AMERICAN NATIONAL BANKSHARES INC
Form 8-K
May 21, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K
CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) May 20, 2009

AMERICAN NATIONAL BANKSHARES INC.
(Exact name of registrant as specified in its charter)

Virginia	0-12820	54-1284688
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

628 Main Street, Danville, VA	24541
(Address of principal executive offices)	(Zip Code)

Registrant’s telephone number, including area code 434-792-5111

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13a-4(c))

Item 8.01 Other Events
On May 19, 2009, American National Bankshares declared a quarterly cash dividend of $0.23 per share of common stock. The dividend is payable June 19, 2009, to shareholders of record on June 5, 2009.

Item 9.01 Financial Statements and Exhibits
(d) Exhibits:
99.1 News Release

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

Date: May 20, 2009 /s/ William W. Traynham
Executive Vice President and Chief Financial Officer

-left:2.00em; text-indent:-1.00em">Decrease in cash received as collateral for options written (510,420)

Increase (decrease) in other accrued expenses payable

(107,548) (23,103) (33,820) 116,097

Net realized and unrealized gain (loss) on investments, options written and foreign currency translations

(9,523,210) (8,106,285) (168,995,550) (91,863,969)

Premiums received from options written

4,120,326 7,995,417 56,877,913 55,016,660

Premiums paid on closing options written

(1,326,776) (3,627,187) (35,820,679) (10,330,498)

Proceeds from sales of long-term investments

84,849,834 103,016,508 1,101,231,682 1,344,256,566

Purchases of long-term investments

(82,751,059) (101,397,187) (1,021,687,860) (1,350,114,244)

Net (purchases) sales of short-term securities

(1,084,970) 1,084,210 (42,574,395) 2,707,255

Cash provided by operating activities

5,653,668 6,697,558 48,329,857 54,888,795

Cash Used for Financing Activities

Increase in bank overdraft/bank overdraft on foreign currency at value

618,888 119,260

Cash dividends paid to shareholders

(5,671,046) (9,008,716) (48,221,272) (52,945,680)

Cash used for financing activities

(5,671,046) (8,389,828) (48,221,272) (52,826,420)

Cash Impact from Foreign Exchange Fluctuations

Cash impact from foreign exchange fluctuations

(1) (4,566) (23) 222

Cash and Foreign Currency

Net increase (decrease) in cash and foreign currency

(17,379) (1,696,836) 108,562 2,062,597

Cash and foreign currency at beginning of year

38,448 1,696,836 2,400 5,940

Cash and foreign currency at end of year

$21,069 $110,962 $2,068,537

See Notes to Financial Statements.

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Statements of Cash Flows (continued)

Year Ended October 31, 2013	BlackRock Enhanced Equity Dividend Trust (BDJ)	BlackRock Global Opportunities Equity Trust (BOE)	BlackRock Health Sciences Trust (BME)	BlackRock International Growth and Income Trust (BGY)
Cash Provided by Operating Activities				
Net increase in net assets resulting from operations	$ 204,637,680	$ 204,479,968	$ 69,350,814	$ 159,101,682
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:				
Decrease in dividends receivable affiliated	7,204	7,108	906	1,897
Decrease (increase) in dividends receivable	335,089	(892,799)	(101,557)	(496,287)
Decrease in securities lending income receivable affiliated	578		1,463	
Decrease (increase) in other assets	(904)	415,625	3,755	20,557
Decrease (increase) in cash pledged as collateral for options written	500,000	410,000		(333,000)
Increase in investment advisory fees payable	50,390	88,599	39,050	23,012
Decrease in collateral on securities loaned at value	(4,054,445)		(4,185,923)	
Increase (decrease) in Officer s and Trustees fees payable	82,307	62,755	(621)	51,558
Decrease in cash received as collateral for options written	(1,500,000)			
Decrease in other accrued expenses payable	(107,449)	(118,807)	(20,756)	(91,030)
Net realized and unrealized gain on investments, options written and foreign currency translations	(171,835,061)	(196,635,987)	(68,435,197)	(145,158,683)
Premiums received from options written	110,736,500	110,482,947	16,521,233	95,501,544
Premiums paid on closing options written	(22,684,735)	(39,715,917)	(16,332,662)	(55,633,639)
Proceeds from sales of long-term investments	2,692,547,292	2,956,036,263	385,671,268	2,484,527,844
Purchases of long-term investments	(2,776,071,824)	(2,973,122,154)	(372,011,011)	(2,453,465,167)
Net (purchases) sales of short-term securities	67,759,194	18,574,593	7,066,200	(11,181,632)
Cash provided by operating activities	100,401,816	80,072,194	17,566,962	72,868,656
Cash Used for Financing Activities				
Increase in bank overdraft		295		1,358
Cash dividends paid to shareholders	(100,510,343)	(86,617,709)	(17,566,309)	(73,846,801)
Cash used for financing activities	(100,510,343)	(86,617,414)	(17,566,309)	(73,845,443)
Cash Impact from Foreign Exchange Fluctuations				
Cash impact from foreign exchange fluctuations	10	79,081	38	8,083
Cash and Foreign Currency				
Net increase (decrease) in cash and foreign currency	(108,517)	(6,466,139)	691	(968,704)
Cash and foreign currency at beginning of year	117,627	10,509,497	1,807	4,010,744
Cash and foreign currency at end of year	$ 9,110	$ 4,043,358	$ 2,498	$ 3,042,040
Non-Cash Financing Activities				
Capital shares issued in reinvestment of dividends paid to shareholders			$ 867,486	

See Notes to Financial Statements.

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Statements of Cash Flows (concluded)

Year Ended October 31, 2013	BlackRock Real Asset Equity Trust (BCF)	BlackRock Resources & Commodities Strategy Trust (BCX)[1]	BlackRock Utility and Infrastructure Trust (BUI)
Cash Provided by Operating Activities			
Net increase (decrease) in net assets resulting from operations	$ 5,487,586	$ (33,371,093)	$ 33,901,167
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by operating activities:			
Decrease (increase) in dividends receivable affiliated	3,031	(223)	1,054
Decrease (increase) in dividends receivable	(43,847)	324,810	(49,118)
Decrease in securities lending income receivable affiliated	10,847		
Decrease (increase) in other assets	281,130	(3,957)	(2,283)
Decrease in cash pledged as collateral for options written		211,452	
Increase (decrease) in investment advisory fees payable	(20,516)	(81,431)	4,388
Decrease in collateral on securities loaned at value	(3,731,016)		
Increase (decrease) in officer s and trustees fees payable	36,146	(2,222)	(1,847)
Increase (decrease) in other accrued expenses payable	(46,638)	(53,498)	17,160
Net realized and unrealized (gain) loss on investments, options written and foreign currency translations	833,061	44,685,312	(24,235,414)
Premiums received from options written	39,129,160	37,989,519	15,153,082
Premiums paid on closing options written	(11,167,282)	(6,691,842)	(6,251,725)
Proceeds from sales of long-term investments	511,601,742	1,012,627,040	448,413,879
Purchases of long-term investments	(501,036,885)	(979,956,214)	(433,498,269)
Net (purchases) sales of short-term securities	9,295,763	(22,156,776)	(8,490,196)
Cash provided by operating activities	50,632,282	53,520,877	24,961,878
Cash Used for Financing Activities			
Increase (decrease) in bank overdraft on foreign currency at value		(18,412)	990,610
Cash dividends paid to shareholders	(50,655,526)	(54,027,360)	(24,515,098)
Cash used for financing activities	(50,655,526)	(54,045,772)	(23,524,488)
Cash Impact from Foreign Exchange Fluctuations			
Cash impact from foreign exchange fluctuations	(5)	117	5,547
Cash and Foreign Currency			
Net increase (decrease) in cash and foreign currency	(23,249)	(524,778)	1,442,937
Cash and foreign currency at beginning of year	185,069	770,959	52,564
Cash and foreign currency at end of year	$ 161,820	$ 246,181	$ 1,495,501

1 Consolidated Statement of Cash Flows.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Dividend Income Trust (BQY)

	Year Ended October 31,				
	2013	**2012**	**2011**	**2010**	**2009**
Per Share Operating Performance					
Net asset value, beginning of year	$ 13.46	$ 13.61	$ 14.26	$ 13.38	$ 12.38
Net investment income[1]	0.32	0.33	0.35	0.33	0.36
Net realized and unrealized gain (loss)	1.58	0.79	(0.00)[2]	1.36	1.43
Net increase from investment operations	1.90	1.12	0.35	1.69	1.79
Dividends and distributions:[3]					
Net investment income	(0.28)	(0.67)	(0.22)	(0.11)	(0.35)[4]
Distributions in excess of net investment income[5]					(0.04)[4]
Net realized gain	(0.66)	(0.60)	(0.78)	(0.70)	(0.33)
Return of capital					(0.07)
Total dividends and distributions	(0.94)	(1.27)	(1.00)	(0.81)	(0.79)
Net asset value, end of year	$ 14.42	$ 13.46	$ 13.61	$ 14.26	$ 13.38
Market price, end of year	$ 12.84	$ 12.34	$ 12.43	$ 13.44	$ 11.54
Total Investment Return[6]					
Based on net asset value	15.50%	9.48%	2.79%	14.08%	17.64%
Based on market price	12.18%	9.90%	(0.40)%	24.67%	19.63%
Ratios to Average Net Assets					
Total expenses	1.19%	1.18%	1.19%	1.23%	1.17%
Total expenses after fees waived	1.18%	1.18%	1.19%	1.22%	1.16%
Net investment income	2.29%	2.50%	2.45%	2.40%	3.39%
Supplemental Data					
Net assets, end of year (000)	$ 86,983	$ 81,186	$ 82,096	$ 86,047	$ 80,716
Portfolio turnover	103%	129%	97%	59%	64%

1 Based on average shares outstanding.

2 Amounted to less than $(0.005) per share outstanding.

3 Determined in accordance with federal income tax regulations.

[4] The amount of dividends and distributions to shareholders from net investment income reported in October 31, 2009 has been reclassified to allocate the amount between distributions from net investment income and distributions in excess of net investment income; both of which were included in the prior year net investment income in the amount of $0.39.

[5] Taxable distribution.

[6] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock EcoSolutions Investments Trust (BQR)

	Year Ended October 31, 2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	$ 9.14	$ 9.38	$ 10.65	$ 10.56	$ 10.23
Net investment income[1]	0.09	0.08	0.10	0.05	0.06
Net realized and unrealized gain (loss)	0.65	0.56	(0.30)	1.24	1.78
Net increase (decrease) from investment operations	0.74	0.64	(0.20)	1.29	1.84
Dividends and distributions:[2]					
Net investment income	(0.08)	(0.07)	(0.11)	(0.05)	(0.07)
Net realized gain					(0.09)
Return of capital	(0.64)	(0.81)	(0.96)	(1.15)	(1.35)
Total dividends and distributions	(0.72)	(0.88)	(1.07)	(1.20)	(1.51)
Net asset value, end of year	$ 9.16	$ 9.14	$ 9.38	$ 10.65	$ 10.56
Market price, end of year	$ 7.93	$ 8.66	$ 8.58	$ 11.69	$ 10.23
Total Investment Return[3]					
Based on net asset value	9.08%	7.77%	(2.13)%	13.04%	19.64%
Based on market price	(0.34)%	11.63%	(18.45)%	28.08%	28.88%
Ratios to Average Net Assets					
Total expenses	1.44%	1.44%	1.40%	1.45%	1.51%
Total expenses after fees waived	1.41%	1.43%	1.40%	1.45%	1.50%
Net investment income	0.98%	0.92%	0.98%	0.47%	0.65%
Supplemental Data					
Net assets, end of year (000)	$ 115,138	$ 114,866	$ 117,497	$ 131,002	$ 127,025
Portfolio turnover	94%	107%	86%	124%	62%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Energy and Resources Trust (BGR)

	Year Ended October 31, 2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	$ 25.95	$ 28.33	$ 25.87	$ 23.81	$ 20.71
Net investment income[1]	0.12	0.13	0.06	0.26	0.41
Net realized and unrealized gain (loss)	5.67	(0.74)	4.02	3.42	4.32
Net increase (decrease) from investment operations	5.79	(0.61)	4.08	3.68	4.73
Dividends and distributions:[2]					
Net investment income		(0.03)	(0.24)	(0.17)	(0.47)
Net realized gain	(1.62)	(1.44)	(1.38)	(1.45)	(0.19)
Return of capital		(0.30)			(0.97)
Total dividends and distributions	(1.62)	(1.77)	(1.62)	(1.62)	(1.63)
Net asset value, end of year	$ 30.12	$ 25.95	$ 28.33	$ 25.87	$ 23.81
Market price, end of year	$ 26.82	$ 24.28	$ 26.54	$ 25.36	$ 22.18
Total Investment Return[3]					
Based on net asset value	23.68%	(1.76)%	16.09%	15.89%	25.54%
Based on market price	17.70%	(1.88)%	10.95%	21.95%	34.63%
Ratios to Average Net Assets					
Total expenses	1.26%	1.28%	1.26%	1.27%	1.30%
Total expenses after fees waived	1.25%	1.22%	1.15%	1.11%	1.10%
Net investment income	0.42%	0.50%	0.19%	1.04%	1.77%
Supplemental Data					
Net assets, end of year (000)	$ 896,635	$ 772,457	$ 843,328	$ 769,976	$ 708,589
Portfolio turnover	132%	86%	111%	80%	62%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Enhanced Capital and Income Fund, Inc. (CII)

	Year Ended October 31, 2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	$ 14.11	$ 13.87	$ 14.53	$ 14.40	$ 13.78
Net investment income[1]	0.31	0.33	0.35	0.31	0.29
Net realized and unrealized gain	2.09	1.29	0.68	1.76	2.27
Net increase from investment operations	2.40	1.62	1.03	2.07	2.56
Dividends and distributions:[2]					
Net investment income	(0.32)	(0.33)[3]	(0.35)[3]	(0.31)	(0.29)
Distributions in excess of net investment income[4]		(0.20)[3]	(0.23)[3]		
Net realized gain		(0.13)	(1.11)	(1.33)	(1.19)
Return of capital	(0.88)	(0.72)		(0.30)	(0.46)
Total dividends and distributions	(1.20)	(1.38)	(1.69)	(1.94)	(1.94)
Net asset value, end of year	$ 15.31	$ 14.11	$ 13.87	$ 14.53	$ 14.40
Market price, end of year	$ 13.52	$ 12.99	$ 12.39	$ 15.03	$ 13.76
Total Investment Return[5]					
Based on net asset value	18.97%	12.94%	7.56%	15.22%	22.01%
Based on market price	14.11%	16.39%	(7.11)%	24.73%	29.88%
Ratios to Average Net Assets					
Total expenses	0.93%	0.94%	0.94%	0.93%	0.95%
Total expenses after fees waived	0.93%	0.94%	0.93%	0.93%	0.95%
Total expenses after fees waived and excluding interest expense	0.93%	0.94%	0.93%	0.93%	0.95%
Net investment income	2.15%	2.34%	2.40%	2.14%	2.16%
Supplemental Data					
Net assets, end of year (000)	$ 675,472	$ 622,657	$ 612,145	$ 635,849	$ 618,462
Portfolio turnover	218%	205%	190%	210%	138%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 The amount of dividends and distributions to shareholders from net investment income reported in October 31, 2012 and October 31, 2011 has been reclassified to allocate the amount between distributions from net investment income and distributions in excess of net investment income; both of which

were included in the prior year net investment income in the amount of $0.53 and $0.58, respectively.

4 Taxable distribution.

5 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Enhanced Equity Dividend Trust (BDJ)

	Year Ended October 31, 2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	$ 8.30	$ 8.03	$ 8.32	$ 8.13	$ 9.59
Net investment income[1]	0.18	0.18	0.16	0.17	0.25
Net realized and unrealized gain (loss)	0.96	0.77	0.38	1.00	(0.55)
Net increase (decrease) from investment operations	1.14	0.95	0.54	1.17	(0.30)
Dividends and distributions:[2]					
Net investment income	(0.18)	(0.18)[3]	(0.16)[3]	(0.17)	(0.25)
Distributions in excess of net investment income[4]	(0.20)	(0.22)[3]	(0.35)[3]		
Net realized gain	(0.18)				
Return of capital[4]		(0.28)	(0.32)	(0.81)	(0.91)
Total dividends and distributions	(0.56)	(0.68)	(0.83)	(0.98)	(1.16)
Net asset value, end of year	$ 8.88	$ 8.30	$ 8.03	$ 8.32	$ 8.13
Market price, end of year	$ 7.72	$ 7.41	$ 7.29	$ 8.99	$ 7.89
Total Investment Return[5]					
Based on net asset value	15.11%	13.22%	6.88%	15.23%	(1.63)%
Based on market price	12.09%	11.34%	(10.20)%	28.30%	8.08%
Ratios to Average Net Assets					
Total expenses	0.87%	0.95%	1.15%	1.16%	1.20%
Total expenses after fees waived	0.87%	0.95%	1.14%	1.16%	1.20%
Net investment income	2.13%	2.16%	1.92%	2.06%	3.11%
Supplemental Data					
Net assets, end of year (000)	$ 1,594,223	$ 1,490,096	$ 575,712	$ 592,328	$ 572,066
Portfolio turnover	180%	185%	231%	232%	117%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 The amount of dividends and distributions to shareholders from net investment income reported in October 31, 2012 and October 31, 2011 has been reclassified to allocate the amount between distributions from net investment income and distributions in excess of net investment income; both of which were included in the prior year net investment income in the amount of $0.40 and $0.51, respectively.

