year indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements

FINANCIAL HIGHLIGHTS

BlackRock Global Floating Rate Income Trust (BGT)

		For the period August 30, 2004[1] through December 31, 2004
PER SHARE OPERATING PERFORMANCE:		
Net asset value, beginning of period	$	19.10[2]
Investment operations:		
Net investment income		0.33
Net realized and unrealized gain		0.35
Dividends to preferred shareholders from net investment income		(0.04)
Net increase from investment operations		0.64
Dividends to common shareholders from net investment income		(0.37)
Capital charges with respect to issuance of:		
Common shares		(0.04)
Preferred shares		(0.12)
Total capital charges		(0.16)
Net asset value, end of period	$	19.21
Market price, end of period	$	18.63
TOTAL INVESTMENT RETURN [3]		(5.00)%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS: [4,5]		
Total expenses		1.26%
Net expenses		0.97%
Net expenses excluding interest expense		0.97%
Net investment income before preferred share dividends		5.04%
Preferred share dividends		0.62%
Net investment income available to common shareholders		4.42%
SUPPLEMENTAL DATA:		
Average net assets (000)	$	446,660
Portfolio turnover		11%
Net assets applicable to common shareholders, end of period (000)	$	451,126
Preferred shares value outstanding, end of period (000)	$	243,450
Asset coverage per preferred share, end of period	$	71,330

1 Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

Net asset value, beginning of period, reflects a deduction of $0.90 per share sales charge from the initial offering price of $20.00 per share.

2

3 Total investment return is calculated assuming a purchase of a share at the current market price on the first day and a sale at the current market price on the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

4 Annualized.

5 Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of the common shareholders.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements

FINANCIAL HIGHLIGHTS

BlackRock Preferred Opportunity Trust (BPP)

	For the Year Ended December 31, 2004	For the period February 28, 2003 [1] through December 31, 2003
PER SHARE OPERATING PERFORMANCE:		
Net asset value, beginning of period	$ 25.58	$ 23.88 [2]
Investment operations:		
Net investment income	2.22	1.72
Net realized and unrealized gain	0.33	1.93
Dividends and distributions to preferred shareholders from:		
Net investment income	(0.16)	(0.10)
Net realized gains	(0.02)	—
Net increase from investment operations	2.37	3.55
Dividends and distributions to common shareholders from:		
Net investment income	(2.00)	(1.66)
Net realized gains	(0.07)	—
Total dividends and distributions	(2.07)	(1.66)
Capital charges with respect to issuance of:		
Common shares	—	(0.05)
Preferred shares	—	(0.14)
Total capital charges	—	(0.19)
Net asset value, end of period	$ 25.88	$ 25.58
Market price, end of period	$ 25.39	$ 24.83
TOTAL INVESTMENT RETURN [3]	11.01%	6.28%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS: [4]		
Total expenses	1.44%	1.52% [5]
Net expenses	1.44%	1.52% [5]
Net expenses excluding interest expense	1.19%	1.16% [5]
Net investment income before preferred share dividends	8.66%	8.35% [5]
Preferred share dividends	0.62%	0.48% [5]
Net investment income available to common shareholders	8.04%	7.87% [5]
SUPPLEMENTAL DATA:		

Average net assets of common shareholders (000)	$	468,110	$	449,345
Portfolio turnover		88%		98%
Net assets applicable to common shareholders, end of period (000)	$	473,809	$	468,243
Preferred shares value outstanding, end of period (000)	$	220,800	$	220,841
Reverse repurchase agreements outstanding, end of period (000)	$	—	$	3,486
Asset coverage per preferred share, end of period	$	78,650	$	78,021

1 Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

2 Net asset value, beginning of period, reflects a deduction of $1.12 per share sales charge from the initial offering price of $25.00 per share.

3 Total investment return is calculated assuming a purchase of a share at the current market price on the first day and a sale at the current market price on the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust’s dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

4 Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of the common shareholders.

5 Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust’s common shares.

See Notes to Financial Statements

Note 1. Organization & Accounting Policies

The BlackRock Advantage Term Trust Inc. (“Advantage”), a Maryland corporation, is registered as a diversi- fied, closed-end management investment company under the Investment Company Act of 1940, as amended. BlackRock Global Floating Rate Income Trust (“Global”) and BlackRock Preferred Opportunity Trust (“Preferred Opportunity”), are organized as Delaware statutory trusts (collectively with Advantage, the “Trusts”), are registered as non-diversified and diversified, closed-end management investment companies, respectively, under the Investment Company Act of 1940, as amended.

Advantage transferred, on October 31, 1998, a substantial portion of its total assets to a 100% owned regulated investment company subsidiary called BAT Subsidiary, Inc. The financial statements and these notes to the financial statements for Advantage are consolidated and include the operations of Advantage and its wholly owned subsidiary after elimination of all intercompany transactions and balances.

The Board of Directors of Advantage adopted a Plan of Liquidation and Dissolution (each a “Plan”) effective January 2, 2004. Pursuant to the terms of the Plan, the Board of Directors shall oversee the complete liquidation and winding up of Advantage in an orderly fashion prior to December 31, 2005.

The following is a summary of significant accounting policies followed by the Trusts.

Investment Valuation: The Trusts value most of their investments on the basis of current market quotations provided by dealers or pricing services selected under the supervision of each Trust’s Board (the “Board”) of Directors/Trustees (the “Trustees”). In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, market transactions in comparable investments, various relationships observed in the market between investments, and calculated yield measures based on valuation technology commonly employed in the market for such investments. Exchange-traded options are valued at their last sales price as of the close of options trading on applicable exchanges. In the absence of a last sale, options are valued at the average of the quoted bid and asked prices as of the close of business. A futures contract is valued at the last sale price as of the close of the commodities exchange on which it trades. Short-term securities may be valued at amortized cost. Investments in open-end investment companies are valued at net asset value. Investments or other assets for which such current market quotations are not readily available are valued at fair value (“Fair Value Assets”) as determined in good faith under procedures established by, and under the general supervision and responsibility of, each Trust’s Board. The investment advisor and/or sub-advisor will submit its recommendations regarding the valuation and/or valuation methodologies for Fair Value Assets to a valuation committee. The valuation committee may accept, modify or reject any recommendations. The pricing of all Fair Value Assets shall be subsequently reported to and ratified by the Board.

When determining the price for a Fair Value Asset, the investment advisor and/or sub-advisor shall seek to determine the price that the Trust might reasonably expect to receive from the current sale of that asset in an arm’s-length transaction. Fair value determinations shall be based upon all available factors that BlackRock Advisors, Inc., the investment advisor, deems relevant.

Investment Transactions and Investment Income: Investment transactions are recorded on trade date. Realized and unrealized gains and losses are calculated on the identified cost basis. Each Trust records interest income on an accrual basis and amortizes premium and/or accretes discount on securities purchased using the interest method. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed. These dividends are recorded as soon as the Trust is informed of the ex-dividend date. Dividend income on foreign securities is recorded net of any withholding tax.

Repurchase Agreements: In connection with transactions in repurchase agreements, a Trust’s custodian takes possession of the underlying collateral securities, the value of which at least equals the principal amount of the repurchase transaction, including accrued interest. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to ensure the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by a Trust may be delayed or limited.

Bank Loans: In the process of buying, selling and holding bank loans, a Trust may receive and/or pay certain fees. These fees are in addition to interest payments received and may include facility fees, commitment fees, amendment fees, commissions and prepayment penalty fees. When a Trust buys a bank loan it may receive a facility fee and when it sells a bank loan it may pay a facility fee. On an ongoing basis, a Trust may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a bank loan. In certain circumstances, a Trust may receive a prepayment penalty fee upon the prepayment of a bank loan by a borrower. Other fees received by a Trust may include covenant waiver fees and covenant modification fees. For these loans, the Trust commits to provide funding up to the face amount of the loan. The amount drawn down by the borrower may vary during the term of the loan.

Option Writing/Purchasing: When a Trust writes or purchases an option, an amount equal to the premium received or paid by the Trust is recorded as a liability or an asset and is subsequently adjusted to the current market value of the option written or purchased. Premiums received or paid from writing or purchasing options which expire unexercised are treated by the Trust on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on effecting a closing purchase or sale transaction, including brokerage commissions, is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is added to the cost of the purchase or the proceeds from the sale in determining whether a Trust has realized a gain or a loss on investment transactions. A Trust, as writer of an option, may have no control over whether the underlying securities may be sold (call) or purchased (put) and as a result bears the market risk of an unfavorable change in the price of the security underlying the written option.

Options, when used by the Trusts, help in maintaining a targeted duration. Duration is a measure of the price sensitivity of a security or a portfolio to relative changes in interest rates. For instance, a duration of “one” means that a portfolio’s or a security’s price would be expected to change by approximately one percent with a one percent change in interest rates, while a duration of five would imply that the price would move approximately five percent in relation to a one percent change in interest rates.

Option writing and purchasing may be used by the Trusts as an attempt to manage the duration of positions, or collections of positions, so that changes in interest rates do not adversely affect the targeted duration of the portfolio unexpectedly. A call option gives the purchaser of the option the right (but not obligation) to buy, and obligates the seller to sell (when the option is exercised), the underlying position at the exercise price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying position at the exercise price at any time or at a specified time during the option period. Put or call options can be purchased or sold to effectively help manage the targeted duration of the portfolio.

The main risk that is associated with purchasing options is that the option expires without being exercised. In this case, the option expires worthless and the premium paid for the option is considered the loss. The risk associated with writing call options is that a Trust may forgo the opportunity for a profit if the market value of the underlying position increases and the option is exercised. The risk in writing put options is that a Trust may incur a loss if the market value of the underlying position decreases and the option is exercised. In addition, the Trust risks not being able to enter into a closing transaction for the written option as the result of an illiquid market.

Interest Rate Swaps: In an interest rate swap, one investor pays a floating rate of interest on a notional principal amount and receives a fixed rate of interest on the same notional principal amount for a specified period of time. Alternatively, an investor may pay a fixed rate and receive a floating rate. Interest rate swaps are efficient as asset/liability management tools. In more complex swaps, the notional principal amount may decline (or amortize) over time.

