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BLACKROCK CORE BOND TRUST

Form N-CSR

November 05, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-10543

Name of Fund: BlackRock Core Bond Trust (BHK)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Core Bond Trust, 55 East 52nd Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 08/31/2012

Date of reporting period: 08/31/2012

Item 1 – Report to Stockholders

August 31, 2012

Annual Report

BlackRock Core Bond Trust (BHK)

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

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

BlackRock High Income Shares (HIS)

BlackRock High Yield Trust (BHY)

BlackRock Income Opportunity Trust, Inc. (BNA)

BlackRock Income Trust, Inc. (BKT)

BlackRock Strategic Bond Trust (BHD)

Not FDIC Insured § No Bank Guarantee § May Lose Value

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Dear Shareholder

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

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

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

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

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

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

We know that investors continue to face a world of uncertainty and volatile markets, but we also believe these challenging times present many opportunities. We remain committed to working with you and your financial professional to identify actionable ideas for your portfolio. We encourage you to visit www.blackrock.com/newworld for more information.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

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

Rob Kapito
President, BlackRock Advisors, LLC

Total Returns as of August 31, 2012

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

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

THIS PAGE NOT PART OF YOUR FUND REPORT

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Trust Summary as of August 31, 2012

BlackRock Core Bond Trust

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

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

What factors influenced performance?

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

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

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

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BlackRock Core Bond Trust

Trust Information

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

- Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- The distribution rate is not constant and is subject to change.
- Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

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

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CCC/Caa

2

2

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

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

ANNUAL REPORT

AUGUST 31, 2012

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Trust Summary as of August 31, 2012

BlackRock Corporate High Yield Fund V, Inc.

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

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

What factors influenced performance?

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

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

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BlackRock Corporate High Yield Fund V, Inc.

Trust Information

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

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

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

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

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

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

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

Trust Summary as of August 31, 2012

BlackRock Corporate High Yield Fund VI, Inc.

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

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

What factors influenced performance?

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

At period end, the Trust held 75% of its total portfolio in corporate bonds and 17% in floating rate loan interests (bank loans), with the remainder in common stocks, preferred stocks and other interests. The Trust s largest sector exposures included non-cable media, health care and chemicals, while its portfolio holdings reflected less emphasis on the riskier, more cyclical segments of the market such as banking, home construction and restaurants. The Trust ended the period with economic leverage at 29% of its total managed assets. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

BlackRock Corporate High Yield Fund VI, Inc.

Trust Information

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

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

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

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

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

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

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

Trust Summary as of August 31, 2012

BlackRock High Income Shares**Investment Objective**

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

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

Portfolio Management Commentary**How did the Trust perform?**

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

What factors influenced performance?

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

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

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BlackRock High Income Shares**Trust Information**

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

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

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

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

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

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

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

Trust Summary as of August 31, 2012

BlackRock High Yield Trust**Investment Objective**

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

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

Portfolio Management Commentary**How did the Trust perform?**

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

What factors influenced performance?

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

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

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BlackRock High Yield Trust

Trust Information

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

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

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

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

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

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

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

Trust Summary as of August 31, 2012

BlackRock Income Opportunity Trust, Inc.

Investment Objective

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

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

Portfolio Management Commentary

How did the Trust perform?

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

What factors influenced performance?

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

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

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

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BlackRock Income Opportunity Trust, Inc.**Trust Information**

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

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

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

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

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

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

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- ⁴ Using the higher of S&P's or Moody's ratings.
- ⁵ Includes US Government Sponsored Agency Securities, which were deemed AAA/Aaa by the investment advisor.

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Trust Summary as of August 31, 2012

BlackRock Income Trust, Inc.**Investment Objective**

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

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

Portfolio Management Commentary**How did the Trust perform?**

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

What factors influenced performance?

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

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

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

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The backdrop for agency MBS appears constructive given the impact of the Federal Reserve's mortgage reinvestment program in curtailing net supply along with the sector's attractive yields relative to other high-quality asset classes in a low interest rate environment. However, prepayment risk for higher-coupon agency MBS remains high and, therefore, the Trust maintains a cautious stance. As of period end, the Trust maintained exposure to high-quality agency MBS with varying maturities and coupon rates. The Trust also held small allocations to non-agency MBS and CMBS. The Trust ended the reporting period with a slightly short duration profile. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

BlackRock Income Trust, Inc.

Trust Information

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

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

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

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

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

	8/31/12	8/31/11
AAA/Aaa ⁵	100%	100%

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

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

Trust Summary as of August 31, 2012

BlackRock Strategic Bond Trust**Investment Objective**

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

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

Portfolio Management Commentary**How did the Trust perform?**

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

What factors influenced performance?

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

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

Describe recent portfolio activity.

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

Describe portfolio positioning at period end.

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

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BlackRock Strategic Bond Trust

Trust Information

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

- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- ² The distribution rate is not constant and is subject to change.
- ³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 20.

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

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

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

Portfolio Composition

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

Credit Quality Allocations⁴

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

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Not Rated

1

1

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

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The Benefits and Risks of Leveraging

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

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

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

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

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

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

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

Under the Investment Company Act of 1940, as amended (the 1940 Act), the Trusts are permitted to issue senior securities representing indebtedness up to 33 $\frac{1}{3}$ % of their total managed assets (each Trust's net assets plus the proceeds of any outstanding borrowings). If the Trusts segregate liquid assets having a value not less than the repurchase price (including accrued interest), a reverse repurchase agreement will not be considered a senior security and therefore will not be subject to this limitation. In addition, each Trust voluntarily limits its aggregate economic leverage to 50% of its managed assets. As of August 31, 2012, the Trusts had aggregate economic leverage from reverse repurchase agreements, treasury roll transactions and/or borrowings through a credit facility as a percentage of their total managed assets as follows:

	Percent of Economic Leverage
BHK	31%

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

Derivative Financial Instruments

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

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Schedule of Investments August 31, 2012

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

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

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

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

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

Portfolio Abbreviations

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

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

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

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

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

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				5,101,623
Construction & Engineering	0.3%			
ABB Finance USA, Inc., 4.38%, 5/08/42			192	216,826
URS Corp., 5.00%, 4/01/22 (a)			975	988,641
				1,205,467
			Par	Value
			(000)	
Corporate Bonds				
Construction Materials	0.2%			
HD Supply, Inc., 8.13%, 4/15/19 (a)		USD	570	\$ 618,450
Lafarge SA, 7.13%, 7/15/36			135	137,025
				755,475
Consumer Finance	0.8%			
Ford Motor Credit Co. LLC, 8.13%, 1/15/20			1,265	1,566,267
SLM Corp.:				
6.25%, 1/25/16			661	707,270
Series A, 0.75%, 1/27/14 (b)			550	533,218
Toll Brothers Finance Corp., 5.88%, 2/15/22			345	376,071
				3,182,826
Containers & Packaging	0.6%			
Ardagh Packaging Finance Plc (a):				
7.38%, 10/15/17		EUR	425	565,303
7.38%, 10/15/17		USD	200	214,250
Smurfit Kappa Acquisitions (a):				
7.25%, 11/15/17		EUR	725	975,738
7.75%, 11/15/19			410	564,689
				2,319,980
Diversified Financial Services	8.5%			
Ally Financial, Inc.:				
8.30%, 2/12/15		USD	1,500	1,665,000
5.50%, 2/15/17			1,500	1,560,162
6.25%, 12/01/17			160	172,881
8.00%, 3/15/20			560	655,200
8.00%, 11/01/31			320	378,400
Bank of America Corp., 5.63%, 7/01/20			1,100	1,219,567
Capital One Financial Corp., 4.75%, 7/15/21			960	1,076,944
Citigroup, Inc.:				
5.00%, 9/15/14			285	298,130
4.59%, 12/15/15			6,390	6,874,892
General Electric Capital Corp. (d):				
6.15%, 8/07/37			2,150	2,696,212
6.88%, 1/10/39			135	184,515
JPMorgan Chase & Co.:				
7.90% (b)(h)			3,500	3,915,240
3.70%, 1/20/15 (d)			3,425	3,633,497
6.30%, 4/23/19 (d)			2,000	2,440,872
JPMorgan Chase Bank NA, Series BKNT, 6.00%, 10/01/17 (d)			2,050	2,413,529
Moody's Corp., 4.50%, 9/01/22			900	935,853
Reynolds Group Issuer, Inc.:				
7.75%, 10/15/16		EUR	550	714,273
7.88%, 8/15/19		USD	560	623,000
6.88%, 2/15/21			680	736,100
Spirit Issuer Plc, 5.86%, 12/28/21		GBP	1,620	2,115,732
WMG Acquisition Corp.:				
9.50%, 6/15/16 (c)		USD	160	174,800
11.50%, 10/01/18			562	616,795
				35,101,594
Diversified Telecommunication Services	2.6%			
Level 3 Financing, Inc.:				
8.13%, 7/01/19			698	731,155
8.63%, 7/15/20 (c)			650	695,500