4 Taxable distribution.

5 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Global Opportunities Equity Trust (BOE)

	Year Ended October 31, 2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	$ 14.99	$ 16.03	$ 18.68	$ 18.64	$ 18.03
Net investment income[1]	0.12	0.20	0.17	0.19	0.19
Net realized and unrealized gain (loss)	2.82	0.72	(0.54)	2.13	2.70
Net increase (decrease) from investment operations	2.94	0.92	(0.37)	2.32	2.89
Dividends and distributions:[2]					
Net investment income	(0.17)	(0.22)	(0.17)[3]	(0.18)[3]	(0.20)
Distributions in excess of net investment income[4]	(0.91)		(0.68)[3]	(1.26)[3]	
Net realized gain			(0.61)	(0.25)	
Return of capital	(0.17)	(1.74)	(0.82)	(0.59)	(2.08)
Total dividends and distributions	(1.25)	(1.96)	(2.28)	(2.28)	(2.28)
Net asset value, end of year	$ 16.68	$ 14.99	$ 16.03	$ 18.68	$ 18.64
Market price, end of year	$ 14.74	$ 13.24	$ 14.95	$ 19.06	$ 18.40
Total Investment Return[5]					
Based on net asset value	21.93%	7.36%	(2.55)%	13.76%	20.50%
Based on market price	21.99%	1.68%	(10.93)%	17.58%	34.97%
Ratios to Average Net Assets					
Total expenses	1.08%	1.10%	1.10%	1.11%	1.21%
Total expenses after fees waived	1.08%	1.10%	1.09%	1.10%	1.20%
Net investment income	0.77%	1.34%	0.96%	1.03%	1.05%
Supplemental Data					
Net assets, end of year (000)	$ 1,159,072	$ 1,041,210	$ 1,113,920	$ 1,290,105	$ 1,278,170
Portfolio turnover	279%	298%	253%	264%	300%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 The amount of dividends and distributions to shareholders from net investment income reported in October 31, 2011 and October 31, 2010 has been reclassified to allocate the amount between distributions from net investment income and distributions in excess of net investment income; both of which were included in the prior year net investment income in the amount of $0.85 and $1.44, respectively.

[4] Taxable distribution.

[5] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Health Sciences Trust (BME)

	Year Ended October 31,				
	2013	**2012**	**2011**	**2010**	**2009**
Per Share Operating Performance					
Net asset value, beginning of year	$ 28.34	$ 26.65	$ 27.19	$ 25.37	$ 23.66
Net investment income (loss)[1]	0.12	0.08	(0.01)	0.02	0.10
Net realized and unrealized gain	8.85	4.11	1.71	3.34	3.32
Net increase from investment operations	8.97	4.19	1.70	3.36	3.42
Dividends and distributions:[2]					
Net investment income	(0.06)	(0.09)		(0.02)	(0.13)
Net realized gain	(2.33)	(2.41)	(2.24)	(1.52)	(1.01)
Return of capital					(0.57)
Total dividends and distributions	(2.39)	(2.50)	(2.24)	(1.54)	(1.71)
Net asset value, end of year	$ 34.92	$ 28.34	$ 26.65	$ 27.19	$ 25.37
Market price, end of year	$ 33.56	$ 27.86	$ 25.81	$ 27.14	$ 22.61
Total Investment Return[3]					
Based on net asset value	33.37%	16.42%	6.43%	13.69%	16.31%
Based on market price	30.38%	18.17%	3.26%	27.33%	13.44%
Ratios to Average Net Assets					
Total expenses	1.12%	1.13%	1.14%	1.15%	1.15%
Total expenses after fees waived	1.12%	1.13%	1.13%	1.15%	1.15%
Net investment income (loss)	0.38%	0.29%	(0.02)%	0.09%	0.37%
Supplemental Data					
Net assets, end of year (000)	$ 270,161	$ 218,377	$ 202,675	$ 206,392	$ 192,602
Portfolio turnover	155%	209%	226%	239%	167%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock International Growth and Income Trust (BGY)

	Year Ended October 31, 2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	$ 8.28	$ 8.72	$ 10.52	$ 10.92	$ 10.41
Net investment income[1]	0.13	0.16	0.14	0.14	0.29
Net realized and unrealized gain (loss)	1.31	0.35	(0.58)	1.05	2.04
Net increase (decrease) from investment operations	1.44	0.51	(0.44)	1.19	2.33
Dividends and distributions:[2]					
Net investment income	(0.17)	(0.18)	(0.14)[3]	(0.12)	(0.30)
Distributions in excess of net investment income[4]			(0.53)[3]		
Net realized gain					
Return of capital	(0.50)	(0.77)	(0.69)	(1.47)	(1.52)
Total dividends and distributions	(0.67)	(0.95)	(1.36)	(1.59)	(1.82)
Net asset value, end of year	$ 9.05	$ 8.28	$ 8.72	$ 10.52	$ 10.92
Market price, end of year	$ 8.14	$ 7.41	$ 7.88	$ 10.56	$ 10.92
Total Investment Return[5]					
Based on net asset value	19.25%	7.65%	(4.55)%	12.06%	26.28%
Based on market price	19.86%	6.61%	(14.07)%	12.49%	44.62%
Ratios to Average Net Assets					
Total expenses	1.09%	1.11%	1.10%	1.13%	1.12%
Total expenses after fees waived	1.07%	1.11%	1.10%	1.13%	1.12%
Net investment income	1.49%	1.97%	1.37%	1.40%	2.68%
Supplemental Data					
Net assets, end of year (000)	$ 995,736	$ 910,481	$ 959,153	$ 1,156,583	$ 1,178,647
Portfolio turnover	266%	226%	217%	247%	198%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 The amount of dividends and distributions to shareholders from net investment income reported in October 31, 2011 has been reclassified to allocate the amount between distributions from net investment income and distributions in excess of net investment income; both of which were included in the prior year net investment income in the amount of $0.67.

[4] Taxable distribution.

[5] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Real Asset Equity Trust (BCF)

	Year Ended October 31, 2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	$ 11.03	$ 12.45	$ 13.42	$ 11.73	$ 9.44
Net investment income[1]	0.11	0.12	0.11	0.17	0.08
Net realized and unrealized gain (loss)	(0.01)	(0.50)	0.01	2.61	3.30
Net increase (decrease) from investment operations	0.10	(0.38)	0.12	2.78	3.38
Dividends and distributions:[2]					
Net investment income	(0.12)	(0.13)	(0.07)[3]	(0.26)[3]	(0.11)
Distributions in excess of net investment income[4]			(0.14)[3]	(0.48)[3]	
Net realized gain		(0.55)	(0.50)		
Return of capital	(0.77)	(0.36)	(0.38)	(0.35)	(0.98)
Total dividends and distributions	(0.89)	(1.04)	(1.09)	(1.09)	(1.09)
Net asset value, end of year	$ 10.24	$ 11.03	$ 12.45	$ 13.42	$ 11.73
Market price, end of year	$ 9.12	$ 10.39	$ 11.84	$ 13.46	$ 11.45
Total Investment Return[5]					
Based on net asset value	1.81%	(2.79)%	0.58%	24.65%	40.96%
Based on market price	(3.75)%	(3.71)%	(4.64)%	28.08%	67.81%
Ratios to Average Net Assets					
Total expenses	1.29%	1.29%	1.29%	1.28%	1.32%
Total expenses after fees waived and paid indirectly	1.19%	1.14%	1.09%	1.08%	1.12%
Net investment income	1.04%	1.08%	0.77%	1.37%	0.68%
Supplemental Data					
Net assets, end of year (000)	$ 585,633	$ 630,801	$ 711,917	$ 765,463	$ 664,928
Portfolio turnover	89%	72%	79%	71%	58%

1 Based on average shares outstanding.

2 Determined in accordance with federal income tax regulations.

3 The amount of dividends and distributions to shareholders from net investment income reported in October 31, 2011 and October 31, 2010 has been reclassified to allocate the amount between distributions from net investment income and distributions in excess of net investment income; both of which were included in the prior year net investment income in the amount of $0.21 and $0.74, respectively.

[4] Taxable distribution.

[5] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

See Notes to Financial Statements.

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Consolidated Financial Highlights

BlackRock Resources & Commodities Strategy Trust (BCX)

	Year Ended October 31 2013	Year Ended October 31 2012	Period March 30, 2011[1] through October 31, 2011
Per Share Operating Performance			
Net asset value, beginning of period	$ 15.42	$ 16.83	$ 19.10[2]
Net investment income[3]	0.25	0.18	0.03
Net realized and unrealized loss	(0.97)	(0.19)	(1.57)
Net decrease from investment operations	(0.72)	(0.01)	(1.54)
Dividends and distributions:[4]			
Net investment income	(0.14)	(0.26)	
Net realized gain		(0.01)	(0.24)
Return of capital	(1.02)	(1.13)	(0.46)
Total dividends and distributions	(1.16)	(1.40)	(0.70)
Capital charges with respect to the issuance of shares			(0.03)
Net asset value, end of period	$ 13.54	$ 15.42	$ 16.83
Market price, end of period	$ 11.68	$ 14.12	$ 14.95
Total Investment Return[5]			
Based on net asset value	(3.61)%[6]	0.90%	(7.80)%[7]
Based on market price	(9.19)%	4.02%	(21.79)%[7]
Ratios to Average Net Assets			
Total expenses	1.27%	1.25%	1.35%[8]
Total expenses after fees waived	1.07%	1.05%	1.13%[8]
Net investment income	1.76%	1.14%	0.27%[8]
Supplemental Data			
Net assets, end of period (000)	$ 630,617	$ 718,016	$ 783,792
Portfolio turnover	156%	100%	27%

1 Commencement of investment operations. This information includes the initial investment by BlackRock HoldCo2, Inc.

2 Net asset value, beginning of period, reflects a deduction of $0.8975 per share sales charge from initial offering price of $20.00 per share.

[3] Based on average shares outstanding.

[4] Determined in accordance with federal income tax regulations.

[5] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

[6] Includes a payment from an affiliate to compensate for foregone securities lending revenue which impacted the Fund s total return. Not including this payment the Trust s total return would have been (3.68)%.

[7] Aggregate total investment return.

[8] Annualized.

See Notes to Financial Statements.

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Financial Highlights (concluded)

BlackRock Utility and Infrastructure Trust (BUI)

	Year Ended October 31, 2013	Period November 25, 2011[1] through October 31, 2012
Per Share Operating Performance		
Net asset value, beginning of period	$ 20.22	$ 19.10[2]
Net investment income[3]	0.57	0.54
Net realized and unrealized gain	1.44	1.71
Net increase from investment operations	2.01	2.25
Dividends and distributions:[4]		
Net investment income	(0.52)	(0.49)
Net realized gain	(0.42)	(0.41)
Return of capital	(0.51)	(0.19)
Total dividends and distributions	(1.45)	(1.09)
Capital charges with respect to the issuance of shares		(0.04)
Net asset value, end of period	$ 20.78	$ 20.22
Market price, end of period	$ 18.36	$ 19.03
Total Investment Return[5]		
Based on net asset value	11.18%	12.05%[6]
Based on market price	4.37%	0.71%[6]
Ratios to Average Net Assets		
Total expenses	1.11%	1.12%[7]
Total expenses after fees waived	1.10%	1.11%[7]
Total expenses after fees waived and excluding excise tax	1.10%	1.10%[7]
Net investment income	2.83%	2.94%[7]
Supplemental Data		
Net assets, end of period (000)	$ 351,325	$ 341,939
Portfolio turnover	133%	90%

1 Commencement of investment operations. This information includes the initial investment by BlackRock HoldCo2, Inc.

[2] Net asset value, beginning of period, reflects a deduction of $0.8975 per share sales charge from initial offering price of $20.00 per share.

[3] Based on average shares outstanding.

[4] Determined in accordance with federal income tax regulations.

[5] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

[6] Aggregate total investment return.

[7] Annualized.

See Notes to Financial Statements.

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Notes to Financial Statements

1. Organization:

BlackRock Dividend Income Trust (formerly BlackRock S&P Quality Rankings Global Equity Managed Trust) (BQY), BlackRock EcoSolutions Investment Trust (BQR), BlackRock Energy and Resources Trust (BGR), BlackRock Enhanced Capital and Income Fund, Inc. (CII), BlackRock Enhanced Equity Dividend Trust (BDJ), BlackRock Global Opportunities Equity Trust (BOE), BlackRock Health Sciences Trust (BME), BlackRock International Growth and Income Trust (BGY), BlackRock Real Asset Equity Trust (BCF), BlackRock Resources & Commodities Strategy Trust (BCX), and BlackRock Utility and Infrastructure Trust (BUI) (each, a Trust and collectively, the Trusts) are organized as Delaware statutory trusts, except CII which is organized as a Maryland Corporation. BQY, CII, BDJ and BOE are registered as diversified, closed-end management investment companies under the Investment Company Act of 1940, as amended (the 1940 Act). BQR, BGR, BME, BGY, BCF, BCX and BUI are registered as non-diversified, closed-end management investment companies under the 1940 Act. Prior to commencement of operations on November 25, 2011, BUI had no operations other than those relating to organizational matters and the sale of 6,964 Common Shares on August 25, 2011 to BlackRock HoldCo 2, Inc. for $100,012. Investment operations for BUI commenced on November 25, 2011. The Board of Directors and Board of Trustees of the Trusts are collectively referred to throughout this report as the Board of Trustees or the Board , and the directors/trustees thereof are collectively referred to throughout this report as Trustees. The Trusts determine and make available for publication the NAVs of their shares on a daily basis.

Reorganizations: The Board and shareholders of BDJ and the Board of Trustees and shareholders of each of BlackRock Equity Dividend Trust (BDV) and BlackRock Strategic Equity Dividend Trust (BDT) (individually, a Target Trust and collectively the Target Trusts) approved the reorganizations of each Target Trust into BDJ pursuant to which BDJ acquired substantially all of the assets and substantially all of the liabilities of each Target Trust in exchange for an equal aggregate value of newly-issued BDJ shares.

Each common shareholder of a Target Trust received common shares of BDJ in an amount equal to the aggregate net asset value of such shareholder s Target Trust shares, as determined at the close of business on February 24, 2012.

The reorganizations were accomplished by a tax-free exchange of shares of BDJ in the following amounts and at the following conversion ratios:

Target Trusts	Shares Prior to Reorganization	Common Shares Conversion Ratio	Shares of BDJ
BDV	54,638,903	1.27840257	69,850,515
BDT	26,908,028	1.41137167	37,977,229

Each Target Trust s net assets and composition of net assets on February 24, 2012, the date of the reorganization, were as follows:

Target Trusts	Net Assets	Paid-in Capital	Distributions in Excess of Net Investment Income	Accumulated Net Realized Loss	Net Unrealized Appreciation
BDV	$ 590,660,911	$ 647,693,876	$ (173,949)	$ (92,018,281)	$ 35,159,265
BDT	$ 321,139,863	$ 327,248,656	$ 316,616	$ (29,161,302)	$ 22,735,893

For financial reporting purposes, assets received and shares issued by BDJ were recorded at fair value. However, the cost basis of the investments received from the Target Trusts were carried forward to align ongoing reporting of BDJ s realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

The aggregate net assets of BDJ immediately after the acquisition amounted to $1,517,719,362. Each Target Trust s fair value and cost of investments prior to the reorganization were as follows:

Target Trusts	Fair Value of Investments	Cost of Investments
BDV	$ 588,487,468	$ 553,328,182
BDT	$ 318,996,795	$ 296,260,902

The purpose of these transactions was to combine three funds managed by the Manager, the investment advisor to BDJ, BDV and BDT with the same or substantially similar (but not identical) investment objectives, investment policies, strategies, risks and restrictions. Each reorganization was a tax-free event and was effective on February 27, 2012.

Assuming the acquisitions had been completed on November 1, 2011, the beginning of the fiscal reporting period of BDJ, the pro forma results of operations for the year ended October 31, 2012, are as follows:

Net investment income: $32,331,130

Net realized and change in unrealized gain/loss on investments: $141,874,756

Net increase in net assets resulting from operations: $174,205,886

Because the combined investment portfolios have been managed as a single integrated portfolio since the acquisition was completed, it is not practicable to separate the amounts of revenue and earnings of BDV and BDT that have been included in BDJ s Statement of Operations since February 27, 2012.

Reorganization costs incurred by BDJ in connection with the reorganization were paid by BDJ.

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Notes to Financial Statements (continued)

Basis of Consolidation: BCX s accompanying consolidated financial statements include the accounts of BlackRock Cayman Resources & Commodities Strategy Fund, Ltd. (the Subsidiary), which is a wholly owned subsidiary of BCX and primarily invests in commodity-related instruments. The Subsidiary enables BCX to hold these commodity-related instruments and satisfy regulated investment company tax requirements. BCX may invest up to 25% of its total assets in the Subsidiary. Intercompany accounts and transactions, if any, have been eliminated. The Subsidiary is subject to the same investment policies and restrictions that apply to BCX.

2. Significant Accounting Policies:

The Trusts financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. The following is a summary of the significant accounting policies followed by the Trusts.

Valuation: US GAAP defines fair value as the price the Trusts would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Trusts determine the fair values of their financial instruments at market value using independent dealers or pricing services under policies approved by the Board. The BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) is the committee formed by management to develop global pricing policies and procedures and to provide oversight of the pricing function for the Trusts for all financial instruments.

The Trusts value their investments in BlackRock Liquidity Series, LLC Money Market Series (the Money Market Series) at fair value, which is ordinarily based upon each Trust s pro rata ownership in the underlying fund s net assets. The Money Market Series seeks current income consistent with maintaining liquidity and preserving capital. Although the Money Market Series is not registered under the 1940 Act, its investments will follow the parameters of investments by a money market fund that is subject to Rule 2a-7 under the 1940 Act. The Trusts may withdraw up to 25% of their investment daily, although the manager of the Money Market Series, in its sole discretion, may permit an investor to withdraw more than 25% on any one day.

Equity investments traded on a recognized securities exchange or the NASDAQ Stock Market (NASDAQ) are valued at the last reported sale price that day or the NASDAQ official closing price, if applicable. For equity investments traded on more than one exchange, the last reported sale price on the exchange where the stock is primarily traded is used. Equity investments traded on a recognized exchange for which there were no sales on that day are valued at the last available bid. Investments in open-end registered investment companies are valued at the NAV each business day.