During the term of the swap, changes in the value of the swap are recognized as unrealized gains or losses by “marking-to-market” to reflect the market value of the swap. When the swap is terminated, a Trust will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust’s basis in the contract, if any.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the swap. However, the Trusts closely monitor swaps and do not anticipate non-performance by any counterparty.

Swap Options: Swap options are similar to options on securities except that instead of selling or purchasing the right to buy or sell a security, the writer or purchaser of the swap option is granting or buying the right to enter into a previously agreed upon interest rate swap agreement at any time before the expiration of the option. Premiums received or paid from writing or purchasing options are recorded as liabilities or assets and are subsequently adjusted to the current market value of the option written or purchased. Premiums received or paid from writing or purchasing options which expire unexercised are treated by a Trust on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on effecting a closing purchase or sale transaction, including brokerage commission, is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is added to the cost of the purchase or the proceeds from the sale in determining whether a Trust has realized a gain or loss on investment transactions.

The main risk that is associated with purchasing swap options is that the swap option expires without being exercised. In this case, the option expires worthless and the premium paid for the swap option is considered the loss. The main risk that is associated with the writing of a swap option is the market risk of an unfavorable change in the value of the interest rate swap underlying the written swap option.

Swap options may be used by the Trusts to manage the duration of the Trusts’ portfolios in a manner similar to more generic options described above.

Interest Rate Caps: Interest rate caps are similar to interest rate swaps, except that one party agrees to pay a fee, while the other party pays the excess, if any, of a floating rate over a specified fixed or floating rate.

Interest rate caps are intended to both manage the duration of the Trusts’ portfolios and their exposure to changes in short-term interest rates. Owning interest rate caps reduces a portfolio’s duration, making it less sensitive to changes in interest rates from a market value perspective. The effect on income involves protection from rising short-term interest rates, which the Trusts experience primarily in the form of leverage.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the interest rate cap. However, the Trusts do not anticipate non-performance by any counterparty.

Transaction fees paid or received by the Trusts are recognized as assets or liabilities and amortized or accreted into interest expense or income over the life of the interest rate cap. The asset or liability is subsequently adjusted to the current market value of the interest rate cap purchased or sold. Changes in the value of the interest rate cap are recognized as unrealized gains and losses.

Interest Rate Floors: Interest rate floors are similar to interest rate swaps, except that one party agrees to pay a fee, while the other party pays the deficiency, if any, of a floating rate under a specified fixed or floating rate.

Interest rate floors are used by the Trusts to both manage the duration of the portfolios and their exposure to changes in short-term interest rates. Selling interest rate floors reduces a portfolio’s duration, making it less sensitive to changes in interest rates from a market value perspective. The Trusts' leverage provides extra income in a period of falling rates. Selling floors reduces some of that extra income by partially monetizing it as an up-front payment which the Trusts receive.

The Trusts are exposed to credit loss in the event of non-performance by the other party to the interest rate floor. However, the Trusts do not anticipate non-performance by any counterparty.

Transaction fees paid or received by the Trusts are recognized as assets or liabilities and amortized or accreted into interest expense or income over the life of the interest rate floor. The asset or liability is subsequently adjusted to the current market value of the interest rate floor purchased or sold. Changes in the value of the interest rate floor are recognized as unrealized gains and losses.

Financial Futures Contracts: A futures contract is an agreement between two parties to buy and sell a financial instrument for a set price on a future date. Initial margin deposits are made upon entering into futures contracts and can be either cash or securities. During the period the futures contract is open, changes in the value of the contract are recognized as unrealized gains or losses by “marking-to-market” on a daily basis to reflect the market value of the contract at the end of each day’s trading. Variation margin payments are made or received, depending upon whether unrealized gains or losses are incurred. When the contract is closed, a Trust records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust’s basis in the contract.

Financial futures contracts, when used by the Trusts, help in maintaining a targeted duration. Futures contracts can be sold to effectively shorten an otherwise longer duration portfolio. In the same sense, futures contracts can be purchased to lengthen a portfolio that is shorter than its duration target. Thus, by buying or selling futures contracts, the Trusts may attempt to manage the duration of positions so that changes in interest rates do not change the duration of the portfolio unexpectedly.

Forward Currency Contracts: The Trusts enter into forward currency contracts primarily to facilitate settlement of purchases and sales of foreign securities and to help manage the overall exposure to foreign currency. A forward contract is a commitment to purchase or sell a foreign currency at a future date (usually the security transaction settlement date) at a negotiated forward rate. In the event that a security fails to settle within the normal settlement period, the forward currency contract is renegotiated at a new rate. The gain or loss arising from the difference between the settlement value of the original and renegotiated forward contracts is isolated and is included in net realized gains (losses) from foreign currency transactions. Risks may arise as a result of the potential inability of the counterparties to meet the terms of their contract.

Forward currency contracts, when used by the Trusts, help to manage the overall exposure to the foreign currency backing some of the investments held by the Trusts. Forward currency contracts are not meant to be used to eliminate all of the exposure to the foreign currency, rather they allow the Trusts to limit their exposure to foreign currency within a narrow band to the objectives of the Trusts.

Foreign Currency Translation: Foreign currency amounts are translated into United States dollars on the following basis:

(i) market value of investment securities, other assets and liabilities—at the London 4:00 PM rates of exchange.

(ii) purchases and sales of investment securities, income and expenses—at the rates of exchange prevailing on the respective dates of such transactions.

The Trusts isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of securities held at period end. Similarly, the Trusts isolate the effect of changes in foreign exchange rates from the fluctuations arising from changes in the market prices of portfolio securities sold during the period.

Net realized and unrealized foreign exchange gains and losses including realized foreign exchange gains and losses from sales and maturities of foreign portfolio securities, maturities of foreign reverse repurchase agreements, sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of interest and discount recorded on the Trusts’ books and the U.S. dollar equivalent amounts actually received or paid and changes in unrealized foreign exchange gains and losses in the value of portfolio securities and other assets and liabilities arising as a result of changes in the exchange rate.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of domestic origin, including unanticipated movements in the value of the foreign currency relative to the U.S. dollar.

Short Sales: The Trusts may make short sales of securities as a method of managing potential price declines in similar securities owned. When a Trust makes a short sale, it may borrow the security sold short and deliver it to the broker-dealer through which it made the short sale as collateral for its obligation to deliver the security upon conclusion of the sale. The Trusts may have to pay a fee to borrow the particular securities and may be obligated to pay over any payments received on such borrowed securities. A gain, limited to the price at which a Trust sold the security short, or a loss, unlimited as to dollar amount, will be recognized upon the termination of a short sale if the market price is greater or less than the proceeds originally received.

Security Lending: The Trusts may lend their portfolio securities to qualified institutions. The loans are secured by collateral at least equal, at all times, to the market value of the securities loaned. The Trusts may bear the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower of the securities fail financially. The Trusts receive compensation for lending their securities in the form of interest on the loan. The Trusts also continue to receive interest on the securities loaned, and any gain or loss in the market price of the securities loaned that may occur during the term of the loan will be for the accounts of the Trusts. The Trusts did not enter into any security lending transactions during the year ended December 31, 2004.

Segregation: In cases in which the Investment Company Act of 1940, as amended, and the interpretive positions of the Securities and Exchange Commission (the “Commission”) require that each Trust segregate assets in connection with certain investments (e.g., extended settlements, when-issued securities, reverse repurchase agreements or futures contracts), each Trust will, consistent with certain interpretive letters issued by the Commission, designate on its books and records cash or other liquid debt securities having a market value at least equal to the amount that would otherwise be required to be physically segregated.

Federal Income Taxes: It is each Trust's intention to continue to be treated as a regulated investment company under the Internal Revenue Code and to distribute sufficient amounts of their taxable income to shareholders. Therefore, no Federal income tax provisions are required. As part of a tax planning strategy, Advantage may retain a portion of its taxable income and pay excise tax on the undistributed amounts.

Dividends and Distributions: Each Trust declares and pays dividends and distributions to common shareholders monthly from net investment income, net realized short-term capital gains and other sources, if necessary. Net long-term capital gains, if any, in excess of loss carryforwards may be distributed annually. Dividends and distributions are recorded on the ex-dividend date. Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by each Trust's Board, non-interested Trustees are required to defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of other BlackRock closed-end funds selected by the Trustees. This has the same economic effect for the Trustees as if the Trustees had invested the deferred amounts in such Trusts.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of the Trust. Each Trust may, however, elect to invest in common shares of those Trusts selected by the Trustees in order to match its deferred compensation obligations.

Reclassification of CapitalAccounts: In order to present undistributed (distribution in excess of) net investment income ("UNII"), accumulated net realized gain ("Accumulated Gain") and paid-in capital ("PIC") more closely to its tax character, the following accounts for each Trust were increased (decreased):

Trust	UNII	Accumulated Gain	PIC
Advantage	$ (2,997,897)	$ 13,761	$ 2,984,136
Global	163,845	(148,845)	(15,000)
Preferred Opportunity	(390,838)	388,338	2,500

Note 2. Agreements

Each Trust has an Investment Management Agreement with BlackRock Advisors, Inc. (the "Advisor"), a wholly owned subsidiary of BlackRock, Inc. BlackRock Financial Management, Inc., a wholly owned subsidiary of BlackRock, Inc., serves as sub-advisor to Global and Preferred Opportunity. BlackRock, Inc. is an indirect, majority owned subsidiary of The PNC Financial Services Group, Inc. The Investment Management Agreement for Global and Preferred Opportunity covers both investment advisory and administration services. Advantage has an Administration Agreement with the Advisor.

Each Trust's investment advisory fee paid to the Advisor is computed weekly and payable monthly based on an annual rate, 0.50% for Advantage, of the Trust's average weekly net assets and 0.75% for Global and 0.65% for Preferred Opportunity of each Trust's average weekly managed assets. The administration fee paid to the Advisor is computed weekly and payable monthly based on an annual rate of 0.08% for Advantage based on the Trust's average weekly net assets.

Pursuant to the agreements, the Advisor provides continuous supervision of the investment portfolio and pays the compensation of officers of each Trust who are affiliated persons of the Advisor, as well as occupancy and certain clerical and accounting costs for each Trust. Each Trust bears all other costs and expenses, which include reimbursements to the Advisor for costs of employees that provide pricing, secondary market support and compliance services to each Trust. For the period ended December 31, 2004, the Trusts reimbursed the Advisor the following amounts:

Trust	Amount
Advantage	$ 8,418
Global	11,858
Preferred Opportunity	17,550

Pursuant to the terms of their custody agreements, each Trust received earnings credits from its custodian for positive cash balances maintained, which are used to offset custody fees.