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Telecom Italia Capital SA:

4.95%, 9/30/14	1,075	1,091,125
6.00%, 9/30/34	1,550	1,271,000

Verizon Communications, Inc.:

3.50%, 11/01/21	500	550,038
6.40%, 2/15/38	3,483	4,675,635
8.95%, 3/01/39	900	1,569,185

Windstream Corp., 7.88%, 11/01/17	40	43,500
		10,627,138

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Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Electric Utilities 6.2%		
The Cleveland Electric Illuminating Co.:		
8.88%, 11/15/18	USD 121	\$ 164,273
5.95%, 12/15/36	217	255,413
CMS Energy Corp., 5.05%, 3/15/22	915	991,672
Duke Energy Carolinas LLC:		
6.10%, 6/01/37	315	417,845
6.00%, 1/15/38 (d)	825	1,107,723
4.25%, 12/15/41 (d)	375	410,460
E.ON International Finance BV, 6.65%, 4/30/38 (a)	1,525	2,082,284
EDF SA, 5.60%, 1/27/40 (a)(d)	1,400	1,565,707
Florida Power Corp. (d):		
6.35%, 9/15/37	1,325	1,836,235
6.40%, 6/15/38	430	604,018
Hydro-Quebec (d):		
8.40%, 1/15/22	730	1,059,806
8.05%, 7/07/24	1,900	2,832,484
Jersey Central Power & Light Co., 7.35%, 2/01/19	245	313,857
Nisource Finance Corp.:		
6.40%, 3/15/18	280	335,129
5.25%, 2/15/43	500	552,707
Ohio Power Co., Series D, 6.60%, 3/01/33	1,500	1,974,781
PacifiCorp., 6.25%, 10/15/37 (d)	575	805,489
Public Service Co. of Colorado, 6.25%, 9/01/37 (d)	1,200	1,732,027
Southern California Edison Co. (d):		
5.63%, 2/01/36	625	821,994
Series 08-A, 5.95%, 2/01/38	1,075	1,478,330
Tokyo Electric Power Co., Inc., 4.50%, 3/24/14 (d)	EUR 1,000	1,251,888
Virginia Electric and Power Co., Series A, 6.00%, 5/15/37 (d)	USD 2,000	2,769,718
		25,363,840
Energy Equipment & Services 2.0%		
Calfrac Holdings LP, 7.50%, 12/01/20 (a)(d)	565	553,700
Ensco Plc:		
3.25%, 3/15/16	160	170,795
4.70%, 3/15/21	1,745	1,958,024
FTS International Services LLC/FTS International Bonds, Inc., 8.13%, 11/15/18 (a)		
	1,110	1,146,075
Noble Holding International Ltd., 5.25%, 3/15/42	350	375,470
Peabody Energy Corp., 6.25%, 11/15/21 (a)	2,600	2,645,500
Transocean, Inc.:		
5.05%, 12/15/16	850	941,480
6.50%, 11/15/20	350	418,359
		8,209,403
Food Products 1.2%		
Darling International, Inc., 8.50%, 12/15/18	335	379,388
Kraft Foods Group, Inc. (a):		
5.38%, 2/10/20	1,570	1,876,338
5.00%, 6/04/42	997	1,134,085
Kraft Foods, Inc., 5.38%, 2/10/20	1,430	1,718,691

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		5,108,502
Gas Utilities 0.5%		
CenterPoint Energy Resources Corp., 5.85%, 1/15/41	1,600	2,014,216
Health Care Equipment & Supplies 0.7%		
Boston Scientific Corp., 6.25%, 11/15/15	1,251	1,416,920
DJO Finance LLC:		
10.88%, 11/15/14	166	173,263
7.75%, 4/15/18	735	672,525
Fresenius Medical Care US Finance, Inc., 6.50%, 9/15/18 (a)	152	170,430
Teleflex, Inc., 6.88%, 6/01/19	385	411,950
		2,845,088

Corporate Bonds	Par (000)	Value
Health Care Providers & Services 2.5%		
Aviv Healthcare Properties LP, 7.75%, 2/15/19	USD 175	\$ 182,000
CHS/Community Health Systems, Inc., 5.13%, 8/15/18	400	412,500
ConvaTec Healthcare E SA, 7.38%, 12/15/17 (a) HCA, Inc.:	EUR 494	664,848
6.50%, 2/15/20	USD 2,115	2,323,856
7.88%, 2/15/20	135	150,694
IASIS Healthcare LLC, 8.38%, 5/15/19	1,000	953,750
INC Research LLC, 11.50%, 7/15/19 (a)	545	534,100
inVentiv Health, Inc. (a):		
10.00%, 8/15/18	40	33,700
10.25%, 8/15/18	155	130,588
Omnicare, Inc., 7.75%, 6/01/20	805	887,512
Symbion, Inc., 8.00%, 6/15/16	455	459,834
Tenet Healthcare Corp.:		
10.00%, 5/01/18	200	230,000
8.88%, 7/01/19	1,150	1,308,125
UnitedHealth Group, Inc., 2.88%, 3/15/22	2,000	2,049,750
		10,321,257
Health Care Technology 0.6%		
Amgen, Inc. (d):		
6.40%, 2/01/39	750	931,504
5.15%, 11/15/41	1,500	1,637,571
		2,569,075
Hotels, Restaurants & Leisure 0.1%		
El Dorado Resorts LLC, 8.63%, 6/15/19 (a)	180	175,500
MGM Resorts International, 11.13%, 11/15/17	265	294,812
		470,312
Household Durables 0.8%		
Beazer Homes USA, Inc., 6.63%, 4/15/18 (a)	580	593,050
Standard Pacific Corp., 10.75%, 9/15/16	2,100	2,535,750
		3,128,800
Household Products 0.1%		
Ontex IV SA, 7.50%, 4/15/18 (a)	EUR 190	242,567
Independent Power Producers & Energy Traders 0.6%		
Calpine Corp., 7.50%, 2/15/21 (a)	USD 175	194,250
Energy Future Holdings Corp., 10.00%, 1/15/20	1,100	1,212,750
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20	922	1,034,945
		2,441,945
Industrial Conglomerates 0.8%		
The ADT Corp., 4.88%, 7/15/42 (a)	539	586,299
Sequa Corp. (a):		
11.75%, 12/01/15	690	724,500

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13.50%, 12/01/15		1,940	2,056,816
			3,367,615
Insurance 4.2%			
Allianz Finance II BV, 5.75%, 7/08/41 (b)	EUR	500	607,993
American International Group, Inc.:			
3.80%, 3/22/17 (d)	USD	5,580	5,905,504
5.45%, 5/18/17		800	898,870
AXA SA, 5.25%, 4/16/40 (b)	EUR	250	267,714
CNO Financial Group, Inc., 9.00%, 1/15/18 (a)	USD	478	522,812
Hartford Financial Services Group, Inc.:			
6.00%, 1/15/19		345	383,954
5.13%, 4/15/22		930	999,523
Hartford Life Global Funding Trusts, 0.65%, 6/16/14 (b)		425	417,983
Liberty Mutual Group, Inc., 6.50%, 5/01/42 (a)		1,000	1,085,395
Lincoln National Corp., 6.25%, 2/15/20		630	730,900
Manulife Financial Corp., 3.40%, 9/17/15		1,630	1,698,092