Securities and other assets and liabilities denominated in foreign currencies are translated into US dollars using exchange rates determined as of the close of business on the New York Stock Exchange (NYSE). Foreign currency exchange contracts are valued at the mean between the bid and ask prices and are determined as of the close of business on the NYSE. Interpolated values are derived when the settlement date of the contract is an interim date for which quotations are not available.

Exchange-traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade. An exchange-traded option for which there is no mean price is valued at the last bid (long positions) or ask (short positions) price. If no bid or ask price is available, the prior day s price will be used, unless it is determined that the prior day s price no longer reflects the fair value of the option. Over-the-counter (OTC) options are valued by an independent pricing service using a mathematical model which incorporates a number of market data factors, such as the trades and prices of the underlying instruments.

In the event that application of these methods of valuation results in a price for an investment that is deemed not to be representative of the market value of such investment, or if a price is not available, the investment will be valued by the Global Valuation Committee, or its delegate, in accordance with a policy approved by the Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the Global Valuation Committee, or its delegate, seeks to determine the price that each Trust might reasonably expect to receive from the current sale of that asset in an arm s-length transaction. Fair value determinations shall be based upon all available factors that the Global Valuation Committee, or its delegate, deem relevant consistent with the principles of fair value measurement, which include the market approach, income approach and/or in the case of recent investments, the cost approach, as appropriate. The market approach generally consists of using comparable market transactions. The income approach generally is used to discount future cash flows to present value and adjusted for liquidity as appropriate. These factors include but are not limited to: (i) attributes specific to the investment or asset; (ii) the principal market for the investment or asset; (iii) the customary participants in the principal market for the investment or asset; (iv) data assumptions by market participants for the investment or asset, if reasonably available; (v) quoted prices for similar investments or assets in active markets; and (vi) other factors, such as future cash flows, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, recovery rates, liquidation amounts and/or default rates. Due to the inherent uncertainty of valuations of such investments, the fair values may differ from the values that would have been used had an active market existed. The Global Valuation Committee, or its delegate, employs various methods for calibrating valuation approaches for investments where an active market does not exist including regular due diligence of the Trusts pricing vendors, regular reviews of key inputs and assumptions, transactional back-testing or disposition analysis to compare unrealized gains and losses to realized gains and losses, reviews of missing or stale prices

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Notes to Financial Statements (continued)

and large movements in market values and reviews of any market related activity. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof on a quarterly basis.

Generally, trading in foreign instruments is substantially completed each day at various times prior to the close of business on the NYSE. Occasionally, events affecting the values of such instruments may occur between the foreign market close and the close of business on the NYSE that may not be reflected in the computation of each Trust s net assets. If events (for example, a company announcement, market volatility or a natural disaster) occur during such periods that are expected to affect the value of such instruments materially, those instruments may be Fair Value Assets and valued at their fair value, as determined in good faith by the Global Valuation Committee, or it s delegate, using a pricing service and/or policies approved by the Board. Each business day, each Trust uses a pricing service to assist with the valuation of certain foreign exchange-traded equity securities and foreign exchange-traded and OTC options (the Systematic Fair Value Price). Using current market factors, the Systematic Fair Value Price is designed to value such foreign securities and foreign options at fair value as of the close of business on the NYSE, which follows the close of the local markets.

Foreign Currency: The Trusts books and records are maintained in US dollars. Purchases and sales of investment securities are recorded at the rates of exchange prevailing on the respective date of such transactions. Generally, when the US dollar rises in value against a foreign currency, the Trusts investments denominated in that currency will lose value because that currency is worth fewer US dollars; the opposite effect occurs if the US dollar falls in relative value.

The Trusts do not isolate the portion of the results of operations arising as a result of changes in the foreign exchange rates from the changes in the market prices of investments held or sold for financial reporting purposes. Accordingly, the effects of changes in foreign currency exchange rates on investments are not segregated in the Statements of Operations from the effects of changes in market prices of those investments but are included as a component of net realized and unrealized gain (loss) from investments. The Trusts report realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are treated as ordinary income for federal income tax purposes.

Segregation and Collateralization: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that each Trust either delivers collateral or segregates assets in connection with certain investments (e.g., foreign currency exchange contracts or options written), each Trust will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on its books and records cash or liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, a Trust engaging in such transactions may have

requirements to deliver/deposit securities to/with an exchange or broker-dealer as collateral for certain investments.

Investment Transactions and Investment Income: For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Dividends from foreign securities where the ex-dividend date may have passed are subsequently recorded when a Trust is informed of the ex-dividend date. Under the applicable foreign tax laws, a withholding tax at various rates may be imposed on capital gains, dividends and interest. Upon notification from issuers, some of the dividend income received from a real estate investment trust may be redesignated as a reduction of cost of the related investment and/or realized gain. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

Dividends and Distributions: Dividends and distributions paid by the Trusts are recorded on the ex-dividend dates. Subject to each Trust s level distribution plan, each Trust intends to make quarterly cash dividends and/or distributions to shareholders, which may consist of net investment income, net options premium, net realized and unrealized gains on investments, and/or return of capital.

Portions of return of capital distributions under US GAAP may be taxed at ordinary income rates.

The character of dividends and distributions is determined in accordance with federal income tax regulations, which may differ from US GAAP. The portion of distributions that exceeds a Trust s current and accumulated earnings and profits, which are measured on a tax basis, will constitute a non-taxable return of capital. Realized net capital gains can be offset by capital losses carried forward from prior years. However, certain Trusts have capital loss carry-forwards from pre-2012 tax years that offset realized net capital gains but do not offset current earnings and profits. Consequently, if distributions in any tax year are less than a Trust s current earnings and profits but greater than net investment income and net realized capital gains (taxable income), distributions in excess of taxable income are not treated as non-taxable return of capital, but rather may be taxable to shareholders at ordinary income rates. Under certain circumstances, taxable excess distributions could be significant. See Note 7, Income Tax Information, for the tax character of each Trust s distributions paid during the period.

Income Taxes: It is the Trusts policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of their taxable income to their shareholders. Therefore, no federal income tax provision is required.

The Trusts file US federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Trusts US federal tax returns remains open for each of

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Notes to Financial Statements (continued)

the four years ended October 31, 2013 with the exception of BCX and BUI. The statute of limitations on BCX s US federal tax returns remains open for the two years ended October 31, 2013 and the period ended October 31, 2011. The statute of limitations on BUI s US federal tax returns remains open for the year ended October 31, 2013 and the period ended October 31, 2012. The statutes of limitations on each Trust s state and local tax returns may remain open for an additional year depending upon the jurisdiction. Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

Recent Accounting Standards: In December 2011, the Financial Accounting Standards Board (the FASB) issued guidance that will expand current disclosure requirements on the offsetting of certain assets and liabilities. The new disclosures will be required for investments and derivative financial instruments subject to master netting or similar agreements which are eligible for offset in the Statements of Assets and Liabilities and will require an entity to disclose both gross and net information about such investments and transactions in the financial statements. In January 2013, the FASB issued guidance that clarifies, which investments and transactions are subject to the offsetting disclosure requirements. The scope of the disclosure requirements for offsetting will be limited to derivative instruments, repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions. The guidance is effective for financial statements with fiscal years beginning on or after January 1, 2013, and interim periods within those fiscal years. Management is evaluating the impact, if any, of this guidance on the Trusts financial statement disclosures.

Deferred Compensation: Under the Deferred Compensation Plan (the Plan) approved by each Trust s Board, except CII, the independent Trustees (Independent Trustees) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees. This has the same economic effect for the Independent Trustees as if the Independent Trustees had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

The plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Trust. Prior to March 31, 2012, each Trust elected to invest in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees in order to match its deferred compensation obligations.

S&P Quality Rankings: BQY had been granted a license by Standard & Poor s (S&P) to use the S&P Quality Rankings and the S&P International Quality Rankings. Effective September 17, 2013, BQY terminated its license to use either the S&P Quality Rankings or the S&P International Quality Rankings. Standard & Poor s, S&P, Standard & Poor s Earnings and Dividend Rankings, S&P Earnings and Dividend Rankings, Standard & Poor s Quality Rankings, Standard & Poor s International Quality Rankings, S&P International Quality Rankings

and S&P Quality Rankings are trademarks of S&P and had been licensed for use by BQY. BQY was not sponsored, endorsed, managed, sold or promoted by S&P and S&P made no representation regarding the advisability of investing in BQY. BQY is required to pay a quarterly licensing fee, which is shown in the Statements of Operations as licensing, for a period of 1 year following the termination date.

Other: Expenses directly related to a Trust are charged to that Trust. Other operating expenses shared by several funds are pro rated among those funds on the basis of relative net assets or other appropriate methods. Expenses directly related to the Trusts and other shared expenses pro rated to the Trusts are allocated daily to each class based on its relative net assets or other appropriate methods.

The Trusts have an arrangement with the custodian whereby fees may be reduced by credits earned on uninvested cash balances, which, if applicable, are shown as fees paid indirectly in the Statements of Operations. The custodian imposes fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

3. Securities and Other Investments:

Securities Lending: The Trusts may lend securities to approved borrowers, such as banks, brokers and other financial institutions. The borrower pledges cash, securities issued or guaranteed by the US government or irrevocable letters of credit issued by a bank as collateral. The initial collateral received by the Trusts should have a value of at least 102% of the current value of the loaned securities for securities traded on US exchanges and a value of at least 105% for all other securities. The collateral is maintained thereafter in an amount equal to at least 100% of the current market value of the loaned securities. The market value of the loaned securities is determined at the close of business of the Trusts and any additional required collateral is delivered to the Trust on the next business day. Securities lending income, as disclosed in the Statements of Operations, represents the income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the securities lending agent. During the term of the loan, the Trusts earn dividends or interest income on the securities loaned but do not receive interest income on the securities received as collateral. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

The market value of securities on loan and the value of the related collateral are shown separately in the Statements of Assets and Liabilities as a component of investments at value, and collateral on securities loaned at value, respectively. The cash collateral invested by the securities lending agent, BlackRock Investment Management, LLC (BIM), if any, is disclosed in the Schedules of Investments.

Securities lending transactions are entered into by the Trusts under Master Securities Lending Agreements (MSLA), which provide the right,

Notes to Financial Statements (continued)

in the event of default (including bankruptcy or insolvency) for the non-defaulting party to liquidate the collateral and calculate a net exposure to the defaulting party or request additional collateral. In the event that a borrower defaults, the Trusts, as lender, would offset the market value of the collateral received against the market value of the securities loaned. The value of the collateral is typically greater than that of the market value of the securities loaned, leaving the lender with a net amount payable to the defaulting party. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of a MSLA counterparty s bankruptcy or insolvency. Under the MSLA, the borrower can resell or re-pledge the loaned securities, and the Trusts can reinvest cash collateral, or, upon an event of default, resell or repledge the collateral.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate this risk the Trusts benefit from a borrower default indemnity provided by BlackRock, Inc. (BlackRock). BlackRock s indemnity allows for full replacement of securities lent. The Trusts also could suffer a loss if the value of an investment purchased with cash collateral falls below the market value of loaned securities or if the value of an investment purchased with cash collateral falls below the value of the original cash collateral received. During the year ended October 31, 2013, any securities on loan were collateralized by cash.

4. Derivative Financial Instruments:

The Trusts engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Trusts and/or to economically hedge, their exposure to certain risks such as equity risk or foreign currency exchange rate risk. These contracts may be transacted on an exchange or OTC.

Foreign Currency Exchange Contracts: Certain Trusts enter into foreign currency exchange contracts as an economic hedge against either specific transactions or portfolio instruments or to obtain exposure to or hedge exposure away from foreign currencies (foreign currency exchange rate risk). A foreign currency exchange contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date. Foreign currency exchange contracts, when used by a Trust, help to manage the overall exposure to the currencies in which some of the investments held by a Trust are denominated. The contract is marked-to-market daily and the change in market value is recorded by the Trust as an unrealized gain or loss. When the contract is closed, a Trust record a realized gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. The use of foreign currency exchange contracts involves the risk that the value of a foreign currency exchange contract changes unfavorably due to movements in the value of the referenced foreign currencies.

Options: The Trusts purchase and write call and put options to increase or decrease their exposure to underlying instruments (including equity risk and/or commodity price risk) and/or, in the case of options written, to generate gains from options premiums. A call option gives the purchaser (holder) of the option the right (but not the obligation) to buy, and obligates the seller (writer) to sell (when the option is exercised), the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. When the Trusts purchase (write) an option, an amount equal to the premium paid (received) by the Trusts is reflected as an asset (liability). The amount of the asset (liability) is subsequently marked-to-market to reflect the current market value of the option purchased (written). When an instrument is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the instrument acquired or deducted from (or added to) the proceeds of the instrument sold. When an option expires (or the Trusts enter into a closing transaction), the Trusts realize a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premiums received or paid). When the Trusts write a call option, such option is covered, meaning that the Trusts hold the underlying instrument subject to being called by the option counterparty. When the Trusts write a put option, such option is covered by cash in an amount sufficient to cover the obligation.

In purchasing and writing options, the Trusts bear the risk of an unfavorable change in the value of the underlying instrument or the risk that the Trusts may not be able to enter into a closing transaction due to an illiquid market. Exercise of a written option could result in the Trusts purchasing or selling a security when it otherwise would not, or at a price different from the current market value.

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Notes to Financial Statements (continued)

The following is a summary of the Trusts   derivative financial instruments categorized by risk exposure:

Derivative Financial Instruments Categorized by Risk Exposure:

Fair Values of Derivative Financial Instruments as of October 31, 2013

Asset Derivatives

	Statements of Assets and Liabilities Location	**BQY**	**CII**	**BOE**	**BME**	**BGY**	**BCX**
		Value					
Foreign currency exchange contracts	Unrealized appreciation on foreign currency exchange contracts		$ 15,057	$ 17,814		$ 41,414	$ 2
Equity contracts	Investments at value unaffiliated[1]	$ 93			$ 330		
Total		$ 93	$ 15,057	$ 17,814	$ 330	$ 41,414	$ 2

Liability Derivatives

	Statements of Assets and Liabilities Location	**BQY**	**BQR**	**BGR**	**CII**	**BDJ**	**BOE**
		Value					
Foreign currency exchange contracts	Unrealized depreciation on foreign currency exchange contracts	$ (19)			$ (12,054)		$ (11,552)
Equity contracts	Options written at value	(928,492)	$ (1,360,268)	$ (6,017,213)	(10,388,428)	$ (20,305,989)	(19,864,084)
Total		$ (928,511)	$ (1,360,268)	$ (6,017,213)	$ (10,400,482)	$ (20,305,989)	$ (19,875,636)

Liability Derivatives

	Statements of Assets and Liabilities Location	**BME**	**BGY**	**BCF**	**BCX**	**BUI**
		Value				
Foreign currency exchange contracts	Unrealized depreciation on foreign currency exchange contracts		$ (51,727)	$ (142)	$ (211)	
Equity contracts	Options written at value	$ (2,608,688)	(17,727,514)	(4,828,567)	(4,497,214)	$ (3,992,438)
Total		$ (2,608,688)	$ (17,779,241)	$ (4,828,709)	$ (4,497,425)	$ (3,992,438)

[1] Includes options purchased at value as reported in the Schedules of Investments.

The Effect of Derivative Financial Instruments in the Statements of Operations

Year Ended October 31, 2013

	Net Realized Gain (Loss) From					
	BQY	**BQR**	**BGR**	**CII**	**BDJ**	**BOE**
Foreign currency exchange contracts:						
Foreign currency transactions	$ 30,202	$ 24,424	$ (85,498)	$ 209,076	$ (15,873)	$ (640,843)
Equity contracts:						
Options[2]	1,415,858	2,068,698	6,646,382	22,994,600	45,600,260	28,294,879
Total	$ 1,446,060	$ 2,093,122	$ 6,560,884	$ 23,203,676	$ 45,584,387	$ 27,654,036

	Net Realized Gain (Loss) From				
	BME	**BGY**	**BCF**	**BCX**	**BUI**
Foreign currency exchange contracts:					
Foreign currency transactions.	$ (15,182)	$ (226,996)	$ 49,013	$ (146,921)	$ 48,358
Equity contracts:					
Options[2]	(4,326,782)	8,961,480	19,627,016	23,314,058	4,542,564
Total	$ (4,341,964)	$ 8,734,484	$ 19,676,029	$ 23,167,137	$ 4,590,922

[2] Options purchased are included in the net realized gain (loss) from investments - unaffiliated and net change in unrealized appreciation/depreciation on investments.

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Notes to Financial Statements (continued)

The Effect of Derivative Financial Instruments in the Statements of Operations

Year Ended October 31, 2013

	Net Change in Unrealized Appreciation/Depreciation on					
	BQY	**BQR**	**BGR**	**CII**	**BDJ**	**BOE**
Foreign currency exchange contracts:						
Foreign currency translations	$ (10)			$ 3,003	$ 167	$ 12,574
Equity contracts:						
Options[2]	(619,809)	$ (455,665)	$ (1,998,026)	(6,538,597)	(11,675,521)	(6,932,167)
Total	$ (619,819)	$ (455,665)	$ (1,998,026)	$ (6,535,594)	$ (11,675,354)	$ (6,919,593)

	Net Change in Unrealized Appreciation/Depreciation on				
	BME	**BGY**	**BCF**	**BCX**	**BUI**
Foreign currency exchange contracts:					
Foreign currency translations	$ 1,062	$ (10,313)	$ (142)	$ (209)	$ 17
Equity contracts:					
Options[2]	610,861	(1,997,538)	(1,790,015)	(722,057)	(1,625,124)
Total	$ 611,923	$ (2,007,851)	$ (1,790,157)	$ (722,266)	$ (1,625,107)

[2] Options purchased are included in the net realized gain (loss) from investments-unaffiliated and net change in unrealized appreciation/depreciation on investments.