Note 3. Portfolio Investments

Purchases and sales of investment securities, other than short-term investments, dollar rolls and U.S. government securities, for the period ended December 31, 2004, aggregated as follows:

Trust	Purchases	Sales

Advantage	$ 23,843,784	$ 31,203,646
Global	749,888,742	52,351,077
Preferred Opportunity	582,778,552	626,721,834

Purchases and sales of U.S. government securities for the period ended December 31, 2004, aggregated as follows:

Trust	**Purchases**	**Sales**
Advantage	$1,096,813	$ —
Preferred Opportunity	9,993,975	5,751,993

A Trust may from time to time purchase in the secondary market certain mortgage pass-through securities packaged or master serviced by affiliates or mortgage related securities containing loans or mortgages originated by PNC Bank or its affiliates, including Midland Loan Services, Inc., all of which are affiliates of the Advisor. It is possible under certain circumstances, that Midland Loan Services, Inc., or its affiliates, could have interests that are in conflict with the holders of these mortgage backed securities, and such holders could have rights against Midland Loan Services, Inc. or its affiliates.

At December 31, 2004, the total cost of securities for Federal income tax purposes and the aggregate gross unrealized appreciation and depreciation for securities held by each Trust were as follows:

Trust	Cost	Appreciation	Depreciation	Net
Advantage	$ 137,226,910	$ 3,165,548	$ 271,666	$ 2,893,882
Global	730,551,946	9,079,421	713,945	8,365,476
Preferred Opportunity	659,479,232	33,064,704	1,524,093	31,540,611

For Federal income tax purposes, the following Trust had capital loss carryforwards at December 31, 2004:

Trust	Capital Loss Carryforward Amount	Expires
Advantage	$ 98,294	2005
	161,872	2008
	127,941	2009
	274,645	2010
	83,667	2011
	5,589,003	2012
	$ 6,335,422	

Accordingly, no capital gain distributions are expected to be paid to shareholders of a Trust until that Trust has net realized capital gains in excess of its carryforward amounts.

Details of open financial futures contracts at December 31, 2004, were as follows:

	Number of Contracts	Type	Expiration Date	Value at Trade Date	Value at December 31, 2004	Unrealized Depreciation
Short Position:						
Preferred Opportunity	700	30 Yr. U.S. T-Bond	March ’05	$ 77,569,959	$ 78,750,000	$ (1,180,041)
	872	10 Yr. U.S. T-Note	March ’05	96,955,225	97,609,500	(654,275)
						$ (1,834,316)

Details of open forward currency contracts in Global at December 31, 2004, were as follows:

Foreign Currency	Settlement Date	Contract to Purchase/ Receive	Value at Settlement Date	Value at December 31, 2004	Unrealized Depreciation
Sold:					
Euro	01/25/05	2,530,000 €	$ 3,367,954	$ 3,425,437	$ (57,483)

Details of open interest rate swaps at December 31, 2004, were as follows:

Trust	Notional Amount (000)	Fixed Rate	Floating Rate	Termination Date	Unrealized Appreciation (Depreciation)

Preferred Opportunity	$ 80,000	4.495%	3-month LIBOR	10/19/2014	$ 347,503
	35,000	5.19%	3-month LIBOR	10/19/2034	(23,644)
					$ 323,859

Preferred Opportunity pays a fixed interest rate and receives a floating rate.

Note 4. Borrowings Reverse Repurchase Agreements:

The Trusts may enter into reverse repurchase agreements with qualified third-party broker-dealers as determined by and under the direction of each Trust’s Board. Interest on the value of reverse repurchase agreements issued and outstanding is based upon competitive market rates at the time of issuance. At the time a Trust enters into a reverse repurchase agreement, it will establish and maintain a segregated account with the lender, containing liquid investment grade securities having a value not less than the repurchase price, including accrued interest of the reverse repurchase agreement. Details of open reverse repurchase agreements at December 31, 2004, were as follows (please see corresponding Underlying Collateral chart on page 32):

Trust/Counter Party	Rate	Trade Date	Maturity Date	Net Closing Amount	Par
Advantage					
Deutsche Bank Securities, Inc.	2.28%	12/2/04	1/7/05	$ 20,757,160	$ 20,711,250
	2.17	12/2/04	1/7/05	13,291,733	13,263,750
					33,975,000
Lehman Brothers, Inc.	2.35	12/31/04	1/7/05	296,010	295,875
	2.35	12/31/04	1/7/05	2,727,746	2,726,500
	2.35	12/1/04	1/6/05	2,954,043	2,947,500
					$ 5,969,875

Details of underlying collateral for open reverse repurchase agreements at December 31, 2004, were as follows:

Trust/Counter Party	Description	Rate	Maturity Date	Original Face	Current Face	Market Value
Advantage						
Deutsche Bank Securities, Inc.	Resolution Funding Corp.	0.00%	7/15/05	$ 21,000,000	$ 21,000,000	$22,658,224
	U.S. Treasury Strips	0.00	8/15/05	13,500,000	13,500,000	13,286,646
						35,944,870
Lehman Brothers, Inc.	Resolution Funding Corp.	0.00	7/15/05	300,000	300,000	296,496
	Financing Corp. (FICO) Strips	0.00	7/15/05	2,800,000	2,800,000	2,724,831
	U.S. Treasury Strips	0.00	8/15/05	3,000,000	3,000,000	2,952,588
						$ 5,973,915

The average daily balance and weighted average interest rate of reverse repurchase agreements during the period ended December 31, 2004, were as follows:

Trust	Average Daily Balance	Weighted Average Interest Rate
Advantage	$ 28,839,818	1.48%
Global	113,937	2.24
Preferred Opportunity	781,845	1.50

Dollar Rolls: The Trusts may enter into dollar rolls in which a Trust sells securities for delivery in the current month and simultaneously contracts to repurchase substantially similar (same type, coupon and maturity) securities on a specified future date. During the roll period the Trusts forgo principal and interest paid on the securities. The Trusts will be compensated by the interest earned on the cash proceeds of the initial sale and/or by the lower repurchase price at the future date. The Trusts did not enter into any dollar roll transactions during the period ended December 31, 2004.

Note 5. Distributions to Shareholders

The tax character of distributions paid during the period ended December 31, 2004, and December 31, 2003, were as follows:

	December 31, 2004			
Distributions Paid From:	**Ordinary Income**	**Long-term Gains**	**Liquidating**	**Total Distributions**
Advantage*	$ 554,749	$ —	$ 8,917,875	$ 9,472,624
Global	9,709,034	—	—	9,709,034
Preferred Opportunity	39,597,946	1,646,231	—	41,244,177

December 31, 2003

Distributions Paid From:	Ordinary Income	Long-term Gains	Liquidating	Total Distributions
Advantage*	$ 6,657,165	$ —	$ —	$ 6,657,165
Preferred Opportunity	32,241,139	78,793	—	32,319,932

As of December 31, 2004, the components of distributable earnings on a tax basis were as follows:

Trust	Undistributed Ordinary Income	Undistributed Long-term Gains	Unrealized Net Appreciation
Advantage*	$ 2,838,030	$ —	$ 11,719,004
Global	—	—	8,305,353
Preferred Opportunity	1,125,172	7,752,383	31,392,631

* The Trust is currently under a plan of liquidation. Shareholders should consult their tax advisor as to the proper tax treatment of distribution from the Trust.

Note 6. Capital

There are 200 million of $0.01 par value common shares authorized for Advantage. There are an unlimited number of $0.001 par value common shares authorized for Preferred Opportunity and Global. At December 31, 2004, the common shares outstanding and the shares owned by affiliates of the Advisor of each Trust were as follows:

Trust	Common Shares Outstanding	Common Shares Owned
Advantage	9,510,667	—
Global	23,481,021	6,021
Preferred Opportunity	18,305,777	—

Transactions in common shares of beneficial interest from August 30, 2004, (commencement of investment operations) through December 31, 2004, for Global, and February 28, 2003, (commencement of investment operations) through December 31, 2003, for Preferred Opportunity were as follows:

	Shares from			
Trust	**Initial Public Offering**	**Underwriters' Exercising the Over-allotment Option**	**Reinvestment of Dividends**	**Net Increase in Shares Outstanding**
Global	23,006,021	475,000	—	23,481,021
Preferred Opportunity	16,304,817	2,000,000	960	18,305,777

During the period February 28, 2003, (commencement of investment operations) through December 31, 2003, Preferred Opportunity issued 960 common shares, under the terms of its Dividend Reinvestment Plan. During the period ended December 31, 2004, there were no additional shares issued under the terms of the Trusts' Dividend Reinvestment Plans.

Offering costs of $924,000 ($0.04 per common share) and $900,000 ($0.05 per common share) incurred in connection with Global's and Preferred Opportunity's offering of common shares, respectively, have been charged to paid-in capital in excess of par of the common shares.

As of December 31, 2004, Global and Preferred Opportunity have the following series of preferred shares outstanding as listed in the table below. The preferred shares have a liquidation value of $25,000 per share plus any accumulated unpaid dividends.

Trust	**Series**	**Shares**	**Trust**	**Series**	**Shares**
Global	T7	3,246	Preferred Opportunity	T7	2,944
	W7	3,246		W7	2,944
	R7	3,246		R7	2,944

Underwriting discounts of $2,434,500 ($0.10 per common share) and $2,208,000 ($0.12 per common share) and offering costs of $400,260 ($0.02 per common share) and $389,000 ($0.02 per common share) incurred in connection with the preferred share offering of Global and Preferred Opportunity, respectively, have been charged to paid-in capital in excess of par of the common shares.

Dividends on seven-day preferred shares are cumulative at a rate which is reset every seven days based on the results of an auction. The dividend range on the preferred shares for Global and Preferred Opportunity for the period ended December 31, 2004, was 0.98% to 2.66%, and 1.90% to 2.67%, respectively.