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Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Insurance (concluded)		
Metropolitan Life Global Funding I, 5.13%, 6/10/14 (a)(d)	USD 775	\$ 833,093
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a)	340	304,300
Muenchener Rueckversicherungs AG, 6.00%, 5/26/41 (b)	EUR 200	264,289
Prudential Financial, Inc. (d):		
7.38%, 6/15/19	USD 250	314,632
5.38%, 6/21/20	250	288,865
4.50%, 11/15/20	450	491,098
5.70%, 12/14/36	675	748,348
Series D, 5.90%, 3/17/36	500	564,306
		17,327,671
IT Services 0.9%		
First Data Corp. (a):		
7.38%, 6/15/19	775	800,187
8.25%, 1/15/21	75	74,344
SunGard Data Systems, Inc.:		
7.38%, 11/15/18	1,080	1,147,500
7.63%, 11/15/20	1,730	1,855,425
		3,877,456
Machinery 0.3%		
UR Merger Sub Corp. (a):		
5.75%, 7/15/18	194	205,155
7.38%, 5/15/20	495	524,700
7.63%, 4/15/22	452	488,160
		1,218,015
Marine 0.3%		
Nakilat, Inc., Series A, 6.07%, 12/31/33 (a)(d)	1,050	1,241,625
Media 8.9%		
Affinion Group, Inc., 7.88%, 12/15/18	1,045	747,175
AMC Networks, Inc., 7.75%, 7/15/21	320	362,400
CCH II LLC, 13.50%, 11/30/16	2,300	2,518,912
Clear Channel Communications, Inc., 9.00%, 3/01/21	548	469,910
Clear Channel Worldwide Holdings, Inc., Series B, 9.25%, 12/15/17	2,172	2,359,335
Comcast Cable Communications Holdings, Inc., 9.46%, 11/15/22	600	895,988
Comcast Corp., 6.45%, 3/15/37	790	1,019,199
Cox Communications, Inc., 8.38%, 3/01/39 (a)	1,740	2,625,669
Cox Enterprises, Inc.:		
Loan Close 2, 12.00%, 8/15/18	983	983,563
Loan Close 3, 4.00%, 8/15/18	1,124	1,124,495
Shares Loan, 12.00%, 8/15/18	1,159	1,159,750
DIRECTV Holdings LLC:		
6.38%, 3/01/41	260	306,570
5.15%, 3/15/42	2,100	2,142,745
Intelsat Jackson Holdings SA, 11.25%, 6/15/16	261	274,702
Intelsat Luxembourg SA:		
11.25%, 2/04/17	750	787,500
11.50%, 2/04/17 (f)	415	435,750

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Interactive Data Corp., 10.25%, 8/01/18	1,330	1,499,575
NBC Universal Media LLC:		
5.15%, 4/30/20	1,983	2,340,420
4.38%, 4/01/21	1,015	1,145,763
The New York Times Co., 6.63%, 12/15/16	1,800	1,953,000
News America, Inc., 7.63%, 11/30/28	385	490,562
Omnicom Group, Inc., 3.63%, 5/01/22	2,355	2,469,022
TCI Communications, Inc., 7.88%, 2/15/26	610	856,883
Time Warner Cable, Inc.:		
7.30%, 7/01/38	930	1,269,028
5.88%, 11/15/40	465	551,719
5.50%, 9/01/41	920	1,041,084

Corporate Bonds	Par (000)	Value
Media (concluded)		
Time Warner, Inc.:		
4.70%, 1/15/21	USD 350	\$ 401,432
6.10%, 7/15/40	215	262,355
Unitymedia Hessen GmbH & Co. KG, 8.13%, 12/01/17 (a)	2,822	3,054,815
Virgin Media Secured Finance Plc, 6.50%, 1/15/18	525	572,250
Ziggo Finance BV, 6.13%, 11/15/17 (a)	EUR 263	353,130
		36,474,701
Metals & Mining 3.6%		
Alcoa, Inc., 5.40%, 4/15/21	USD 1,450	1,497,052
Barrick Gold Corp., 2.90%, 5/30/16	1,690	1,778,590
Corp. Nacional del Cobre de Chile, 3.00%, 7/17/22 (a)(d)	1,565	1,572,689
Falconbridge Ltd., 6.20%, 6/15/35	1,250	1,342,866
Freeport-McMoRan Copper & Gold, Inc., 3.55%, 3/01/22	540	536,471
New Gold, Inc., 7.00%, 4/15/20 (a)	105	110,513
New World Resources NV, 7.88%, 5/01/18	EUR 215	269,075
Newcrest Finance Property Ltd., 4.45%, 11/15/21 (a)	USD 475	492,688
Novelis, Inc., 8.75%, 12/15/20	4,120	4,604,100
Teck Resources Ltd., 5.38%, 10/01/15	2,359	2,593,145
		14,797,189
Oil, Gas & Consumable Fuels 10.1%		
Access Midstream Partners LP, 6.13%, 7/15/22	400	415,000
Anadarko Petroleum Corp., 5.95%, 9/15/16	1,916	2,215,632
BP Capital Markets Plc, 3.13%, 10/01/15 (d)	330	352,977
Burlington Resources Finance Co., 7.40%, 12/01/31 (d)	875	1,268,935
Cenovus Energy, Inc., 6.75%, 11/15/39	750	1,006,300
ConocoPhillips Canada Funding Co., 5.95%, 10/15/36 (d)	535	705,668
Continental Resources, Inc., 5.00%, 9/15/22	580	606,100
Crosstex Energy LP, 8.88%, 2/15/18	130	138,775
Devon Energy Corp., 7.95%, 4/15/32	625	930,858
El Paso Natural Gas Co., LLC, 8.38%, 6/15/32	275	385,590
El Paso Pipeline Partners Operating Co. LLC, 6.50%, 4/01/20	240	282,929
Energy XXI Gulf Coast, Inc., 9.25%, 12/15/17	540	602,100
Enterprise Products Operating LLC:		
4.05%, 2/15/22	1,250	1,364,512
6.13%, 10/15/39	700	831,755
5.95%, 2/01/41	500	592,378
Series L, 6.30%, 9/15/17	575	695,825
KeySpan Gas East Corp., 5.82%, 4/01/41 (a)	505	674,554

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Kinder Morgan Energy Partners LP:		
5.95%, 2/15/18	1,300	1,546,067
6.50%, 9/01/39	3,000	3,598,422
6.55%, 9/15/40	110	133,704
6.38%, 3/01/41	150	180,703
5.00%, 8/15/42	500	514,300
Linn Energy LLC, 6.25%, 11/01/19 (a)	590	582,625
Marathon Petroleum Corp., 6.50%, 3/01/41	997	1,216,325
MarkWest Energy Partners LP, 5.50%, 2/15/23	160	163,600
MidAmerican Energy Co., 5.80%, 10/15/36	700	924,140
MidAmerican Energy Holdings Co.:		
5.95%, 5/15/37	800	1,034,760
6.50%, 9/15/37	1,900	2,592,064
Newfield Exploration Co., 5.63%, 7/01/24	850	922,250
Nexen, Inc., 7.50%, 7/30/39	1,000	1,400,190
Offshore Group Investment Ltd., 11.50%, 8/01/15 (a)	360	397,800
Petrobras International Finance Co.:		
3.88%, 1/27/16	1,340	1,406,846
5.75%, 1/20/20	1,725	1,943,916

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Oil, Gas & Consumable Fuels (concluded)		
Pioneer Natural Resources Co., 3.95%, 7/15/22	USD 350	\$ 364,140
Premier Oil Plc, 5.00%, 6/09/18	1,900	1,957,000
Range Resources Corp., 5.75%, 6/01/21	935	994,606
Sabine Pass Liquefied Natural Gas LP, 7.50%, 11/30/16	890	952,300
SandRidge Energy, Inc. (a):		
7.50%, 3/15/21	275	278,438
7.50%, 2/15/23	230	231,150
Tennessee Gas Pipeline Co. LLC, 7.50%, 4/01/17	1,040	1,276,522
Western Gas Partners LP, 5.38%, 6/01/21	710	788,547
The Williams Cos., Inc., Series A, 7.50%, 1/15/31	2,500	3,134,485
		41,604,788
Paper & Forest Products 1.1%		
Boise Paper Holdings LLC:		
9.00%, 11/01/17	180	199,350
8.00%, 4/01/20	155	171,275
Clearwater Paper Corp., 10.63%, 6/15/16	620	692,850
Domtar Corp., 6.25%, 9/01/42	2,000	2,067,086
International Paper Co.:		
7.50%, 8/15/21	75	97,579
4.75%, 2/15/22	420	472,491
6.00%, 11/15/41	435	518,358
NewPage Corp., 11.38%, 12/31/14 (c)(i)	430	291,325
		4,510,314
Pharmaceuticals 0.2%		
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (a)	EUR 200	281,118
Pharmaceutical Product Development, Inc., 9.50%, 12/01/19 (a)	USD 520	579,800
		860,918
Real Estate Investment Trusts (REITs) 0.6%		
Simon Property Group LP, 4.75%, 3/15/42	835	919,518
Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21	275	301,910
Vornado Realty LP, 5.00%, 1/15/22	1,185	1,294,881
		2,516,309
Real Estate Management & Development 0.6%		
Punch Taverns Finance Plc, Series A2R, 6.82%, 7/15/20	GBP 739	1,091,578
Realogy Corp. (a)(d):		
7.88%, 2/15/19	USD 374	385,220
7.63%, 1/15/20	520	566,800
WEA Finance LLC, 4.63%, 5/10/21 (a)	305	331,379
		2,374,977
Road & Rail 0.5%		
Burlington Northern Santa Fe LLC, 5.75%, 5/01/40	950	1,177,384
Florida East Coast Railway Corp., 8.13%, 2/01/17	490	514,500
The Hertz Corp., 7.38%, 1/15/21	545	592,688
		2,284,572
Semiconductors & Semiconductor		