For the year ended October 31, 2013, the average quarterly balances of outstanding derivative financial instruments were as follows:

	BQY	**BQR**	**BGR**	**CII**	**BDJ**	**BOE**
Foreign currency exchange contracts:						
Average number of contracts US dollars purchased	2	2	1	1	1	4
Average number of contracts US dollars sold	1	1		1		3
Average US dollar amounts purchased	$ 14,604	$ 86,019	$ 181,508	$ 278,031	$ 96,225	$ 10,781,812
Average US dollar amounts sold	$ 645	$ 73,209		$ 259,629		$ 6,884,531
Options:						
Average number of options contracts purchased	95	36	966	1,394	2,817	725
Average number of options contracts written	942,747	6,714,825	6,070,525	7,232,019	15,239,986	26,082,605
Average notional value of options contracts purchased	$ 606,138	$ 101,500	$ 7,407,000	$ 2,645,700	$ 16,065,050	$ 2,594,125
Average notional value of contracts written	$ 32,343,799	$ 45,371,127	$ 278,253,492	$ 330,192,813	$ 791,765,845	$ 549,248,228

	BME	**BGY**	**BCF**	**BCX**	**BUI**
Foreign currency exchange contracts:					
Average number of contracts US dollars purchased	1	5	2	2	2
Average number of contracts US dollars sold	1	6	1	1	1
Average US dollar amounts purchased	$ 21,855	$ 22,403,555	$ 443,594	$ 932,228	$ 796,660
Average US dollar amounts sold	$ 1,551	$ 18,167,327	$ 404,594	$ 356,121	$ 267,634
Options:					
Average number of options contracts purchased	94		365	40	288
Average number of options contracts written	1,707,050	40,940,072	10,690,650	13,410,990	6,792,680
Average notional value of options contracts purchased	$ 496,250		$ 1,358,400	$ 156,875	$ 1,219,675
Average notional value of options contracts written	$ 86,014,812	$ 460,078,811	$ 195,489,202	$ 281,460,901	$ 110,314,847

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Notes to Financial Statements (continued)

Counterparty Credit Risk: A derivative contract may suffer a mark to market loss if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument. Losses can also occur if the counterparty does not perform under the contract.

A Trust s risk of loss from counterparty credit risk on OTC derivatives is generally limited to the aggregate unrealized gain netted against any collateral held by such Trust. For OTC options purchased, each Trust bears the risk of loss of the amount of the premiums paid plus the positive change in market values net of any collateral held by such Trust should the counterparty fail to perform under the contracts. Options written by the Trusts do not typically give rise to counterparty credit risk, as options written generally obligate the Trusts, and not, the counterparty to perform.

With exchange traded purchased options, there is less counterparty credit risk to the Trusts since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, credit risk is limited to failure of the clearinghouse. While clearing brokers are required to segregate customer margin from their own assets, in the event that a clearing broker becomes insolvent or goes into bankruptcy and at that time there is a shortfall in the aggregate amount of margin held by the clearing broker for all its clients, typically the shortfall would be on a pro rata basis across all the clearing broker s customers, potentially resulting in losses to the Trusts.

In order to better define its contractual rights and to secure rights that will help the Trusts mitigate its counterparty risk, the Trusts may enter into an International Swaps and Derivatives Association, Inc. Master Agreement (ISDA Master Agreement) or similar agreement with its derivative contract counterparties. An ISDA Master Agreement is a bilateral agreement between each Trust and a counterparty that governs OTC derivatives and foreign exchange contracts and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, each Trust may, under certain circumstances, offset with the counterparty certain derivative financial instrument s payables and/or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default including the bankruptcy or insolvency of the counterparty. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against the right of offset in bankruptcy, insolvency or other events. In addition, certain ISDA Master Agreements allow counterparties to OTC derivatives to terminate derivative contracts prior to maturity in the event the Trust s net assets decline by a stated percentage or the Trust fails to meet the terms of its ISDA Master Agreements, which would cause the Trust to accelerate payment of any net liability owed to the counterparty.

Collateral Requirements: For derivatives traded under an ISDA Master Agreement, the collateral requirements are typically calculated by netting the mark to market amount for each transaction under such agreement

and comparing that amount to the value of any collateral currently pledged by a Trust and the counterparty.

Cash collateral that has been pledged to cover obligations of a Trust and cash collateral received from the counterparty, if any, is reported separately on the Statement of Assets and Liabilities as cash pledged as collateral and cash received as collateral, respectively. Non-cash collateral pledged by a Trust, if any, is noted in the Schedule of Investments. Generally, the amount of collateral due from or to a party has to exceed a minimum transfer amount threshold (e.g. $500,000) before a transfer is required, which is determined at the close of business of the Trusts and any additional required collateral is delivered to/pledged by the Trusts on the next business day. Typically, the Trusts and counterparties are not permitted to sell, re-pledge or use the collateral they receive. To the extent amounts due to a Trust from its counterparties are not fully collateralized, contractually or otherwise, a Trust bears the risk of loss from counterparty non-performance. See Note 1 Segregation and Collateralization for information with respect to collateral practices. Each Trust attempts to mitigate counterparty risk by only entering into agreements with counterparties that it believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties.

For financial reporting purposes, the Trusts do not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Assets and Liabilities.

5. Investment Advisory Agreement and Other Transactions with Affiliates:

The PNC Financial Services Group, Inc. is the largest stockholder and an affiliate, for 1940 Act purposes, of BlackRock.

Each Trust entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager), the Trusts investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Trust s portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of each Trust. For such services, each Trust pays the Manager a monthly fee at the following annual rates:

Average weekly value of each Trust s net assets:	
BQY	0.75%
BGR	1.20%
BDJ	0.81%
BOE	1.00%
BME	1.00%
BCF	1.20%
Average daily value of each Trust s net assets:	
BQR	1.20%
CII	0.85%
BGY	1.00%
BCX	1.20%
BUI	1.00%

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Notes to Financial Statements (continued)

The Manager has voluntarily agreed to waive a portion of the investment advisory fees on BGR and BCF as a percentage of their average weekly net assets as follows:

		Expiration Date
BGR	0.05%	December 29, 2012
BCF	0.10%	September 29, 2013
	0.05%	September 29, 2014

The Manager has voluntarily agreed to waive a portion of the investment advisory fees on BCX as a percentage of its average daily net assets as follows:

		Expiration Date
BCX	0.20%	October 31, 2015
	0.15%	October 31, 2016
	0.10%	October 31, 2017
	0.05%	October 31, 2018

Effective June 6, 2013, the Manager has voluntarily agreed to waive a portion of the investment advisory fees on BQR and BGY as a percentage of their average daily net assets as follows:

BQR	0.05%
BGY	0.05%

The Manager provides investment management and other services to the Subsidiary. The Manager does not receive separate compensation from the Subsidiary for providing investment management or administrative services. However, BCX pays the Manager based on the Trust s net assets which includes the assets of the Subsidiary.

The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Trust pays to the Manager indirectly through its investment in affiliated money market funds. However, the Manager does not waive its investment advisory fees by the amount of investment advisory fees paid in connection with each Trust s investment in other affiliated investment companies, if any. These amounts are included in fees waived by Manager in the Statements of Operations. For the year ended October 31, 2013, the amounts waived were as follows:

BQY	$ 2,541
BQR	$ 6,047
BGR	$ 23,215
CII	$ 15,883
BDJ	$ 42,175
BOE	$ 23,023
BME	$ 4,304
BGY	$ 10,061
BCF	$ 24,072
BCX	$ 16,135
BUI	$ 8,189

The Manager entered into separate sub-advisory agreements with BlackRock Financial Management, Inc. (BFM) for BQY, BGR, CII, BDJ and BUI, BIM for BQR, CII, BCF and BUI, BlackRock Capital Management, Inc. for BGY, BCF and BCX and BlackRock International Ltd. for BQR, BGR, BCF and BCX, each an affiliate of the Manager. The Manager pays each sub-advisor for services they provide, a monthly fee that is a percentage of the investment advisory fee paid by each Trust to the Manager.

Certain Trusts received an exemptive order from the SEC permitting them, among other things, to pay an affiliated securities lending agent a fee based on a share of the income derived from the securities lending activities and has retained BIM as the securities lending agent. BIM may, on behalf of the Trusts, invest cash collateral received by the Trusts for such loans in a private investment company managed by the Manager or in registered money market funds advised by the Manager or its affiliates. The market value of securities on loan and the value of the related collateral, if applicable, are shown in the Statements of Assets and Liabilities as securities loaned at value and collateral on securities loaned at value, respectively. The cash collateral invested by BIM, if any, is disclosed in the Schedules of Investments. Securities lending income is equal to the total of income earned from the reinvestment of cash collateral, net of rebates paid to, or fees paid by, borrowers of securities. The Trusts retain 65% of securities lending income and pays a fee to BIM equal to 35% of such income. The Trusts benefit from a borrower default indemnity provided by BlackRock. As securities lending agent, BIM bears all operational costs directly related to securities lending as well as the cost of borrower default indemnification. BIM does not receive any fees for managing the cash collateral. The share of income earned by the Trusts is shown as securities lending affiliated in the Statements of Operations. For the year ended October 31, 2013, BIM received $4,145 in securities lending agent fees related to securities lending activities for the Trusts.

Certain Trusts received payments from an affiliate to compensate for foregone securities lending revenue which is included in Other income -affiliated in the Statements of Operations as follows:

BQY	$ 28,489
CII	$ 13,547
BOE	$ 73,658
BGY	$ 108,135
BCX	$ 346,955
BUI	$ 49,018

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Notes to Financial Statements (continued)

Certain officers and/or trustees of the Trusts are officers and/or trustees of BlackRock or its affiliates. The Trusts reimburse the Manager for a portion of the compensation paid to the Trusts   Chief Compliance Officer, which is included in officer and diectors in the Statement of Operations.

The Trusts may purchase securities from, or sell securities to, an affiliated fund provided the affiliation is solely due to having a common investment adviser, common officers, or common trustees. For the year ended October 31, 2013, the purchase and sale transactions with an affiliated fund in compliance with Rule 17a-7 under the 1940 Act were as follows:

	Purchases	Sales
BGR		$ 3,167,071
BOE	$ 2,174,338	
BME		$ 1,168,560
BUI	$ 8,612,070	

6. Purchases and Sales:

Purchases and sales of investment securities, excluding short-term securities, for the year ended October 31, 2013, were as follows:

	Purchases	Sales
BQY	$ 82,924,190	$ 86,140,698
BQR	$ 102,051,744	$ 104,418,877
BGR	$ 1,065,763,846	$ 1,144,573,213
CII	$ 1,362,688,152	$ 1,354,486,369
BDJ	$ 2,812,623,915	$ 2,688,330,005
BOE	$ 3,010,305,075	$ 2,975,744,774
BME	$ 371,258,110	$ 385,653,376
BGY	$ 2,477,701,085	$ 2,506,158,172
BCF	$ 505,105,162	$ 519,455,800
BCX	$ 990,753,455	$ 1,009,487,540
BUI	$ 441,845,267	$ 451,194,409

Transactions in options written for the year ended October 31, 2013, were as follows:

	Calls		Puts	
	Contracts	Premiums Received	Contracts	Premiums Received
BQY				
Outstanding options at beginning of year	666,914	$ 680,823		
Options written	4,373,396	4,120,326		
Options expired	(2,036,724)	(1,398,259)		
Options closed	(881,425)	(1,344,375)		
Options exercised	(1,679,821)	(1,515,155)		
Outstanding options at end of year	442,340	$ 543,360		

	Calls		Puts	
	Contracts	Premiums Received	Contracts	Premiums Received
BQR				

Outstanding options at beginning of year	6,889,548	$ 1,345,784		
Options written	44,740,048	7,995,417		
Options expired	(21,100,644)	(3,345,086)		
Options closed	(14,328,918)	(2,350,799)		
Options exercised	(9,983,140)	(2,445,975)		
Outstanding options at end of year	6,216,894	$ 1,199,341		

BGR				
Outstanding options at beginning of year	4,078,778	$ 10,334,101		
Options written	25,656,969	56,877,913		
Options expired	(8,599,899)	(15,535,637)		
Options closed	(10,216,634)	(26,931,424)		
Options exercised	(7,330,977)	(16,270,868)		
Outstanding options at end of year	3,588,237	$ 8,474,085		

CII				
Outstanding options at beginning of year	3,841,460	$ 7,667,197		
Options written	24,681,335	54,958,691	1,000	$ 57,969
Options expired	(5,877,771)	(15,458,581)	(1,000)	(57,969)
Options closed	(7,243,202)	(17,808,548)		
Options exercised	(12,687,207)	(23,266,806)		
Outstanding options at end of year	2,714,615	$ 6,091,953		

BDJ				
Outstanding options at beginning of year	8,035,194	$ 17,351,654	1,330,600	$ 2,341,232
Options written	52,863,280	110,713,730	45,000	22,770
Options expired	(13,776,921)	(30,979,961)	(91,400)	(88,194)
Options closed	(16,865,089)	(37,216,840)		
Options exercised	(25,166,237)	(47,420,019)	(1,284,200)	(2,275,808)
Outstanding options at end of year	5,090,227	$ 12,448,564		

BOE				
Outstanding options at beginning of year	30,503,917	$ 14,301,483		
Options written	159,659,217	110,482,947		
Options expired	(37,678,458)	(27,923,128)		
Options closed	(68,613,424)	(40,087,668)		
Options exercised	(58,804,610)	(41,159,284)		
Outstanding options at end of year	25,066,642	$ 15,614,350		

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Notes to Financial Statements (continued)

	Calls		Puts	
	Contracts	Premiums Received	Contracts	Premiums Received
BME				
Outstanding options at beginning of year	594,345	$ 2,542,259	224,570	$ 490,378
Options written	4,126,067	16,079,205	75,219	442,028
Options expired	(862,413)	(3,190,381)	(113,663)	(106,558)
Options closed	(2,102,233)	(8,442,920)	(37,723)	(266,021)
Options exercised	(1,156,512)	(3,840,918)	(111,603)	(454,211)
Outstanding options at end of year	599,254	$ 3,147,245	36,800	$ 105,616
BGY				
Outstanding options at beginning of year	37,264,801	$ 14,333,012		
Options written	274,113,319	95,501,544		
Options expired	(64,349,782)	(27,088,222)		
Options closed	(103,470,183)	(37,506,897)		
Options exercised	(85,714,693)	(31,613,138)		
Outstanding options at end of year	57,843,462	$ 13,626,299		
BCF				
Outstanding options at beginning of year	8,495,599	$ 7,376,099		
Options written	61,171,408	39,117,280	54,000	$ 11,880
Options expired	(37,973,140)	(19,050,031)	(27,000)	(5,400)
Options closed	(9,733,458)	(11,738,866)		
Options exercised	(12,632,449)	(10,845,136)	(27,000)	(6,480)
Outstanding options at end of year	9,327,960	$ 4,859,346		
BCX				
Outstanding options at beginning of year	6,266,417	$ 6,814,345		
Options written	51,407,706	37,989,519		
Options expired	(29,281,817)	(17,508,598)		
Options closed	(17,084,714)	(12,497,302)		
Options exercised	(6,241,793)	(10,547,741)		
Outstanding options at end of year	5,065,799	$ 4,250,223		

	Calls		Puts	
	Contracts	Premiums Received	Contracts	Premiums Received
BUI				
Outstanding options at beginning of year	7,021,200	$ 2,530,418		
Options written	42,382,481	15,153,082		
Options expired	(16,385,896)	(5,586,533)		
Options closed	(12,598,950)	(5,207,756)		
Options exercised	(16,619,798)	(4,744,636)		
Outstanding options at end of year	3,799,037	$ 2,144,575		

As of October 31, 2013, the value of portfolio securities subject to covered call options written was as follows:

	Value
BQY	$ 32,507,498
BQR	$ 44,127,527
BGR	$ 307,330,930
CII	$ 330,034,952
BDJ	$ 753,355,046
BOE	$ 551,738,609
BME	$ 97,283,500
BGY	$ 456,907,370
BCF	$ 188,610,601
BCX	$ 198,865,703
BUI	$ 114,791,120

7. Income Tax Information:

US GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. The following permanent differences as of October 31, 2013 attributable to foreign currency transactions, the sale of stock of passive foreign investment companies, net operating losses, income recognized from investments in partnerships, distributions paid in excess of taxable income and the accounting for real estate investment trusts were reclassified to the following accounts:

	BQY	BQR	BGR	CII	BDJ	BOE
Paid-in capital					$ (35,787,362)	$ (63,152,174)
Undistributed (distributions in excess of) net investment income	$ (10,131)	$ (116,159)	$ (11,685,748)	$ 209,076	$ 35,360,583	$ 64,530,228
Accumulated net realized gain (loss)	$ 10,131	$ 116,159	$ 11,685,748	$ (209,076)	$ 426,779	$ (1,378,054)

	BME	BGY	BCF	BCX	BUI
Paid-in capital			$ (3,464)	$ (32,179)	$ (2,653)
Undistributed (distributions in excess of) net investment income	$ 4,249	$ 2,784,631	$ 52,477	$ (7,523,748)	$ (464,651)
Accumulated net realized gain (loss)	$ (4,249)	$ (2,784,631)	$ (49,013)	$ 7,555,927	$ 467,304

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Notes to Financial Statements (continued)

The tax character of distributions paid during the fiscal years ended October 31, 2013 and October 31, 2012 was as follows:

	BQY	BQR	BGR	CII	BDJ	BOE
Ordinary income						
10/31/13	$ 4,042,418	$ 1,031,216	$ 13,788,843	$ 13,908,365	$ 68,370,120	$ 74,620,843
10/31/12	$ 5,480,188	$ 875,247	$ 43,768,559	$ 29,218,120	$ 60,552,719	$ 14,977,529
Long-term capital gains						
10/31/13	1,628,628		34,432,429		32,140,223	
10/31/12	2,181,758					
Return of capital						
10/31/13		7,977,500		39,037,315		11,996,866
10/31/12		10,214,472	8,858,114	31,669,412	43,164,839	121,035,759
Total						
10/31/13	$ 5,671,046	$ 9,008,716	$ 48,221,272	$ 52,945,680	$ 100,510,343	$ 86,617,709
10/31/12	$ 7,661,946	$ 11,089,719	$ 52,626,673	$ 60,887,532	$ 103,717,558	$ 136,013,288

	BME	BGY	BCF	BCX	BUI
Ordinary income					
10/31/13	$ 6,308,117	$ 18,226,947	$ 6,692,838	$ 6,452,839	$ 14,081,651
10/31/12	$ 9,937,822	$ 19,807,805	$ 37,899,168	$ 12,305,235	$ 15,179,030
Long-term capital gains					
10/31/13	12,125,678				1,801,216
10/31/12	9,187,883		576,995		
Return of capital					
10/31/13		55,619,854	43,962,688	47,574,521	8,632,231
10/31/12		84,445,531	20,806,811	52,900,199	3,207,293
Total					
10/31/13	$ 18,433,795	$ 73,846,801	$ 50,655,526	$ 54,027,360	$ 24,515,098
10/31/12	$ 19,125,705	$ 104,253,336	$ 59,282,974	$ 65,205,434	$ 18,386,323

As of October 31, 2013, the tax components of accumulated earnings (losses) were as follows:

	BQY	BQR	BGR	CII	BDJ	BOE
Undistributed ordinary income	$ 423,978		$ 24,398,316			
Undistributed long-term capital gains	133,063		60,925,580			
Capital loss carryforwards		$ (36,460,138)		$ (87,874,196)	$ (116,008,291)	$ (110,327,643)
Net unrealized gains (losses)[1]	3,474,465	(20,866,998)	139,566,124	40,912,153	112,402,865	115,092,435
Total	$ 4,031,506	$ (57,327,136)	$ 224,890,020	$ (46,962,043)	$ (3,605,426)	$ 4,764,792

	BME	BGY	BCF	BCX	BUI
Undistributed ordinary income	$ 11,148,676				

Undistributed long-term capital gains	6,960,441				
Capital loss carryforwards		$ (543,211,607)	$ (19,517,626)	$ (105,772,029)	
Net unrealized gains (losses)[1]	71,252,621	117,945,748	(15,903,038)	(25,426,350)	$ 40,946,804
Qualified late-year losses[2]				(3,951,065)	
Total	$ 89,361,738	$ (425,265,859)	$ (35,420,664)	$ (135,149,444)	$ 40,946,804

1 The difference between book-basis and tax-basis net unrealized gains (losses) was attributable primarily to the tax deferral of losses on wash sales and straddles, the realization for tax purposes of unrealized gains/losses on certain foreign currency contracts, the realization for tax purposes of unrealized gains on investments in passive foreign investment companies, the timing and recognition of partnership income, the deferral of compensation to Trustees, the treatment of certain security lending transactions and the accounting for real estate investment trusts.