Global and Preferred Opportunity may not declare dividends or make other distributions on common shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding preferred shares and any other borrowings would be less than 200%. The preferred shares are redeemable at the option of Global and Preferred Opportunity, in whole or in part, on any dividend payment date at $25,000 per share plus any accumulated or unpaid dividends whether or not declared. The preferred shares are also subject to mandatory redemption at $25,000 per share plus any accumulated or unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of Global and Preferred Opportunity, as set forth in Global's and Preferred Opportunity's Declaration of Trust, are not satisfied. The holders of preferred shares have voting rights equal to the holders of common shares (one vote per share) and will vote together with holders of common shares as a single class. However, holders of preferred shares, voting as a separate class, are also entitled to elect two Trustees for Global and Preferred Opportunity. In addition, the Investment Company Act of 1940, as amended, requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding preferred shares, voting separately as a class would be required to (a) adopt any plan of reorganization that would adversely affect the preferred shares, (b) change a Trust's sub-classification as a closed-end investment company or change its fundamental investment restrictions and (c) change the nature of its business so as to cease to be an investment company.

Note 7. Dividends

Subsequent to December 31, 2004, each Board declared dividends from undistributed earnings per common share payable January 31, 2005, to shareholders of record on January 15, 2005. The per share common dividends declared were as follows:

Trust	**Common Dividend Per Share**

Advantage	$	0.058333
Global		0.093300
Preferred Opportunity		0.166667

The dividends declared on preferred shares for the period January 1, 2005, to January 31, 2005, for Global and Preferred Opportunity were as follows:

Trust	**Series**	**Dividends Declared**	**Trust**	**Series**	**Dividends Declared**
			Preferred Opportunity		
Global	T7	$142,629		T7	$130,301
	W7	142,499		W7	129,153
	R7	138,052		R7	128,682

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors/Trustees and Shareholders of:
BlackRock Advantage Term Trust Inc.
BlackRock Global Floating Rate Income Trust
BlackRock Preferred Opportunity Trust

We have audited the accompanying statements of assets and liabilities of BlackRock Advantage Term Trust Inc., BlackRock Global Floating Rate Income Trust and BlackRock Preferred Opportunity Trust (collectively, the “Trusts”), including the portfolios of investments, as of December 31, 2004, and the related statements of operations and cash flows for the periods then ended, the statements of changes in net assets for each of the periods then ended, and the financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Trust’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2004, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Trusts as of December 31, 2004, the results of their operations and their cash flows for the periods then ended, and the changes in their net assets for each of the periods then ended, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP

Boston, Massachusetts
February 28, 2005

DIRECTORS/TRUSTEES INFORMATION (Unaudited)

Name, address, age	Current positions held with the Trusts	Term of office and length of time served	Principal occupations during the past five years	Number of portfolios overseen within the fund complex [1]	Other Directorships held outside the fund complex [1]	Events or transactions by reason of which the Trustee is an interested person as defined in Section 2(a) (19) of the 1940 Act
			Interested Directors/Trustees [2]			
Ralph L. Schlosstein BlackRock, Inc. 40 East 52nd Street New York, NY 10022 Age：53	Chairman of the Board [3]	3 years [4] / since inception	Director since 1999 and President of BlackRock, Inc. since its formation in 1998 and of BlackRock, Inc.'s predecessor entities since 1988. Member of the Management Committee and Investment Strategy Group of BlackRock, Inc. Formerly, Managing Director of Lehman Brothers, Inc. and Co-head of its Mortgage and Savings Institutions Group. Chairman and President of the BlackRock Liquidity Funds and Director of several of BlackRock's alternative investment vehicles.	62	Member of the Visiting Board of Overseers of the John F. Kennedy School of Government at Harvard University, a member of the board of the Financial Institutions Center of The Wharton School of the University of Pennsylvania, a trustee of the American Museum of Natural History, a trustee of Trinity School in New York City, a member of the Board of Advisors of Marujupu LLC, and a trustee of New Visions for Public Education and of The Public Theater in New York City. Formerly, a director of Pulte Corporation, the nation's largest home-builder, a Trustee of Denison University and a member of Fannie Mae's Advisory Council.	Director and President of the Advisor
Robert S. Kapito BlackRock, Inc. 40 East 52nd Street New York, NY 10022 Age: 48	President and Trustee	3 years [4] / since August 22, 2002	Vice Chairman of BlackRock, Inc. Head of the Portfolio Management Group. Also a member of the Management Committee, the Investment Strategy Group, the Fixed Income and Global Operating Committees and the Equity Investment Strategy Group. Responsible for the portfolio management of the Fixed Income,	52	Chairman of the Hope and Heroes Children's Cancer Fund. President of the Board of Directors of the Periwinkle National Theatre for Young Audiences. Director of icruise.com, Corp.	Director and Vice Chairman of the Advisor

Domestic Equity and International Equity, Liquidity, and Alternative Investment Groups of BlackRock.

DIRECTORS/TRUSTEES INFORMATION (Unaudited) (Continued)

Name, address, age	Current positions held with the Trusts	Term of office and length of time served	Principal occupations during the past five years	Number of portfolios overseen within the fund complex [1]	Other Directorships held outside the fund complex
Independent Trustees					
Andrew F. Brimmer P.O. Box 4546 New York, NY 10163-4546 Age: 78	Lead Trustee Audit Committee Chairman [5]	3 years [4] / since inception	President of Brimmer & Company, Inc., a Washington, D.C.-based economic and financial consulting firm, also Wilmer D. Barrett Professor of Economics, University of Massachusetts – Amherst. Formerly member of the Board of Governors of the Federal Reserve System. Former Chairman, District of Columbia Financial Control Board.	52	Director of CarrAmerica Realty Corporation and Borg-Warner Automotive. Formerly Director of Airborne Express, BankAmerica Corporation (Bank of America), BellSouth Corporation, College Retirement Equities Fund (Trustee), Commodity Exchange, Inc. (Public Governor), Connecticut Mutual Life Insurance Company, E.I. du Pont de Nemours & Company, Equitable Life Assurance Society of the United States, Gannett Company, Mercedes-Benz of North America, MNC Financial Corporation (American Security Bank), NCM Capital Management, Navistar International Corporation, PHH Corp. and UAL Corporation (United Airlines).
Richard E. Cavanagh P.O. Box 4546 New York, NY	Trustee Audit Committee Member	3 years [4] / since inception [6]	President and Chief Executive Officer of The Conference Board, Inc., a leading global business research organization, from	52	Trustee: Aircraft Finance Trust (AFT) and Educational Testing

10163-4546 Age: 58			1995-present. Former Executive Dean of the John F. Kennedy School of Government at Harvard University from 1988-1995. Acting Director, Harvard Center for Business and Government (1991-1993). Formerly Partner (principal) of McKinsey & Company, Inc. (1980-1988). Former Executive Director of Federal Cash Management, White House Office of Management and Budget (1977-1979). Co-author, THE WINNING PERFORMANCE (best selling management book published in 13 national editions).		Service (ETS). Director, Arch Chemicals, Fremont Group and The Guardian Life Insurance Company of America.
Kent Dixon P.O. Box 4546 New York, NY 10163-4546 Age: 67	Trustee Audit Committee Member [5]	3 years [4] / since inception	Consultant/Investor. Former President and Chief Executive Officer of Empire Federal Savings Bank of America and Banc PLUS Savings Association, former Chairman of the Board, President and Chief Executive Officer of Northeast Savings.	52	Former Director of ISFA (the owner of INVEST, a national securities brokerage service designed for banks and thrift institutions).
Frank J. Fabozzi P.O. Box 4546 New York, NY 10163-4546 Age: 56	Trustee Audit Committee Member [7]	3 years [4] / since inception	Consultant. Editor of THE JOURNAL OF PORTFOLIO MANAGEMENT and Frederick Frank Adjunct Professor of Finance at the School of Management at Yale University. Author and editor of several books on fixed income portfolio management. Visiting Professor of Finance and Accounting at the Sloan School of Management, Massachusetts Institute of Technology from 1986 to August 1992.	52	Director, Guardian Mutual Funds Group (18 portfolios).

Name, address, age	Current positions held with the Trusts	Term of office and length of time served	Principal occupations during the past five years	Number of portfolios overseen within the fund complex [1]	Other Directorships held outside the fund complex
Independent Trustees (continued)					
Kathleen F. Feldstein P.O. Box 4546 New York, NY 10163-4546 Age: 63	Trustee / Advisory Trustee [8]	3 years [4] / since January 19, 2005	President of Economics Studies, Inc., a Belmont, MA-based private economic consulting firm, since 1987; Chair, Board of Trustees, McLean Hospital in Belmont, MA.	19 [9]	Director of BellSouth Inc., Ionics, Inc., and Knight Ridder, Inc.; Trustee of the Museum of Fine Arts, Boston, and of the Committee for Economic Development; Corporation Member, Partners HealthCare and Sherrill House; Member of the Visiting Committee of the Harvard University Art Museums and of the Advisory Board to the International School of Business at Brandeis University.
R. Glenn Hubbard P.O. Box 4546 New York, NY 10163-4546 Age: 46	Trustee	3 years [4] / since November 16, 2004	Dean of Columbia Business School since July 1, 2004. Columbia faculty member since 1988. Co-director of Columbia Business School's Entrepreneurship Program 1994-1997. Visiting professor at the John F. Kennedy School of Government at Harvard and the Harvard Business School, as well as the University of Chicago. Visiting scholar at the American Enterprise Institute in Washington and member of International Advisory Board of the MBA Program of Ben-Gurion University. Deputy assistant secretary of the U.S. Treasury Department for Tax Policy 1991-1993. Chairman of the U.S. Council of Economic Advisers under the President of the United States 2001–2003.	52	Director of ADP, Dex Media, KKR Financial Corporation, and Ripplewood Holdings. Member of Board of Directors of Duke Realty. Formerly on the advisory boards of the Congressional Budget Office, the Council on Competitiveness, the American Council on Capital Formation, the Tax Foundation and the Center for Addiction and Substance Abuse. Trustee of Fifth Avenue Presbyterian Church of New York.
James Clayburn La Force, Jr. P.O. Box 4546 New York, NY	Trustee	3 years [4] / since inception [10]	Dean Emeritus of the John E. Anderson Graduate School of Management, University of California since July 1, 1993. Acting Dean of the School of Business,	52	Director of Payden & Rygel Investment Trust, Metzler-Payden Investment Trust, Advisors Series Trust, Arena

10163-4546 Age: 76			Hong Kong University of Science and Technology 1990-1993. From 1978 to September 1993, Dean of the John E. Anderson Graduate School of Management, University of California.		Pharmaceuticals, Inc. and CancerVax Corporation.
Walter F. Mondale P.O. Box 4546 New York, NY 10163-4546 Age: 77	Trustee	3 years [4] / since inception [11]	Senior Counsel, Dorsey & Whitney, LLP, a law firm (January 2004-present); Partner, Dorsey & Whitney, LLP, (December 1996-December 2003, September 1987-August 1993). Formerly U.S. Ambassador to Japan (1993-1996). Formerly Vice President of the United States, U.S. Senator and Attorney General of the State of Minnesota. 1984 Democratic Nominee for President of the United States.	52	Chairman of Panasonic Foundation's Board of Directors and Director of United Health Foundation. Member of the Hubert H. Humphrey Institute of Public Affairs Advisory Board, The Mike and Maureen Mansfield Foundation and the Dean's Board of Visitors of the Medical School at the University of Minnesota.