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Equipment 0.1%			
Spanion LLC, 7.88%, 11/15/17		390	380,250
Software 0.5%			
Nuance Communications, Inc., 5.38%, 8/15/20 (a)		885	904,912
Oracle Corp., 5.38%, 7/15/40 (d)		775	993,561
			1,898,473

		Par (000)	Value
Corporate Bonds			
Specialty Retail 0.5%			
The Home Depot, Inc., 5.88%, 12/16/36	USD	830	\$ 1,105,109
QVC, Inc. (a):			
7.50%, 10/01/19		85	94,181
7.38%, 10/15/20		35	39,000
5.13%, 7/02/22		965	1,011,458
			2,249,748
Thriffs & Mortgage Finance 0.2%			
Radian Group, Inc., 5.38%, 6/15/15		1,400	1,053,500
Tobacco 0.9%			
Altria Group, Inc.:			
9.95%, 11/10/38		800	1,366,269
10.20%, 2/06/39		1,388	2,419,040
			3,785,309
Wireless Telecommunication Services 2.0%			
America Movil SAB de CV, 2.38%, 9/08/16		795	825,533
Crown Castle Towers LLC, 6.11%, 1/15/20 (a)		1,560	1,844,996
Digicel Group Ltd. (a):			
9.13%, 1/15/15		560	565,600
8.25%, 9/01/17		150	159,000
MetroPCS Wireless, Inc., 6.63%, 11/15/20		750	776,250
Rogers Communications, Inc., 7.50%, 8/15/38		1,150	1,668,734
SBA Tower Trust, 5.10%, 4/17/17 (a)		360	401,457
Sprint Capital Corp., 6.88%, 11/15/28		595	538,475
Sprint Nextel Corp. (a):			
9.00%, 11/15/18		530	625,400
7.00%, 3/01/20		770	843,150
			8,248,595
Total Corporate Bonds 77.0%			316,776,637

Foreign Agency Obligations			
Deutsche Bundesrepublik Inflation Linked Bond, 1.75%, 4/15/20	EUR	3,290	4,910,866
Hydro-Quebec, 9.40%, 2/01/21 (d)	USD	390	587,925
Italy Government International Bond, 5.38%, 6/15/33		455	410,637
Kreditanstalt fuer Wiederaufbau, 1.38%, 7/15/13 (d)		660	665,874
Total Foreign Agency Obligations 1.6%			6,575,302

Non-Agency Mortgage-Backed Securities			
Collateralized Mortgage Obligations 2.7%			
Banc of America Funding Corp., Series 2007-2, Class 1A2, 6.00%, 3/25/37		1,048	870,264
Bear Stearns Adjustable Rate Mortgage Trust, Series 2004-8, Class 14A1, 5.35%, 11/25/34 (b)		358	323,844
Countrywide Alternative Loan Trust: Series 2005-64CB, Class 1A15, 5.50%, 12/25/35		1,444	1,234,452
		788	432,579

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Series 2006-OA21, Class A1, 0.43%,

3/20/47 (b)

Series 2007-HY4, Class 4A1, 5.18%, 6/25/47	771	569,288
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Countrywide Home Loan Mortgage Pass-Through Trust:

Series 2006-OA5, Class 2A1, 0.44%, 4/25/46 (b)	321	192,889
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Series 2007-10, Class A22, 6.00%, 7/25/37	612	507,650
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Credit Suisse First Boston Mortgage Securities Corp., Series 2005-12, Class 6A1, 6.00%, 1/25/36	799	629,417
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Credit Suisse Mortgage Capital Certificates, Series 2011-2R, Class 2A1, 2.62%, 7/27/36 (a)(b)	1,254	1,217,173
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Schedule of Investments (continued)

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

	Par (000)	Value
Non-Agency Mortgage-Backed Securities		
Collateralized Mortgage Obligations (concluded)		
GMAC Mortgage Corp. Loan Trust, Series 2005-AR3, Class 5A1, 5.08%, 6/19/35 (b)	USD 1,038	\$ 1,026,395
GSR Mortgage Loan Trust:		
Series 2006-4F, Class 1A1, 5.00%, 5/25/36	576	535,706
Series 2007-4F, Class 3A1, 6.00%, 7/25/37	721	657,467
Homebanc Mortgage Trust, Series 2006-2, Class A1, 0.42%, 12/25/36 (b)	599	414,442
IndyMac IMJA Mortgage Loan Trust, Series 2007-A1, Class A4, 6.00%, 8/25/37	874	729,924
JPMorgan Mortgage Trust, Series 2006-S3, Class 1A12, 6.50%, 8/25/36	290	269,881
Merrill Lynch Mortgage Investors, Inc., Series 2006-A3, Class 3A1, 2.94%, 5/25/36 (b)	672	465,401
Monastery BV, Series 2004-I, Class A2, 1.00%, 3/17/37 (b)	EUR 1,020	986,507
Wells Fargo Mortgage-Backed Securities Trust, Series 2007-10, Class 1A21, 6.00%, 7/25/37	USD 48	45,962
		11,109,241
Commercial Mortgage-Backed Securities 12.1%		
Banc of America Merrill Lynch Commercial Mortgage, Inc., Class A4:		
Series 2007-1, 5.45%, 1/15/49	500	572,826
Series 2007-2, 5.80%, 4/10/49 (b)	750	869,145
Bear Stearns Commercial Mortgage Securities, Series 2005-PWR9, Class A4A, 4.87%, 9/11/42	800	885,825
Citigroup Commercial Mortgage Trust, Series 2008-C7, Class A4, 6.26%, 12/10/49 (b)	1,370	1,622,732
Citigroup/Deutsche Bank Commercial Mortgage Trust, Series 2006-CD3, Class AM, 5.65%, 10/15/48	1,093	1,147,290
Commercial Mortgage Pass-Through Certificates, Series 2006-C7, Class AM, 5.96%, 6/10/46 (b)	1,750	1,851,882
Credit Suisse First Boston Mortgage Securities Corp., Series 2005-C3, Class AJ, 4.77%, 7/15/37	705	698,888
Credit Suisse Mortgage Capital Certificates:		
Series 2006-C3, Class AM, 6.01%, 6/15/38 (b)	1,000	1,080,596
Series 2006-C5, Class AM, 5.34%, 12/15/39	1,750	1,780,426
Series 2010-RR2, Class 2A, 5.96%, 9/15/39 (a)(b)	1,010	1,144,527
DBRR Trust, Series 2011-C32, Class A3A, 5.93%, 6/17/49 (a)(b)	365	419,450
Extended Stay America Trust, Series 2010-ESHA (a):		
Class A, 2.95%, 11/05/27	484	487,693
Class B, 4.22%, 11/05/27	2,000	2,027,044
Class D, 5.50%, 11/05/27	210	213,237
GMAC Commercial Mortgage Securities, Inc., Series 2002-C3, Class A2, 4.93%, 7/10/39	662	663,476
Greenwich Capital Commercial Funding Corp., Class A4:		
Series 2006-GG7, 6.07%, 7/10/38 (b)	1,165	1,344,863
Series 2007-GG9, 5.44%, 3/10/39	2,190	2,478,890