2 The Trust has elected to defer certain qualified late-year losses and recognize such losses in the year ending October 31, 2014.

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Notes to Financial Statements (continued)

As of October 31, 2013, the Trusts had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

Expires October 31,	**BQR**	**CII**	**BDJ**	**BOE**	**BGY**	**BCF**	**BCX**
2016		$ 2,664,939	$ 29,846,203	$ 72,179,602			
2017	$ 21,140,114	70,040,876	77,635,340	38,148,041	$ 467,149,104		
2018	9,080,494	2,615,197	8,526,748		55,605,462		
2019	1,795,201						
No expiration date[3]	4,444,329	12,553,184			20,457,041	$ 19,517,626	$ 105,772,029
Total	$ 36,460,138	$ 87,874,196	$ 116,008,291	$ 110,327,643	$ 543,211,607	$ 19,517,626	$ 105,772,029

3 Must be utilized prior to losses subject to expiration.

During the year ended October 31, 2013, the Trusts listed below utilized the following amounts of their respective capital loss carryforward:

BDJ	$ 80,853,622
BOE	$ 83,921,548
BGY	$ 46,429,817

As of October 31, 2013, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

	BQY	**BQR**	**BGR**	**CII**	**BDJ**	**BOE**
Tax cost	$ 82,799,083	$ 134,344,355	$ 766,465,458	$ 640,960,683	$ 1,524,858,600	$ 1,069,010,853
Gross unrealized appreciation	$ 4,500,867	$ 17,569,551	$ 142,952,755	$ 52,418,780	$ 129,240,815	$ 136,215,665
Gross unrealized depreciation	(504,843)	(36,104,415)	(5,265,759)	(7,116,202)	(7,576,255)	(11,744,550)
Net unrealized appreciation (depreciation)	$ 3,996,024	$ (18,534,864)	$ 137,686,996	$ 45,302,578	$ 121,664,560	$ 124,471,115

	BME	**BGY**	**BCF**	**BCX**	**BUI**
Tax cost	$ 199,228,693	$ 875,017,524	$ 592,724,014	$ 670,073,411	$ 313,865,159
Gross unrealized appreciation	$ 73,165,444	$ 142,394,252	$ 37,251,268	$ 2,898,554	$ 47,451,204
Gross unrealized depreciation	(681,881)	(9,438,149)	(43,058,870)	(27,638,621)	(1,606,390)
Net unrealized appreciation (depreciation)	$ 72,483,563	$ 132,956,103	$ (5,807,602)	$ (24,740,067)	$ 45,844,814

8. Concentration, Market and Credit Risk:

In the normal course of business, the Trusts invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Trusts may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Trusts; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Trusts may be exposed to counterparty credit risk, or the risk that an entity with which the Trusts have unsettled or open transactions may fail to or be unable to perform on its commitments. The Trusts manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Trusts to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Trusts exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by

their value recorded in the Statements of Assets and Liabilities, less any collateral held by the Trusts.

As of October 31, 2013, the Trusts listed below invested a significant portion of their assets in securities in the following sectors:

Utilities	BQR, BUI
Energy	BGR, BCF, BCX, BUI
Information Technology	CII
Financials	BDJ
Health Care	BME
Materials	BCF, BCX

Changes in economic conditions affecting these sectors would have a greater impact on these Trusts and could affect the value, income and/or liquidity of positions in such securities.

BOE and BGY invest a substantial amount of their assets in issuers located in a single country or a limited number of countries. When a Trust concentrates its investments in this manner, it assumes the risk that economic, political and social conditions in those countries may have a significant impact on their investment performance. Foreign issuers may not be subject to the same uniform accounting, auditing and financial reporting standards and practices as used in the

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Notes to Financial Statements (concluded)

US. Foreign securities markets may also be less liquid, more volatile, and less subject to governmental supervision not typically associated with investing in United States securities. Please see the Schedules of Investments for concentrations in specific countries.

As of October 31, 2013, the Trusts listed below had the following industry classifications:

Industry	BOE	BGY
Internet Software & Services	8%	5%
Commercial Banks	6	11
Media	6	5
Electrical Equipment	5	1
Pharmaceuticals	4	7
Machinery	3	6
Other*	68	65

* All other industries held were each less than 5%.

9. Capital Share Transactions:

There are an unlimited number of $0.001 par value common shares of beneficial interest authorized for each Trust, with the exception of CII. CII is authorized to issue 200 million shares of $0.10 par value shares, all of which were initially classified as Common Shares. The Board is authorized, however, to reclassify any unissued Common Shares to Preferred Shares without approval of Common Shareholders.

Transactions in common shares of beneficial interest during the year ended October 31, 2013 and the year ended October 31, 2012 were as follows:

Trust	Commencement of Investment Operations	Initial Public Offering	Underwriters Exercising the Over-Allotment Option
BUI	November 25, 2011	15,506,964	1,400,000

Upon commencement of operations, organization costs associated with the establishment of BUI were expensed by BUI. Offering costs incurred in connection with BUI s offering of shares have been charged against the proceeds from the initial share offering in the amount of $676,000.

Shares issued and outstanding during the year ended October 31, 2013 and the year ended October 31, 2012 increased by the following amounts as a result of dividend reinvestments:

	Year Ended October 31, 2013	Year Ended October 31, 2012
BQR		43,408
BME	31,115	100,332

Shares issued and outstanding remained constant for BQY, BGR, CII, BDJ, BOE, BGY, BCF and BCX for the year ended October 31, 2013 and the year ended October 31, 2012.

10. Subsequent Events:

Management s evaluation of the impact of all subsequent events on the Trusts financial statements was completed through the date the financial statements were issued and the following items were noted:

Certain Trusts paid a net investment income dividend on November 29, 2013 to shareholders of record on November 15, 2013 as follows:

	Common Dividend per Share
BQY	$ 0.23000
BOE	$ 0.31165
BUI	$ 0.36250

Additionally, certain Trusts declared a net investment income dividend and special distribution in the following amounts per share on December 9, 2013 payable to shareholders of record on December 20, 2013 as follows:

	Common Dividend per Share
BQR	$ 0.179250
BGR[1]	$ 2.905000
CII	$ 0.300000
BDJ	$ 0.140000
BME[2]	$ 2.339975
BGY	$ 0.167850
BCF	$ 0.174800
BCX	$ 0.231200

[1] Includes special distribution of which $0.454000 is ordinary income and $2.046000 is long-term capital gains.

[2] Includes special distribution of which $1.010000 is ordinary income and $0.900000 is long-term capital gains.

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Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of BlackRock Dividend Income Trust (formerly known as BlackRock S&P Quality Rankings Global Equity Managed Trust), BlackRock EcoSolutions Investment Trust, BlackRock Energy and Resources Trust, BlackRock Enhanced Equity Dividend Trust, BlackRock Global Opportunities Equity Trust, BlackRock Health Sciences Trust, BlackRock International Growth and Income Trust, BlackRock Real Asset Equity Trust, BlackRock Resources & Commodities Strategy Trust, BlackRock Utility and Infrastructure Trust, and the Board of Directors and Shareholders of BlackRock Enhanced Capital and Income Fund, Inc.:

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of BlackRock Dividend Income Trust (formerly known as BlackRock S&P Quality Rankings Global Equity Managed Trust), BlackRock EcoSolutions Investment Trust, BlackRock Energy and Resources Trust, BlackRock Enhanced Capital and Income Fund, Inc., BlackRock Enhanced Equity Dividend Trust, BlackRock Global Opportunities Equity Trust, BlackRock Health Sciences Trust, BlackRock International Growth and Income Trust, BlackRock Real Asset Equity Trust, and BlackRock Utility and Infrastructure Trust, as of October 31, 2013, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two periods presented, and the financial highlights for each of the periods presented. We have also audited the consolidated statement of assets and liabilities, including the consolidated schedule of investments of BlackRock Resources & Commodities Strategy Trust (collectively with BlackRock Dividend Income Trust (formerly known as BlackRock S&P Quality Rankings Global Equity Managed Trust), BlackRock EcoSolutions Investment Trust, BlackRock Energy and Resources Trust, BlackRock Enhanced Capital and Income Fund, Inc., BlackRock Enhanced Equity Dividend Trust, BlackRock Global Opportunities Equity Trust, BlackRock Health Sciences Trust, BlackRock International Growth and Income Trust, BlackRock Real Asset Equity Trust, and BlackRock Utility and Infrastructure Trust, the Trusts), as of October 31, 2013, and the related consolidated statements of operations and cash flows for the year then ended, the consolidated statements of changes in net assets for each of the two years in the period then ended, and the consolidated financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Trusts management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards

require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trusts are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2013, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock Dividend Income Trust (formerly known as BlackRock S&P Quality Rankings Global Equity Managed Trust), BlackRock EcoSolutions Investment Trust, BlackRock Energy and Resources Trust, BlackRock Enhanced Capital and Income Fund, Inc., BlackRock Enhanced Equity Dividend Trust, BlackRock Global Opportunities Equity Trust, BlackRock Health Sciences Trust, BlackRock International Growth and Income Trust, BlackRock Real Asset Equity Trust, and BlackRock Utility and Infrastructure Trust, the results of their operations and cash flows for the year then ended, the changes in their net assets and the financial highlights for each of the periods presented, and the consolidated financial position of BlackRock Resources & Commodities Strategy Trust, the consolidated results of its operations and cash flows for the year then ended, the consolidated changes in its net assets for each of the two years in the period then ended, and its consolidated financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Philadelphia, Pennsylvania

December 23, 2013

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Important Tax Information (Unaudited)

The following information is provided with respect to the distributions paid during the taxable period ended October 31, 2013.

	Payable Date	Long-Term Capital Gains	Non-Taxable Return of Capital	Qualified Dividend Income for Individuals[1]	Dividends Qualifying for the Dividends Received Deduction for Corporations[1]	Short-Term Capital Gain Dividends for Non-U.S. Residents[2]	Foreign Source Income	Foreign Taxes Paid[3]
BQY	11/30/12	23.86%		35.15%	29.37%			
	2/28/13 - 8/30/13	30.48%		41.84%	26.79%	56.07%		
BQR	12/31/12			28.65%	23.48%			
	3/28/13 - 9/30/13		100.00%					
BGR	12/31/12			13.55%	9.71%			
	3/28/13 - 9/30/13	95.21%		1.30%	0.85%	4.79%		
CII	12/31/12			31.47%	30.75%			
	3/28/13 - 9/30/13		98.31%	1.69%	1.69%			
BDJ	12/31/12			39.55%	39.86%			
	3/28/13 - 9/30/13	42.64%		43.06%	37.66%			
BOE	11/30/12			15.47%	11.67%			
	2/28/13 - 8/30/13		18.47%	18.52%	5.84%		10.90%	1.56%
BME	12/31/12	84.06%		4.54%	3.89%	15.25%		
	3/28/13 - 9/30/13	45.95%		11.46%	8.67%	49.08%		
BGY	12/31/12			7.54%			3.24%	0.10%
	3/28/13 - 9/30/13		100.00%					
BCF	12/31/12			17.23%	13.15%			
	3/28/13 - 9/30/13		100.00%					
BCX	12/31/12			15.45%	6.88%			
	3/28/13 - 9/30/13		100.00%					
BUI	11/30/12			47.00%	21.47%			
	2/28/13 - 8/30/13	9.80%	46.95%	37.17%	23.03%	29.22%		

1 The Trusts hereby designate the percentages indicated above to the maximum amount allowable by law.

2 Represents the portion of the dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

3 The foreign taxes paid represent taxes incurred by the fund on dividends received from foreign sources. Foreign taxes paid may be included in taxable income with an offsetting deduction from gross income or may be taken as a credit for taxes paid to foreign governments. You should consult your tax advisor regarding the appropriate treatment of foreign taxes paid.

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Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement

The Board of Directors or Trustees, as applicable (each, a Board, collectively, the Boards, and the members of which are referred to as Board Members) of BlackRock Dividend Income Trust (BQY), BlackRock EcoSolutions Investment Trust (BQR), BlackRock Energy and Resources Trust (BGR), BlackRock Enhanced Capital and Income Fund, Inc. (CII), BlackRock Enhanced Equity Dividend Trust (BDJ), BlackRock Global Opportunities Equity Trust (BOE), BlackRock Health Sciences Trust (BME), BlackRock International Growth and Income Trust (BGY), BlackRock Real Asset Equity Trust (BCF), BlackRock Resources & Commodities Strategy Trust (BCX) and BlackRock Utility and Infrastructure Trust (BUI and together with BQY, BQR, BGR, CII, BDJ, BOE, BME, BGY, BCF and BCX, each a Fund, and, collectively, the Funds) met in person on April 18, 2013 (the April Meeting) and June 4-5, 2013 (the June Meeting) to consider the approval of each Fund s investment advisory agreement (each, an Advisory Agreement) with BlackRock Advisors, LLC (the Manager), each Fund s investment advisor. The Board of each of BQY, BQR, BGR, CII, BDJ, BGY, BCF, BCX and BUI also considered the approval of one or more sub-advisory agree-ment(s) (each, a Sub-Advisory Agreement) among its Fund, the Manager, and its sub-advisor(s), BlackRock Financial Management, Inc. with respect to BQY, BGR, CII, BDJ and BUI, BlackRock Investment Management, LLC with respect to BQR, CII, BCF and BUI, BlackRock International Ltd. with respect to BQR, BGR, BCF and BCX, and BlackRock Capital Management, Inc. with respect to BGY, BCF and BCX (each, a Sub-Advisor). The Manager and the Sub-Advisor are referred to herein as BlackRock. The Advisory Agreements and the Sub-Advisory Agreements are referred to herein as the Agreements.

Activities and Composition of the Board

Each Board consists of eleven individuals, nine of whom are not interested persons of such Fund as defined in the Investment Company Act of 1940 (the 1940 Act) (the Independent Board Members). The Board Members are responsible for the oversight of the operations of the Funds and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chairman of each Board is an Independent Board Member. Each Board has established six standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee, an Executive Committee, and a Leverage Committee, each of which is chaired by an Independent Board Member and composed of Independent Board Members (except for the Executive Committee and the Leverage Committee, each of which also has one interested Board Member).

The Agreements

Pursuant to the 1940 Act, the Boards are required to consider the continuation of the Agreements on an annual basis. The Boards have four quarterly meetings per year, each extending over two days, and a fifth one-day meeting to consider specific information surrounding the consideration of renewing the Agreements. In connection with this process, the Boards assessed, among other things, the nature, scope

and quality of the services provided to the Funds by BlackRock, its personnel and its affiliates, including investment management, administrative and shareholder services, oversight of fund accounting and custody, marketing services, risk oversight, compliance and assistance in meeting applicable legal and regulatory requirements.

The Boards, acting directly and through their respective committees, considered at each of their meetings, and from time to time as appropriate, factors that are relevant to their annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Funds and their shareholders. Among the matters the Boards considered were: (a) investment performance for one-year, three-year, five-year and/or since inception periods, as applicable, against peer funds, and applicable benchmarks, if any, as well as senior management s and portfolio managers analysis of the reasons for any over-performance or underperformance against their peers and/or benchmark, as applicable; (b) fees, including advisory, administration, if applicable, and other amounts paid to BlackRock and its affiliates by the Funds for services such as call center; (c) Fund operating expenses and how BlackRock allocates expenses to the Funds; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Funds investment objectives, policies and restrictions; (e) the Funds compliance with their Code of Ethics and other compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock s and other service providers internal controls and risk and compliance oversight mechanisms; (h) BlackRock s implementation of the proxy voting policies approved by the Boards; (i) the use of brokerage commissions and execution quality of portfolio transactions; (j) BlackRock s implementation of the Funds valuation and liquidity procedures; (k) an analysis of management fees for products with similar investment objectives across the open-end fund, closed-end fund and institutional account product channels, as applicable; (l) BlackRock s compensation methodology for its investment professionals and the incentives it creates; and (m) periodic updates on BlackRock s business.