1 The Fund Complex means two or more registered investments companies that: (1) hold themselves out to investors as related companies for pur- poses of investment and investor services; or (2) have a common investment advisor or have an investment advisor that is an affiliated person of the investment advisor of any of the other registered investment companies.

2 Interested Director/Trustee as defined by Section 2(a)(19) of the Investment Company Act of 1940.

3 Director/Trustee since inception; appointed Chairman of the Board on August 22, 2002.

4 The Board is classified into three classes of which one class is elected annually. Each Director/Trustee serves a three-year term concurrent with the class from which they are elected.

5 The Board of each Trust has determined that each Trust has two Audit Committee financial experts serving on its Audit Committee, Dr. Brimmer and Mr. Dixon, both of whom are independent for the purpose of the definition of Audit Committee financial expert as applicable to the Trusts.

6 For Advantage appointed Director on August 11, 1994.

7 Appointed Audit Committee Member on May 25, 2004.

8 Trustee on Advantage and an Advisory Trustee on Preferred Opportunity and Global.

9 Director/Trustee on 19 of the closed-end Trusts and an Advisory Director/Trustee on the remaining 33 closed-end Trusts.

10 For Advantage appointed Director on June 19, 1992.

11 Except during the periods August 12, 1993 through April 15, 1997 and October 31, 2002 through November 11, 2002 for Advantage.

DIVIDEND REINVESTMENT PLANS

Pursuant to each Trust's respective Dividend Reinvestment Plan (the "Plan"), shareholders of Advantage and Global may elect, while shareholders of Preferred Opportunity are automatically enrolled, to have all distributions of dividends and capital gains reinvested by EquiServe Trust Company, N.A. (the "Plan Agent") in the respective Trust's shares pursuant to the Plan. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent, which serves as agent for the shareholders in administering the Plan.

After Advantage and/or Global declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants' account, by the purchase of outstanding shares on the open market, on the Trust's primary exchange or elsewhere ("open market purchases"). These Trusts will not issue any new shares under the Plan.

After Preferred Opportunity declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants' account, depending upon the circumstances described below, either (i) through receipt of unissued but authorized shares from the Trust ("newly issued shares") or (ii) by open market purchases. If, on the dividend payment date, the NAV is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as "market premium"), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition being referred to herein as "market discount"), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases.

Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Administrator prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by each Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any Federal income tax that may be payable on such dividends or distributions.

Each Trust reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, each Trust reserves the right to amend the Plan to include a service charge payable by the participants. Participants that request a sale of shares through the Plan Agent are subject to a $2.50 sales fee and a $0.15 per share sold brokerage commisson. All correspondence concerning the Plan should be directed to the Plan Agent at 250 Royall Street, Canton, MA 02021 or (800) 699-1BFM.

ADDITIONAL INFORMATION

On August 25, 2004, BlackRock, Inc., the parent of BlackRock Advisors, Inc., the Trusts' investment advisor, entered into an agreement with MetLife, Inc. ® to acquire SSRM Holdings, Inc., the parent of State Street Research & Management Company, the investment advisor to the State Street Research mutual funds. This acquisition was completed on January 31, 2005. Management believes there will be no impact to the Trusts as a result of this transaction.

Each Trust listed for trading on the New York Stock Exchange (NYSE) has filed with the NYSE its chief executive officer certification regarding compliance with the NYSE's listing standards and has filed with the Securities and Exchange Commission the certification of its chief executive officer and chief financial officer required by Section 302 of the Sarbanes-Oxley Act.

There have been no material changes in the Trusts' investment objectives or policies that have not been approved by the shareholders or to their charters or by-laws or in the principal risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts' portfolios.

Quarterly performance and other information regarding the Trusts may be found on BlackRock's website, which can be accessed at http://www.blackrock.com/indiv/products/closedendfunds/funds.html. This reference to BlackRock's website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended, to incorporate BlackRock's website into this report.

Certain of the officers of the Trusts listed on the inside back cover of this Report to Shareholders are also officers of the Advisor or Sub-Advisor. They serve in the following capacities for the Advisor or Sub-Advisor; Robert S. Kapito—Director and Vice Chairman of the Advisor and the Sub-Advisor, Henry Gabbay, Anne Ackerley and Bartholomew Battista—Managing Directors of the Advisor and the Sub-Advisor, Richard M. Shea, James Kong and Vincent B. Tritto—Managing Directors of the Sub-Advisor, and Brian P. Kindelan—Managing Director of the Advisor.

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BlackRock Closed-End Funds

Directors/Trustees

Ralph L. Schlosstein, *Chairman*
Andrew F. Brimmer
Richard E. Cavanagh
Kent Dixon
Frank J. Fabozzi
Kathleen F. Feldstein [1]
R. Glenn Hubbard [3]
Robert S. Kapito
James Clayburn La Force, Jr.
Walter F. Mondale

Officers

Robert S. Kapito, *President*
Henry Gabbay, *Treasurer*
Bartholomew Battista, *Chief Compliance Officer*
Anne Ackerley, *Vice President*
Richard M. Shea, *Vice President/Tax*
James Kong, *Assistant Treasurer*
Vincent B. Tritto, *Secretary*
Brian P. Kindelan, *Assistant Secretary*

Investment Advisor

BlackRock Advisors, Inc.
100 Bellevue Parkway
Wilmington, DE 19809
(800) 227-7BFM

Sub-Advisor [2]

BlackRock Financial Management, Inc.
40 East 52nd Street
New York, NY 10022

Accounting Agent and Custodian

State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110

Transfer Agent

EquiServe Trust Company, N.A.
250 Royall Street
Canton, MA 02021
(800) 699-1BFM

Auction Agent [2]

Bank of New York
101 Barclay Street, 7 West
New York, NY 10286

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
200 Berkeley Street
Boston, MA 02116

Legal Counsel

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036

Legal Counsel – Independent Trustees

Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Trust shares. Statements and other information contained in this report are as dated and are subject to change.

BlackRock Closed-End Funds
c/o BlackRock Advisors, Inc.
100 Bellevue Parkway
Wilmington, DE 19809
(800) 227-7BFM

[1] Trustee for Advantage only. Advisory Trustee for Global and Preferred Opportunity. Appointed on January 19, 2005 for each trust.

[2] For Global and Preferred Opportunity.

[3] Appointed on November 16, 2004.

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called “householding” and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact the Trusts at (800)669-1BFM.

The Trusts have delegated to the Advisor the voting of proxies relating to their voting securities pursuant to the Advisor’s proxy voting policies and procedures. You may obtain a copy of these proxy voting policies and procedures, without charge, by calling (800) 699-1BFM. These policies and procedures are also available on the website of the Securities and Exchange Commission (the “Commission”) at http://www.sec.gov.

Information on how proxies relating to the Trusts' voting securities were voted (if any) by the Advisor during the most recent 12-month period ended December 31st is available, upon request, by calling (800) 699-1BFM or on the website of the Commission at http://www.sec.gov.

The Trusts file their complete schedule of portfolio holdings for the first and third quarters of their respective fiscal years with the Commission on Form N-Q. Each Trust's Form N-Q will be available on the Commission's website at http://www.sec.gov. Each Trust's Form N-Q, when available, may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information regarding the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. Each Trust's Form N-Q, when available, may also be obtained, upon request, by calling (800) 699-1BFM.

CEF-ANN-5

Item 2. Code of Ethics.

(a) The Registrant has adopted a code of ethics (the "Code of Ethics") that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

(b) Not applicable.

(c) The Registrant has not amended its Code of Ethics during the period covered by the shareholder report presented in Item 1 hereto.

(d) The Registrant has not granted a waiver or an implicit waiver from a provision of its Code of Ethics during the period covered by the shareholder report presented in Item 1 hereto.

(e) Not applicable.

(f) The Registrant's Code of Ethics is attached as an Exhibit hereto.

Item 3. Audit Committee Financial Expert.

The Registrant's Board of Trustees has determined that it has two audit committee financial experts serving on its audit committee, each of whom is an "independent" Trustee: Dr. Andrew F. Brimmer and Mr. Kent Dixon. Under applicable securities laws, a person who is determined to be an audit committee financial expert will not be deemed an "expert" for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification of a person as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities that are greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and Board of Trustees in the absence of such designation or identification.

Item 4. Principal Accountant Fees and Services.

(a) Audit Fees . The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal accountant for the audit of the Registrant's annual financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years were $84,300 for the fiscal year ended December 31, 2004 and $0 for the fiscal year ended December 31, 2003.

(b) Audit-Related Fees . The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit of the Registrant’s financial statements and are not reported above in Item 4(a) were $0 for the fiscal year ended December 31, 2004 and $0 for the fiscal year ended December 31, 2003. The nature of these services was attest services not required by statute or regulation, overhead and out-of-pocket expenses.

(c) Tax Fees . The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice and tax planning were $0 for the fiscal year ended December 31, 2004 and $0 for the fiscal year ended December 31, 2003. The nature of these services was federal, state and local income and excise tax return preparation and related advice and planning and miscellaneous tax advice.

(d) All Other Fees . There were no fees billed in each of the last two fiscal years for products and services provided by the principal accountant, other than the services reported above in Items 4(a) through (c).