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GS Mortgage Securities Corp. II, Series 2007-GG10, Class A4, 5.98%, 8/10/45 (b)		435		492,110
JPMorgan Chase Commercial Mortgage Securities Corp.:				
Series 2004-CB8, Class A1A, 4.16%, 1/12/39 (a)		2,276		2,348,267
Series 2004-LN2, Class A2, 5.12%, 7/15/41		820		870,986
Series 2006-CB14, Class AM, 5.64%, 12/12/44 (b)		330		340,388
Series 2006-CB16, Class AJ, 5.62%, 5/12/45		730		622,873
			Par (000)	Value
Non-Agency Mortgage-Backed Securities				
Commercial Mortgage-Backed Securities (concluded)				
LB-UBS Commercial Mortgage Trust (b):				
Series 2004-C8, Class C, 4.93%, 12/15/39	USD	1,385	\$	1,461,171
Series 2007-C6, Class A4, 5.86%, 7/15/40		5,201		6,077,072
Series 2007-C7, Class A3, 5.87%, 9/15/45		1,460		1,722,822
Merrill Lynch Mortgage Trust (b):				
Series 2004-BPC1, Class A3, 4.47%, 10/12/41		15		15,280
Series 2004-KEY2, Class A4, 4.86%, 8/12/39		1,000		1,079,590
Morgan Stanley Capital I:				
Series 2004-HQ4, Class A7, 4.97%, 4/14/40		1,000		1,059,938
Series 2007-HQ11, Class A4, 5.45%, 2/12/44 (b)		4,000		4,593,504
Series 2007-XLC1, Class A2, 0.56%, 7/17/17		544		511,457
Morgan Stanley Re-Remic Trust, Series 2011-IO, Class A, 2.50%, 3/23/51 (a)		831		837,156
Wachovia Bank Commercial Mortgage Trust:				
Series 2006-C28, Class A2, 5.50%, 10/15/48		4,391		4,402,438
Series 2007-C33, Class A4, 6.10%, 2/15/51 (b)		2,185		2,542,977
WF-RBS Commercial Mortgage Trust, Class 2012-C8, Class B:				
4.31%, 8/15/45		695		701,935
5.04%, 8/15/45 (b)		895		872,924
				49,841,678
Interest Only Commercial Mortgage-Backed Securities 1.0%				
Morgan Stanley Bank of America Merrill Lynch Trust, 2.10%, 8/15/45 (a)(b)		15,945		1,808,282
Morgan Stanley Capital I, Series 2012-C4, Class XA, 2.89%, 3/15/45 (a)(b)		9,617		1,418,400
WF-RBS Commercial Mortgage Trust, Series 2012-C8, Class XA, 2.42%, 8/15/45 (a)(b)		6,100		833,138
				4,059,820
Total Non-Agency Mortgage-Backed Securities 15.8%				65,010,739
Preferred Securities				
Capital Trusts				
Capital Markets 0.0%				
State Street Capital Trust IV, 1.47%, 6/01/77 (b)		70		50,003
Commercial Banks 0.2%				
Fifth Third Capital Trust IV, 6.50%, 4/15/67 (b)		505		505,000
Consumer Finance 0.2%				
Capital One Capital V, 10.25%, 8/15/39		200		206,000
Capital One Capital VI, 8.88%, 5/15/40		690		706,047
				912,047
Insurance 1.6%				
The Allstate Corp., 6.50%, 5/15/67 (b)		1,950		2,045,063
		195		232,781

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American International Group, Inc., 8.18%, 5/15/68 (b)		
Lincoln National Corp., 6.05%, 4/20/67 (b)	675	651,375
MetLife Capital Trust IV, 7.88%, 12/15/67 (a)	640	748,800
MetLife, Inc., 6.40%, 12/15/66	1,000	1,063,398
Swiss Re Capital I LP, 6.85% (a)(b)(h)	1,060	1,049,400
XL Group Plc, Series E, 6.50% (b)(h)	815	742,669
		6,533,486
Total Capital Trusts 2.0%		8,000,536

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Shares	Value
Preferred Stocks 1.0%		
Commercial Banks 1.0%		
US Bancorp, 6.00% (b)	150,000	\$ 4,156,500
Trust Preferreds 0.1%		
Commercial Banks 0.1%		
Citigroup Capital XIII, 7.88%, 10/30/40 (b)	14,773	404,773
Total Preferred Securities 3.1%		12,561,809
	Par (000)	
Taxable Municipal Bonds		
City of Detroit Michigan Capital Improvement, GO, Taxable Capital Improvement, Limited Tax, Series A-2, 8.00%, 4/01/14	USD 1,525	1,454,957
District of Columbia, Refunding RB, Howard University, Series B, 7.63%, 10/01/35	1,000	1,246,860
East Bay Municipal Utility District, RB, Build America Bonds, 5.87%, 6/01/40	950	1,304,264
Indianapolis Local Public Improvement Bond Bank, RB, Build America Bonds, 6.12%, 1/15/40	1,275	1,714,888
Metropolitan Transportation Authority, RB, Build America Bonds, 7.34%, 11/15/39	625	942,344
Municipal Electric Authority of Georgia Plant Vogtle Units 3 & 4, Refunding RB, Build America Bonds, 7.06%, 4/01/57	1,000	1,085,470
New York City Municipal Water Finance Authority, RB, 5.72%, 6/15/42	700	949,711
New York City Municipal Water Finance Authority, Refunding RB: 5.38%, 6/15/43	385	451,028
5.50%, 6/15/43	465	551,983
New York State Dormitory Authority, RB: 5.63%, 3/15/39	550	696,789
5.60%, 3/15/40	950	1,224,958
Port Authority of New York & New Jersey, RB, Consolidated, 159th Series, 6.04%, 12/01/29	385	497,940
State of California, GO, Build America Bonds: 7.63%, 3/01/40	860	1,168,043
Various Purpose, 7.55%, 4/01/39	140	188,601
State of Illinois, GO, Taxable-Pension, 5.10%, 6/01/33	1,000	968,960
University of California, RB, Build America Bonds, 5.95%, 5/15/45	445	560,696
Total Taxable Municipal Bonds 3.7%		15,007,492
US Government Sponsored Agency Securities		
Agency Obligations 3.3%		
Fannie Mae:		
1.94%, 10/09/19 (d)(j)	7,055	6,149,336
5.63%, 7/15/37 (k)	775	1,129,897
Federal Home Loan Bank (d):		

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5.25%, 12/09/22	675	877,298
5.37%, 9/09/24	1,075	1,414,746
Resolution Funding Corp. (j):		
1.18%, 7/15/18	525	489,816
1.23%, 10/15/18	525	486,906
Tennessee Valley Authority, 5.25%, 9/15/39 (d)	2,355	3,127,704
		13,675,703

	Par (000)	Value
US Government Sponsored Agency Securities		
Collateralized Mortgage Obligations 0.6%		
Fannie Mae Mortgage-Backed Securities, Series 2005-5, Class PK, 5.00%, 12/25/34	USD 582	\$ 627,109
FHLMC Multifamily Structured Pass-Through Certificates, Series K013, Class A2, 3.97%, 1/25/21 (l)	940	1,080,113
Freddie Mac Mortgage-Backed Securities, Series 2825, Class VP, 5.50%, 6/15/15	546	571,944
		2,279,166

Commercial Mortgage-Backed Securities 0.0%		
Freddie Mac Mortgage-Backed Securities, Series K706, Class C, 4.16%, 11/25/44 (a)(b)	165	152,848

Federal Deposit Insurance Corporation Guaranteed 0.1%		
General Electric Capital Corp., 2.13%, 12/21/12 (d)	515	517,962

Interest Only Collateralized Mortgage Obligations 3.0%		
Fannie Mae Mortgage-Backed Securities:		
Series 2003-80, Class DI, 5.50%, 10/25/31	4,942	297,781
Series 2010-126, Class UI, 5.50%, 10/25/40	5,923	945,726
Series 2012-47, Class NI, 4.50%, 4/25/42	6,127	1,238,668
Series 2012-96, Class DI, 4.00%, 2/25/27	10,000	1,005,358
Series 2012-M9, Class X1, 4.25%, 12/25/17 (b)	13,340	2,359,326
Series K707, Class X1, 1.70%, 12/25/18 (b)	2,508	205,043
Freddie Mac Mortgage-Backed Securities:		
Series 2579, Class HI, 5.00%, 8/15/17	102	1,024
Series 2611, Class QI, 5.50%, 9/15/32	1,546	176,697
Series K710, Class X1, 1.92%, 5/25/19 (b)	8,653	840,188
Ginnie Mae Mortgage-Backed Securities (b):		
Series 2009-78, Class SD, 5.96%, 9/20/32	7,783	1,515,737
Series 2011-52, Class NS, 6.43%, 4/16/41	21,186	3,759,998
		12,345,546

Mortgage-Backed Securities 12.9%		
Fannie Mae Mortgage-Backed Securities:		
3.00%, 9/15/42 (m)	16,300	16,908,704
3.50%, 3/01/42 (d)	1,443	1,530,581
4.00%, 12/01/41 (d)	5,094	5,468,815
4.50%, 7/01/41 (d)	6,883	7,483,245
5.00%, 8/01/34 (d)	5,001	5,501,982
5.50%, 6/01/38 (d)	3,453	3,806,851
6.00%, 12/01/38 9/15/42 (d)(m)	10,404	11,470,775
Freddie Mac Mortgage-Backed Securities, 6.00%, 2/01/13 12/01/18 (d)	540	580,677
Ginnie Mae Mortgage-Backed Securities, 5.50%, 8/15/33	85	95,652
		52,847,282

Total US Government Sponsored Agency Securities 19.9%		81,818,507
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US Treasury Obligations		
US Treasury Bonds (d):		
8.13%, 8/15/21	1,550	2,442,825

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6.25%, 8/15/23	5,085	7,439,197
3.50%, 2/15/39	330	388,988
4.25%, 5/15/39	6,045	8,035,129
4.38%, 5/15/40	6,375	8,655,057
4.75%, 2/15/41	1,630	2,344,144
4.38%, 5/15/41	800	1,088,125
3.13%, 11/15/41	20,915	22,921,543
3.13%, 2/15/42	6,268	6,862,482
3.00%, 5/15/42	2,730	2,915,555
2.75%, 8/15/42	10,900	11,046,474

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Schedule of Investments (continued)