The Boards have engaged in an ongoing strategic review with BlackRock of opportunities to consolidate funds and of BlackRock s commitment to investment performance. In addition, the Boards requested and BlackRock provided an analysis of fair valuation and stale pricing policies. BlackRock also furnished information to the Boards in response to specific questions. These questions covered issues such as BlackRock s profitability, investment performance and management fee levels. The Boards further considered the importance of: (i) organizational and structural variables to investment performance; (ii) rates of portfolio turnover; (iii) BlackRock s performance accountability for portfolio managers; (iv) marketing support for the funds; (v) services provided to the Funds by BlackRock affiliates; and (vi) BlackRock s oversight of relationships with third party service providers.

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Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement (continued)

Board Considerations in Approving the Agreements

The Approval Process: Prior to the April Meeting, the Boards requested and received materials specifically relating to the Agreements. The Boards are engaged in a process with its independent legal counsel and BlackRock to review the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the April Meeting included (a) information independently compiled and prepared by Lipper, Inc. (Lipper) on Fund fees and expenses as compared with a peer group of funds as determined by Lipper (Expense Peers) and the investment performance of the Funds as compared with a peer group of funds as determined by Lipper1 as well as the investment performance of each of BQY, BGR, CII, BDJ, BOE, BME, BGY and BUI as compared with its custom benchmark; (b) information on the profits realized by BlackRock and its affiliates pursuant to the Agreements and a discussion of fall-out benefits to BlackRock and its affiliates; (c) a general analysis provided by BlackRock concerning investment management fees charged to other clients, such as institutional clients and open-end funds, under similar investment mandates, as applicable; (d) review of non-management fees; (e) the existence, impact and sharing of potential economies of scale; (f) a summary of aggregate amounts paid by each Fund to BlackRock and (g) if applicable, a comparison of management fees to similar BlackRock closed-end funds, as classified by Lipper.

At the April Meeting, the Boards reviewed materials relating to their consideration of the Agreements. As a result of the discussions that occurred during the April Meeting, and as a culmination of the Boards year-long deliberative process, the Boards presented BlackRock with questions and requests for additional information. BlackRock responded to these requests with additional written information in advance of the June Meeting.

At the June Meeting, each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund, and the Board, including the Independent Board Members, of each of BQY, BQR, BGR, CII, BDJ, BGY, BCF, BCX and BUI, unanimously approved the continuation of the Sub-Advisory Agreement among the Manager, the Sub-Advisor, and its Fund, each for a one-year term ending June 30, 2014. In approving the continuation of the Agreements, the Boards considered: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Funds and BlackRock; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with the Funds; (d) the Funds costs to investors compared to the costs of Expense Peers and performance compared to the relevant performance comparison as previously discussed; (e) economies of scale; (f) fall-out benefits to BlackRock as a result of its relationship with the Funds; and (g) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as payments made to BlackRock or its affiliates relating to securities lending, services related to the valuation and pricing of Fund portfolio holdings, direct and indirect benefits to BlackRock and its affiliates from their relationship with the Funds and advice from independent legal counsel with respect to the review process and materials submitted for the Boards review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as determinative, and each Board Member may have attributed different weights to the various items considered.

A. Nature, Extent and Quality of the Services Provided by BlackRock

The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of the Funds. Throughout the year, the Boards compared Fund performance to the performance of a comparable group of closed-end funds and/or the performance of a relevant benchmark, if any. The Boards met with BlackRock s senior management personnel responsible for investment operations, including the senior investment officers. Each Board also reviewed the materials provided by its Fund s portfolio management team discussing the Fund s performance and the Fund s investment objective, strategies and outlook.

The Boards considered, among other factors, with respect to BlackRock: the number, education and experience of investment personnel generally and their Funds portfolio management teams; investments by portfolio managers in the funds they manage; portfolio trading capabilities; use of technology; commitment to compliance; credit analysis capabilities; risk analysis and oversight capabilities; and the approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards engaged in a review of BlackRock s compensation structure with respect to their Funds portfolio management teams and BlackRock s ability to attract and retain high quality talent and create performance incentives.

In addition to advisory services, the Boards considered the quality of the administrative and other non-investment advisory services provided to the Funds. BlackRock and its affiliates provide the Funds with certain services (in addition to any such services provided to the Funds by third parties) and officers and other personnel as are necessary for the operations of the Funds. In particular, BlackRock and its affiliates provide the Funds with the following administrative services including, among others: (i) preparing disclosure documents, such as the prospectus, the summary prospectus (as applicable) and the statement of additional information in connection with the initial public offering and periodic shareholder reports; (ii) preparing communications with analysts to support secondary market trading of the Funds; (iii) assisting with daily accounting and pricing; (iv) preparing periodic filings

[1] Lipper ranks funds in quartiles, ranging from first to fourth, where first is the most desirable quartile position and fourth is the least desirable.

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Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement (continued)

with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; (viii) furnishing analytical and other support to assist the Boards in their consideration of strategic issues such as the merger or consolidation of certain closed-end funds; and (ix) performing other administrative functions necessary for the operation of the Funds, such as tax reporting, fulfilling regulatory filing requirements and call center services. The Boards reviewed the structure and duties of BlackRock s fund administration, shareholder services, legal and compliance departments and considered BlackRock s policies and procedures for assuring compliance with applicable laws and regulations.

B. The Investment Performance of the Funds and BlackRock

Each Board, including the Independent Board Members, also reviewed and considered the performance history of its Funds. In preparation for the April Meeting, the Boards worked with its independent legal counsel, BlackRock and Lipper to develop a template for, and were provided with reports independently prepared by Lipper, which included a comprehensive analysis of each Fund s performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock, which analyzed various factors that affect Lipper s rankings. In connection with their review, each Board received and reviewed information regarding the investment performance, based on net asset value (NAV), of its Fund as compared to other funds in its applicable Lipper category, and with respect to BQY, BGR, CII, BDJ, BOE, BME, BGY and BUI, the investment performance of the Fund as compared with its custom benchmark. The Boards were provided with a description of the methodology used by Lipper to select peer funds and periodically meets with Lipper representatives to review their methodology. Each Board and its Performance Oversight Committee regularly review, and meet with Fund management to discuss, the performance of its Fund throughout the year.

The Board of BUI noted that BUI s performance exceeded its customized benchmark during the one-year period reported. BlackRock believes that performance relative to the customized benchmark is an appropriate performance metric for BUI.

The Board of each of BQY, BGR, CII, BDJ, BOE, BME and BGY noted that its respective Fund underperformed its customized benchmark during the one-year period reported. BlackRock believes that performance relative to the customized benchmark is an appropriate performance metric for each of BQY, BGR, CII, BDJ, BOE, BME and BGY. The Board of each of BQY, BGR, CII, BDJ, BOE, BME and BGY and BlackRock reviewed and discussed the reasons for its respective Fund s underperformance during the one-year period compared to the Fund s customized benchmark.

The Board of BQY was informed that, among other things, an underweight to financials and stock selection within the sector was the largest detractor from relative returns during the period. Also, negative stock selection in healthcare and consumer discretionary and BQY s cash

position proved detrimental relative to the customized benchmark returns during the period.

The Board of BGR was informed that, among other things, relative underperformance to the customized benchmark occurred in the first half of 2012, at a time in which the energy sector underperformed the market and was one of the weakest performing sectors in the broad equity market. Exposure weighting to oil, gas and especially coal producers within the strategy hindered performance relative to the customized benchmark during this time.

The Board of CII was informed that, among other things, stock selection was the driving factor behind CII s underperformance. The largest detractor from performance was an underweight exposure to the financial sector as well as stock selection in the group. In addition, stock selection in information technology and healthcare detracted from returns.

The Board of BDJ was informed that, among other things, the largest detractor from relative performance during the past year was a combination of stock selection and an underweight to the financial sector.

The Board of each of BOE and BGY was informed that, among other things, stock selection in industrials and commodities contributed to its respective Fund s underperformance compared to the Fund s customized benchmark.

The Board of BME was informed that, among other things, the largest performance detractor, health care providers and services, was hampered by the team s overweight allocation to the managed care industry, which declined due to the uncertain business impact from healthcare reform. Furthermore, stock selection in the health care services industry hurt relative performance.

The Board of BQR noted that BQR ranked in the second, fourth and fourth quartiles against its Lipper Performance Universe for the one-, three- and five-year periods reported, respectively. The Board of BQR noted BQR s improved performance, relative to its peers, during the one-year period. The Board of BQR and BlackRock reviewed and discussed the reasons for the Fund s underperformance during the three- and five-year periods compared to its Lipper Performance Universe. BQR s Board was informed that, among other things, over the past three- and five-years on an absolute basis, the new-energy sector was the largest detractor from performance. The new-energy sector underperformed broader markets over this period (as well as the water sector and the agriculture sector). The majority of the underperformance in the new-energy sector was due to exposure to the renewable energy sector.

The Board of BCF noted that BCF ranked in the third, fourth and fourth quartiles against its Lipper Performance Universe for the one-, three- and five-year periods reported, respectively. The Board of BCF and BlackRock reviewed and discussed the reasons for the Fund s underperformance during these periods compared to its Lipper Performance Universe. BCF s Board was informed that, among other things, the energy and materials sectors had underperformed most other broad

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Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement (continued)

market sectors, causing BCF to underperform its sector equity peer universe. The energy segment was flat on the year in terms of absolute performance, but detracted from performance relative to the peer universe as energy was one of the weakest performing sectors in the broad market. Performance among energy subgroups was mixed. Exposure to coal names and oil service names also hindered performance. Over the longer-term three- and five-year periods, the sector allocations to energy and materials were the primary cause for underperformance versus the Lipper Performance Universe.

The Board of BCX noted that BCX ranked in the fourth and third quartiles against its Lipper Performance Universe for the one-year and since-inception periods reported, respectively. The Board of BCX and BlackRock reviewed and discussed the reasons for the Fund s underperformance during these periods compared to its Lipper Performance Universe. BCX s Board was informed that, among other things, the energy and materials sectors had underperformed most other broad market sectors, causing BCX to underperform its sector equity Lipper Performance Universe, which includes many funds exposed to stronger-performing sectors. The underperformance of commodity-related sectors has been the key factor in BCX s underperformance of its peer group since inception. The metals sector had the strongest negative impact on the one-year return. This was largely due to exposure to gold and silver miners, which suffered through much of the year and particularly in the fourth quarter. The energy sleeve was flat on the year in absolute terms, but hindered performance relative to peers as energy was weaker than both the broad market and most other sectors in 2012.

The Board of each of BQY, BQR, BGR, CII, BDJ, BOE, BME, BGY, BCF and BCX and BlackRock also discussed BlackRock s strategy for improving its respective Fund s performance and BlackRock s commitment to providing the resources necessary to assist its respective Fund s portfolio managers and to improve its respective Fund s performance.

BlackRock and the Board of each of BGR, CII, BOE, BGY, BCF and BCX previously had concurred, given each Fund s poor historical performance, in making certain changes within the Fund s portfolio management team. Both BlackRock and the Board of each of BGR, CII, BOE, BGY, BCF and BCX are hopeful that the change in portfolio management will result in improved performance going forward, although there can be no assurance that will be the case. The Board of each of BGR, CII, BOE, BGY, BCF and BCX will continue to monitor its respective Fund s performance.

The Board of BQY also noted that BQY will undergo a change in its investment strategy, and in connection with that, changed its name from BlackRock S&P Quality Rankings Global Equity Managed Trust to BlackRock Dividend Income Trust, effective as of August 13, 2013.

The Boards noted that BlackRock has recently made, and continues to make, changes to the organization of BlackRock s overall portfolio management structure designed to result in strengthened leadership teams.

C. Consideration of the Advisory/Management Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Funds

Each Board, including the Independent Board Members, reviewed its Fund s contractual management fee rate compared with the other funds in its Lipper category. The contractual management fee rate represents a combination of the advisory fee and any administrative fees, before taking into account any reimbursements or fee waivers. Each Board also compared its Fund s total net operating expense ratio, as well as actual management fee rate, to those of other funds in its Lipper category. The total net operating expense ratio and actual management fee rate both give effect to any expense reimbursements or fee waivers that benefit the funds. The Boards considered the services provided and the fees charged by BlackRock to other types of clients with similar investment mandates, including institutional accounts.

The Boards received and reviewed statements relating to BlackRock s financial condition. The Boards were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Funds. The Boards reviewed BlackRock s profitability with respect to the Funds and other funds the Boards currently oversee for the year ended December 31, 2012 compared to available aggregate profitability data provided for the prior two years. The Boards reviewed BlackRock s profitability with respect to certain other fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock s assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, precision of expense allocations and business mix. As a result, comparing profitability is difficult.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Boards reviewed BlackRock s overall operating margin, in general, compared to that of certain other publicly-traded asset management firms. The Boards considered the differences between BlackRock and these other firms, including the contribution of technology at BlackRock, BlackRock s expense management, and the relative product mix.

In addition, the Boards considered the cost of the services provided to the Funds by BlackRock, and BlackRock s and its affiliates profits relating to the management of the Funds and the other funds advised by BlackRock and its affiliates. As part of its analysis, the Boards reviewed BlackRock s methodology in allocating its costs to the management of the Funds. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Boards.

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Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement (continued)

The Board of each of BQY, CII, BDJ, BME and BUI noted that its respective Fund s contractual management fee rate ranked in the first quartile relative to the Fund s Expense Peers.

The Board of each of BGR, BCF, BOE and BCX noted that its respective Fund s contractual management fee rate ranked in the second quartile relative to the Fund s Expense Peers.

The Board of each of BQR and BGY noted that its respective Fund s contractual management fee rate ranked in the second quartile relative to the Fund s Expense Peers. After discussions between the Board of each of BQR and BGY, including the Independent Board Members, and BlackRock, the Board of BQR and the Board of BGY and BlackRock agreed to a voluntary advisory fee reduction for each Fund, which results in savings to shareholders, effective June 6, 2013.

D. Economies of Scale

Each Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its Fund increase. Each Board also considered the extent to which its Fund benefits from such economies and whether there should be changes in the advisory fee rate or breakpoint structure in order to enable the Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the asset level of the Fund.

Based on the Boards review and consideration of the issue, the Boards concluded that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering. They are typically priced at scale at a fund s inception. The Boards noted that only one closed-end fund in the Fund Complex has breakpoints in its advisory fee structure.

E. Other Factors Deemed Relevant by the Board Members

The Boards, including the Independent Board Members, also took into account other ancillary or fall-out benefits that BlackRock or its affiliates may derive from their respective relationships with the Funds, both tangible and intangible, such as BlackRock s ability to leverage its investment professionals who manage other portfolios and risk management personnel, an increase in BlackRock s profile in the investment advisory community, and the engagement of BlackRock s affiliates as service providers to the Funds, including securities lending and cash management services. The Boards also considered BlackRock s overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain registered fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that they had considered the investment by BlackRock s funds in exchange traded funds (i.e., ETFs) without any offset against the management fees payable by the funds to BlackRock.

In connection with its consideration of the Agreements, the Boards also received information regarding BlackRock s brokerage and soft dollar practices. The Boards received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace, and that shareholders are able to sell their Fund shares in the secondary market if they believe that the Fund s fees and expenses are too high or if they are dissatisfied with the performance of the Fund.

The Boards also considered the various notable initiatives and projects BlackRock performed in connection with its closed-end fund product line. These initiatives included completion of the refinancing of auction rate preferred securities; efforts to eliminate product overlap with fund mergers; ongoing services to manage leverage that has become increasingly complex; share repurchases and other support initiatives for certain BlackRock funds; and continued communications efforts with shareholders, fund analysts and financial advisers. With respect to the latter, the Independent Board Members noted BlackRock s continued commitment to supporting the secondary market for the common shares of its closed-end funds through a comprehensive secondary market communication program designed to raise investor and analyst awareness and understanding of closed-end funds. BlackRock s support services included, among other things: continuing communications concerning the refinancing efforts related to auction rate preferred securities; sponsoring and participating in conferences; communicating with closed-end fund analysts covering the BlackRock funds throughout the year; providing marketing and product updates for the closed-end funds; and maintaining and enhancing its closed-end fund website.

Conclusion

Each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund for a one-year term ending June 30, 2014, and the Board, including the Independent Board Members, of each of BQY, BQR, BGR, CII, BDJ, BGY, BCF, BCX and BUI, unanimously approved the continuation of the Sub-Advisory Agreement among the Manager, the Sub-Advisor, and its Fund, each for a one-year term ending June 30, 2014. Based upon its evaluation of all of the aforementioned factors in their totality, the Boards, including the Independent Board Members, were satisfied that the terms of the Agreements were fair and reasonable and in the best interest of the Funds and their shareholders. In arriving at their decision to approve the Agreements, the Boards did not identify any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making these determinations. The contractual fee arrangements for the Funds reflect the results of several

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Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement (concluded)

years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. As a result, the Board

Members conclusions may be based in part on their consideration of these arrangements in prior years.