(e) Audit Committee Pre-Approval Policies and Procedures .

(1) The Registrant has polices and procedures (the "Policy") for the pre-approval by the Registrant's Audit Committee of Audit, Audit-Related, Tax and Other Services (as each is defined in the Policy) provided by the Trust's independent auditor (the "Independent Auditor") to the Registrant and other "Covered Entities" (as defined below). The term of any such pre-approval is 12 months from the date of pre-approval, unless the Audit Committee specifically provides for a different period. The amount of any such pre-approval is set forth in the appendices to the Policy (the "Service Pre-Approval Documents"). At its first meeting of each calendar year, the Audit Committee will review and re-approve the Policy and approve or re-approve the Service Pre-Approval Documents for that year, together with any changes deemed necessary or desirable by the Audit Committee. The Audit Committee may, from time to time, modify the nature of the services pre-approved, the aggregate level of fees pre-approved or both.

For the purposes of the Policy, "Covered Services" means (A) all engagements for audit and non-audit services to be provided by the Independent Auditor to the Trust and (B) all engagements for non-audit services related directly to the operations and financial reporting or the Trust to be provided by the Independent Auditor to any Covered Entity, "Covered Entities" means (1) the Advisor or (2) any entity controlling, controlled by or under common control with the Advisor that provides ongoing services to the Trust.

In the intervals between the scheduled meetings of the Audit Committee, the Audit Committee delegates pre-approval authority under this Policy to the Chairman of the Audit Committee (the "Chairman"). The Chairman shall report any pre-approval decisions under this Policy to the Audit Committee at its next scheduled meeting. At each scheduled meeting, the Audit Committee will review with the Independent Auditor the Covered Services pre-approved by the Chairman pursuant to delegated authority, if any, and the fees related thereto. Based on these reviews, the Audit Committee can modify, at its discretion, the pre-approval originally granted by the Chairman pursuant to delegated authority. This modification can be to the nature of services pre-approved, the aggregate level of fees approved, or both. Pre-approval of Covered Services by the Chairman pursuant to delegated authority is expected to be the exception rather than the rule and the

Audit Committee may modify or withdraw this delegated authority at any time the Audit Committee determines that it is appropriate to do so.

Fee levels for all Covered Services to be provided by the Independent Auditor and pre-approved under this Policy will be established annually by the Audit Committee and set forth in the Service Pre-Approval Documents. Any increase in pre-approved fee levels will require specific pre-approval by the Audit Committee (or the Chairman pursuant to delegated authority).

The terms and fees of the annual Audit services engagement for the Trust are subject to the specific pre-approval of the Audit Committee. The Audit Committee (or the Chairman pursuant to delegated authority) will approve, if necessary, any changes in terms, conditions or fees resulting from changes in audit scope, Trust structure or other matters.

In addition to the annual Audit services engagement specifically approved by the Audit Committee, any other Audit services for the Trust not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority).

Audit-Related services are assurance and related services that are not required for the audit, but are reasonably related to the performance of the audit or review of the financial statements of the Registrant and, to the extent they are Covered Services, the other Covered Entities (as defined in the Joint Audit Committee Charter) or that are traditionally performed by the Independent Auditor. Audit-Related services that are Covered Services and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority).

The Audit Committee believes that the Independent Auditor can provide Tax services to the Covered Entities such as tax compliance, tax planning and tax advice without impairing the auditor’s independence. However, the Audit Committee will not permit the retention of the Independent Auditor in connection with a transaction initially recommended by the Independent Auditor, the sole business purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. Tax services that are Covered Services and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority).

All Other services that are covered and are not listed in the Service Pre-Approval Document for the respective period must be specifically pre-approved by the Audit Committee (or the Chairman pursuant to delegated authority).

Requests or applications to provide Covered Services that require approval by the Audit Committee (or the Chairman pursuant to delegated authority) must be submitted to the Audit Committee or the Chairman, as the case may be, by both the Independent Auditor and the Chief Financial Officer of the respective Covered Entity, and must include a joint statement as to whether, in their view, (a) the request or application is consistent with the rules of the Securities and Exchange Commission ("SEC") on auditor independence and (b) the requested service is or is not a non-audit service prohibited by the SEC. A request or application submitted to the Chairman between scheduled meetings of the Audit Committee should include a discussion as to why approval is being sought prior to the next regularly scheduled meeting of the Audit Committee.

(2) None of the services described in each of Items 4(b) through (d) were approved by the Audit Committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not applicable.

(g) The aggregate non-audit fees billed by the Trust's accountant for services rendered to the Trust, the Advisor (except for any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) or any entity controlling, controlled by, or under common control with the Advisor that provides ongoing services to the registrant that directly impacted the Trust for each of the last two fiscal years were $0 for the fiscal year ended December 31, 2004 and $0 for the fiscal year ended December 31, 2003.

(h) Not applicable.

Item 5. Audit Committee of Listed Registrants.
The Registrant has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934. The Audit Committee of the Registrant is comprised of: Dr. Andrew F. Brimmer; Richard E. Cavanagh; Kent Dixon and Frank Fabozzi.

Item 6. Schedule of Investments.
The Registrant’s Schedule of Investments is included as part of the Report to Shareholders filed under Item 1 of this form.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.
The Registrant has delegated the voting of proxies relating to its voting securities to its investment advisor, BlackRock Advisors, Inc. (the "Advisor") and its sub-advisor, BlackRock Financial Management, Inc. (the "Sub-Advisor"). The Proxy Voting Policies and Procedures of the Advisor and Sub-Advisor (the "Proxy Voting Policies") are attached as an Exhibit 99.PROXYPOL hereto.

Item 8. Portfolio Managers of Closed-End Management Investment Companies
Not applicable.

Item 9. Purchases of Equity Securities by Closed-End Management Companies and Affiliated Purchasers.
Not applicable.

Item 10. Submission of Matters to a Vote of Security Holders.
Not applicable.

Item 11. Controls and Procedures.

(a) The Registrant's principal executive officer and principal financial officer have evaluated the Registrant's disclosure controls and procedures as of a date within 90 days of this filing and have concluded that the Registrant's disclosure controls and procedures are effective, as of such date, in ensuring that information required to be disclosed by the registrant in this Form N-CSR was recorded, processed, summarized, and reported timely.

(b) The Registrant's principal executive officer and principal financial officer are aware of no changes in the Registrant's internal control over financial reporting that occurred during the Registrant's last fiscal half-year that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 12. Exhibits.

(a) (1) Code of Ethics attached as EX-99.CODE ETH.

(a) (2) Separate certifications of Principal Executive and Financial Officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 attached as EX-99.CERT.

(a) (3) Not applicable.

(b) Certification of Principal Executive and Financial Officers pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 furnished as EX-99.906CERT.

Proxy Voting Policies attached as EX-99.PROXYPOL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) BlackRock Global Floating Rate Income Trust

By: /s/ Henry Gabbay

Name: Henry Gabbay
Title: Treasurer
Date: March 2, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert S. Kapito

Name: Robert S. Kapito
Title: Treasurer
Date: March 2, 2005

By: /s/ Henry Gabbay

Name: Henry Gabbay
Title: Principal Financial Officer
Date: March 2, 2005

JOINT CODE OF ETHICS
FOR
CHIEF EXECUTIVE AND SENIOR FINANCIAL OFFICERS
OF
THE BLACKROCK CLOSED-END FUNDS

AS ADOPTED BY THE BOARDS OF TRUSTEES/DIRECTORS
MAY 2003

Each BlackRock Closed-End Fund (each a " Trust " and, collectively, the " Trusts ")[1] is committed to conducting business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, and to full and accurate disclosure -- financial and otherwise -- in compliance with applicable law. This Code of Ethics, applicable to the Trust's Chief Executive Officer, President, Chief Financial Officer and Treasurer (or persons performing similar functions) (together, " Senior Officers "), sets forth policies to guide you in the performance of your duties.

As a Senior Officer, you must comply with applicable law. You also have a responsibility to conduct yourself in an honest and ethical manner. You have leadership responsibilities that include creating a culture of high ethical standards and a commitment to compliance, maintaining a work environment that encourages the internal reporting of compliance concerns and promptly addressing compliance concerns.

This Code of Ethics recognizes that the Senior Officers are subject to certain conflicts of interest inherent in the operation of investment companies, because the Senior Officers currently or may in the future serve as Senior Officers of each of the Trusts, as officers or employees of the Trust's investment advisor (the " Advisor ") and/or affiliates of the Trust's investment advisor (collectively with the Advisor, " BlackRock

”) and as officers or trustees/directors of other registered investment companies and unregistered investment funds advised by BlackRock. This Code of Ethics also recognizes that certain laws and regulations applicable to, and certain policies and procedures adopted by, the Trust or BlackRock govern your conduct in connection with many of the conflict of interest situations that arise in connection with the operations of the Trust, including:

1 This Joint Code of Ethics for Chief Executive and Senior Financial Officers has been adopted by the Board of Trustees/Directors for each Trust. Solely for the sake of clarity and simplicity, this Joint Code of Ethics has been drafted as if there is a single Trust, a single Governance Committee and a single Board of Trustees/Directors. The terms “Trustees,” “Independent Trustees” and “Governance Committee” mean the Trustees, the Independent Trustees and the Governance Committee of each Trust, respectively, unless the context otherwise requires. The Trustees, the Independent Trustees and the Governance Committee of each Trust, however, shall act separately and in the best interests of its respective Trust.

- the Investment Company Act of 1940, and the rules and regulation promulgated thereunder by the Securities and Exchange Commission (the "1940 Act");
- the Investment Advisers Act of 1940, and the rules and regulations promulgated thereunder by the Securities and Exchange Commission (the "Advisers Act");
- the Code of Ethics adopted by the Trust and the other Trusts pursuant to Rule 17j-1(c) under the 1940 Act (collectively, the "Trust's 1940 Act Code of Ethics");
- one or more codes of ethics adopted by BlackRock that have been reviewed and approved by those trustees/directors (the "Trustees") of the Trust that are not "interested persons" of the Trust (the "Independent Trustees") within the meaning of the 1940 Act (the "BlackRock's 1940 Act Code of Ethics" and, together with the Trust's 1940 Act Code of Ethics, the "1940 Act Codes of Ethics");
- the policies and procedures adopted by the Trust and the other Trusts to address conflict of interest situations, such as procedures under Rule 10f-3 and Rule 17a-7 under the 1940 Act (collectively, the "Trust Policies"); and
- BlackRock's general policies and procedures to address, among other things, conflict of interest situations and related matters (collectively, the "BlackRock Policies").