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

	Par (000)	Value
US Treasury Obligations		
US Treasury Inflation Indexed Bonds, 0.75%, 2/15/42 (d)	USD 4,270	\$ 4,658,648
US Treasury Notes:		
0.63%, 1/31/13 (k)	200	200,398
2.25%, 7/31/18 (d)	2,495	2,705,516
2.63%, 8/15/20 (d)	1,105	1,225,427
2.00%, 2/15/22 (d)	3,831	4,006,989
1.75%, 5/15/22	156	159,169
Total US Treasury Obligations 21.2%		87,095,666
Warrants (n)	Shares	
Software 0.0%		
Bankruptcy Management Solutions, Inc. (Expires 9/28/17)	90	
Total Long-Term Investments (Cost \$572,224,278) 149.1%		612,917,442
Short-Term Securities		
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (o)(p)	534,025	534,025
Total Short-Term Securities (Cost \$534,025) 0.1%		534,025
	Notional Amount (000)	
Options Purchased		
Over-the-Counter Interest Rate Call Swaptions 0.0%		
Receive a fixed rate of 1.10% and pay a floating rate based on 3-month LIBOR, Expires 7/31/13, Broker JPMorgan Chase & Co.	USD 13,500	160,273
Over-the-Counter Interest Rate Put Swaptions 0.1%		
Pay a fixed rate of 3.50% and receive a floating rate based on a 6-month EURIBOR, Expires 11/08/12, Broker Citigroup, Inc.	EUR 4,000	296
Pay a fixed rate of 2.08% and receive a floating rate based on a 3-month LIBOR, Expires 3/26/13, Broker JPMorgan Chase & Co.	USD 45,300	31,932
Pay a fixed rate of 3.25% and receive a floating rate based on a 3-month LIBOR, Expires 6/03/13, Broker JPMorgan Chase & Co.	1,200	24,257
Pay a fixed rate of 3.75% and receive a floating rate based on a 3-month LIBOR, Expires 6/03/13, Broker JPMorgan Chase & Co.	2,400	18,246
Pay a fixed rate of 4.25% and receive a floating rate based on a 3-month LIBOR, Expires 6/03/13, Broker JPMorgan Chase & Co.	4,800	13,214
	15,500	78,385

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Pay a fixed rate of 1.50% and receive a floating rate based on a 3-month LIBOR, Expires 7/11/13, Broker JPMorgan Chase & Co.				
Pay a fixed rate of 1.50% and receive a floating rate based on a 3-month LIBOR, Expires 7/19/13, Broker Deutsche Bank AG		9,700		51,259
		Notional Amount (000)		Value
Options Purchased				
Over-the-Counter Interest Rate Put Swaptions (concluded)				
Pay a fixed rate of 1.10% and receive a floating rate based on a 3-month LIBOR, Expires 7/31/13, Broker JPMorgan Chase & Co.	USD	13,500	\$	144,667
Pay a fixed rate of 4.50% and receive a floating rate based on a 3-month LIBOR, Expires 3/16/17, Broker Deutsche Bank AG		6,300		164,038
				526,294
		Contracts		
Over-the-Counter Put Options 0.1%				
S&P 500 Index, Strike Price USD 1,375.00, Expires 10/19/12, Broker Deutsche Bank AG		12,000		271,612
Total Options Purchased (Cost \$1,881,745) 0.2%				958,179
Total Investments Before Options Written (Cost \$574,640,048) 149.4%				614,409,646
		Notional Amount (000)		
Options Written				
Over-the-Counter Interest Rate Call Swaptions (1.3)%				
Pay a fixed rate of 2.00% and receive a floating rate based on 3-month LIBOR, Expires 8/28/13, Broker Royal Bank of Scotland Plc	USD	14,000		(484,456)
Pay a fixed rate of 2.09% and receive a floating rate based on 3-month LIBOR, Expires 1/03/14, Broker Deutsche Bank AG		4,200		(194,058)
Pay a fixed rate of 2.06% and receive a floating rate based on 3-month LIBOR, Expires 4/09/14, Broker JPMorgan Chase & Co.		16,100		(679,236)
Pay a fixed rate of 1.40% and receive a floating rate based on 3-month LIBOR, Expires 5/08/14, Broker Deutsche Bank AG		9,700		(172,502)
Pay a fixed rate of 1.15% and receive a floating rate based on 3-month LIBOR, Expires 6/09/14, Broker Deutsche Bank AG		9,300		(101,092)
Pay a fixed rate of 1.15% and receive a floating rate based on 3-month LIBOR, Expires 6/09/14, Broker BNP Paribas SA		30,300		(329,364)
Pay a fixed rate of 1.20% and receive a floating rate based on 3-month LIBOR, Expires 6/18/14, Broker Deutsche Bank AG		12,500		(150,301)
Pay a fixed rate of 1.00% and receive a floating rate based on 3-month LIBOR, Expires 7/11/14, Broker Bank of America Corp.		9,000		(68,623)
Pay a fixed rate of 1.00% and receive a floating rate based on 3-month LIBOR, Expires 7/11/14, Broker JPMorgan Chase & Co.		15,500		(118,184)
		9,700		(73,920)

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Pay a fixed rate of 1.00% and receive a floating rate based on 3-month LIBOR, Expires 7/21/14, Broker Deutsche Bank AG		
Pay a fixed rate of 1.48% and receive a floating rate based on 3-month LIBOR, Expires 7/31/14, Broker JPMorgan Chase & Co.	10,000	(191,236)
Pay a fixed rate of 1.00% and receive a floating rate based on 3-month LIBOR, Expires 8/01/14, Broker Deutsche Bank AG	9,700	(73,630)

See Notes to Financial Statements.

Schedule of Investments (continued)

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

	Notional Amount (000)	Value
Options Written		
Over-the-Counter Interest Rate Call		
Swaptions (concluded)		
Pay a fixed rate of 3.65% and receive a floating rate based on 3-month LIBOR, Expires 3/27/17, Broker JPMorgan Chase & Co.	USD 1,100	\$ (119,428)
Pay a fixed rate of 3.53% and receive a floating rate based on 3-month LIBOR, Expires 3/30/17, Broker Deutsche Bank AG	15,000	(1,522,874)
Pay a fixed rate of 3.60% and receive a floating rate based on 3-month LIBOR, Expires 4/03/17, Broker Goldman Sachs & Co.	8,200	(866,884)
		(5,145,788)
Over-the-Counter Interest Rate Put		
Swaptions (0.8)%		
Receive a fixed rate of 1.59% and pay a floating rate based on 3-month LIBOR, Expires 11/30/12, Broker JPMorgan Chase & Co.	11,200	(4,472)
Receive a fixed rate of 2.00% and pay a floating rate based on 3-month LIBOR, Expires 8/28/13, Broker Royal Bank of Scotland Plc	14,000	(407,736)
Receive a fixed rate of 2.09% and pay a floating rate based on 3-month LIBOR, Expires 1/03/14, Broker Deutsche Bank AG	4,200	(21,801)
Receive a fixed rate of 2.06% and pay a floating rate based on 3-month LIBOR, Expires 4/09/14, Broker JPMorgan Chase & Co.	16,100	(125,195)
Receive a fixed rate of 2.40% and pay a floating rate based on 3-month LIBOR, Expires 5/08/14, Broker Deutsche Bank AG	9,700	(59,650)
Receive a fixed rate of 2.15% and pay a floating rate based on 3-month LIBOR, Expires 6/09/14, Broker BNP Paribas SA	30,300	(263,713)
Receive a fixed rate of 2.15% and pay a floating rate based on 3-month LIBOR, Expires 6/09/14, Broker Deutsche Bank AG	9,300	(80,942)
Receive a fixed rate of 2.20% and pay a floating rate based on 3-month LIBOR, Expires 6/18/14, Broker Deutsche Bank AG	12,500	(107,030)
Receive a fixed rate of 2.00% and pay a floating rate based on 3-month LIBOR, Expires 7/11/14, Broker Bank of America Corp.	9,000	(100,247)
Receive a fixed rate of 2.00% and pay a floating rate based on 3-month LIBOR, Expires 7/11/14, Broker JPMorgan Chase & Co.	15,500	(172,648)