Automatic Dividend Reinvestment Plans

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

After the Trusts declare a dividend or determines to make a capital gain distribution, the Reinvestment Plan Agent will acquire shares for the participants account, depending upon the following circumstances, either (i) through receipt of unissued but authorized shares from the Trust (newly issued shares) or (ii) by purchase of outstanding shares on the open market, on a Trust s primary exchange (open market purchases). If, on the dividend payment date, the net asset value per share (NAV) is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as market premium), the Reinvestment Plan Agent will invest the dividend amount in newly issued shares acquired on behalf of the participants. The number of newly issued shares to be credited to each participant s account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the dividend payment date, the dollar amount of the dividend will be divided by 95% of the market price on the dividend payment date. If, on the dividend payment date, the NAV is greater than the market price per share plus estimated brokerage commissions (such condition being referred to herein as market discount), the Reinvestment Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases. If the Reinvestment Plan Agent is unable to invest the full dividend amount in open market purchases, or if the market discount shifts to a market premium during the purchase period, the Reinvestment Plan Agent will invest any un-invested portion in newly issued shares. Investments in

newly issued shares made in this manner would be made pursuant to the same process described above and the date of issue for such newly issued shares will substitute for the dividend payment date.

Participation in the Reinvestment Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Reinvestment Plan Agent prior to the dividend record date. Additionally, the Reinvestment Plan Agent seeks to process notices received after the record date but prior to the payable date and such notices often will become effective by the payable date. Where late notices are not processed by the applicable payable date, such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

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

Each Trust reserves the right to amend or terminate the Reinvestment Plan. There is no direct service charge to participants in the Reinvestment Plan; however, each Trust reserves the right to amend the Reinvestment Plan to include a service charge payable by the participants. Participants that request a sale of shares are subject to a $0.02 per share sold brokerage commission. All correspondence concerning the Reinvestment Plan should be directed to the Reinvestment Plan Agent: Computershare Trust Company, N.A. through the internet at www.computershare.com/blackrock.com, or in writing to Computershare, P.O. Box 43078, Providence, RI 02940-3078, Telephone: (800) 699-1236. Overnight correspondence should be directed to the Reinvestment Plan Agent at 250 Royall Street, Canton MA 02021.

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Officers and Trustees

Name, Address, and Year of Birth	Position(s) Held with the Trust	Length of Time Served as a Trustee[2]	Principal Occupation(s) During Past Five Years	Number of BlackRock-Advised Registered Investment Companies (RICs) Consisting of Investment Portfolios (Portfolios) Overseen	Public Directorships
Independent Trustees[1]					
Richard E. Cavanagh 55 East 52nd Street New York, NY 10055 1946	Chairman of the Board and Trustee	Since 2003	Trustee, Aircraft Finance Trust from 1999 to 2009; Director, The Guardian Life Insurance Company of America since 1998; Director, Arch Chemical (chemical and allied products) from 1999 to 2011; Trustee, Educational Testing Service from 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Faculty Member/Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007.	28 RICs consisting of 84 Portfolios	None
Karen P. Robards 55 East 52nd Street New York, NY 10055 1950	Vice Chairperson of the Board, Chairperson of the Audit Committee and Trustee	Since 2007	Partner of Robards & Company, LLC (financial advisory firm) since 1987; Co-founder and Director of the Cooke Center for Learning and Development (a not-for-profit organization) since 1987; Director of Care Investment Trust, Inc. (health care real estate investment trust) from 2007 to 2010; Investment Banker at Morgan Stanley from 1976 to 1987.	28 RICs consisting of 84 Portfolios	AtriCure, Inc. (medical devices); Greenhill & Co., Inc.
Michael J. Castellano 55 East 52nd Street New York, NY 10055 1946	Trustee and Member of the Audit Committee	Since 2011	Chief Financial Officer of Lazard Group LLC from 2001 to 2011; Chief Financial Officer of Lazard Ltd. from 2004 to 2011; Director, Support Our Aging Religious (non-profit) since 2009; Director, National Advisory Board of Church Management at Villanova University since 2010. Trustee, Domestic Church Media Foundation since 2012.	28 RICs consisting of 84 Portfolios	None
Frank J. Fabozzi 55 East 52nd Street New York, NY 10055 1948	Trustee and Member of the Audit Committee	Since 2003	Editor of and Consultant for The Journal of Portfolio Management since 2006; Professor of Finance, EDHEC Business School since 2011; Professor in the Practice of Finance and Becton Fellow, Yale University, School of Management from 2006 to 2011; Adjunct Professor of Finance and Becton Fellow, Yale University from 1994 to 2006.	28 RICs consisting of 84 Portfolios	None
Kathleen F. Feldstein 55 East 52nd Street New York, NY 10055 1941	Trustee	Since 2005	President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital from 2000 to 2008 and Trustee Emeritus thereof since 2008; Member of the Board of Partners Community Healthcare, Inc. from 2005 to 2009; Member of the Corporation of Partners HealthCare since 1995; Trustee, Museum of Fine Arts, Boston since 1992; Member of the Visiting Committee to the Harvard University Art Museum since 2003; Director, Catholic Charities of Boston since 2009.	28 RICs consisting of 84 Portfolios	The McClatchy Company (publishing)
James T. Flynn 55 East 52nd Street New York, NY 10055	Trustee and Member of the Audit Committee	Since 2007	Chief Financial Officer of JPMorgan & Co., Inc. from 1990 to 1995.	28 RICs consisting of 84Portfolios	None

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Jerrold B. Harris 55 East 52nd Street New York, NY 10055 1942	Trustee	Since 2007	Trustee, Ursinus College since 2000; Director, Troemner LLC (scientific equipment) since 2000; Director of Delta Waterfowl Foundation from 2010 to 2012; President and Chief Executive Officer, VWR Scientific Products Corporation from 1990 to 1999.	28 RICs consisting of 84 Portfolios	BlackRock Kelso Capital Corp. (business development company)
R. Glenn Hubbard 55 East 52nd Street New York, NY 10055 1958	Trustee	Since 2004	Dean, Columbia Business School since 2004; Faculty member, Columbia Business School since 1988.	28 RICs consisting of 84 Portfolios	ADP (data and information services), KKR Financial Corporation (finance), Metropolitan Life Insurance Company (insurance)

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Officers and Trustees (continued)

Name, Address, and Year of Birth	Position(s) Held with the Trust	Length of Time Served as a Trustee[2]	Principal Occupation(s) During Past Five Years	Number of BlackRock-Advised Registered Investment Companies (RICs) Consisting of Investment Portfolios (Portfolios) Overseen	Public Directorships
Independent Trustees[1] (concluded)					
W. Carl Kester 55 East 52nd Street New York, NY 10055 1951	Trustee and Member of the Audit Committee	Since 2007	George Fisher Baker Jr. Professor of Business Administration, Harvard Business School since 2008. Deputy Dean for Academic Affairs from 2006 to 2010; Chairman of the Finance Unit, 2005 to 2006; Senior Associate Dean and Chairman of the MBA Program from 1999 to 2005; Member of the faculty of Harvard Business School since 1981.	28 RICs consisting of 84 Portfolios	None

[1] Trustees serve until their resignation, removal or death, or until December 31 of the year in which they turn 74. In 2011, 2012 and 2013, the Board of Trustees unanimously approved further extending the mandatory retirement age for James T. Flynn by one additional year, which the Board believes would be in the best interest of shareholders. Mr. Flynn can serve until December of the year in which he turns 75. Mr. Flynn turns 75 in 2014.

[2] Date shown is the earliest date a person has served for the Trusts covered by this annual report. Following the combination of Merrill Lynch Investment Managers, L.P. (MLIM) and BlackRock, Inc. (BlackRock) in September 2006, the various legacy MLIM and legacy BlackRock Fund boards were realigned and consolidated into three new fund boards in 2007. As a result, although the chart shows certain Trustees as joining the Fund s board in 2007, those Trustees first became members of the boards of other legacy MLIM or legacy BlackRock Funds as follows: Richard E. Cavanagh, 1994; Frank J. Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995 and Karen P. Robards, 1998.

Name, Address, and Year of Birth	Position(s) Held with the Trust	Length of Time Served as a Trustee	Principal Occupation(s) During Past Five Years	Number of RICs Consisting of Portfolios Overseen	Public Directorships
Interested Trustees[3]					
Paul L. Audet 55 East 52nd Street New York, NY 10055 1953	Trustee	Since 2011	Senior Managing Director of BlackRock and Head of U.S. Mutual Funds since 2011; Chair of the U.S. Mutual Funds Committee reporting to the Global Executive Committee since 2011; Head of BlackRock s Real Estate business from 2008 to 2011; Member of BlackRock s Global Operating and Corporate Risk Management Committees and of the BlackRock Alternative Investors Executive Committee and Investment Committee for the Private Equity Fund of Funds business since 2008; Head of BlackRock s Global Cash Management business from 2005 to 2010; Acting Chief Financial Officer of BlackRock from 2007 to 2008; Chief Financial Officer of BlackRock from 1998 to 2005.	147 RICs consisting of 278 Portfolios	None
Henry Gabbay 55 East 52nd Street New York, NY 10055 1947	Trustee	Since 2007	Consultant, BlackRock from 2007 to 2008; Managing Director, BlackRock from 1989 to 2007; Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; President of BlackRock Funds and BlackRock Bond Allocation Target Shares from 2005 to 2007; Treasurer of certain closed-end funds in the BlackRock fund complex from 1989 to 2006.	147 RICs consisting of 278 Portfolios	None

[3] Mr. Audet is an interested person, as defined in the 1940 Act, of the Trust based on his position with BlackRock and its affiliates as well as his ownership of BlackRock securities. Mr. Gabbay is an interested person of the Trust based on his former positions with BlackRock and its affiliates as well as his ownership of BlackRock and The PNC Financial Services Group, Inc. securities. Mr. Audet and Mr. Gabbay are also Directors of two complexes of BlackRock registered open-end funds, the BlackRock Equity-Liquidity Complex and the BlackRock Equity-Bond Complex. Trustees of the BlackRock Closed-End Complex serve until their resignation, removal or death, or until December 31 of the year in which they turn 72. The maximum age limitation may be waived as to any Trustee by action of a majority of the Trustees upon finding good cause thereof.

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Officers and Trustees (continued)

Name, Address, and Year of Birth	Position(s) Held with the Trust	Length of Time Served as a Trustee	Principal Occupation(s) During Past Five Years
Officers[1]			
John Perlowski 55 East 52nd Street New York, NY 10055 1964	President and Chief Executive Officer	Since 2011	Managing Director of BlackRock since 2009; Global Head of BlackRock Fund Services since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009.
Brendan Kyne 55 East 52nd Street New York, NY 10055 1977	Vice President	Since 2009	Managing Director of BlackRock since 2010; Director of BlackRock from 2008 to 2009; Head of Product Development and Management for BlackRock s U.S. Retail Group since 2009; and Co-head thereof from 2007 to 2009; Vice President of BlackRock from 2005 to 2008.
Robert W. Crothers 55 East 52nd Street New York, NY 10055 1981	Vice President	Since 2012	Director of BlackRock since 2011; Vice President of BlackRock from 2008 to 2010; Associate of BlackRock from 2006 to 2007.
Neal Andrews 55 East 52nd Street New York, NY 10055 1966	Chief Financial Officer	Since 2007	Managing Director of BlackRock since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006.
Jay Fife 55 East 52nd Street New York, NY 10055 1970	Treasurer	Since 2007	Managing Director of BlackRock since 2007; Director of BlackRock in 2006; Assistant Treasurer of the MLIM and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.
Brian Kindelan 55 East 52nd Street New York, NY 10055 1959	Chief Compliance Officer and Anti-Money Laundering Officer	Since 2007	Chief Compliance Officer of the BlackRock-advised funds since 2007; Managing Director and Senior Counsel of BlackRock since 2005.
Janey Ahn 55 East 52nd Street	Secretary	Since 2012	Director of BlackRock since 2009; Vice President of BlackRock from 2008 to 2009; Assistant Secretary of the Funds from 2008 to 2012; Associate at Willkie Farr & Gallagher LLP from 2006 to 2008.

New York, NY 10055

1975

[1] Officers of the Trusts serve at the pleasure of the Board.

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Officers and Trustees (concluded)

Investment Advisor

BlackRock Advisors, LLC

Wilmington, DE 19809

Sub-Advisors

BlackRock Financial Management, Inc.[1]

New York, NY 10022

BlackRock Capital Management, Inc.[2]

Wilmington, DE 19809

BlackRock Investment Management, LLC[3]

Princeton, NJ 08540

BlackRock International Ltd.[4]

Edinburgh, EH3 8JB

United Kingdom

Accounting Agent

The Bank of New York Mellon

Brooklyn, NY 11217

1 For BQY, BGR, CII, BDJ and BUI.

2 For BGY, BCF and BCX.

3 For BQR, CII, BCF and BUI.

4 For BQR, BGR, BCF and BCX.

5 For all Trusts except CII.

[6] For CII.

Custodians

The Bank of New York Mellon

New York, NY 102865

Brown Brothers, Harriman & Co.

Boston, MA 02109[6]

Transfer Agent

Computershare Trust Company, N.A.

Canton, MA 02021

Independent Registered Public Accounting Firm

Deloitte & Touche LLP

Philadelphia, PA 19103

Legal Counsel

Skadden, Arps, Slate, Meagher & Flom LLP

New York, NY 10036

Address of the Trusts

100 Bellevue Parkway

Wilmington, DE 19809

Additional Information

Proxy Results

The Annual Meeting of Shareholders was held on July 30, 2013, for shareholders of record on June 3, 2013, to elect trustee nominees for each Trust. There were no broker non-votes with regard to any of the Trusts.

Approved the Class III Trustees as follows, except for CII:

	Richard E. Cavanagh			Kathleen F. Feldstein			Henry Gabbay			Jerrold B. Harris		
	Votes For	**Votes Withheld**	**Abstain**	**Votes For**	**Votes Withheld**	**Abstain**	**Votes For**	**Votes Withheld**	**Abstain**	**Votes For**	**Votes Withheld**	**Abstain**
BQY	4,419,899	63,434	0	4,416,512	66,821	0	4,420,811	62,522	0	4,415,678	67,655	0
BQR	8,645,501	251,776	0	8,633,212	264,065	0	8,641,800	255,477	0	8,628,966	268,311	0
BGR	23,527,994	761,485	0	23,495,945	793,534	0	23,531,780	757,699	0	23,520,283	769,196	0
BDJ	154,309,754	3,407,204	0	153,957,579	3,759,379	0	154,282,092	3,434,866	0	154,043,875	3,673,083	0
BOE	56,652,939	1,790,559	0	56,584,254	1,859,244	0	56,687,771	1,755,727	0	56,626,134	1,817,364	0
BME	6,572,170	91,415	0	6,569,612	93,973	0	6,568,539	95,046	0	6,569,090	94,495	0
BGY	90,511,155	3,960,380	0	90,270,437	4,201,098	0	90,483,598	3,987,937	0	90,404,219	4,067,316	0
BCF	46,375,325	1,421,414	0	46,356,309	1,440,430	0	46,438,721	1,358,018	0	46,343,074	1,453,665	0
BCX	41,963,114	773,510	0	41,907,237	829,387	0	42,005,677	730,947	0	41,984,113	752,511	0
BUI	14,952,530	301,061	0	14,970,157	283,434	0	14,949,801	303,790	0	14,947,907	305,684	0

For the Trusts listed above, Trustees whose term of office continued after the Annual Meeting of Shareholders because they were not up for election are Paul L. Audet, Michael J. Castellano, Frank J. Fabozzi, James T. Flynn, R. Glenn Hubbard, W. Carl Kester and Karen P. Robards.

Approved the Directors as follows for CII only:

	Votes For	**Votes Withheld**	**Abstain**
Paul L. Audet	37,404,929	2,096,245	0
Michael J. Castellano	37,249,769	2,251,405	0
Richard E. Cavanagh	37,360,584	2,140,590	0
Frank J. Fabozzi	37,604,519	1,896,655	0
Kathleen F. Feldstein	37,138,934	2,362,240	0
James T. Flynn	37,267,120	2,234,054	0
Henry Gabbay	37,641,045	1,860,129	0
Jerrold B. Harris	37,245,309	2,255,865	0
R. Glenn Hubbard	37,600,733	1,900,441	0
W. Carl Kester	37,655,093	1,846,081	0
Karen P. Robards	37,376,089	2,125,085	0

Trust Certification

All Trusts, other than BQY which is listed on NYSE MKT, are listed for trading on the NYSE. All Trusts have filed with the relevant exchange their annual chief executive officer certification regarding compliance with such exchange s listing standards. The Trusts filed with the SEC the certification of its chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

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Additional Information (continued)

General Information

The Trusts do not make available copies of their Statements of Additional Information because the Trusts shares are not continuously offered, which means that the Statement of Additional Information of each Trust has not been updated after completion of the respective Trust s offerings and the information contained in each Trust s Statement of Additional Information may have become outdated.

On June 4, 2013, the Board of BQY approved changes to certain non-fundamental investment policies of the Trust.

The Board of BQY approved changes to the Trust s investment policy of investing, under normal market conditions, at least 80% of its assets in equity securities that are included in the Standard & Poor s Earnings and Dividend Quality Ranking System (S&P U.S. Quality Rankings) or the Standard and Poor s International Quality Rankings System (S&P International Quality Rankings) (together, S&P Quality Rankings) that are rated at least B+ by Standard & Poor ®, a division of The McGraw-Hill Companies, Inc. at time of investment. This investment policy has been revised to allow BQY to invest, under normal market conditions, at least 80% of its total assets in dividend paying equity securities. Under BQY s new investment policy, the Trust is particularly dependent on the analytical abilities of BlackRock.

In addition, the Board of BQY also approved the removal of the Trust s investment policy of investing, under normal market conditions, at least 40% of its assets in equity securities of non-U.S. issuers. This investment policy has been removed to permit BQY to invest more broadly across both U.S. and non-U.S. issuers.

The Board of BQY has approved the foregoing changes to the investment policies as a consequence of the fundamental analysis-based investment process utilized by BQY s portfolio managers, under which the application of either (i) the S&P Quality Rankings as an investable universe or (ii) a policy requiring a significant portion of total assets to be invested in non-U.S. equity securities is unduly restrictive in the current market environment. While the proposed changes will no longer reflect the use of a third party quality-based rankings system, the BQY s portfolio management team emphasizes an evaluation of both franchise and management quality as inputs to their fundamental analysis-based investment process. The approved changes will not alter BQY s investment objective.

BQY was required to provide shareholders 60 days notice of the change to the investment policies described above. Accordingly, a notice describing the changes discussed above were mailed to shareholders of record as of June 7, 2013. No action was required by shareholders of BQY in connection with this change. Upon the completion of the 60-day notice period, the changes to BQY s investment policies became effective and BQY s name was changed on August 13, 2013 to reflect such changes in the investment policies. BQY continues to trade on the NYSE MKT under its current ticker symbol.

During the period, other than the changes noted above, there were no material changes in the Trusts investment objectives or policies or to the Trusts charters or by-laws that would delay or prevent a change of control of the Trusts that were not approved by the shareholders or in the principal risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts portfolios.

Quarterly performance, semi-annual and annual reports and other information regarding the Trusts may be found on BlackRock s website, which can be accessed at http://www.blackrock.com. This reference to BlackRock s website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended to, incorporate BlackRock s website in this report.

Electronic Delivery

Electronic copies of most financial reports are available on the Trusts websites or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports by enrolling in the Trusts electronic delivery program.

Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:

Please contact your financial advisor. Please note that not all investment advisors, banks or brokerages may offer this service.

Householding

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called householding and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Trusts at (800) 882-0052.

Availability of Quarterly Schedule of Investments

The Trusts file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trusts Forms N-Q are available on the SEC s website at http:// www.sec.gov. and may also be reviewed and copied at the SEC s Public Reference Room in Washington, DC. Information on how to access documents on the SEC s website without charge may be obtained by calling (800) SEC-0330. The Trusts Forms N-Q may also be obtained upon request and without charge by calling (800) 882-0052.

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Additional Information (concluded)

General Information (concluded)

Availability of Proxy Voting Policies and Procedures

A description of the policies and procedures that the Trusts use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling
(800) 882-0052; (2) at http://www.blackrock.com; and (3) on the SEC s website at http:// www.sec.gov.

Availability of Proxy Voting Record

Information about how the Trusts voted proxies relating to securities held in the Trusts portfolio during the most recent 12-month period ended June 30 is available upon request and without charge (1) at http:// www.blackrock.com or by calling (800) 882-0052 and (2) on the SEC s website at http://www.sec.gov.

Availability of Trust Updates

BlackRock will update performance and certain other data for the Trusts on a monthly basis on its website in the Closed-end Funds section of http://www.blackrock.com. Investors and others are advised to periodically check the website for updated performance information and the release of other material information about the Trusts. This reference to BlackRock s website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended to, incorporate BlackRock s website in this report.

Dividend Policy

Each Trust s dividend policy is to distribute all or a portion of its net investment income to its shareholders on a quarterly basis. In order to provide shareholders with a more stable level of dividend distributions, the dividends paid by the Trusts for any particular quarter may be more or less than the amount of net investment income earned by the Trusts during such quarter. The portion of dividend distributions that exceeds a Trust s current and accumulated earnings and profits, which are measured on a tax basis, will constitute a nontaxable return of capital.

Dividend distributions in excess of a Trust s taxable income and net capital gains, but not in excess of a Trust s earnings and profits, will be taxable to shareholders as ordinary income and will not constitute a non-taxable return of capital. The Trusts current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, Clients) and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following:
(i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information

about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

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CEF-BK11- 10/13-AR

Item 2 Code of Ethics The registrant (or the Fund) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. During the period covered by this report, there have been no amendments to or waivers granted under the code of ethics. A copy of the code of ethics is available without charge at www.blackrock.com.

Item 3 Audit Committee Financial Expert The registrant s board of directors (the board of directors), has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent:

Michael Castellano

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

The registrant s board of directors has determined that W. Carl Kester and Karen P. Robards qualify as financial experts pursuant to Item 3(c)(4) of Form N-CSR.

Prof. Kester has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Prof. Kester has been involved in providing valuation and other financial consulting services to corporate clients since 1978. Prof. Kester s financial consulting services present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant s financial statements.

Ms. Robards has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Ms. Robards has been President of Robards & Company, a financial advisory firm, since 1987. Ms. Robards was formerly an investment banker for more than 10 years where she was responsible for evaluating and assessing the performance of companies based on their financial results. Ms. Robards has over 30 years of experience analyzing financial statements. She also is a member of the audit committee of one publicly held company and a non-profit organization.

Under applicable securities laws, a person determined to be an audit committee financial expert will not be deemed an expert for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification. The designation or identification of a person as an audit committee financial expert does not affect the duties, obligations, or liability of any other member of the audit committee or board of directors.

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Item 4 Principal Accountant Fees and Services

The following table presents fees billed by Deloitte & Touche LLP (D&T) in each of the last two fiscal years for the services rendered to the Fund:

Entity Name	(a) Audit Fees Current Fiscal Year End	(a) Audit Fees Previous Fiscal Year End	(b) Audit-Related Fees[1] Current Fiscal Year End	(b) Audit-Related Fees[1] Previous Fiscal Year End	(c) Tax Fees[2] Current Fiscal Year End	(c) Tax Fees[2] Previous Fiscal Year End	(d) All Other Fees[3] Current Fiscal Year End	(d) All Other Fees[3] Previous Fiscal Year End
BlackRock Resources & Commodities Strategy Trust	$50,513	$48,500	$0	$0	$14,850	$14,350	$0	$0

The following table presents fees billed by D&T that were required to be approved by the registrant s audit committee (the Committee) for services that relate directly to the operations or financial reporting of the Fund and that are rendered on behalf of BlackRock Advisors, LLC (Investment Adviser or BlackRock) and entities controlling, controlled by, or under common control with BlackRock (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) that provide ongoing services to the Fund (Fund Service Providers):

	Current Fiscal Year End	Previous Fiscal Year End
(b) Audit-Related Fees[1]	$0	$0
(c) Tax Fees[2]	$0	$0
(d) All Other Fees[3]	$2,865,000	$2,970,000

[1] The nature of the services includes assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

[2] The nature of the services includes tax compliance, tax advice and tax planning.

[3] Aggregate fees borne by BlackRock in connection with the review of compliance procedures and attestation thereto performed by D&T with respect to all of the registered closed-end funds and some of the registered open-end funds advised by BlackRock.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:

The Committee has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the Investment Adviser and Fund Service Providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are (a) consistent with the SEC s auditor independence rules and (b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis (general pre-approval). The term of any general pre-approval is 12 months from the date of the pre-approval, unless the Committee provides for a different period. Tax or other non-audit services provided to the registrant which have a direct impact on the operations or financial reporting of the registrant will only be deemed pre-approved provided that any individual project does not exceed $10,000 attributable to the registrant or $50,000 per project. For this purpose, multiple projects will be aggregated to determine if they exceed the previously mentioned cost levels.

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Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to the Committee Chairman the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

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

(f) Not Applicable

(g) The aggregate non-audit fees paid to the accountant for services rendered by the accountant to the registrant, the Investment Adviser and the Fund Service Providers were:

Entity Name	Current Fiscal Year End	Previous Fiscal Year End
BlackRock Resources & Commodities Strategy Trust	$14,850	$14,350

Additionally, SSAE 16 Review (Formerly, SAS No. 70) fees for the current and previous fiscal years of $2,865,000 and $2,970,000, respectively, were billed by D&T to the Investment Adviser.

(h) The Committee has considered and determined that the provision of non-audit services that were rendered to the Investment Adviser, and the Fund Service Providers that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant s independence.

Item 5 Audit Committee of Listed Registrants

(a) The following individuals are members of the registrant s separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(58)(A)):

Michael Castellano

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

(b) Not Applicable

Item 6 Investments

(a) The registrant s Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this Form.

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(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies The board of directors has delegated the voting of proxies for the Fund s portfolio securities to the Investment Adviser pursuant to the Investment Adviser s proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund s stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser s Equity Investment Policy Oversight Committee, or a sub-committee thereof (the Oversight Committee) is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser s clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser s Portfolio Management Group and/or the Investment Adviser s Legal and Compliance Department and concluding that the vote cast is in its client s best interest notwithstanding the conflict. A copy of the Fund s Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, (i) at www.blackrock.com and (ii) on the SEC s website at http://www.sec.gov.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of October 31, 2013.

(a)(1) The registrant is managed by a team of investment professionals comprised of Richard S. Davis, Managing Director at BlackRock, Joshua Freedman, CFA, Vice President at BlackRock, Thomas Holl, Vice President at BlackRock, Kyle G. McClements, CFA, Managing Director at BlackRock and Christopher Accettella, Director at BlackRock. Messrs. Davis, Freedman, Holl, McClements and Accettella are the Fund s portfolio managers and are responsible for the day-to-day management of the Fund s portfolio and the selection of its investments. Messrs. McClements and Accettella have been members of the Fund s portfolio management team since 2011. Messrs. Davis, Freedman and Holl have been members of the Fund s portfolio management team since 2013.

Portfolio Manager	**Biography**
Richard Davis	Managing Director of BlackRock since 2008; Director of BlackRock from 2006 - 2008; Vice President of Merrill Lynch Investment Managers, L.P. from 2000 to 2006.
Joshua Freedman, CFA	Vice President of BlackRock, Inc. since 2011; Associate of BlackRock, Inc. from 2009 to 2011; Analyst of BlackRock, Inc. from 2006 to 2008.
Thomas Holl	Vice President of BlackRock, Inc. since 2011; Associate of BlackRock, Inc. from 2009 to 2011; Analyst of BlackRock, Inc. from 2006 to 2008.

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Kyle G. McClements, CFA	Managing Director of BlackRock since 2009; Director of BlackRock from 2006 to 2008; Vice President of BlackRock in 2005; Vice President of State Street Research & Management from 2004 to 2005.
Christopher Accettella, CFA	Director of BlackRock since 2008; Vice President of BlackRock, Inc. from 2005 to 2008.

(a)(2) As of October 31, 2013:

	(ii) Number of Other Accounts Managed and Assets by Account Type			(iii) Number of Other Accounts and Assets for Which Advisory Fee is Performance-Based		
(i) Name of Portfolio Manager	**Other Registered Investment Companies**	**Other Pooled Investment Vehicles**	**Other Accounts**	**Other Registered Investment Companies**	**Other Pooled Investment Vehicles**	**Other Accounts**
Richard Davis	3	10	1	0	0	0
	$271 Million	$731.8 Million	$137.6 Million	$0	$0	$0
Joshua Freedman, CFA	0	2	0	0	0	0
	$0	$30.26 Million	$0	$0	$0	$0
Thomas Holl	0	3	1	0	0	0
	$0	$40.64 Million	$208.2 Million	$0	$0	$0
Kyle G. McClements, CFA	10	3	0	0	0	0
	$6.73 Billion	$1.22 Billion	$0	$0	$0	$0
Christopher Accettella	10	3	0	0	0	0
	$6.73 Billion	$1.22 Billion	$0	$0	$0	$0

(iv) Potential Material Conflicts of Interest

BlackRock has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, Inc., its affiliates and significant shareholders and any officer, director, shareholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, Inc., or any of its affiliates or significant shareholders, or any officer, director, shareholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock, Inc. s (or its affiliates or significant shareholders) officers, directors or employees are directors or officers, or companies as to which BlackRock, Inc. or any of its affiliates or significant shareholders or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Certain portfolio managers also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. It should also be noted that Messrs. Davis and Holl may be managing certain hedge fund and/or long only accounts, or may be part of a team managing certain hedge fund and/or long only accounts, subject to incentive fees. Messrs. Davis and Holl may therefore be entitled to receive a portion of any incentive fees earned on such accounts.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock, Inc. has adopted policies that are intended to ensure reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base, as appropriate.

(a)(3) As of October 31, 2013:

Portfolio Manager Compensation Overview

BlackRock s financial arrangements with its portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include a base salary, a performance-based discretionary bonus, participation in various benefits programs and one or more of the incentive compensation programs established by BlackRock.

Base Compensation.

Generally, portfolio managers receive base compensation based on their position with BlackRock, Inc.

Discretionary Incentive Compensation.

Generally, discretionary incentive compensation for Active Equity portfolio managers is based on a formulaic compensation program. BlackRock s formulaic portfolio manager compensation program is based on team revenue and pre-tax investment performance relative to appropriate competitors or benchmarks over 1-, 3- and 5-year performance periods, as applicable. In most cases, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Funds or other accounts managed by the portfolio managers are measured. BlackRock s Chief Investment Officers determine the benchmarks or rankings against which the performance of funds and other accounts managed by each portfolio management team is compared and the period of time over which performance is evaluated. With respect to these portfolio managers, such benchmarks for the Fund and other accounts are:

Portfolio Manager	Benchmark
Richard Davis	HSBC Global Mining Index FTSE Gold Mines Index

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	MSCI World Energy
	DAX Global Agribusiness Index
	MSCI World
Christopher Accettella	No Benchmarks
Kyle McClements	
	60% MSCI AS World Energy/MSCI AC World Metals&Mining
Joshua Freedman	S&P Natural Resources Index
	MSCI World Energy (TR) FTSE Gold Mines Index
	HSBC Global Mining Index
Thomas Holl	
	60% MSCI AS World Energy/MSCI AC World Metals&Mining
	S&P Natural Resources Index

A smaller element of portfolio manager discretionary compensation may include consideration of: financial results, expense control, profit margins, strategic planning and implementation, quality of client service, market share, corporate reputation, capital allocation, compliance and risk control, leadership, technology and innovation. These factors are considered collectively by BlackRock management and the relevant Chief Investment Officers.

Distribution of Discretionary Incentive Compensation

Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. For some portfolio managers, discretionary incentive compensation is also distributed in deferred cash awards that notionally track the returns of select BlackRock investment products they manage and that vest ratably over a number of years. The BlackRock, Inc. restricted stock units, upon vesting, will be settled in BlackRock, Inc. common stock. Typically, the cash portion of the discretionary incentive compensation, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of discretionary incentive compensation in BlackRock stock puts compensation earned by a portfolio manager for a given year at risk based on BlackRock s ability to sustain and improve its performance over future periods. Providing a portion of discretionary incentive compensation in deferred cash awards that notionally track the BlackRock investment products they manage provides direct alignment with investment product results.

Long-Term Incentive Plan Awards From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance. Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. Messrs. Accettella, Davis, Freedman, Holl and McClements do not have unvested long-term incentive awards.

Deferred Compensation Program A portion of the compensation paid to eligible United States-based BlackRock employees may be voluntarily deferred at their election for defined periods of time into an account that tracks the performance of certain of the firm s investment products.

Messrs. Accettella and McClements are eligible to participate in the deferred compensation program.

Other Compensation Benefits. In addition to base compensation and discretionary incentive compensation, portfolio managers may be eligible to receive or participate in one or more of the following:

Incentive Savings Plans BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock, Inc. employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 8% of eligible pay contributed to the plan capped at $5,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation up to the Internal Revenue Service limit ($255,000 for 2013). The RSP offers a range of investment options, including registered investment companies and collective investment funds managed by the firm. BlackRock, Inc. contributions follow the investment direction set by participants for their own contributions or, absent participant investment direction, are invested into a target date fund that corresponds to, or is closest to, the year in which the participant attains age 65. The ESPP allows for investment in BlackRock, Inc. common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares of common stock or a dollar value of $25,000 based on its fair market value on the purchase date. Messrs. Accettella and McClements are eligible to participate in these plans.

United Kingdom-based portfolio managers are also eligible to participate in broad-based plans offered generally to BlackRock, Inc. employees, including broad-based retirement, health and other employee benefit plans. For example, BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock, Inc. employees are eligible to participate, including a Group Personal Pension Plan (GPPP) and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution to the GPPP is between 6% to 15% (dependent on service related entitlement) of eligible pay capped at £150,000 per annum. The GPPP offers a range of investment options, including several collective investment funds managed by the firm. BlackRock, Inc. contributions follow the investment direction set by participants for their own contributions or, in the absence of an investment election being made, are invested into a passive balanced managed fund. The ESPP allows for investment in BlackRock, Inc. common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares of common stock or a US dollar value of $25,000 based on its fair market value on the purchase date. Messrs. Davis, Freedman and Holl are eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* As of October 31, 2013.

Portfolio Manager	**Dollar Range of Equity Securities of the Fund Beneficially Owned**
Richard Davis	None
Joshua Freedman, CFA	None
Thomas Holl	None
Kyle G. McClements, CFA	$10,001 - $50,000

Christopher Accettella	$1 - $10,000

(b) Not Applicable

Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers Not Applicable due to no such purchases during the period covered by this report.

Item 10 Submission of Matters to a Vote of Security Holders There have been no material changes to these procedures.

Item 11 Controls and Procedures

(a) The registrant s principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There were no changes in the registrant s internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant s internal control over financial reporting.

Item 12 Exhibits attached hereto

(a)(1) Code of Ethics See Item 2

(a)(2) Certifications Attached hereto

(a)(3) Not Applicable

(b) Certifications Attached hereto

12(c) Notices to the registrant s common shareholders in accordance with the order under Section 6(c) of the 1940 Act granting an exemption from Section 19(b) of the 1940 Act and Rule 19b-1 under the 1940 Act, dated May 9, 2009[1]

[1] The Fund has received exemptive relief from the Securities and Exchange Commission permitting it to make periodic distributions of long-term capital gains with respect to its outstanding common stock as frequently as twelve times each year, and as frequently as distributions are specified by or in accordance with the terms of its outstanding preferred stock. This relief is conditioned, in part, on an undertaking by the Fund to make the disclosures to the holders of the Fund s common shares, in addition to the information required by Section 19(a) of the 1940 Act and Rule 19a-1 thereunder. The Fund is likewise obligated to file with the SEC the information contained in any such notice to shareholders and, in that regard, has attached hereto copies of each such notice made during the period.

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

BlackRock Resources & Commodities Strategy Trust

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Resources & Commodities Strategy Trust

Date: January 2, 2014

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

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Resources & Commodities Strategy Trust

Date: January 2, 2014

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock Resources & Commodities Strategy Trust

Date: January 2, 2014