The provisions of the 1940 Act, the Advisers Act, the 1940 Act Codes of Ethics, the Trust Policies and the BlackRock Policies are referred to herein collectively as the "Additional Conflict Rules".

This Code of Ethics is different from, and is intended to supplement, the Additional Conflict Rules. Accordingly, a violation of the Additional Conflict Rules by a Senior Officer is hereby deemed not to be a violation of this Code of Ethics, unless and until the Governance Committee of the Trustees (the "Governance Committee") shall determine that any such violation of the Additional Conflict Rules is also a violation of this Code of Ethics.

Senior Officers Should Act Honestly and Candidly

Each Senior Officer has a responsibility to the Trust to act with integrity. Integrity requires, among other things, being honest and candid. Deceit and subordination of principle are inconsistent with integrity.

Each Senior Officer must:

- act with integrity, including being honest and candid while still maintaining the confidentiality of information where required by law or the Additional Conflict Rules;
- comply with the laws, rules and regulations that govern the conduct of the Trust's operations and report any suspected violations thereof in accordance with the section below entitled "Compliance With Code Of Ethics"; and
- adhere to a high standard of business ethics.

Conflicts Of Interest

A conflict of interest for the purpose of this Code of Ethics occurs when your private interests interfere in any way, or even appear to interfere, with the interests of the Trust.

Senior Officers are expected to use objective and unbiased standards when making decisions that affect the Trust, keeping in mind that Senior Officers are subject to certain inherent conflicts of interest because Senior Officers of a Trust also are or may be officers of other Trusts, BlackRock and other funds advised or serviced by BlackRock (as a result of which it is incumbent upon you to be familiar with and to seek to comply with the Additional Conflict Rules).

You are required to conduct the business of the Trust in an honest and ethical manner, including the ethical handling of actual or apparent conflicts of interest between personal and business relationships. When making any investment, accepting any position or benefits, participating in any transaction or business arrangement or otherwise acting in a manner that creates or appears to create a conflict of interest with respect to the Trust where you are receiving a personal benefit, you should act in accordance with the letter and spirit of this Code of Ethics.

If you are in doubt as to the application or interpretation of this Code of Ethics to you as a Senior Officer of the Trust, you should make full disclosure of all relevant facts and circumstances to the general counsel of BlackRock (the "General Counsel") and obtain the approval of the General Counsel prior to taking action.

Some conflict of interest situations that should always be approved by the General Counsel, if material, include the following:

- the receipt of any entertainment or non-nominal gift by the Senior Officer, or a member of his or her family, from any company with which the Trust has current or prospective business dealings (other than BlackRock), unless such entertainment or gift is business related, reasonable in cost, appropriate as to time and place, and not so frequent as to raise any question of impropriety;

- any ownership interest in, or any consulting or employment relationship with, any of the Trust's service providers, other than BlackRock; or
- a direct or indirect financial interest in commissions, transaction charges or spreads paid by the Trust for effecting portfolio transactions or for selling or redeeming shares other than an interest arising from the Senior Officer's employment by BlackRock, such as compensation or equity ownership.

Disclosures

It is the policy of the Trust to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Trust files with, or submits to, the Securities and Exchange Commission or a national securities exchange and in all other public communications made by the Trust. As a Senior Officer, you are required to promote compliance with this policy and to abide by the Trust's standards, policies and procedures designed to promote compliance with this policy.

Each Senior Officer must:

- familiarize himself or herself with the disclosure requirements applicable to the Trust as well as the business and financial operations of the Trust; and
- not knowingly misrepresent, or cause others to misrepresent, facts about the Trust to others, including to the Trustees, the Trust's independent auditors, the Trust's counsel, counsel to the Independent Trustees, governmental regulators or self-regulatory organizations.

Compliance With Code Of Ethics

If you know of or suspect a violation of this Code of Ethics or other laws, regulations, policies or procedures applicable to the Trust, you must report that information on a timely basis to the General Counsel or report it anonymously by following the "whistle blower" policies adopted by BlackRock from time to time. *No one will be subject to retaliation because of a good faith report of a suspected violation* .

The Trust will follow these procedures in investigating and enforcing this Code of Ethics, and in reporting on this Code of Ethics:

- the General Counsel will take all appropriate action to investigate any actual or potential violations reported to him or her;
- violations and potential violations will be reported to the Governance Committee after such investigation;

- if the Governance Committee determines that a violation has occurred, it will take all appropriate disciplinary or preventive action; and
- appropriate disciplinary or preventive action may include a letter of censure, suspension, dismissal or, in the event of criminal or other serious violations of law, notification of the Securities and Exchange Commission or other appropriate law enforcement authorities.

Waivers Of Code Of Ethics

Except as otherwise provided in this Code of Ethics, the General Counsel is responsible for applying this Code of Ethics to specific situations in which questions are presented to the General Counsel and has the authority to interpret this Code of Ethics in any particular situation. The General Counsel shall take all action he or she considers appropriate to investigate any actual or potential violations reported under this Code of Ethics.

The General Counsel is authorized to consult, as appropriate, with the chair of the Governance Committee and with counsel to the Trust, BlackRock or the Independent Trustees, and is encouraged to do so.

The Governance Committee is responsible for granting waivers of this Code of Ethics, as appropriate. Any changes to or waivers of this Code of Ethics will, to the extent required, be disclosed on Form N-CSR, or otherwise, as provided by Securities and Exchange Commission rules.

Recordkeeping

The Trust will maintain and preserve for a period of not less than six (6) years from the date an action is taken, the first two (2) years in an easily accessible place, a copy of the information or materials supplied to the Governance Committee:

- that provided the basis for any amendment or waiver to this Code of Ethics; and
- relating to any violation of this Code of Ethics and sanctions imposed for such violation, together with a written record of the approval or action taken by the Governance Committee.

Confidentiality

All reports and records prepared or maintained pursuant to this Code of Ethics shall be considered confidential and shall be maintained and protected accordingly. Except as otherwise required by law or this Code of Ethics, such matters shall not be disclosed to anyone other than the Independent Trustees and their counsel, the Trust and its counsel, BlackRock and its counsel and any other advisors, consultants or counsel retained by the Trustees, the Independent Trustees or any committee of the Trustees.

Amendments

This Code of Ethics may not be amended except in written form, which is specifically approved by a majority vote of the Trustees, including a majority of the Independent Trustees.

No Rights Created

This Code of Ethics is a statement of certain fundamental principles, policies and procedures that govern each of the Senior Officers in the conduct of the Trust's business. It is not intended to and does not create any rights in any employee, investor, supplier, competitor, shareholder or any other person or entity.

ACKNOWLEDGMENT FORM

I have received and read the Joint Code of Ethics for Chief Executive and Senior Financial Officers, and I understand its contents. I agree to comply fully with the standards contained in the Code of Ethics and the Company's related policies and procedures. I understand that I have an obligation to report any suspected violations of the Code of Ethics on a timely basis to the General Counsel or report it anonymously by following the “whistle blower” policies adopted by BlackRock from time to time.

Printed Name

Signature

Date

EX-99.CERT

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

CERTIFICATIONS

I, Robert Kapito, certify that:

1. I have reviewed this report on Form N-CSR of BlackRock Global Floating Rate Income Trust;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and

c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal half-year (the registrant's second fiscal half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Date: March 2, 2005

/s/ Robert S. Kapito

Robert S. Kapito
Principal Executive Officer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

CERTIFICATIONS

I, Henry Gabbay, certify that:

1. I have reviewed this report on Form N-CSR of BlackRock Global Floating Rate Income Trust;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and

c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal half-year (the registrant's second fiscal half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Date: March 2 , 2005

/s/ Henry Gabbay

Henry Gabbay
Principal Financial Officer

SECTION 906 CERTIFICATION

Pursuant to 18 U.S.C. § 1350, the undersigned officers of BlackRock Global Floating Rate Income Trust (the "Company"), hereby certifies, to the best of their knowledge, that the Company's Report on Form N-CSR for the period ended December 31, 2004, (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated:

March 2, 2005

/s/ Robert S. Kapito

Name:

Robert S. Kapito

Title: Principal Executive Officer

/s/ Henry Gabbay

Name:

Henry Gabbay

Title: Principal Financial Officer

PROXY VOTING POLICY

For

BlackRock Advisors, Inc.
and Its Affiliated Registered Investment Advisers

Introduction

This Proxy Voting Policy ("Policy") for BlackRock Advisors, Inc. and its affiliated registered investment advisers ("BlackRock") reflects our duty as a fiduciary under the Investment Advisers Act of 1940 (the "Advisers Act") to vote proxies in the best interests of our clients. In addition, the Department of Labor views the fiduciary act of managing ERISA plan assets to include the voting of proxies. Proxy voting decisions must be made solely in the best interests of the pension plan's participants and beneficiaries. The Department of Labor has interpreted this requirement as prohibiting a fiduciary from subordinating the retirement income interests of participants and beneficiaries to unrelated objectives. The guidelines in this Policy have been formulated to ensure decision-making consistent with these fiduciary responsibilities.

Any general or specific proxy voting guidelines provided by an advisory client or its designated agent in writing will supercede the specific guidelines in this Policy. BlackRock will disclose to our advisory clients information about this Policy as well as disclose to our clients how they may obtain information on how we voted their proxies. Additionally, BlackRock will maintain proxy voting records for our advisory clients consistent with the Advisers Act. For those of our clients that are registered investment companies, BlackRock will disclose this Policy to the shareholders of such funds and make filings with the Securities and Exchange Commission and make available to fund shareholders the specific proxy votes that we cast in shareholder meetings of issuers of portfolio securities in accordance with the rules and regulations under the Investment Company Act of 1940.

Registered investment companies that are advised by BlackRock as well as certain of our advisory clients may participate in securities lending programs, which may reduce or eliminate the amount of shares eligible for voting by BlackRock in accordance with this Policy if such shares are out on loan and cannot be recalled in time for the vote.

Implicit in the initial decision to retain or invest in the security of a corporation is approval of its existing corporate ownership structure, its management, and its operations. Accordingly, proxy proposals that would change the existing status of a corporation will be reviewed carefully and supported only when it seems clear that the proposed changes are likely to benefit the corporation and its shareholders. Notwithstanding this favorable predisposition, management will be assessed on an ongoing basis both in terms of its business capability and its dedication to the shareholders to ensure that our continued confidence remains warranted. If it is determined that management is acting on its own behalf instead of for the well being of the corporation, we will vote to support shareholder proposals, unless other mitigating circumstances are present.

Additionally, situations may arise that involve an actual or perceived conflict of interest. For example, we may manage assets of a pension plan of a company whose management is soliciting proxies, or a BlackRock employee involved with managing an account may have a close relative who serves as a director or executive of a company that is soliciting proxies regarding securities held in such account. In all cases, the manner in which we vote proxies must be based on our clients' best interests and not the product of a conflict.

This Policy and its attendant recommendations attempt to generalize a complex subject. It should be clearly understood that specific fact situations, including differing voting practices in jurisdictions outside the United States, might warrant departure from these guidelines. In such instances, the relevant facts will be considered, and if a vote contrary to these guidelines is indicated it will be cast and the reasons therefor recorded in writing.

Section I of the Policy describes proxy proposals that may be characterized as routine and lists examples of the types of proposals we would typically support. Section II of the Policy describes various types of non-routine proposals and provides general voting guidelines. These non-routine proposals are categorized as those involving:

A. Social Issues,
B. Financial/Corporate Issues, and
C. Shareholder Rights.

Finally, Section III of the Policy describes the procedures to be followed in casting a vote pursuant to these guidelines.

SECTION I

ROUTINE MATTERS

Routine proxy proposals, amendments, or resolutions are typically proposed by management and meet the following criteria:

1 They do not measurably change the structure, management control, or operation of the corporation.

2 They are consistent with industry standards as well as the corporate laws of the state of incorporation.

Voting Recommendation

BlackRock will normally support the following routine proposals:

1. To increase authorized common shares.
2. To increase authorized preferred shares as long as there are not disproportionate voting rights per preferred share.
3. To elect or re-elect directors.
4. To appoint or elect auditors.
5. To approve indemnification of directors and limitation of directors' liability.
6. To establish compensation levels.
7. To establish employee stock purchase or ownership plans.
8. To set time and location of annual meeting.

SECTION II

NON-ROUTINE PROPOSALS

A. Social Issues

Proposals in this category involve issues of social conscience. They are typically proposed by shareholders who believe that the corporation’s internally adopted policies are ill-advised or misguided.

Voting Recommendation

If we have determined that management is generally socially responsible, we will generally vote against the following shareholder proposals:

1. To enforce restrictive energy policies.
2. To place arbitrary restrictions on military contracting.
3. To bar or place arbitrary restrictions on trade with other countries.
4. To restrict the marketing of controversial products.
5. To limit corporate political activities.
6. To bar or restrict charitable contributions.
7. To enforce a general policy regarding human rights based on arbitrary parameters.
8. To enforce a general policy regarding employment practices based on arbitrary parameters.
9. To enforce a general policy regarding animal rights based on arbitrary parameters.
10. To place arbitrary restrictions on environmental practices.

B. Financial/Corporate Issues

Proposals in this category are usually offered by management and seek to change a corporation’s legal, business or financial structure.

Voting Recommendation

We will generally vote in favor of the following management proposals provided the position of current shareholders is preserved or enhanced:

1. To change the state of incorporation.

2. To approve mergers, acquisitions or dissolution.

3. To institute indenture changes.

4. To change capitalization.

C. Shareholder Rights

Proposals in this category are made regularly both by management and shareholders. They can be generalized as involving issues that transfer or realign board or shareholder voting power.

We typically would oppose any proposal aimed solely at thwarting potential takeover offers by requiring, for example, super-majority approval. At the same time, we believe stability and continuity promote profitability. The guidelines in this area seek to find a middle road, and they are no more than guidelines. Individual proposals may have to be carefully assessed in the context of their particular circumstances.

Voting Recommendation

We will generally vote for the following management proposals:

1. To require majority approval of shareholders in acquisitions of a controlling share in the corporation.

2. To institute staggered board of directors.

3. To require shareholder approval of not more than 66 2/3% for a proposed amendment to the corporation’s by-laws.

4. To eliminate cumulative voting.

5. To adopt anti-greenmail charter or by-law amendments or to otherwise restrict a company’s ability to make greenmail payments.

6. To create a dividend reinvestment program.

7. To eliminate preemptive rights.

8. To eliminate any other plan or procedure designed primarily to discourage a takeover or other similar action (commonly known as a "poison pill").

We will generally vote against the following management proposals:

1. To require greater than 66 2/3% shareholder approval for a proposed amendment to the corporation's by-laws ("super-majority provisions").

2. To require that an arbitrary fair price be offered to all shareholders that is derived from a fixed formula ("fair price amendments").

3. To authorize a new class of common stock or preferred stock which may have more votes per share than the existing common stock.

4. To prohibit replacement of existing members of the board of directors.

5. To eliminate shareholder action by written consent without a shareholder meeting.

6. To allow only the board of directors to call a shareholder meeting or to propose amendments to the articles of incorporation.

7. To implement any other action or procedure designed primarily to discourage a takeover or other similar action (commonly known as a "poison pill").

8. To limit the ability of shareholders to nominate directors.

We will generally vote for the following shareholder proposals:

1. To rescind share purchases rights or require that they be submitted for shareholder approval, but only if the vote required for approval is not more than 66 2/3%.

2. To opt out of state anti-takeover laws deemed to be detrimental to the shareholder.

3. To change the state of incorporation for companies operating under the umbrella of anti-shareholder state corporation laws if another state is chosen with favorable laws in this and other areas.

4. To eliminate any other plan or procedure designed primarily to discourage a takeover or other similar action.

5. To permit shareholders to participate in formulating management's proxy and the opportunity to discuss and evaluate management's director nominees, and/or to nominate shareholder nominees to the board.

6. To require that the board's audit, compensation, and/or nominating committees be comprised exclusively of independent directors.

7. To adopt anti-greenmail charter or by-law amendments or otherwise restrict a company's ability to make greenmail payments.

8. To create a dividend reinvestment program.

9. To recommend that votes to "abstain" not be considered votes "cast" at an annual meeting or special meeting, unless required by state law.

10. To require that "golden parachutes" be submitted for shareholder ratification.

We will generally vote <u>against</u> the following shareholder proposals:

1. To restore preemptive rights.

2. To restore cumulative voting.

3. To require annual election of directors or to specify tenure.

4. To eliminate a staggered board of directors.

5. To require confidential voting.

6. To require directors to own a minimum amount of company stock in order to qualify as a director or to remain on the board.

7. To dock director pay for failing to attend board meetings.

SECTION III

VOTING PROCESS

BlackRock has engaged a third-party service provider to assist us in the voting of proxies. These guidelines have been provided to this service provider, who then analyzes all proxy solicitations we receive for our clients and makes recommendations to us as to how, based upon our guidelines, the relevant votes should be cast. These recommendations are set out in a report that is provided to the relevant Portfolio Management Group team, who must approve the proxy vote in writing and return such written approval to the Operations Group. If any authorized member of a Portfolio Management Group team desires to vote in a manner that differs from the recommendations, the reason for such differing vote shall be noted in the written approval form. A copy of the written approval form is attached as an exhibit. The head of each relevant Portfolio Management Group team is responsible for making sure that proxies are voted in a timely manner. The Brokerage Allocation Committee shall receive regular reports of all proxy votes cast to review how proxies have been voted, including reviewing votes that differ from recommendations made by our third-party service provider and votes that may have involved a potential conflict of interest. The Committee shall also review these guidelines from time to time to determine their continued appropriateness and whether any changes to the guidelines or the proxy voting process should be made.

IF THERE IS ANY POSSIBILITY THAT THE VOTE MAY INVOLVE A MATERIAL CONFLICT OF INTEREST BECAUSE, FOR EXAMPLE, THE ISSUER SOLICITING THE VOTE IS A BLACKROCK CLIENT OR THE MATTER BEING VOTED ON INVOLVES BLACKROCK, PNC OR ANY AFFILIATE (INCLUDING A PORTFOLIO MANAGEMENT GROUP EMPLOYEE) OF EITHER OF THEM, PRIOR TO APPROVING SUCH VOTE, THE BROKERAGE ALLOCATION COMMITTEE MUST BE CONSULTED AND THE MATTER DISCUSSED. The Committee, in consultation with the Legal and Compliance Department, shall determine whether the potential conflict is material and if so, the appropriate method to resolve such conflict, based on the particular facts and circumstances, the importance of the proxy issue, whether the Portfolio Management Group team is proposing a vote that differs from recommendations made by our third-party service provider with respect to the issue and the nature of the conflict, so as to ensure that the voting of the proxy is not affected by the potential conflict. If the conflict is determined not to be material, the relevant Portfolio Management Group team shall vote the proxy in accordance with this Policy. Determinations of the Committee with respect to votes involving material conflicts of interest shall be documented in writing and maintained for a period of at least six years.

With respect to votes in connection with securities held on a particular record date but sold from a client account prior to the holding of the related meeting, BlackRock may take no action on proposals to be voted on in such meeting.

With respect to voting proxies of non-U.S. companies, a number of logistical problems may arise that may have a detrimental effect on BlackRock’s ability to vote such proxies in the best interests of our clients. These problems include, but are not limited to, (i) untimely and/or inadequate notice of shareholder meetings, (ii) restrictions on the ability of holders outside the issuer's jurisdiction of organization to exercise votes, (iii) requirements to vote proxies in person, if not practicable, (iv) the imposition of restrictions on the sale of the securities for a period of time in proximity to the shareholder meeting, and (v) impracticable or inappropriate requirements to provide local agents with power of attorney to facilitate the voting instructions. Accordingly, BlackRock may determine not to vote proxies if it believes that the restrictions or other detriments associated with such vote outweigh the benefits that will be derived by voting on the company's proposal.

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Any questions regarding this Policy may be directed to the General Counsel of BlackRock.

Approved: October 21, 1998

Revised: May 27, 2003