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Receive a fixed rate of 1.95% and pay a floating rate based on 3-month LIBOR, Expires 7/16/14, Broker Deutsche Bank AG	24,800	(292,925)
Receive a fixed rate of 2.00% and pay a floating rate based on 3-month LIBOR, Expires 7/21/14, Broker Deutsche Bank AG	9,700	(110,702)
Receive a fixed rate of 1.48% and pay a floating rate based on 3-month LIBOR, Expires 7/31/14, Broker JPMorgan Chase & Co.	10,000	(193,489)
Receive a fixed rate of 2.00% and pay a floating rate based on 3-month LIBOR, Expires 8/01/14, Broker JPMorgan Chase & Co.	11,200	(132,625)
Receive a fixed rate of 2.00% and pay a floating rate based on 3-month LIBOR, Expires 8/01/14, Broker Deutsche Bank AG	9,700	(114,863)
Receive a fixed rate of 6.00% and pay a floating rate based on 3-month LIBOR, Expires 3/16/17, Broker Deutsche Bank AG	12,600	(159,697)
Receive a fixed rate of 3.65% and pay a floating rate based on 3-month LIBOR, Expires 3/27/17, Broker JPMorgan Chase & Co.	1,100	(46,198)

	Notional Amount (000)	Value
Options Written		
Over-the-Counter Interest Rate Put Swaptions (concluded)		
Receive a fixed rate of 3.53% and pay a floating rate based on 3-month LIBOR, Expires 3/30/17, Broker Deutsche Bank AG	USD 15,000	\$ (673,874)
Receive a fixed rate of 3.60% and pay a floating rate based on 3-month LIBOR, Expires 4/03/17, Broker Goldman Sachs Group, Inc.	8,200	(354,828)
		(3,422,635)

	Notional Amount (000)	Value
Contracts		
Over-the-Counter Put Options (0.0)%		
S&P 500 Index, Strike Price USD 1,325.00, Expires 10/19/12, Broker Deutsche Bank AG	9,500	(114,598)
Total Options Written		(8,683,021)
(Premiums Received \$8,732,899) (2.1)%		605,726,625
Total Investments, Net of Options Written 147.3%		(194,590,782)
Liabilities in Excess of Other Assets (47.3)%		\$ 411,135,843
Net Assets 100.0%		

- (a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) Variable rate security. Rate shown is as of report date.
- (c) Non-income producing security.
- (d) All or a portion of security has been pledged as collateral in connection with open reverse repurchase agreements.
- (e) Convertible security.
- (f) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.

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- (g) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (h) Security is perpetual in nature and has no stated maturity date.
- (i) Issuer filed for bankruptcy and/or is in default of principal and/or interest payments.
- (j) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (k) All or a portion of security has been pledged as collateral in connection with open financial futures contracts.
- (l) Variable rate security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.
- (m) Represents or includes a TBA transaction. Unsettled TBA transactions as of August 31, 2012 were as follows:

Counterparty	Value	Unrealized Appreciation (Depreciation)
Credit Suisse Group AG	\$ 4,186,680	\$ (1,930)
Deutsche Bank AG	\$ 3,966,328	\$ (422)
Goldman Sachs Group, Inc.	\$ 16,908,704	\$ 2,548

- (n) Warrants entitle the Trust to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

- (o) Investments in issuers considered to be an affiliate of the Trust during the year ended August 31, 2012, for purposes of Section 2(a)(3) of the 1940 Act, as amended, were as follows:

Affiliate	Shares Held at August 31, 2011	Net Activity	Shares Held at August 31, 2012	Income
BlackRock Liquidity Funds, TempFund, Institutional Class	4,711,687	(4,177,662)	534,025	\$ 3,361

- (p) Represents the current yield as of report date.

For Trust compliance purposes, the Trust's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Trust management. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Reverse repurchase agreements outstanding as of August 31, 2012 were as follows:

Counterparty	Interest Rate	Trade Date	Maturity Date	Face Value	Face Value Including Accrued Interest
UBS Securities LLC	(1.25)%	2/02/12	Open	\$ 440,700	\$ 437,471
BNP Paribas Securities Corp.	0.18%	4/18/12	Open	1,192,019	1,192,823
Deutsche Bank Securities	0.11%	4/24/12	Open	2,186,238	2,187,099
Deutsche Bank Securities	0.12%	4/24/12	Open	2,672,769	2,673,918
UBS Securities LLC	(0.25)%	4/26/12	Open	488,725	488,294
Bank of America Merrill Lynch	0.22%	5/07/12	Open	863,156	863,768
Deutsche Bank Securities	0.21%	5/07/12	Open	5,688,094	5,691,943
BNP Paribas Securities Corp.	0.19%	5/09/12	Open	367,950	368,171
BNP Paribas Securities Corp.	0.18%	5/09/12	Open	1,039,000	1,039,592
UBS Securities LLC	0.28%	5/10/12	Open	3,492,650	3,495,720
Bank of America Merrill Lynch	0.25%	6/05/12	Open	1,431,094	1,431,958
BNP Paribas Securities Corp.	0.23%	6/05/12	Open	23,163,363	23,176,237
UBS Securities LLC	0.32%	6/06/12	Open	13,803,750	13,814,302
Credit Suisse Securities (USA) LLC	0.30%	6/20/12	Open	793,406	793,882
Credit Suisse Securities (USA) LLC	0.23%	6/20/12	Open	549,050	549,303
UBS Securities LLC	0.32%	6/29/12	Open	2,488,625	2,490,019

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Deutsche Bank Securities	(2.00)%	7/02/12	Open	320,705	319,636
BNP Paribas Securities Corp.	0.17%	7/18/12	Open	7,051,500	7,052,965
Credit Suisse Securities (USA) LLC	0.23%	7/25/12	Open	3,161,588	3,162,335
Credit Suisse Securities (USA) LLC	0.21%	7/25/12	Open	2,528,438	2,528,983

Reverse repurchase agreements outstanding as of August 31, 2012 were as follows (concluded):

Counterparty	Interest Rate	Trade Date	Maturity Date	Face Value	Face Value Including Accrued Interest
Bank of America Merrill Lynch	0.18%	7/26/12	Open	\$ 22,098,513	\$ 22,102,490
Bank of America Merrill Lynch	0.17%	7/26/12	Open	7,671,994	7,673,298
UBS Securities LLC	0.33%	7/30/12	Open	2,888,174	2,889,023
UBS Securities LLC	0.34%	7/31/12	Open	1,496,275	1,496,713
UBS Securities LLC	0.35%	7/31/12	Open	883,125	883,391
Credit Suisse Securities (USA) LLC	0.35%	8/02/12	Open	5,138,813	5,140,261
Morgan Stanley & Co. International	0.10%	8/02/12	Open	1,165,443	1,165,537
Credit Suisse Securities (USA) LLC	0.14%	8/07/12	Open	4,032,128	4,032,504
UBS Securities LLC	0.34%	8/07/12	Open	3,425,000	3,425,776
Credit Suisse Securities (USA) LLC	0.35%	8/08/12	Open	1,504,356	1,504,693
Barclays Capital, Inc.	0.35%	8/09/12	Open	4,342,543	4,343,474
Credit Suisse Securities (USA) LLC	0.35%	8/09/12	Open	1,718,681	1,719,049
Credit Suisse Securities (USA) LLC	0.31%	8/10/12	9/13/12	26,404,388	26,409,162
UBS Securities LLC	0.34%	8/13/12	Open	2,869,999	2,870,489
Credit Suisse Securities (USA) LLC	0.35%	8/15/12	Open	1,648,500	1,648,756
Credit Suisse Securities (USA) LLC	0.35%	8/16/12	Open	818,125	818,244
Credit Suisse Securities (USA) LLC	0.35%	8/17/12	Open	1,509,093	1,509,299
Barclays Capital, Inc.	0.35%	8/21/12	Open	5,635,800	5,636,348
BNP Paribas Securities Corp.	0.11%	8/21/12	Open	2,791,425	2,791,510
BNP Paribas Securities Corp.	0.17%	8/30/12	9/04/12	10,913,625	10,913,677
Total				\$ 182,678,820	\$ 182,732,113

Financial futures contracts purchased as of August 31, 2012 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
272	30-Year US Treasury Bond	Chicago Board of Trade	December 2012	USD 41,182,500	\$ 459,745
79	5-Year US Treasury Note	Chicago Board of Trade	December 2012	USD 9,848,461	46,786
22				USD 3,718,000	41,724

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	Ultra Long US Treasury Bond	Chicago Board of Trade	December 2012		
Total				\$	548,255

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

Financial futures contracts sold as of August 31, 2012 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Depreciation
15	90-Day Euro-Dollar	Chicago Mercantile	September 2012	USD 3,735,375	\$ (1,126)
15	90-Day Euro-Dollar	Chicago Mercantile	December 2012	USD 3,736,688	(2,926)
348	10-Year US Treasury Note	Chicago Board of Trade	December 2012	USD 46,534,125	(390,884)
438	2-Year US Treasury Note	Chicago Board of Trade	December 2012	USD 96,613,219	(88,427)
15	90-Day Euro-Dollar	Chicago Mercantile	March 2013	USD 3,736,688	(3,788)
12	90-Day Euro-Dollar	Chicago Mercantile	June 2013	USD 2,989,050	(2,130)
12	90-Day Euro-Dollar	Chicago Mercantile	September 2013	USD 2,988,600	(5,559)
16	90-Day Euro-Dollar	Chicago Mercantile	December 2013	USD 3,983,800	(11,342)
12	90-Day Euro-Dollar	Chicago Mercantile	March 2014	USD 2,987,100	(7,854)
9	90-Day Euro-Dollar	Chicago Mercantile	June 2014	USD 2,239,537	(4,335)
9	90-Day Euro-Dollar	Chicago Mercantile	September 2014	USD 2,238,637	(8,112)
9	90-Day Euro-Dollar	Chicago Mercantile	December 2014	USD 2,237,287	(9,286)
49	90-Day Euro-Dollar	Chicago Mercantile	March 2015	USD 12,174,663	(61,708)
40	90-Day Euro-Dollar	Chicago Mercantile	June 2015	USD 9,931,000	(52,784)
40	90-Day Euro-Dollar	Chicago Mercantile	September 2015	USD 9,920,500	(61,610)
40	90-Day Euro-Dollar	Chicago Mercantile	December 2015	USD 9,907,000	(63,110)
Total					\$ (774,981)

Foreign currency exchange contracts as of August 31, 2012 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
GBP 270,581	USD 425,000	Deutsche Bank AG	10/17/12	\$ 4,578
USD 918,184	GBP 588,000	Credit Suisse Group AG	10/17/12	(15,332)
USD 2,726,780	GBP 1,756,500	UBS AG	10/17/12	(61,862)
EUR 428,025	USD 526,000	UBS AG	10/22/12	12,643
USD 10,490,269	EUR 8,556,500	Citigroup, Inc.	10/22/12	(277,561)
Total				\$ (337,534)

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Credit default swaps on single-name issues buy protection outstanding as of August 31, 2012 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Radian Group, Inc.	5.00%	Citigroup, Inc.	6/20/15	USD 1,400	\$ 232,792
The New York Times Co.	1.00%	Barclays Plc	12/20/16	USD 1,800	(5,281)
DE Master Blenders, Inc.	1.00%	JPMorgan Chase & Co.	3/20/17	USD 202	(3,942)
Hillshire Brands Co.	1.00%	JPMorgan Chase & Co.	3/20/17	USD 202	7,330
XL Group Plc	1.00%	JPMorgan Chase & Co.	6/20/17	USD 1,600	(26,877)
Australia & New Zealand Banking Group Ltd.	1.00%	Deutsche Bank AG	9/20/17	USD 1,023	(4,797)
Commonwealth Bank of Australia	1.00%	Deutsche Bank AG	9/20/17	USD 2,000	(9,400)
National Australia Bank Ltd.	1.00%	Deutsche Bank AG	9/20/17	USD 2,000	(6,587)
Westpac Banking Corp.	1.00 %	Deutsche Bank AG	9/20/17	USD 1,023	(6,203)
Total					\$ 177,035

Credit default swaps on single-name issues sold protection outstanding as of August 31, 2012 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation
MetLife, Inc.	1.00%	Credit Suisse Group AG	9/20/16	A	USD 535	\$ 19,275
MetLife, Inc.	1.00%	Deutsche Bank AG	9/20/16	A	USD 730	21,665
MetLife, Inc.	1.00%	Goldman Sachs Group, Inc.	9/20/16	A	USD 500	13,927
MetLife, Inc.	1.00%	Morgan Stanley	9/20/16	A	USD 275	5,819
MetLife, Inc.	1.00%	Morgan Stanley	9/20/16	A	USD 900	25,526
MetLife, Inc.	1.00%	Citigroup, Inc.	12/20/16	A	USD 298	5,859
MetLife, Inc.	1.00%	Citigroup, Inc.	12/20/16	A	USD 285	7,115
Total						\$ 99,186

¹ Using S&P's rating.

² The maximum potential amount the Trust may pay should a negative credit event take place as defined under the terms of the agreement.

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

Credit default swaps on traded indexes sold protection outstanding as of August 31, 2012 were as follows:

Index	Receive Fixed Rate	Counterparty	Expiration Date	Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation
Markit CMBX North America AAA Index Series 3	0.08%	Morgan Stanley	12/13/49	A+	USD 525	\$ 27,769
Markit CMBX North America AAA Index Series 4	0.35%	Morgan Stanley	2/17/51	A	USD 525	24,418
Total						\$ 52,187

¹ Using S&P's rating of the underlying securities.

² The maximum potential amount the Trust may pay should a negative credit event take place as defined under the terms of the agreement.

Interest rate swaps outstanding as of August 31, 2012 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration Date		Notional Amount (000)	Unrealized Appreciation (Depreciation)
1.26% ³	3-month CBA	JPMorgan Chase & Co.	6/25/14	CAD	29,600	\$ (54,648)
1.27% ³	3-month CBA	Deutsche Bank AG	7/03/14	CAD	13,600	(24,083)
1.33% ³	3-month CBA	Deutsche Bank AG	7/05/14	CAD	13,600	(15,890)
1.22% ³	3-month CBA	Deutsche Bank AG	7/09/14	CAD	13,600	(30,755)
1.24% ³	3-month CBA	Deutsche Bank AG	7/11/14	CAD	13,600	(28,174)
1.66% ⁴	3-month CBA	JPMorgan Chase & Co.	6/25/16	CAD	15,000	15,752
1.64% ⁴	3-month CBA	Deutsche Bank AG	7/03/16	CAD	13,600	19,878
1.70% ⁴	3-month CBA	Deutsche Bank AG	7/05/16	CAD	13,600	4,354
0.87% ⁴	3-month LIBOR	Royal Bank of Scotland Group Plc	7/31/17	USD	4,000	(22,137)
1.74% ³	3-month LIBOR	Deutsche Bank AG	3/30/18	USD	1,000	38,661
1.20% ³	3-month LIBOR	JPMorgan Chase & Co.	8/30/18	USD	7,900	35,996
1.51% ³	3-month LIBOR	Deutsche Bank AG	7/13/19	USD	5,900	14,969
3.27% ⁴	3-month LIBOR	Deutsche Bank AG	5/16/21	USD	910	(134,713)
2.08% ³	3-month LIBOR	Morgan Stanley	4/26/22	USD	6,400	268,975
2.04% ³	3-month LIBOR	Morgan Stanley	5/04/22	USD	11,500	434,771
1.94% ³	3-month LIBOR	Citigroup, Inc.	5/16/22	USD	500	13,952
1.89% ³	6-month EURIBOR	Citigroup, Inc. Credit Suisse	6/27/22	EUR	1,800	38,016
1.60% ³	3-month LIBOR	Group AG	8/02/22	USD	2,500	(14,472)

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1.61% ³	3-month LIBOR	Deutsche Bank AG	8/06/22	USD	1,700	(8,139)
		Credit Suisse				
1.74% ⁴	3-month LIBOR	Group AG	8/07/22	USD	6,000	(42,635)
		Credit Suisse				
1.79% ⁴	3-month LIBOR	Group AG	8/10/22	USD	1,000	(11,721)
1.91% ³	3-month LIBOR	Deutsche Bank AG	8/21/22	USD	3,900	90,759
		JPMorgan				
1.93% ⁴	3-month LIBOR	Chase & Co.	8/21/22	USD	2,000	(48,609)
	6-month					
2.58% ⁴	EURIBOR	Deutsche Bank AG	11/11/41	EUR	350	(37,911)
	6-month					
2.68% ⁴	EURIBOR	Deutsche Bank AG	11/18/41	EUR	745	(101,624)
3.07% ⁴	3-month LIBOR	Barclays Plc	3/21/42	USD	8,200	(1,060,280)

Interest rate swaps outstanding as of August 31, 2012 were as follows (concluded):

Fixed Rate	Floating Rate	Counterparty	Expiration Date		Notional Amount (000)	Unrealized Appreciation (Depreciation)
2.15% ⁴	6-month EURIBOR	Citigroup, Inc.	6/27/42	EUR	770	\$ 8,297
		JPMorgan				
2.41% ⁴	3-month LIBOR	Chase & Co.	7/02/42	USD	3,400	51,292
2.48% ⁴	3-month LIBOR	Deutsche Bank AG	7/05/42	USD	4,500	(7,362)
2.52% ⁴	3-month LIBOR	Citigroup, Inc.	9/04/42	USD	5,100	(59,408)
		Goldman Sachs				
2.52% ⁴	3-month LIBOR	Group, Inc.	9/04/42	USD	5,100	(57,332)
Total						\$ (724,221)

³ Trust pays the floating rate and receives the fixed rate.

⁴ Trust pays the fixed rate and receives the floating rate.

Total return swaps outstanding as of August 31, 2012 were as follows: