

BLACKROCK SENIOR HIGH INCOME FUND, INC.
Form N-CSRS
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SECURITIES AND EXCHANGE COMMISSION

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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-07456

Name of Fund: BlackRock Senior High Income Fund, Inc. (ARK)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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Date of fiscal year end: 02/28/2012

Date of reporting period: 08/31/2011

Item 1 – Report to Stockholders

August 31, 2011

Semi-Annual Report

BlackRock Corporate High Yield Fund, Inc. (COY)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

BlackRock Debt Strategies Fund, Inc. (DSU)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)

BlackRock Senior High Income Fund, Inc. (ARK)

Not FDIC Insured § No Bank Guarantee § May Lose Value

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Dear Shareholder

Market volatility has been extraordinary in recent months. Government debt and deficit issues in both the US and Europe have taken a toll on investor sentiment while weaker-than-expected US economic data raised concerns of another recession. Political instability and concerns that central banks have nearly exhausted their stimulus measures have further compounded investor uncertainty. Although markets remain volatile and conditions are highly uncertain, BlackRock remains focused on finding opportunities in this environment.

The pages that follow reflect your fund's reporting period ended August 31, 2011. Accordingly, the following discussion is intended to provide you with additional perspective on the performance of your investments during that period.

One year ago, the global economy appeared to solidly be in recovery mode and investors were optimistic given the anticipated second round of quantitative easing from the US Federal Reserve (the Fed). Stock markets rallied despite the ongoing sovereign debt crisis in Europe and inflationary pressures looming over emerging markets. Fixed income markets, however, saw yields move sharply upward (pushing prices down) especially on the long end of the historically steep yield curve. While high yield bonds benefited from the risk rally, most fixed income sectors declined in the fourth quarter. The tax-exempt municipal market faced additional headwinds as it became evident that the Build America Bond program would not be extended and municipal finance troubles abounded.

The new year brought spikes of volatility as political turmoil swept across the Middle East/North Africa region and as prices of oil and other commodities soared. Natural disasters in Japan disrupted industrial supply chains and concerns mounted over US debt and deficit issues. Equities generally performed well early in the year, however, as investors chose to focus on the continuing stream of strong corporate earnings and positive economic data. Credit markets were surprisingly resilient in this environment and yields regained relative stability in 2011. The tax-exempt market saw relief from its headwinds and steadily recovered from its fourth-quarter lows. Equities, commodities and high yield bonds outpaced higher-quality assets as investors increased their risk tolerance.

However, longer-term headwinds had been brewing. Inflationary pressures intensified in emerging economies, many of which were overheating, and the European debt crisis continued to escalate. Markets were met with a sharp reversal in May when political unrest in Greece pushed the nation closer to defaulting on its debt. This development rekindled fears about the broader debt crisis and its further contagion among peripheral European countries. Concurrently, it became evident that the pace of global economic growth had slowed as higher oil prices and supply chain disruptions finally showed up in economic data. By mid-summer, confidence in policymakers was tarnished as the prolonged US debt ceiling debate revealed the degree of polarization in Washington, DC. The downgrade of the US government's credit rating on August 5 was the catalyst for the recent turmoil in financial markets. Extreme volatility persisted as Europe's debt and banking crisis deepened and US economic data continued to weaken. Investors fled from riskier assets, pushing stock and high yield bond indices into negative territory for the six-month period ended August 31, while lower-risk investments including US Treasuries, municipal securities and investment grade corporate bonds posted gains. Twelve-month returns on all asset classes remained positive. Continued low short-term interest rates kept yields on money market securities near their all-time lows.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

BlackRock remains focused on managing risk and finding opportunities in all market environments.

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of August 31, 2011

	6-month	12-month
US large cap equities (S&P 500 Index)	(7.23)%	18.50%
US small cap equities (Russell 2000 Index)	(11.17)	22.19

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International equities (MSCI Europe, Australasia, Far East Index)	(11.12)	10.01
Emerging market equities (MSCI Emerging Markets Index)	(5.11)	9.07
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.08	0.15
US Treasury securities (BofA Merrill Lynch 10- Year US Treasury Index)	13.04	6.21
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	5.49	4.62
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	6.39	2.66
US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	(1.57)	8.32

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

THIS PAGE NOT PART OF YOUR FUND REPORT

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Fund Summary as of August 31, 2011

BlackRock Corporate High Yield Fund, Inc.

Investment Objective

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

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 4.03% based on market price and (2.99)% based on net asset value (NAV). For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Detracting from performance was the Fund s limited exposure to higher-quality securities, which exhibit greater sensitivity to interest rates than their lower-quality counterparts, and therefore benefited to a greater degree from the rally in US Treasury rates as market volatility increased during the period. Holdings of non-rated credits and securities classified as having equity-correlated risks had a negative impact on Fund returns. Security selection within the automotive, non-captive diversified (industrials) and consumer service sectors also hindered returns. In addition, the Fund s allocation to senior secured bank loans, which underperformed high yield bonds for the period, had a negative impact.

Security selection and trades based on relative valuation contributed positively to overall performance for the period, particularly within the independent energy, media non-cable, electric and metals & mining sectors. The Fund s holdings of lower-quality high yield bonds benefited performance earlier in the period due to favorable liquidity conditions and an improving corporate credit backdrop.

The Fund uses credit default swaps to express a particular view in an individual credit name and as a means of managing risk. It will also utilize credit default swaps on a basket of securities in order to put cash to work or quickly increase or decrease the portfolio s exposure to market movements. The Fund may also use stock futures and options to hedge the equity risk inherent within an individual position or group of positions. Stock futures are an efficient mechanism for reducing risk under certain market conditions. During the period, the use of derivatives had an overall positive impact on Fund returns.

Describe recent portfolio activity.

Over the period, the Fund reduced the overall risk profile by focusing its purchases in higher quality areas of the market and selling some of its riskier holdings. In order to hedge against risks relating to equity market volatility (i.e., reduce equity beta), the Fund established short positions in equity futures contracts. The Fund continued to participate in the new issue market, although cautiously, seeking opportunities in more stable industries from issuers that offer good cash flows, earnings and revenue visibility, as well as attractive downside protection. Additionally, the Fund increased exposure to names in the independent energy sector, while reducing exposure to the wireless sector.

Describe portfolio positioning at period end.

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At period end, the Fund held 83% of its total portfolio in corporate bonds, 10% in floating rate loan interests (bank loans) and 3% in common stocks, with the remainder in other interests and preferred securities. The Fund had a negligible cash position. From a sector perspective, the Fund held large exposures to automotive and media non-cable names and continued to limit its exposure to consumer-related sectors including retailers, gaming and technology. The Fund ended the period with leverage at 22% of its total managed assets.

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BlackRock Corporate High Yield Fund, Inc.**Fund Information**

Symbol on New York Stock Exchange (NYSE)	COY
Initial Offering Date	June 25, 1993
Yield on Closing Market Price as of August 31, 2011 (\$7.01) ¹	8.73%
Current Monthly Distribution per Common Share ²	\$0.051
Current Annualized Distribution per Common Share ²	\$0.612
Leverage as of August 31, 2011 ³	22%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

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

	8/31/11	2/28/11	Change	High	Low
Market Price	\$ 7.01	\$ 7.03	(0.28)%	\$ 7.60	\$ 6.02
Net Asset Value	\$ 6.90	\$ 7.42	(7.01)%	\$ 7.56	\$ 6.79

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

Portfolio Composition

	8/31/11	2/28/11
Corporate Bonds	83%	85%
Floating Rate Loan Interests	10	7
Common Stocks	3	5
Other Interests	2	2
Preferred Securities	2	1

Credit Quality Allocations⁴

	8/31/11	2/28/11
A		1%
BBB/Baa	7%	4
BB/Ba	35	31
B	44	46
CCC/Caa	12	13
D	1	
Not Rated	1	5

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

Fund Summary as of August 31, 2011

BlackRock Corporate High Yield Fund III, Inc.

Investment Objective

BlackRock Corporate High Yield Fund III, Inc. s (CYE) (the Fund) primary investment objective is to provide current income by investing primarily in fixed-income securities, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P s or Baa or lower by Moody s) or are unrated securities of comparable quality. The Fund s secondary investment objective is to provide capital appreciation. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 0.43% based on market price and (3.35)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Detracting from performance was the Fund s limited exposure to higher-quality securities, which exhibit greater sensitivity to interest rates than their lower-quality counterparts, and therefore benefited to a greater degree from the rally in US Treasury rates as market volatility increased during the period. Holdings of non-rated credits and securities classified as having equity-correlated risks had a negative impact on Fund returns. Security selection within the automotive, non-captive diversified (industrials) and consumer service sectors also hindered returns. In addition, the Fund s allocation to senior secured bank loans, which underperformed high yield bonds for the period, had a negative impact.

Security selection and trades based on relative valuation contributed positively to overall performance for the period, particularly within the independent energy, media non-cable, electric and metals & mining sectors. The Fund s holdings of lower-quality high yield bonds benefited performance earlier in the period due to favorable liquidity conditions and an improving corporate credit backdrop.

The Fund uses credit default swaps to express a particular view in an individual credit name and as a means of managing risk. It will also utilize credit default swaps on a basket of securities in order to put cash to work or quickly increase or decrease the portfolio s exposure to market movements. The Fund may also use stock futures and options to hedge the equity risk inherent within an individual position or group of positions. Stock futures are an efficient mechanism for reducing risk under certain market conditions. During the period, the use of derivatives had an overall positive impact on Fund returns.

Describe recent portfolio activity.

Over the period, the Fund reduced the overall risk profile by focusing its purchases in higher quality areas of the market and selling some of its riskier holdings. In order to hedge against risks relating to equity market volatility (i.e., reduce equity beta), the Fund established short positions in equity futures contracts. The Fund continued to participate in the new issue market, although cautiously, seeking opportunities in more stable industries from issuers that offer good cash flows, earnings and revenue visibility, as well as attractive downside protection. Additionally, the Fund increased exposure to names in the independent energy sector, while reducing exposure to the wireless sector.

Describe portfolio positioning at period end.

At period end, the Fund held 80% of its total portfolio in corporate bonds, 13% in floating rate loan interests (bank loans) and 3% in common stocks, with the remainder in other interests and preferred securities. The Fund had a negligible cash position. From a sector perspective, the Fund held large exposures to automotive and media non-cable names and continued to limit its exposure to consumer-related sectors including retailers, gaming and technology. The Fund ended the period with leverage at 24% of its total managed assets.

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BlackRock Corporate High Yield Fund III, Inc.**Fund Information**

Symbol on NYSE	CYE
Initial Offering Date	January 30, 1998
Yield on Closing Market Price as of August 31, 2011 (\$6.88) ¹	8.72%
Current Monthly Distribution per Common Share ²	\$0.05
Current Annualized Distribution per Common Share ²	\$0.60
Leverage as of August 31, 2011 ³	24%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

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

	8/31/11	2/28/11	Change	High	Low
Market Price	\$ 6.88	\$ 7.14	(3.64)%	\$ 7.52	\$ 6.08
Net Asset Value	\$ 7.01	\$ 7.56	(7.28)%	\$ 7.70	\$ 6.89

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

Portfolio Composition

	8/31/11	2/28/11
Corporate Bonds	80%	80%
Floating Rate Loan Interests	13	11
Common Stocks	3	5
Other Interests	2	2
Preferred Securities	2	2

Credit Quality Allocations⁴

	8/31/11	2/28/11
BBB/Baa	7%	4%
BB/Ba	34	31
B	44	46
CCC/Caa	12	14
Not Rated	3	5

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

Fund Summary as of August 31, 2011

BlackRock Debt Strategies Fund, Inc.

Investment Objective

BlackRock Debt Strategies Fund, Inc. (the **Fund**) primary investment objective is to provide current income by investing primarily in a diversified portfolio of US companies' debt instruments, including corporate loans, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P's or Baa or lower by Moody's) or unrated debt instruments, which are in the judgment of the investment adviser of equivalent quality. The Fund's secondary objective is to provide capital appreciation. Corporate loans include senior and subordinated corporate loans, both secured and unsecured. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 2.16% based on market price and (3.81)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The Fund invests in both high yield bonds and floating rate loan interests (i.e., bank loans). Both of these sectors generated negative returns for the period as investors fled riskier assets due to concerns about the debt crisis in Europe and slowing economic growth in the US. Bank loans underperformed high yield bonds as interest rates fell and the Fed signaled that it is likely to maintain low short-term interest rates for an extended period. The Fund's large allocation to bank loans detracted from performance relative to its Lipper category competitors, which invest primarily in high yield bonds. The Fund's positions in common stocks, convertible bonds and preferred securities (approximately 2% of the portfolio) had a negative impact, as did its underexposure to higher-quality, non-investment grade issues.

Conversely, the Fund's heavy exposure to names in energy and metals and mining contributed positively to performance as these sectors are more stable and therefore outperformed the more cyclical sectors when the market declined. Limited exposure to the lower-quality tiers of speculative-grade credits also proved beneficial.

Describe recent portfolio activity.

Over the period, the Fund shifted positioning to a more conservative stance by reducing its holdings in the more cyclical sectors and increasing exposure to sectors exhibiting stable cash flows, earnings visibility, and attractive downside protection.

Describe portfolio positioning at period end.

At period end, the Fund held 53% of its total portfolio in floating rate loan interests (bank loans), 43% in corporate bonds, 2% in common stocks and the remainder in asset-backed securities and other interests. The Fund held a negligible cash position. From a sector perspective, the Fund held large exposures to the paper, chemicals and independent energy sectors, while its exposures to technology, automotive and gaming names were limited. The Fund ended the period with leverage at 26% of its total managed assets.

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BlackRock Debt Strategies Fund, Inc.**Fund Information**

Symbol on NYSE	DSU
Initial Offering Date	March 27, 1998
Yield on Closing Market Price as of August 31, 2011 (\$3.98) ¹	8.14%
Current Monthly Distribution per Common Share ²	\$0.027
Current Annualized Distribution per Common Share ²	\$0.324
Leverage as of August 31, 2011 ³	26%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

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

	8/31/11	2/28/11	Change	High	Low
Market Price	\$ 3.98	\$ 4.05	(1.73)%	\$ 4.43	\$ 3.45
Net Asset Value	\$ 3.96	\$ 4.28	(7.48)%	\$ 4.31	\$ 3.91

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

Portfolio Composition

	8/31/11	2/28/11
Floating Rate Loan Interests	53%	53%
Corporate Bonds	43	43
Common Stocks	2	1
Asset-Backed Securities	1	2
Other Interests	1	1

Credit Quality Allocations⁴

	8/31/11	2/28/11
BBB/Baa	6%	7%
BB/Ba	30	29
B	46	45
CCC/Caa	9	11
D	1	
Not Rated	8	8

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

Fund Summary as of August 31, 2011

BlackRock Floating Rate Income Strategies Fund II, Inc.

Investment Objective

BlackRock Floating Rate Income Strategies Fund II, Inc. s (FRB) (the Fund) investment objective is to provide shareholders with high current income and such preservation of capital as is consistent with investment in a diversified, leveraged portfolio consisting primarily of floating rate debt securities and instruments. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in floating rate debt securities, including floating or variable rate debt securities that pay interest at rates that adjust whenever a specified interest rate changes and/or which reset on predetermined dates (such as the last day of a month or calendar quarter). The Fund invests a substantial portion of its investments in floating rate debt securities consisting of secured or unsecured senior floating rate loans that are rated below investment grade. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned (11.01)% based on market price and (4.85)% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of (11.93)% based on market price and (5.66)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Floating rate loan interests (i.e., bank loans) suffered along with other risk assets as macroeconomic headwinds intensified and investor confidence waned during the period. Although the bank loan market generally advanced over the first five months of the period, a surge of volatility in August more than reversed those gains. Within the Fund, security selection in consumer services had a negative impact on performance. The Fund s use of leverage hurt returns (on an absolute basis) as the bank loan sector underperformed relative to other fixed income sectors. In addition, the Fund s bias to higher-quality pockets of the loan market proved a disadvantage when the markets corrected in August. Selling in the bank loan market was concentrated in higher-quality loan instruments as they tend to be more liquid and have better pricing transparency.

The Fund maintains a relatively conservative portfolio, weighted toward higher-quality non-investment grade investments. This investment style along with the Fund s bottom-up process for security selection was the largest contributor to performance for the period. Security selection within chemicals along with low exposure and positive selection in media non-cable had a positive impact. From an asset allocation perspective, the Fund s exposure to high yield bonds was beneficial as the sector outperformed bank loans.

Describe recent portfolio activity.

During the period, the Fund maintained its higher-quality bias in terms of structure, overall credit quality and liquidity. Prior to the market correction in August, the Fund reduced exposure to some of the lower-quality holdings and increased the level of cash. While transitioning the overall portfolio to a more conservative stance, Fund management continued to seek investment opportunities across the new-issue market, albeit cautiously, targeting issuers with superior credit fundamentals (i.e., stable income streams and attractive downside protection).

Describe portfolio positioning at period end.

At period end, the Fund held 81% of its total portfolio in floating rate loan interests (bank loans) and 16% in corporate bonds, with the remainder in asset-backed securities, other interests and cash. From a sector perspective, the Fund held large exposures to the non-captive diversified (industrials), chemicals and wireless sectors, while its exposures to consumer products, media non-cable and technology were limited. The Fund ended the period with leverage at 27% of its total managed assets.

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BlackRock Floating Rate Income Strategies Fund II, Inc.**Fund Information**

Symbol on NYSE	FRB
Initial Offering Date	July 30, 2004
Yield on Closing Market Price as of August 31, 2011 (\$12.25) ¹	7.15%
Current Monthly Distribution per Common Share ²	\$0.073
Current Annualized Distribution per Common Share ²	\$0.876
Leverage as of August 31, 2011 ³	27%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

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

	8/31/11	2/28/11	Change	High	Low
Market Price	\$ 12.25	\$ 14.22	(13.85)%	\$ 14.79	\$ 11.79
Net Asset Value	\$ 12.96	\$ 14.07	(7.89)%	\$ 14.12	\$ 12.73

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

Portfolio Composition

	8/31/11	2/28/11
Floating Rate Loan Interests	81%	81%
Corporate Bonds	16	15
Asset-Backed Securities	2	3
Other Interests	1	1

Credit Quality Allocations⁴

	8/31/11	2/28/11
BBB/Baa	8%	7%
BB/Ba	33	34
B	46	42
CCC/Caa	7	8
Not Rated	6	9

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

Fund Summary as of August 31, 2011

BlackRock Senior High Income Fund, Inc.

Investment Objective

BlackRock Senior High Income Fund, Inc. s (ARK) (the Fund) investment objective is to provide high current income by investing principally in senior debt obligations of companies, including corporate loans made by banks and other financial institutions and both privately placed and publicly offered corporate bonds and notes. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned (6.20)% based on market price and (2.18)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The Fund invests in both high yield bonds and floating rate loan interests (i.e., bank loans). Both of these sectors generated negative returns for the period as investors fled riskier assets due to concerns about the debt crisis in Europe and slowing economic growth in the US. Bank loans underperformed high yield bonds as interest rates fell and the Fed signaled that it is likely to maintain low short-term interest rates for an extended period. The Fund s large allocation to bank loans detracted from performance relative to its Lipper category competitors, which invest primarily in high yield bonds. The Fund s positions in common stocks, convertible bonds and preferred securities (approximately 3% of the portfolio) had a negative impact, as did its underexposure to higher-quality, non-investment grade issues.

Conversely, the Fund s heavy exposure to names in energy and metals & mining contributed positively to performance as these sectors are more stable and therefore outperformed the more cyclical sectors when the market declined. Limited exposure to the lower-quality tiers of speculative-grade credits also proved beneficial.

Describe recent portfolio activity.

Over the period, the Fund shifted positioning to a more conservative stance by reducing its holdings in the more cyclical sectors and increasing exposure to sectors exhibiting stable cash flows, earnings visibility, and attractive downside protection.

Describe portfolio positioning at period end.

At period end, the Fund held 54% of its total portfolio in floating rate loan interests (bank loans) and 43% in corporate bonds, with the remainder in asset-backed securities, common stocks and other interests. The Fund held a negligible cash position. From a sector perspective, the Fund held large exposures to the non-captive diversified (industrials), chemicals and independent energy sectors, while its exposures to technology, automotive and electric names were limited. The Fund ended the period with leverage at 23% of its total managed assets.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

BlackRock Senior High Income Fund, Inc.**Fund Information**

Symbol on NYSE	ARK
Initial Offering Date	April 30, 1993
Yield on Closing Market Price as of August 31, 2011 (\$3.78) ¹	7.94%
Current Monthly Distribution per Common Share ²	\$0.025
Current Annualized Distribution per Common Share ²	\$0.300
Leverage as of August 31, 2011 ³	23%

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

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

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

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

	8/31/11	2/28/11	Change	High	Low
Market Price	\$ 3.78	\$ 4.18	(9.57)%	\$ 4.31	\$ 3.42
Net Asset Value	\$ 3.98	\$ 4.22	(5.69)%	\$ 4.27	\$ 3.90

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

Portfolio Composition

	8/31/11	2/28/11
Floating Rate Loan Interests	54%	53%
Corporate Bonds	43	43
Asset-Backed Securities	1	2
Other Interests	1	1
Common Stocks	1	1

Credit Quality Allocations⁴

	8/31/11	2/28/11
BBB/Baa	8%	9%
BB/Ba	34	31
B	48	49
CCC/Caa	3	3
Not Rated	7	8

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

The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV. However, these objectives cannot be achieved in all interest rate environments.

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

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

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

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

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

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

Under the Investment Company Act of 1940, the Funds are permitted to borrow through their credit facility up to 33 % of their total managed assets. As of August 31, 2011, the Funds had outstanding leverage from borrowings as a percentage of their total managed assets as follows:

	Percent of Leverage
COY	22%
CYE	24%
DSU	26%
FRB	27%
ARK	23%

Derivative Financial Instruments

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

Schedule of Investments August 31, 2011 (Unaudited)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Auto Components 0.2%		
Dana Holding Corp. (a)	38,340	\$ 488,835
Capital Markets 0.1%		
E*Trade Financial Corp. (a)	26,900	332,484
Chemicals 0.0%		
Wellman Holdings, Inc.	240	780
Wellman Inc. (acquired 1/30/09, cost \$277) (a)(b)	1,185	3,851
		4,631
Communications Equipment 0.4%		
Loral Space & Communications Ltd. (a)	18,513	1,047,651
Containers & Packaging 0.0%		
Smurfit Kappa Plc (a)	3,634	28,800
Diversified Financial Services 0.8%		
Kcad Holdings I Ltd.	175,652,403	1,982,589
Electrical Equipment 0.0%		
Medis Technologies Ltd. (a)	67,974	748
Media 1.4%		
Belo Corp., Class A	43,324	236,116
Charter Communications, Inc. (a)	59,916	2,988,610
Clear Channel Outdoor Holdings, Inc., Class A (a)	8,934	102,294
		3,327,020
Metals & Mining 0.2%		
African Minerals Ltd. (a)	40,400	336,104
Oil, Gas & Consumable Fuels 0.2%		
Marathon Petroleum Corp.	9,750	361,335
Paper & Forest Products 0.1%		
Ainsworth Lumber Co. Ltd. (c)	41,686	85,134
Ainsworth Lumber Co. Ltd.	36,744	75,042
Western Forest Products, Inc. (a)	147,968	99,723
Western Forest Products, Inc. (a)(c)	41,528	27,988
		287,887
Semiconductors & Semiconductor Equipment 0.4%		
Spansion, Inc., Class A (a)	60,342	905,733
SunPower Corp., Class B (a)	123	1,458
		907,191
Software 0.1%		
Bankruptcy Management Solutions, Inc. (a)	468	2
HMH Holdings/EduMedia (a)	82,415	164,830
		164,832
Total Common Stocks 3.9%		9,270,107

Corporate Bonds	Par (000)	
Aerospace & Defense 0.6%		
Huntington Ingalls Industries, Inc. (c):		
6.88%, 3/15/18	USD 320	300,800
7.13%, 3/15/21	355	333,700
Kratos Defense & Security Solutions, Inc.,		
10.00%, 6/01/17	716	735,690

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1,370,190

	Par (000)	Value
Corporate Bonds		
Air Freight & Logistics 0.5%		
National Air Cargo Group, Inc.:		
Series 1, 12.38%, 9/02/15	USD 631	\$ 656,486
Series 2, 12.38%, 8/16/15	631	656,482
		1,312,968
Airlines 3.1%		
Air Canada, 9.25%, 8/01/15 (c)	820	787,200
American Airlines, Inc.:		
10.50%, 10/15/12	870	897,188
7.50%, 3/15/16 (c)	140	126,700
Series 2001-2, 7.86%, 4/01/13	390	390,000
Series 2011-1-B, 7.00%, 1/31/18 (c)	368	316,099
Continental Airlines, Inc.:		
6.75%, 9/15/15 (c)	540	526,500
Series 1997-4-B, 6.90%, 7/02/18	382	376,195
Series 2010-1-B, 6.00%, 1/12/19	400	370,000
Delta Air Lines, Inc.:		
Series 2010-1-B, 6.38%, 7/02/17	447	402,300
Series B, 9.75%, 12/17/16	678	695,312
US Airways Pass-Through Trust, 10.88%, 10/22/14	630	614,250
United Air Lines, Inc., 12.75%, 7/15/12	1,964	2,052,547
		7,554,291
Auto Components 2.1%		
Allison Transmission, Inc., 11.00%, 11/01/15 (c)	220	231,550
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)	190	176,700
Delphi Corp., 6.13%, 5/15/21 (c)	150	144,750
Ford Motor Co., 7.45%, 7/16/31	700	767,461
Icahn Enterprises LP, 8.00%, 1/15/18	2,995	3,024,950
International Automotive Components Group, SL, 9.13%, 6/01/18 (c)	240	235,800
Titan International, Inc., 7.88%, 10/01/17	430	451,500
		5,032,711
Beverages 0.2%		
Cott Beverages, Inc., 8.13%, 9/01/18	245	253,575
Crown European Holdings SA, 7.13%, 8/15/18 (c)	EUR 225	311,900
		565,475
Biotechnology 0.1%		
QHP Pharma, 10.25%, 3/15/15 (c)	USD 331	336,330
Building Products 1.3%		
Building Materials Corp. of America (c):		
7.00%, 2/15/20	410	410,000
6.75%, 5/01/21	1,150	1,101,125
Griffon Corp., 7.13%, 4/01/18 (c)	390	368,550
Momentive Performance Materials, Inc.:		
11.50%, 12/01/16	435	430,650
9.00%, 1/15/21 (c)	905	773,775
		3,084,100
Capital Markets 1.0%		
American Capital Ltd., 7.96%, 12/31/13 (d)	470	466,701
E*Trade Financial Corp.:		
12.50%, 11/30/17 (e)	805	925,750
3.43%, 8/31/19 (c)(f)(g)	226	270,070
KKR Group Finance Co., 6.38%, 9/29/20 (c)	600	638,372
		2,300,893

Portfolio Abbreviations

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

CAD	Canadian Dollar
ETF	Exchange-Traded Fund
EUR	Euro
FKA	Formerly Known As
GBP	British Pound
LIBOR	London Interbank Offered Rate
PIK	Payment-In-Kind
SPDR	Standard and Poor's Depository Receipts
USD	US Dollar

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

		Par (000)	Value
Corporate Bonds			
Chemicals 3.7%			
American Pacific Corp., 9.00%, 2/01/15	USD	800	\$ 786,000
American Rock Salt Co. LLC, 8.25%, 5/01/18 (c)		126	116,865
Celanese US Holdings LLC, 5.88%, 6/15/21		900	902,250
Chemtura Corp., 7.88%, 9/01/18 (c)		345	354,487
Hexion U.S. Finance Corp.:			
8.88%, 2/01/18		430	402,050
9.00%, 11/15/20 (c)		285	248,663
Huntsman International LLC (c):			
6.88%, 11/15/13	EUR	260	369,755
8.63%, 3/15/21	USD	155	161,781
Ineos Finance Plc, 9.00%, 5/15/15 (c)		385	389,812
KRATON Polymers LLC, 6.75%, 3/01/19 (c)		115	110,400
Kinove German Bondco GmbH, 10.00%, 6/15/18	EUR	533	723,544
Lyondell Chemical Co., 11.00%, 5/01/18	USD	1,135	1,266,944
Nexeo Solutions LLC, 8.38%, 3/01/18 (c)		170	175,525
OXEA Finance/Cy SCA (c):			
9.50%, 7/15/17		108	106,920
9.63%, 7/15/17	EUR	385	541,992
Omnova Solutions, Inc., 7.88%, 11/01/18 (c)	USD	500	438,750
PolyOne Corp., 7.38%, 9/15/20		200	206,000
TPC Group LLC, 8.25%, 10/01/17 (c)		310	317,750
Wellman Holdings, Inc., Subordinate Note (f):			
(Second Lien), 10.00% 1/29/19 (c)		790	1,098,100
(Third Lien), 5.00%, 1/29/19 (e)		272	193,182
			8,910,770
Commercial Banks 2.4%			
CIT Group, Inc.:			
7.00%, 5/01/15		510	507,450
7.00%, 5/01/16		1,825	1,815,875
7.00%, 5/01/17		3,030	2,992,125
7.00%, 5/02/17 (c)		470	464,125
			5,779,575
Commercial Services & Supplies 2.0%			
ACCO Brands Corp., 10.63%, 3/15/15		695	760,156
Aviation Capital Group Corp., 6.75%, 4/06/21 (c)		500	493,390
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (c)		480	452,400
Casella Waste Systems, Inc., 7.75%, 2/15/19 (c)		610	587,125
Clean Harbors, Inc., 7.63%, 8/15/16 (c)		320	338,400
Mobile Mini, Inc., 7.88%, 12/01/20 (c)		335	325,788
RSC Equipment Rental, Inc.:			
10.00%, 7/15/17 (c)		555	596,625
8.25%, 2/01/21		800	746,000
WCA Waste Corp., 7.50%, 6/15/19 (c)		310	310,000
West Corp., 8.63%, 10/01/18 (c)		125	121,875
			4,731,759
Communications Equipment 0.8%			
Avaya, Inc.:			
9.75%, 11/01/15		410	348,500
10.13%, 11/01/15 (e)		600	518,250

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7.00%, 4/01/19 (c)		470		423,000
EH Holding Corp. (c):				
6.50%, 6/15/19		340		340,000
7.63%, 6/15/21		240		238,800
				1,868,550
Construction & Engineering 0.1%				
Abengoa SA, 8.50%, 3/31/16	EUR	100		134,313
Boart Longyear Management Ltd., 7.00%, 4/01/21 (c)	USD	175		173,687
				308,000
Corporate Bonds				
		Par (000)		Value
Construction Materials 0.2%				
Calcipar SA, 6.88%, 5/01/18 (c)	USD	315	\$	298,463
Xefin Lux SCA, 8.00%, 6/01/18 (c)	EUR	233		307,928
				606,391
Consumer Finance 1.2%				
Credit Acceptance Corp., 9.13%, 2/01/17	USD	640		648,000
Ford Motor Credit Co. LLC:				
3.00%, 1/13/12 (h)		195		195,004
7.80%, 6/01/12		200		206,005
7.00%, 4/15/15		1,710		1,825,425
6.63%, 8/15/17		131		137,143
				3,011,577
Containers & Packaging 1.3%				
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (c)	EUR	435		585,823
Berry Plastics Corp., 8.25%, 11/15/15	USD	125		128,750
GCL Holdings SCA, 9.38%, 4/15/18 (c)	EUR	244		306,693
Graphic Packaging International, Inc., 7.88%, 10/01/18	USD	340		357,000
OI European Group BV, 6.88%, 3/31/17	EUR	152		207,431
Pregis Corp., 12.38%, 10/15/13	USD	390		358,800
Rock-Tenn Co., 9.25%, 3/15/16		50		52,500
Smurfit Kappa Acquisitions (c):				
7.25%, 11/15/17	EUR	465		641,254
7.75%, 11/15/19		296		406,070
				3,044,321
Diversified Consumer Services 1.2%				
Service Corp. International, 7.00%, 6/15/17	USD	2,800		2,926,000
Diversified Financial Services 5.3%				
Ally Financial, Inc.:				
7.50%, 12/31/13		350		360,500
8.30%, 2/12/15		530		556,500
6.25%, 12/01/17 (c)		480		461,720
8.00%, 3/15/20		320		323,200
7.50%, 9/15/20		620		609,150
8.00%, 11/01/31		1,295		1,265,862
8.00%, 11/01/31		810		779,164
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		410		427,425
Boparan Holdings Ltd. (c):				
9.75%, 4/30/18	EUR	100		110,624
9.88%, 4/30/18	GBP	130		170,934
FCE Bank Plc:				
7.13%, 1/15/13	EUR	550		792,051
4.75%, 1/19/15		310		405,237
General Motors Financial Co., Inc.:				
6.75%, 6/01/18 (c)	USD	450		447,750
KION Finance SA, 7.88%, 4/15/18 (c)	EUR	146		174,075
Leucadia National Corp., 8.13%, 9/15/15	USD	1,120		1,202,600
		425		434,562

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Reynolds Group DL Escrow, Inc.,

8.50%, 10/15/16 (c)

Reynolds Group Issuer, Inc.:

8.75%, 10/15/16 (c)	EUR	350	487,692
8.75%, 10/15/16		502	699,490
7.13%, 4/15/19 (c)	USD	230	217,925
9.00%, 4/15/19 (c)		245	220,500
7.88%, 8/15/19 (c)		1,010	999,900
9.88%, 8/15/19 (c)		415	390,100
8.25%, 2/15/21 (c)		680	572,900
WMG Acquisition Corp. (c):			
9.50%, 6/15/16		110	112,200
11.50%, 10/01/18		535	486,850
			12,708,911

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Diversified Telecommunication Services 4.5%		
Broadview Networks Holdings, Inc., 11.38%, 9/01/12	USD 1,000	\$ 860,000
GCI, Inc., 6.75%, 6/01/21 (c)	264	260,040
ITC Deltacom, Inc., 10.50%, 4/01/16	260	266,500
Level 3 Escrow, Inc., 8.13%, 7/01/19 (c)	2,474	2,350,300
Level 3 Financing, Inc.:		
9.25%, 11/01/14	77	77,963
8.75%, 2/15/17	525	514,500
Qwest Communications International, Inc.:		
7.50%, 2/15/14	2,490	2,521,125
8.00%, 10/01/15	610	651,175
Series B, 7.50%, 2/15/14	1,575	1,594,687
Qwest Corp., 7.63%, 6/15/15	500	556,250
Windstream Corp.:		
8.13%, 8/01/13	400	425,000
7.88%, 11/01/17	690	725,362
		10,802,902
Electric Utilities 0.6%		
Tokyo Electric Power Co., Inc., 4.50%, 3/24/14	EUR 1,100	1,351,029
Electronic Equipment, Instruments & Components 0.6%		
CDW LLC:		
11.00%, 10/12/15	USD 10	10,200
11.50%, 10/12/15 (e)	610	622,200
8.00%, 12/15/18 (c)	380	376,200
Elster Finance BV, 6.25%, 4/15/18 (c)	EUR 105	138,764
Jabil Circuit, Inc., 8.25%, 3/15/18	USD 215	242,412
		1,389,776
Energy Equipment & Services 1.6%		
Antero Resources Finance Corp., 7.25%, 8/01/19 (c)	150	145,875
Calfrac Holdings LP, 7.50%, 12/01/20 (c)	225	218,250
Compagnie Générale de Géophysique-Veritas, 7.75%, 5/15/17	235	236,175
Exterran Holdings, Inc., 7.25%, 12/01/18 (c)	405	392,850
Frac Tech Services LLC, 7.13%, 11/15/18 (c)	1,045	1,081,575
Key Energy Services, Inc., 6.75%, 3/01/21	415	406,700
MEG Energy Corp., 6.50%, 3/15/21 (c)	530	530,000
Oil States International, Inc., 6.50%, 6/01/19 (c)	290	290,000
SunCoke Energy, Inc., 7.63%, 8/01/19 (c)	205	201,413
Thermon Industries, Inc., 9.50%, 5/01/17	342	359,100
		3,861,938
Food Products 0.4%		
Darling International, Inc., 8.50%, 12/15/18 (c)	220	238,150
Del Monte Foods Co., 7.63%, 2/15/19 (c)	275	272,937
JBS USA LLC, 7.25%, 6/01/21 (c)	85	77,244
Reddy Ice Corp., 11.25%, 3/15/15	410	372,075
		960,406
Health Care Equipment & Supplies 1.4%		
DJO Finance LLC:		
10.88%, 11/15/14	2,130	2,201,888

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12.00%, 10/15/17		1,425	1,446,375
9.13%, 6/15/18		420	291,375
Ideal Standard International, 11.75%, 5/01/18 (c)	EUR	139	153,749
Jarden Corp., 7.50%, 1/15/20		285	386,886
Ryland Group, Inc., 6.63%, 5/01/20	USD	555	477,300
Standard Pacific Corp.:			
10.75%, 9/15/16		1,285	1,272,150
8.38%, 5/15/18		250	219,375
8.38%, 1/15/21		535	460,100
United Rentals North America, Inc., 8.38%, 9/15/20		395	360,437
			6,161,109
Household Products 0.1%			
Ontex IV SA, 7.50%, 4/15/18 (c)	EUR	130	167,137

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
IT Services 2.0%		
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c)	USD 670	\$ 616,400
First Data Corp. (c):		
7.38%, 6/15/19	800	752,000
8.88%, 8/15/20	495	490,050
12.63%, 1/15/21	1,938	1,831,410
SunGard Data Systems, Inc.:		
7.38%, 11/15/18	540	514,350
7.63%, 11/15/20	550	525,250
		4,729,460
Independent Power Producers & Energy Traders 2.8%		
AES Corp., 7.38%, 7/01/21 (c)	785	792,850
Calpine Corp. (c):		
7.50%, 2/15/21	180	181,800
7.88%, 1/15/23	585	596,700
Energy Future Holdings Corp., 10.00%, 1/15/20	3,115	3,127,058
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20	161	162,428
NRG Energy, Inc., 7.63%, 1/15/18 (c)	1,995	1,975,050
		6,835,886
Industrial Conglomerates 2.7%		
Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c)	EUR 107	149,863
Sequa Corp. (c):		
11.75%, 12/01/15	USD 2,190	2,277,600
13.50%, 12/01/15	3,759	3,984,277
		6,411,740
Insurance 1.3%		
Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)	1,600	1,640,000
CNO Financial Group, Inc., 9.00%, 1/15/18 (c)	339	352,560
Genworth Financial, Inc., 7.63%, 9/24/21	390	346,136
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)	235	225,600
USI Holdings Corp., 4.16%, 11/15/14 (c)(h)	630	563,850
		3,128,146
Machinery 1.3%		
AGY Holding Corp., 11.00%, 11/15/14	900	788,625
Navistar International Corp.:		
3.00%, 10/15/14 (f)	1,810	1,997,788
8.25%, 11/01/21	140	144,900
Oshkosh Corp., 8.25%, 3/01/17	30	30,825
SPX Corp., 6.88%, 9/01/17	160	166,800
		3,128,938
Media 14.6%		
AMC Entertainment, Inc., 9.75%, 12/01/20	160	154,400
AMC Networks, Inc., 7.75%, 7/15/21 (c)	205	212,175
Affinion Group, Inc., 7.88%, 12/15/18 (c)	745	659,325
CCH II LLC, 13.50%, 11/30/16	2,982	3,444,630
CCO Holdings LLC:		
7.25%, 10/30/17	40	41,250
7.88%, 4/30/18	100	104,000
6.50%, 4/30/21	721	704,777
CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(h)	150	142,500
CSC Holdings, Inc., 8.50%, 4/15/14	370	400,525

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Catalina Marketing Corp., 10.50%, 10/01/15 (c)(e)	555	555,000
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (c)	590	454,300
Checkout Holding Corp., 10.69%, 11/15/15 (c)(g)	615	362,850
Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)	355	382,513
Clear Channel Communications, Inc., 9.00%, 3/01/21	500	402,500
Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	1,404	1,488,240
Series B, 9.25%, 12/15/17	5,160	5,521,200
Cox Enterprises, Inc.:		
Loan Close 2, 4.00%, 8/15/18	630	650,077
Loan Close 3, 12.00%, 8/15/18	720	743,225
Shares Loan, 4.00%, 8/15/18	743	766,526

Corporate Bonds	Par (000)	Value
Media (concluded)		
Cumulus Media, Inc., 7.75%, 5/01/19 (c)	USD 120	\$ 105,300
DISH DBS Corp., 7.00%, 10/01/13	90	94,388
Gray Television, Inc., 10.50%, 6/29/15	900	868,500
Harland Clarke Holdings Corp.:		
6.00%, 5/15/15 (h)	330	245,850
9.50%, 5/15/15	290	236,350
Intelsat Luxemburg SA:		
11.25%, 6/15/16	1,010	1,055,450
11.25%, 2/04/17	320	310,400
11.50%, 2/04/17 (e)	360	349,650
11.50%, 2/04/17 (c)(e)	820	796,425
Interactive Data Corp., 10.25%, 8/01/18 (c)	945	1,001,700
The Interpublic Group of Cos., Inc.,		
10.00%, 7/15/17	315	362,250
Kabel BW Erste Beteiligungs GmbH, 7.50%,		
3/15/19 (c)	EUR 613	862,964
Kabel Deutschland Vertrieb und Service GmbH		
& Co. KG, 6.50%, 6/29/18 (c)	315	443,041
Live Nation Entertainment, Inc., 8.13%,		
5/15/18 (c)	USD 675	649,688
Musketeer GmbH, 9.50%, 3/15/21	EUR 385	553,053
NAI Entertainment Holdings LLC, 8.25%,		
12/15/17 (c)	USD 570	575,700
Nielsen Finance LLC:		
11.63%, 2/01/14	45	50,963
7.75%, 10/15/18	2,085	2,152,762
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c)	GBP 189	280,725
ProQuest LLC, 9.00%, 10/15/18 (c)	USD 460	450,800
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(i)	812	406
Regal Entertainment Group, 9.13%, 8/15/18	305	308,050
UPC Holding BV, 9.88%, 4/15/18 (c)	500	522,500
UPCB Finance II Ltd., 6.38%, 7/01/20 (c)	EUR 753	962,700
Unitymedia GmbH:		
9.63%, 12/01/19	158	228,669
9.63%, 12/01/19 (c)	530	767,056
Unitymedia Hessen GmbH & Co. KG (FKA UPC		
Germany GmbH) (c):		
8.13%, 12/01/17	407	587,579
8.13%, 12/01/17	USD 540	550,800
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP 537	902,222
Ziggo Bond Co. BV, 8.00%, 5/15/18 (c)	EUR 343	482,865
Ziggo Finance BV, 6.13%, 11/15/17 (c)	735	1,029,432
		34,978,251

Metals & Mining 4.2%

Drummond Co., Inc.:

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9.00%, 10/15/14 (c)	USD	245	250,513
7.38%, 2/15/16		190	192,850
FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (c)		1,140	1,137,150
Goldcorp, Inc., 2.00%, 8/01/14 (f)		970	1,276,763
JMC Steel Group, 8.25%, 3/15/18 (c)		185	180,838
James River Escrow, Inc., 7.88%, 4/01/19 (c)		200	181,000
New World Resources NV, 7.88%, 5/01/18	EUR	627	860,155
Newmont Mining Corp., Series A, 1.25%, 7/15/14 (f)	USD	1,345	1,953,612
Novelis, Inc., 8.75%, 12/15/20 (c)		3,235	3,404,837
Taseko Mines Ltd., 7.75%, 4/15/19		300	284,250
Vedanta Resources PLC, 8.25%, 6/07/21 (c)		245	233,975
Vulcan Materials Co., 7.50%, 6/15/21		151	148,722
			10,104,665
Multiline Retail 1.8%			
Dollar General Corp., 11.88%, 7/15/17 (e)		4,007	4,437,753
Oil, Gas & Consumable Fuels 9.7%			
Alpha Natural Resources, Inc.:			
6.00%, 6/01/19		285	278,588
6.25%, 6/01/21		920	900,450

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Oil, Gas & Consumable Fuels (concluded)		
Arch Coal, Inc.:		
7.25%, 10/01/20	USD 310	\$ 305,350
7.25%, 6/15/21 (c)	785	773,225
Berry Petroleum Co., 8.25%, 11/01/16	470	485,275
Bill Barrett Corp., 9.88%, 7/15/16	40	43,900
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 (c)	120	122,400
Chesapeake Energy Corp.:		
6.63%, 8/15/20	876	915,420
6.13%, 2/15/21	505	512,575
2.25%, 12/15/38 (f)	775	689,750
Coffeyville Resources LLC, 9.00%, 4/01/15 (c)	243	257,580
Concho Resources, Inc., 7.00%, 1/15/21	375	384,375
Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c)	310	251,100
Consol Energy, Inc., 8.25%, 4/01/20	1,800	1,935,000
Continental Resources, Inc., 7.13%, 4/01/21	340	350,200
Copano Energy LLC, 7.13%, 4/01/21	305	303,475
Crosstex Energy LP, 8.88%, 2/15/18	165	170,775
Denbury Resources, Inc.:		
8.25%, 2/15/20	652	687,045
6.38%, 8/15/21	320	313,600
EV Energy Partners LP, 8.00%, 4/15/19 (c)	140	137,200
Energy XXI Gulf Coast, Inc. (c):		
9.25%, 12/15/17	390	399,750
7.75%, 6/15/19	815	766,100
Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)	335	319,088
Hilcorp Energy I LP, 7.63%, 4/15/21 (c)	710	717,100
Linn Energy LLC (c):		
6.50%, 5/15/19	230	219,650
8.63%, 4/15/20	1,005	1,075,350
7.75%, 2/01/21	395	402,900
MarkWest Energy Partners LP, 6.75%, 11/01/20	120	123,000
Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)	1,705	1,722,050
OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)	3,625	3,634,062
Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)	300	294,000
Petrohawk Energy Corp.:		
10.50%, 8/01/14	350	395,500
7.88%, 6/01/15	450	486,000
7.25%, 8/15/18	290	338,212
Pioneer Natural Resources Co., 6.88%, 5/01/18	95	102,901
Precision Drilling Corp., 6.50%, 12/15/21 (c)	275	275,000
Range Resources Corp.:		
8.00%, 5/15/19	400	435,000
5.75%, 6/01/21	310	311,550
SM Energy Co., 6.63%, 2/15/19 (c)	260	260,000
SandRidge Energy, Inc., 7.50%, 3/15/21 (c)	835	814,125
Teekay Corp., 8.50%, 1/15/20	510	495,975
		23,404,596
Paper & Forest Products 2.5%		
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(e)	354	247,611
Boise Paper Holdings LLC:		
9.00%, 11/01/17	115	122,188

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8.00%, 4/01/20	140	143,150
Clearwater Paper Corp.:		
10.63%, 6/15/16	370	405,150
7.13%, 11/01/18 (c)	535	537,675
Georgia-Pacific LLC, 8.25%, 5/01/16 (c)	1,525	1,741,562
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (c)	315	311,850
NewPage Corp., 11.38%, 12/31/14 (i)	1,935	1,702,800
Sappi Papier Holding GmbH, 6.63%, 4/15/21 (c)	120	106,800
Verso Paper Holdings LLC, 11.50%, 7/01/14	707	749,420
		6,068,206

	Par (000)	Value
Corporate Bonds		
Pharmaceuticals 0.5%		
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (c)	EUR 200	\$ 275,808
Endo Pharmaceuticals Holdings, Inc., 7.00%, 7/15/19 (c)	USD 170	172,125
Valeant Pharmaceuticals International, 6.50%, 7/15/16 (c)	780	741,000
		1,188,933
Professional Services 0.3%		
FTI Consulting, Inc., 6.75%, 10/01/20 (c)	850	838,313
Real Estate Investment Trusts (REITs) 1.3%		
FelCor Lodging LP, 6.75%, 6/01/19 (c)	1,285	1,207,900
iStar Financial, Inc., 5.65%, 9/15/11	1,500	1,488,750
The Rouse Co. LP, 6.75%, 11/09/15	480	486,000
		3,182,650
Real Estate Management & Development 2.2%		
CB Richard Ellis Services, Inc., 6.63%, 10/15/20	310	303,025
Forest City Enterprises, Inc., 7.63%, 6/01/15	1,325	1,275,313
Realogy Corp. (c):		
11.50%, 4/15/17 (h)	910	723,450
12.00%, 4/15/17	90	72,000
7.88%, 2/15/19	2,400	1,992,000
Shea Homes LP, 8.63%, 5/15/19 (c)	1,025	866,125
		5,231,913
Road & Rail 2.0%		
Avis Budget Car Rental LLC:		
9.63%, 3/15/18	475	485,688
8.25%, 1/15/19	710	686,925
Florida East Coast Railway Corp., 8.13%, 2/01/17 (c)	410	407,950
The Hertz Corp. (c):		
7.50%, 10/15/18	595	583,100
6.75%, 4/15/19	410	382,325
7.38%, 1/15/21	455	434,525
Hertz Holdings Netherlands BV:		
8.50%, 7/31/15	EUR 100	140,777
8.50%, 7/31/15 (c)	1,225	1,724,519
		4,845,809
Semiconductors & Semiconductor Equipment 0.2%		
Spansion LLC, 7.88%, 11/15/17 (c)	USD 540	540,000
Specialty Retail 2.2%		
Asbury Automotive Group, Inc., 8.38%, 11/15/20	335	329,138
Hillman Group, Inc., 10.88%, 6/01/18	490	494,900
House of Fraser Plc., 8.88%, 8/15/18 (c)	GBP 259	357,378
Limited Brands, Inc., 8.50%, 6/15/19	USD 745	839,056
Phones4u Finance Plc, 9.50%, 4/01/18 (c)	GBP 370	462,478
QVC, Inc. (c):		
7.13%, 4/15/17	USD 210	219,450

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7.50%, 10/01/19	565	608,787
7.38%, 10/15/20	195	209,625
Sonic Automotive, Inc., 9.00%, 3/15/18	345	350,175
Toys R US-Delaware, Inc., 7.38%, 9/01/16 (c)	390	378,300
United Auto Group, Inc., 7.75%, 12/15/16	950	961,875
		5,211,162
Transportation Infrastructure 0.2%		
Aguila 3 SA, 7.88%, 1/31/18 (c)	398	374,120
Wireless Telecommunication Services 3.6%		
Cricket Communications, Inc.:		
10.00%, 7/15/15	715	739,131
7.75%, 5/15/16	306	309,825
Digicel Group Ltd. (c):		
8.88%, 1/15/15	635	635,000
9.13%, 1/15/15	1,711	1,710,632
8.25%, 9/01/17	1,135	1,135,000
10.50%, 4/15/18	500	530,000

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Wireless Telecommunication Services (concluded)		
FiberTower Corp., 9.00%, 1/01/16 (e)	USD 311	\$ 193,552
Intelsat Jackson Holdings SA, 7.50%, 4/01/21 (c)	140	135,450
iPCS, Inc., 2.38%, 5/01/13 (h)	760	704,900
MetroPCS Wireless, Inc.:		
7.88%, 9/01/18	340	344,675
6.63%, 11/15/20	850	794,750
NII Capital Corp., 7.63%, 4/01/21	344	350,880
Sprint Capital Corp., 6.88%, 11/15/28	1,210	1,082,950
		8,666,745
Total Corporate Bonds 103.0%		247,450,167
Floating Rate Loan Interests (h)		
Airlines 0.3%		
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17	675	622,127
Building Products 0.2%		
Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/30/17	500	502,500
Capital Markets 0.1%		
Marsico Parent Co., LLC, Term Loan, 5.25%, 12/15/14	369	206,424
Chemicals 0.1%		
PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term Loan Facility (First Lien), 3.48% 3.51%, 7/30/14	313	285,907
Construction & Engineering 0.7%		
Safway Services, LLC, Last Out Term Loan, 7.25%, 12/18/17	1,750	1,750,000
Consumer Finance 1.5%		
Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17	4,000	3,705,000
Diversified Consumer Services 0.0%		
ServiceMaster Co.:		
Closing Date Term Loan, 2.69% 2.76%, 7/24/14	77	71,408
Delayed Draw Term Loan, 2.72%, 7/24/14	8	7,111
		78,519
Diversified Telecommunication Services 0.2%		
Level 3 Financing, Inc., Incremental Tranche A Term Loan, 2.50%, 3/13/14	475	438,900
Electronic Equipment, Instruments & Components 0.0%		
CDW LLC (FKA CDW Corp.), Non-Extended Term Loan, 3.71%, 10/10/14	110	103,400
Energy Equipment & Services 0.6%		
Dynegy Holdings, Inc.:		
Coal Company Term Loan, 9.25%, 8/04/16	530	519,661
Gas Company Term Loan, 9.25%, 8/04/16	970	951,079
		1,470,740

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Health Care Providers & Services	0.7%		
Harden Healthcare, Inc.:			
Tranche A Additional Term Loan, 7.75%, 3/02/15		435	425,844
Tranche A Term Loan, 8.50%, 3/02/15		381	373,039
inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 8/04/16		801	755,846
			1,554,729

		Par (000)		Value
Floating Rate Loan Interests (h)				
Hotels, Restaurants & Leisure	0.4%			
Caesars Entertainment Operating Co., Inc., Term Loan B-3, 3.25%, 1/28/15		USD 341	\$	293,899
Travelport LLC, (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12		1,251		689,203
				983,102

Independent Power Producers & Energy Traders	0.9%			
Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.71% 4.77%, 10/10/17				
		2,926		2,148,176

Media	3.8%			
Cengage Learning Acquisitions, Inc. (FKA Thomson Learning), Tranche 1 Incremental Term Loan, 7.50%, 7/03/14				
		1,455		1,389,525
HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14				
		862		692,815
Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18				
		5,985		5,730,637
Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13				
		1,375		1,419,688
				9,232,665

Multiline Retail	0.6%			
Hema Holding BV, Mezzanine, 9.93%, 7/05/17		EUR 1,097		1,407,026

Oil, Gas & Consumable Fuels	0.8%			
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15		USD 1,829		1,810,296

Paper & Forest Products	0.5%			
Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (e)		1,326		1,140,343

Real Estate Investment Trusts (REITs)	0.6%			
iStar Financial, Inc., Term Loan, (Second Lien), 5.00%, 6/28/13		1,383		1,344,124

Real Estate Management & Development	0.3%			
Realogy Corp.:				
Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16		124		101,911
Extended Term Loan B, 4.52%, 10/10/16		689		566,955
				668,866

Specialty Retail	0.0%			
Claire s Stores, Inc., Term Loan B, 3.00%, 5/29/14		109		94,562
Total Floating Rate Loan Interests	12.3%			29,547,406

		Beneficial Interest (000)		
Other Interests (k)				
Auto Components	2.6%			
Delphi Debtor-in-Possession Holding Co. LLP, Class B Membership Interests (a)				
			(l)	6,247,969
Energy Equipment & Services	0.6%			

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BLK COY (Luxembourg) Investments, S.a.r.l. (Laricina Energy Ltd.) (a)(m)	35	1,549,759
Media 0.0%		
Adelphia Escrow (a)	700	7
Adelphia Recovery Trust (a)	878	88
		95
Total Other Interests 3.2%		7,797,823

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Preferred Securities

Capital Trusts	Par (000)	Value
Insurance 0.2%		
Genworth Financial, Inc., 6.15%, 11/15/66 (h)	USD 790	\$ 474,000
Total Capital Trusts 0.2%		474,000

Preferred Stocks	Shares	
Auto Components 0.3%		
Dana Holding Corp., 4.00% (c)(f)	6,380	718,547
Diversified Financial Services 0.9%		
Ally Financial, Inc., 7.00% (c)	2,883	2,193,693
Media 0.2%		
CMP Susquehanna Radio Holdings Corp., 0.00% (a)(c)(h)	34,982	297,347
Total Preferred Stocks 1.4%		3,209,587

Trust Preferreds		
Diversified Financial Services 0.7%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (h)	80,890	1,727,002
Total Trust Preferreds 0.7%		1,727,002
Total Preferred Securities 2.3%		5,410,589

Warrants (n)		
Health Care Providers & Services 0.0%		
HealthSouth Corp. (Expires 1/16/14)	29,930	
Media 0.1%		
Cumulus Media, Inc. (Expires 3/26/19)	88,351	225,781
New Vision Holdings LLC (Expires 9/30/14)	14,965	150
		225,931
Software 0.0%		
Bankruptcy Management Solutions, Inc. (Expires 9/29/17)	312	3
HMH Holdings/EduMedia (Expires 3/09/17)	9,997	
		3
Total Warrants 0.1%		225,934
Total Long-Term Investments		
(Cost \$309,796,735) 124.8%		299,702,026

Short-Term Securities		
BlackRock Liquidity Funds, TempCash, Institutional Class, 0.11% (o)(p)	1,965,816	1,965,816
Total Short-Term Securities		
(Cost \$1,965,816) 0.8%		1,965,816

Options Purchased	Contracts	Value
Exchange-Traded Call Options 0.0%		
E*Trade Financial Corp., Strike Price USD 20.00, Expires 10/22/11	412	\$ 5,356
Exchange-Traded Put Options 0.0%		
	412	\$ 5,356

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SPDR S&P 500 ETF Trust, Strike Price USD 120.00, Expires 9/17/11	131	29,478
Over-the-Counter Call Options 0.0%		
Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA	17	
	Notional Amount (000)	
Over-the-Counter Call Swaptions 0.1%		
Receive a return based on return of Dow Jones CDX North America High Yield Index Series 16 and pay a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Deutsche Bank Securities Inc.	\$ 10,000	100,351
Total Options Purchased (Cost \$244,707) 0.1%		135,185
Total Investments Before Options Written (Cost \$312,007,258*) 125.7%		301,803,027
Options Written	Contracts	
Exchange-Traded Put Options (0.0%) E*Trade Financial Corp., Strike Price USD 13.00, Expires 10/22/11	412	(84,460)
	Notional Amount (000)	
Over-the-Counter Call Swaptions (0.1%)		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International	USD 10,650	(2,084)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International	4,000	(181,742) (183,826)
Over-the-Counter Put Swaptions (0.3%)		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International	2,775	(90,853)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International	4,000	(130,653)

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

	Notional Amount (000)	Value
Options Written		
Over-the-Counter Put Swaptions (concluded)		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Morgan Stanley Capital Services	USD 10,000	\$ (388,255)
		(609,761)
Total Options Written		
(Premiums Received \$601,636) (0.4)%		(878,047)
Total Investments, Net of Options Written 125.3%		300,924,980
Liabilities in Excess of Other Assets (25.3)%		(60,682,896)
Net Assets 100.0%		\$ 240,242,084

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 313,099,853
Gross unrealized appreciation	\$ 11,308,144
Gross unrealized depreciation	(22,600,970)
Net unrealized depreciation	\$ (11,292,826)

- (a) Non-income producing security.
- (b) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$3,851 and an original cost of \$277, in this security.
- (c) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (d) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (e) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (f) Convertible security.
- (g) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (h) Variable rate security. Rate shown is as of report date.
- (i) Issuer filed for bankruptcy and/or is in default of interest payments.
- (j) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (k) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.

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- (l) Amount is less than \$500.
- (m) The investment is held by a wholly owned subsidiary of the Fund.
- (n) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (o) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at February 28, 2010	Net Activity	Shares Held at August 31, 2011	Income
BlackRock Liquidity Funds, TempCash, Institutional Class	1,721,866	243,950	1,965,816	\$ 1,031

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

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

Financial futures contracts sold as of August 31, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Depreciation
347	S&P 500 Index Emini	Chicago Mercantile	September 2011	\$ 19,749,027	\$ (1,378,068)

Foreign currency exchange contracts as of August 31, 2011 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
EUR 293,000	USD 421,255	Royal Bank of Scotland	9/02/11	\$ (360)
USD 192,154	CAD 190,000	Citibank NA	10/07/11	(1,700)
USD 3,596,799	GBP 2,251,000	Royal Bank of Scotland	10/07/11	(55,827)
USD 20,237,444	EUR 14,117,000	Citibank NA	10/26/11	(28,322)
USD 760,967	EUR 530,000	Deutsche Bank AG	10/26/11	121
USD 45,787	EUR 32,000	Morgan Stanley Capital Services, Inc.	10/26/11	(151)
USD 420,982	EUR 293,000	Royal Bank of Scotland	10/26/11	363
USD 199,829	EUR 140,000	UBS AG	10/26/11	(1,149)
Total				\$ (87,025)

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Credit default swaps on single-name issues buy protection outstanding as of August 31, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
iStar Financial, Inc.	5.00%	Morgan Stanley Capital Services, Inc.	9/20/11	\$ 750	\$ (2,347)
iStar Financial, Inc.	5.00%	Morgan Stanley Capital Services, Inc.	9/20/11	\$ 750	(2,436)
Republic of Hungary	1.00%	Deutsche Bank AG	12/20/15	\$ 280	5,918
Israel (State of)	1.00%	Deutsche Bank AG	3/20/16	\$ 625	(6,428)
Beazer Homes USA Inc.	5.00%	Credit Suisse Securities (USA) LLC	9/20/16	\$ 125	(5,472)
Beazer Homes USA Inc.	5.00%	Goldman Sachs & Co.	9/20/16	\$ 175	11,459
Realogy Corp	5.00%	Goldman Sachs & Co.	9/20/16	\$ 125	(9,218)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	12/20/16	\$ 250	(20,392)
Total					\$ (28,916)

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)

Credit default swaps on traded indexes buy protection outstanding as of August 31, 2011 were as follows:

Index	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Dow Jones CDX North America High Yield Index Series 16	5.00%	Credit Suisse Securities (USA) LLC	6/20/16	\$ 2,100	

Credit default swaps on single-name issues sold protection outstanding as of August 31, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation (Depreciation)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	9/20/11	B+	\$ 250	\$ 1,583
ARAMARK Corp.	5.00%	Goldman Sachs International	3/20/16	B	\$ 500	(14,585)
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	B	\$ 300	(9,383)
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	B	\$ 300	(11,486)
ARAMARK Corp.	5.00%	Goldman Sachs International	9/20/16	B	\$ 350	(15,369)
Total						\$ (49,240)

¹ Using S&P's rating.² The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of the agreement.

Interest rate swaps outstanding as of August 31, 2011 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation
3.12% ^(a)	3-month LIBOR	Deutsche Bank AG	8/02/21	\$ 1,320	\$ 11,812
3.09% ^(a)	3-month LIBOR	Deutsche Bank AG	8/03/21	\$ 1,330	10,135

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3.15% ^(a)	3-month LIBOR	Credit Suisse Securities (USA) LLC	8/11/21	\$	1,340	13,759
3.11% ^(a)	3-month LIBOR	Deutsche Bank AG	8/11/21	\$	1,340	11,386
Total					\$	47,092

(a) Pays a fixed interest rate and receives floating rate.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized in three broad levels for financial statement purposes as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of August 31, 2011 in determining the fair valuation of the Fund's investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments:				
Common Stocks	\$ 7,032,920	\$ 85,137	\$ 2,152,050	\$ 9,270,107
Corporate Bonds		242,319,052	5,131,115	247,450,167
Floating Rate				
Loan Interests		23,768,539	5,778,867	29,547,406
Other Interests	88	6,247,969	1,549,766	7,797,823
Preferred Securities	1,727,002	3,386,240	297,347	5,410,589
Warrants			225,934	225,934
Short-Term Securities	1,965,816			1,965,816
Total	\$ 10,725,826	\$ 275,806,937	\$ 15,135,079	\$ 301,667,842

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments¹				
Assets:				
Credit contracts		\$ 18,960		\$ 18,960
Equity contracts	\$ 34,834	100,351		135,185
Foreign currency exchange contracts		484		484
Interest rate contracts		47,092		47,092

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Liabilities:			
Credit contracts		(97,116)	(97,116)
Equity contracts	(1,462,528)	(793,587)	(2,256,115)
Foreign currency exchange contracts		(87,509)	(87,509)
Total	\$ (1,427,694)	\$ (811,325)	\$ (2,239,019)

- ¹ Derivative financial instruments are swaps, financial futures contracts, foreign currency exchange contracts and options. Swaps, financial futures contracts, and foreign currency exchange contracts are valued at the unrealized appreciation/depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Corporate High Yield Fund, Inc. (COY)

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

	Common Stocks	Corporate Bonds	Floating Rate Loan Interests	Other Interests	Preferred Stocks	Warrants	Unfunded Loan Commitments	Total
Assets/Liabilities:								
Balance, as of February 28, 2011	\$ 412,146	\$ 5,083,048	\$ 6,878,236	\$ 7		\$ 154	\$ (11,592)	\$ 12,361,999
Accrued discounts/premiums		12,301	1,296					13,597
Net realized gain (loss)		6,528	3,965					10,493
Net change in unrealized appreciation/depreciation ²	(2,000,339)	624,595	1,156,020	(27,393)	\$ 297,347	225,780	11,592	287,602
Purchases	3,740,243	47,658	5,690	1,577,152				5,370,743
Sales		(748,753)	(2,574,160)					(3,322,913)
Transfers in ³		105,738	1,461,797					1,567,535
Transfers out ³			(1,153,977)					(1,153,977)
Balance, as of August 31, 2011	\$ 2,152,050	\$ 5,131,115	\$ 5,778,867	\$ 1,549,766	\$ 297,347	\$ 225,934		\$ 15,135,079

² Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(992,367).

³ The Fund's policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets.

See Notes to Financial Statements.

Schedule of Investments August 31, 2011 (Unaudited)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Shares	Value
Common Stocks		
Capital Markets 0.1%		
E*Trade Financial Corp. (a)	29,600	\$ 365,856
Chemicals 0.0%		
Wellman Holdings, Inc.	256	832
Wellman, Inc. (acquired 1/30/09, cost \$235) (a)(b)	1,266	4,114
		4,946
Communications Equipment 0.4%		
Loral Space & Communications Ltd. (a)	20,518	1,161,114
Diversified Financial Services 0.8%		
Kcad Holdings I Ltd.	184,016,803	2,076,998
Electrical Equipment 0.0%		
Medis Technologies Ltd. (a)	70,784	779
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc. (a)	1,099	2,747
Media 1.4%		
Belo Corp., Class A	47,382	258,232
Charter Communications, Inc. (a)	63,805	3,182,593
Clear Channel Outdoor Holdings, Inc., Class A (a)	9,964	114,088
		3,554,913
Metals & Mining 0.1%		
African Minerals Ltd. (a)	47,050	391,428
Oil, Gas & Consumable Fuels 0.2%		
Marathon Petroleum Corp.	10,600	392,836
Paper & Forest Products 0.3%		
Ainsworth Lumber Co. Ltd. (c)	140,415	286,766
Ainsworth Lumber Co. Ltd.	122,117	249,397
Western Forest Products, Inc. (a)	158,023	106,500
Western Forest Products, Inc. (a)(c)	45,762	30,841
		673,504
Semiconductors & Semiconductor Equipment 0.4%		
Spansion, Inc., Class A (a)	64,237	964,198
SunPower Corp., Class B (a)	271	3,211
		967,409
Software 0.1%		
Bankruptcy Management Solutions, Inc. (a)	501	2
HMH Holdings/EduMedia (a)	89,669	179,338
		179,340
Total Common Stocks 3.8%		9,771,870

	Par (000)	
Corporate Bonds		
Aerospace & Defense 0.6%		
Huntington Ingalls Industries, Inc. (c):		
6.88%, 3/15/18	USD 360	338,400
7.13%, 3/15/21	400	376,000
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	756	776,790
		1,491,190
Air Freight & Logistics 0.5%		

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National Air Cargo Group, Inc.:

Series 1, 12.38%, 9/02/15	679	705,964
Series 2, 12.38%, 8/16/15	686	713,156
		1,419,120

	Par (000)	Value
Corporate Bonds		
Airlines 3.1%		
Air Canada, 9.25%, 8/01/15 (c)	USD 900	\$ 864,000
American Airlines, Inc.:		
10.50%, 10/15/12	940	969,375
7.50%, 3/15/16 (c)	140	126,700
Series 2001-2, 7.86%, 4/01/13	400	400,000
Series 2011-1-B, 7.00%, 1/31/18 (c)	407	350,272
Continental Airlines, Inc.:		
6.75%, 9/15/15 (c)	630	614,250
Series 1997-4-B, 6.90%, 7/02/18 (d)	396	390,128
Series 2010-1-B, 6.00%, 1/12/19	500	462,500
Delta Air Lines, Inc.:		
Series 2010-1-B, 6.38%, 7/02/17	500	450,000
Series B, 9.75%, 12/17/16	765	784,455
US Airways Pass-Through Trust, 10.88%, 10/22/14	690	672,750
United Air Lines, Inc., 12.75%, 7/15/12	2,062	2,155,175
		8,239,605
Auto Components 2.1%		
Allison Transmission, Inc., 11.00%, 11/01/15 (c)	230	242,075
B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c)	210	195,300
Delphi Corp., 6.13%, 5/15/21 (c)	170	164,050
Ford Motor Co., 7.45%, 7/16/31	730	800,352
Icahn Enterprises LP:		
4.00%, 8/15/13 (c)(e)(f)	255	243,219
8.00%, 1/15/18	3,035	3,065,350
International Automotive Components Group, SL, 9.13%, 6/01/18 (c)	260	255,450
Titan International, Inc., 7.88%, 10/01/17	465	488,250
		5,454,046
Beverages 0.2%		
Cott Beverages, Inc., 8.13%, 9/01/18	264	273,240
Crown European Holdings SA, 7.13%, 8/15/18 (c)	EUR 245	339,625
		612,865
Biotechnology 0.1%		
QHP Pharma, 10.25%, 3/15/15 (c)	USD 335	341,135
Building Products 1.3%		
Building Materials Corp. of America (c):		
7.00%, 2/15/20	440	440,000
6.75%, 5/01/21	1,260	1,206,450
Griffon Corp., 7.13%, 4/01/18 (c)	430	406,350
Momentive Performance Materials, Inc.:		
11.50%, 12/01/16	475	470,250
9.00%, 1/15/21 (c)	985	842,175
		3,365,225
Capital Markets 1.0%		
American Capital Ltd., 7.96%, 12/31/13 (g)	510	506,420
E*Trade Financial Corp.:		
12.50%, 11/30/17 (h)	880	1,012,000
3.39%, 8/31/19 (c)(e)(i)	244	291,580
Series A, 3.65%, 8/31/19 (e)(i)	7	8,365
KKR Group Finance Co., 6.38%, 9/29/20 (c)	650	691,570
		2,509,935
Chemicals 3.6%		
American Pacific Corp., 9.00%, 2/01/15	880	864,600
American Rock Salt Co. LLC, 8.25%, 5/01/18 (c)	138	127,995

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Celanese US Holdings LLC, 5.88%, 6/15/21		980	982,450
Chemtura Corp., 7.88%, 9/01/18 (c)		375	385,312
Hexion US Finance Corp.:			
8.88%, 2/01/18		480	448,800
9.00%, 11/15/20 (c)		310	270,475
Huntsman International LLC (c):			
6.88%, 11/15/13	EUR	280	398,198
8.63%, 3/15/21	USD	170	177,438
Ineos Finance Plc, 9.00%, 5/15/15 (c)		420	425,250
KRATON Polymers LLC, 6.75%, 3/01/19 (c)		125	120,000

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Chemicals (concluded)		
Kinove German Bondco GmbH, 10.00%, 6/15/18	EUR 583	\$ 791,419
Lyondell Chemical Co., 11.00%, 5/01/18	USD 1,235	1,378,569
Nexeo Solutions LLC, 8.38%, 3/01/18 (c)	185	191,012
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (c)	546	540,540
Omnova Solutions, Inc., 7.88%, 11/01/18 (c)	550	482,625
PolyOne Corp., 7.38%, 9/15/20	215	221,450
TPC Group LLC, 8.25%, 10/01/17 (c)	335	343,375
Wellman Holdings, Inc., Subordinate Note (e):		
(Second Lien), 10.00%, 1/29/19 (c)	844	1,173,160
(Third Lien), 5.00%, 1/29/19 (h)	290	206,060
		9,528,728
Commercial Banks 2.5%		
CIT Group, Inc.:		
7.00%, 5/01/15	450	447,750
7.00%, 5/01/16	2,876	2,862,104
7.00%, 5/01/17	2,765	2,730,516
7.00%, 5/02/17 (c)	440	434,500
		6,474,870
Commercial Services & Supplies 2.0%		
ACCO Brands Corp., 10.63%, 3/15/15	755	825,781
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (c)	120	115,754
Aviation Capital Group Corp., 6.75%, 4/06/21 (c)	540	532,861
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (c)	525	494,813
Casella Waste Systems, Inc., 7.75%, 2/15/19 (c)	650	625,625
Clean Harbors, Inc., 7.63%, 8/15/16 (c)	380	401,850
Mobile Mini, Inc., 7.88%, 12/01/20 (c)	365	354,963
RSC Equipment Rental, Inc.:		
10.00%, 7/15/17 (c)	585	628,875
8.25%, 2/01/21	875	815,937
WCA Waste Corp., 7.50%, 6/15/19 (c)	330	330,000
West Corp., 8.63%, 10/01/18 (c)	135	131,625
		5,258,084
Communications Equipment 0.8%		
Avaya, Inc.:		
9.75%, 11/01/15	520	442,000
10.13%, 11/01/15 (h)	650	561,438
7.00%, 4/01/19 (c)	520	468,000
EH Holding Corp. (c):		
6.50%, 6/15/19	380	380,000
7.63%, 6/15/21	260	258,700
		2,110,138
Construction & Engineering 0.1%		
Abengoa SA, 8.50%, 3/31/16	EUR 100	134,313
Boart Longyear Management Ltd., 7.00%, 4/01/21 (c)	USD 200	198,500
		332,813
Construction Materials 0.3%		
Calcipar SA, 6.88%, 5/01/18 (c)	345	326,887

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Xefin Lux SCA, 8.00%, 6/01/18 (c)	EUR	254	335,682
			662,569
Consumer Finance 1.2%			
Credit Acceptance Corp., 9.13%, 2/01/17	USD	680	688,500
Ford Motor Credit Co. LLC:			
3.00%, 1/13/12 (f)		215	215,004
7.80%, 6/01/12		200	206,004
7.00%, 4/15/15		1,830	1,953,525
6.63%, 8/15/17		139	145,519
			3,208,552
Containers & Packaging 1.2%			
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (c)	EUR	475	639,692
Berry Plastics Corp., 8.25%, 11/15/15	USD	135	139,050
GCL Holdings SCA, 9.38%, 4/15/18 (c)	EUR	267	335,603
		Par	Value
		(000)	
Corporate Bonds			
Containers & Packaging (concluded)			
Graphic Packaging International, Inc., 7.88%, 10/01/18	USD	375	\$ 393,750
OI European Group BV, 6.88%, 3/31/17	EUR	155	211,525
Pregis Corp., 12.38%, 10/15/13	USD	410	377,200
Rock-Tenn Co., 9.25%, 3/15/16		55	57,750
Smurfit Kappa Acquisitions (c):			
7.25%, 11/15/17	EUR	495	682,625
7.75%, 11/15/19		315	432,135
			3,269,330
Diversified Consumer Services 1.2%			
Service Corp. International, 7.00%, 6/15/17	USD	3,000	3,135,000
Diversified Financial Services 6.0%			
Ally Financial, Inc.:			
7.50%, 12/31/13		280	288,400
8.30%, 2/12/15		540	567,000
6.25%, 12/01/17 (c)		660	634,865
8.00%, 3/15/20		440	444,400
7.50%, 9/15/20		670	658,275
8.00%, 11/01/31		1,450	1,417,375
8.00%, 11/01/31		880	846,499
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		450	469,125
Boparan Holdings Ltd. (c):			
9.75%, 4/30/18	EUR	102	112,837
9.88%, 4/30/18	GBP	145	190,657
FCE Bank Plc:			
7.13%, 1/15/13	EUR	1,050	1,512,097
4.75%, 1/19/15		419	547,723
General Motors Financial Co., Inc., 6.75%, 6/01/18 (c)	USD	490	487,550
KION Finance SA, 7.88%, 4/15/18 (c)	EUR	160	190,767
Lehman Brothers Holdings, Inc. (j):			
5.38%, 10/17/12	EUR	150	51,714
5.75%, 5/17/13	USD	620	154,225
4.75%, 1/16/14	EUR	760	259,288
1.00%, 2/05/14		1,600	540,124
8.80%, 3/01/15	USD	175	44,188
Leucadia National Corp., 8.13%, 9/15/15		1,175	1,261,656
Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (c)		518	529,655
Reynolds Group Issuer, Inc.:			
8.75%, 10/15/16 (c)	EUR	400	557,362
8.75%, 10/15/16		510	710,637

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7.13%, 4/15/19 (c)	USD	245	232,138
9.00%, 4/15/19 (c)		265	238,500
7.88%, 8/15/19 (c)		1,095	1,084,050
9.88%, 8/15/19 (c)		455	427,700
8.25%, 2/15/21 (c)		735	619,238
WMG Acquisition Corp. (c):			
9.50%, 6/15/16		120	122,400
11.50%, 10/01/18		585	532,350
			15,732,795
Diversified Telecommunication Services 4.5%			
Broadview Networks Holdings, Inc., 11.38%,			
9/01/12		1,035	890,100
GCI, Inc., 6.75%, 6/01/21 (c)		288	283,680
ITC Deltacom, Inc., 10.50%, 4/01/16		280	287,000
Level 3 Escrow, Inc., 8.13%, 7/01/19 (c)		2,715	2,579,250
Level 3 Financing, Inc.:			
9.25%, 11/01/14		84	85,050
8.75%, 2/15/17		565	553,700
Qwest Communications International, Inc.:			
7.50%, 2/15/14		2,675	2,708,437
8.00%, 10/01/15		720	768,600
Series B, 7.50%, 2/15/14		1,660	1,680,750
Qwest Corp., 7.63%, 6/15/15		525	584,063

See Notes to Financial Statements.

Schedule of Investments
(continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

		Par (000)	Value
Corporate Bonds			
Diversified Telecommunication Services (concluded)			
Windstream Corp.:			
8.13%, 8/01/13	USD	460	\$ 488,750
7.88%, 11/01/17		743	781,079
			11,690,459
Electric Utilities 0.6%			
Tokyo Electric Power Co., Inc., 4.50%, 3/24/14	EUR	1,200	1,473,850
Electronic Equipment, Instruments & Components 0.6%			
CDW LLC:			
11.00%, 10/12/15	USD	11	11,220
11.50%, 10/12/15 (h)		660	673,200
8.00%, 12/15/18 (c)		430	425,700
Elster Finance BV, 6.25%, 4/15/18 (c)	EUR	114	150,658
Jabil Circuit, Inc., 8.25%, 3/15/18	USD	235	264,962
			1,525,740
Energy Equipment & Services 1.6%			
Antero Resources Finance Corp., 7.25%, 8/01/19 (c)		165	160,462
Calfrac Holdings LP, 7.50%, 12/01/20 (c)		245	237,650
Compagnie Générale de Géophysique-Veritas, 7.75%, 5/15/17		250	251,250
Exterran Holdings, Inc., 7.25%, 12/01/18 (c)		445	431,650
Frac Tech Services LLC, 7.13%, 11/15/18 (c)		1,135	1,174,725
Key Energy Services, Inc., 6.75%, 3/01/21		450	441,000
MEG Energy Corp., 6.50%, 3/15/21 (c)		580	580,000
Oil States International, Inc., 6.50%, 6/01/19 (c)		320	320,000
SunCoke Energy, Inc., 7.63%, 8/01/19 (c)		220	216,150
Thermon Industries, Inc., 9.50%, 5/01/17		379	397,950
			4,210,837
Food Products 0.5%			
Darling International, Inc., 8.50%, 12/15/18 (c)		240	259,800
Del Monte Foods Co., 7.63%, 2/15/19 (c)		565	560,762
JBS USA LLC, 7.25%, 6/01/21 (c)		90	81,788
Reddy Ice Corp., 11.25%, 3/15/15		440	399,300
			1,301,650
Health Care Equipment & Supplies 1.4%			
DJO Finance LLC:			
10.88%, 11/15/14		2,320	2,398,300
7.75%, 4/15/18 (c)		100	93,000
ExamWorks Group, Inc., 9.00%, 7/15/19 (c)		282	265,785
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)		540	602,100
Teleflex, Inc., 6.88%, 6/01/19		295	292,787
			3,651,972
Health Care Providers & Services 5.9%			
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)		415	412,925
ConvaTec Healthcare E SA (c):			
7.38%, 12/15/17	EUR	600	775,710
10.50%, 12/15/18	USD	270	245,700

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Crown Newco 3 Plc, 7.00%, 2/15/18 (c)	GBP	364	531,796
HCA, Inc.:			
8.50%, 4/15/19	USD	305	332,450
6.50%, 2/15/20		1,230	1,243,838
7.25%, 9/15/20		2,910	2,990,025
7.50%, 2/15/22		1,280	1,267,200
IASIS Healthcare LLC, 8.38%, 5/15/19 (c)		755	660,625
INC Research LLC, 11.50%, 7/15/19 (c)		410	379,250
inVentiv Health, Inc., 10.00%, 8/15/18 (c)		435	392,588
Omnicare, Inc.:			
6.13%, 6/01/13		15	15,150
6.88%, 12/15/15		88	89,760
7.75%, 6/01/20		625	637,500

		Par (000)	Value
Corporate Bonds			
Health Care Providers & Services (concluded)			
Symbion, Inc., 8.00%, 6/15/16 (c)	USD	345	\$ 320,850
Tenet Healthcare Corp.:			
9.00%, 5/01/15		1,664	1,763,840
10.00%, 5/01/18		779	856,900
8.88%, 7/01/19		2,279	2,415,740
			15,331,847
Health Care Technology 1.3%			
IMS Health, Inc., 12.50%, 3/01/18 (c)		2,405	2,765,750
MedAssets, Inc., 8.00%, 11/15/18 (c)		535	516,275
			3,282,025
Hotels, Restaurants & Leisure 1.4%			
Caesars Entertainment Operating Co., Inc.,			
11.25%, 6/01/17		130	140,075
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	53	66,237
Diamond Resorts Corp., 12.00%, 8/15/18	USD	1,190	1,154,300
El Dorado Resorts LLC, 8.63%, 6/15/19 (c)		180	153,450
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	324	399,721
Little Traverse Bay Bands of Odawa Indians, 9.00%,			
8/31/20 (c)	USD	300	249,000
MGM Mirage, 13.00%, 11/15/13		110	126,088
MGM Resorts International:			
10.38%, 5/15/14		255	279,862
11.13%, 11/15/17		820	914,300
Travelport LLC:			
4.95%, 9/01/14 (f)		180	137,250
9.88%, 9/01/14		40	34,100
9.00%, 3/01/16		120	96,300
Tropicana Entertainment LLC, Series WI, 9.63%,			
12/15/14 (a)(j)		305	31
			3,750,714
Household Durables 2.5%			
American Standard Americas, 10.75%,			
1/15/16 (c)		410	332,100
Ashton Woods USA LLC, 5.50%, 6/30/15 (c)(k)		880	631,400
Beazer Homes USA, Inc.:			
8.13%, 6/15/16		315	222,075
12.00%, 10/15/17		1,345	1,365,175
9.13%, 6/15/18		460	319,125
Ideal Standard International, 11.75%, 5/01/18 (c)	EUR	154	170,340
Jarden Corp., 7.50%, 1/15/20		305	414,035
Ryland Group, Inc., 6.63%, 5/01/20	USD	600	516,000
Standard Pacific Corp.:			
10.75%, 9/15/16		1,390	1,376,100
8.38%, 5/15/18		270	236,925

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8.38%, 1/15/21		585	503,100
United Rentals North America, Inc., 8.38%, 9/15/20		435	396,938
			6,483,313
Household Products 0.1%			
Ontex IV SA, 7.50%, 4/15/18 (c)	EUR	150	192,850
IT Services 2.0%			
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c)	USD	740	680,800
First Data Corp. (c):			
7.38%, 6/15/19		940	883,600
8.88%, 8/15/20		535	529,650
12.63%, 1/15/21		2,114	1,997,730
SunGard Data Systems, Inc.:			
7.38%, 11/15/18		590	561,975
7.63%, 11/15/20		600	573,000
			5,226,755

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Schedule of Investments
(continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

		Par (000)	Value
Corporate Bonds			
Independent Power Producers & Energy Traders 2.8%			
AES Corp., 7.38%, 7/01/21 (c)	USD	860	\$ 868,600
Calpine Corp. (c):			
7.50%, 2/15/21		200	202,000
7.88%, 1/15/23		645	657,900
Energy Future Holdings Corp., 10.00%, 1/15/20		3,395	3,408,142
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20		174	175,544
NRG Energy, Inc., 7.63%, 1/15/18 (c)		2,170	2,148,300
			7,460,486
Industrial Conglomerates 2.6%			
Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c)	EUR	107	149,863
Sequa Corp. (c):			
11.75%, 12/01/15	USD	2,340	2,433,600
13.50%, 12/01/15		3,954	4,191,252
			6,774,715
Insurance 1.3%			
Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)		1,700	1,742,500
CNO Financial Group, Inc., 9.00%, 1/15/18 (c)		367	381,680
Genworth Financial, Inc., 7.63%, 9/24/21		430	381,637
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)		260	249,600
USI Holdings Corp., 4.16%, 11/15/14 (c)(f)		680	608,600
			3,364,017
Machinery 1.3%			
AGY Holding Corp., 11.00%, 11/15/14		980	858,725
Navistar International Corp.:			
3.00%, 10/15/14 (e)		1,960	2,163,350
8.25%, 11/01/21		140	144,900
Oshkosh Corp., 8.25%, 3/01/17		30	30,825
SPX Corp., 6.88%, 9/01/17		175	182,438
			3,380,238
Media 14.7%			
AMC Entertainment, Inc., 9.75%, 12/01/20		175	168,875
AMC Networks, Inc., 7.75%, 7/15/21 (c)		225	232,875
Affinion Group, Inc., 7.88%, 12/15/18 (c)		815	721,275
CCH II LLC, 13.50%, 11/30/16		3,253	3,756,867
CCO Holdings LLC:			
7.25%, 10/30/17		50	51,563
7.88%, 4/30/18		110	114,400
6.50%, 4/30/21		788	770,270
CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f)		160	152,000
CSC Holdings, Inc., 8.50%, 4/15/14		390	422,175
Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h)		610	610,000
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (c)		645	496,650
Checkout Holding Corp., 10.69%, 11/15/15 (c)(i)		670	395,300
Citadel Broadcasting Corp., 7.75%, 12/15/18 (c)		385	414,838
Clear Channel Communications, Inc., 9.00%, 3/01/21		545	438,725

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Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	1,525	1,616,500
Series B, 9.25%, 12/15/17	5,570	5,959,900
Cox Enterprises, Inc.:		
Loan Close 2, 4.00%, 8/15/18	661	682,581
Loan Close 3, 12.00%, 8/15/18	756	780,386
Shares Loan, 4.00%, 8/15/18	780	804,851
Cumulus Media, Inc., 7.75%, 5/01/19 (c)	130	114,075
DISH DBS Corp.:		
7.00%, 10/01/13	90	94,388
6.75%, 6/01/21 (c)	550	554,125
Gray Television, Inc., 10.50%, 6/29/15	935	902,275
Harland Clarke Holdings Corp.:		
6.00%, 5/15/15 (f)	350	260,750
9.50%, 5/15/15	315	256,725

	Par (000)	Value
Corporate Bonds		
Media (concluded)		
Intelsat Luxemburg SA:		
11.25%, 6/15/16	USD 1,090	\$ 1,139,050
11.25%, 2/04/17	340	329,800
11.50%, 2/04/17 (h)	380	369,075
11.50%, 2/04/17 (c)(h)	910	883,837
Interactive Data Corp., 10.25%, 8/01/18 (c)	1,030	1,091,800
The Interpublic Group of Cos., Inc., 10.00%, 7/15/17	340	391,000
Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (c)	EUR 673	947,430
Kabel Deutschland Vertrieb und Service GmbH & Co. KG, 6.50%, 6/29/18 (c)	345	485,236
Live Nation Entertainment, Inc., 8.13%, 5/15/18 (c)	USD 735	707,437
Musketeer GmbH, 9.50%, 3/15/21	EUR 425	610,513
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (c)	USD 620	626,200
Nielsen Finance LLC:		
11.63%, 2/01/14	117	132,503
7.75%, 10/15/18	2,145	2,214,712
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c)	GBP 207	307,461
ProQuest LLC, 9.00%, 10/15/18 (c)	USD 500	490,000
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(j)	850	425
Regal Entertainment Group, 9.13%, 8/15/18	335	338,350
UPC Holding BV, 9.88%, 4/15/18 (c)	500	522,500
UPCB Finance II Ltd., 6.38%, 7/01/20 (c)	EUR 822	1,050,915
Unitymedia GmbH:		
9.63%, 12/01/19	168	243,142
9.63%, 12/01/19 (c)	570	824,947
Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH):		
8.13%, 12/01/17 (c)	441	636,664
8.13%, 12/01/17 (c)	USD 655	668,100
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP 618	1,038,312
Ziggo Bond Co. BV, 8.00%, 5/15/18 (c)	EUR 388	546,215
Ziggo Finance BV, 6.13%, 11/15/17 (c)	800	1,120,471
		38,488,464
Metals & Mining 4.2%		
Drummond Co., Inc.:		
9.00%, 10/15/14 (c)	USD 270	276,075
7.38%, 2/15/16	200	203,000
FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (c)	1,230	1,226,925

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Goldcorp, Inc., 2.00%, 8/01/14 (e)	1,060	1,395,225
JMC Steel Group, 8.25%, 3/15/18 (c)	200	195,500
James River Escrow, Inc., 7.88%, 4/01/19 (c)	220	199,100
New World Resources NV, 7.88%, 5/01/18	EUR 655	898,567
Newmont Mining Corp., Series A, 1.25%, 7/15/14	USD 1,475	2,142,438
Novelis, Inc., 8.75%, 12/15/20 (c)	3,525	3,710,062
Taseko Mines Ltd., 7.75%, 4/15/19	330	312,675
Vedanta Resources Plc, 8.25%, 6/07/21 (c)	270	257,850
Vulcan Materials Co., 7.50%, 6/15/21	166	163,496
		10,980,913
Multiline Retail 1.8%		
Dollar General Corp., 11.88%, 7/15/17 (h)	4,351	4,818,732
Oil, Gas & Consumable Fuels 9.7%		
Alpha Natural Resources, Inc.:		
6.00%, 6/01/19	320	312,800
6.25%, 6/01/21	1,010	988,537
Arch Coal, Inc.:		
7.25%, 10/01/20	335	329,975
7.25%, 6/15/21 (c)	860	847,100
Berry Petroleum Co., 8.25%, 11/01/16	510	526,575
Bill Barrett Corp., 9.88%, 7/15/16	45	49,388
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18	130	132,600

See Notes to Financial Statements.

Schedule of Investments
(continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Oil, Gas & Consumable Fuels (concluded)		
Chesapeake Energy Corp.:		
6.63%, 8/15/20	USD 956	\$ 999,020
6.13%, 2/15/21	550	558,250
2.25%, 12/15/38 (e)	800	712,000
Coffeyville Resources LLC, 9.00%, 4/01/15 (c)	266	281,960
Concho Resources, Inc., 7.00%, 1/15/21	410	420,250
Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c)	345	279,450
Consol Energy, Inc., 8.25%, 4/01/20	1,965	2,112,375
Continental Resources, Inc., 7.13%, 4/01/21	370	381,100
Copano Energy LLC, 7.13%, 4/01/21	335	333,325
Crosstex Energy LP, 8.88%, 2/15/18	180	186,300
Denbury Resources, Inc.:		
8.25%, 2/15/20	737	776,614
6.38%, 8/15/21	350	343,000
EV Energy Partners LP, 8.00%, 4/15/19 (c)	150	147,000
Energy XXI Gulf Coast, Inc. (c):		
9.25%, 12/15/17	425	435,625
7.75%, 6/15/19	900	846,000
Forbes Energy Services Ltd., 9.00%, 6/15/19 (c)	365	347,662
Hilcorp Energy I LP, 7.63%, 4/15/21 (c)	770	777,700
Linn Energy LLC (c):		
6.50%, 5/15/19	250	238,750
8.63%, 4/15/20	1,100	1,177,000
7.75%, 2/01/21	430	438,600
MarkWest Energy Partners LP, 6.75%, 11/01/20	135	138,375
Niska Gas Storage US LLC, 8.88%, 3/15/18 (c)	1,845	1,863,450
OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c)	3,970	3,979,925
Oasis Petroleum, Inc., 7.25%, 2/01/19 (c)	330	323,400
Petrohawk Energy Corp.:		
10.50%, 8/01/14	370	418,100
7.88%, 6/01/15	460	496,800
7.25%, 8/15/18	320	373,200
Pioneer Natural Resources Co., 6.88%, 5/01/18	100	108,317
Precision Drilling Corp., 6.50%, 12/15/21 (c)	295	295,000
Range Resources Corp.:		
8.00%, 5/15/19	400	435,000
5.75%, 6/01/21	340	341,700
SM Energy Co., 6.63%, 2/15/19 (c)	285	285,000
SandRidge Energy, Inc., 7.50%, 3/15/21 (c)	915	892,125
Teekay Corp., 8.50%, 1/15/20	550	534,875
		25,464,223
Paper & Forest Products 2.7%		
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h)	1,192	834,072
Boise Paper Holdings LLC:		
9.00%, 11/01/17	125	132,812
8.00%, 4/01/20	165	168,712
Clearwater Paper Corp.:		
10.63%, 6/15/16	390	427,050
7.13%, 11/01/18 (c)	585	587,925

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Georgia-Pacific LLC, 8.25%, 5/01/16 (c)		1,600	1,827,213
Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (c)		345	341,550
NewPage Corp., 11.38%, 12/31/14 (j)		2,070	1,821,600
Sappi Papier Holding GmbH, 6.63%, 4/15/21 (c)		140	124,600
Verso Paper Holdings LLC, 11.50%, 7/01/14		756	801,360
			7,066,894
Pharmaceuticals 0.5%			
Capsugel Finance Co. SCA, 9.88%, 8/01/19 (c)	EUR	200	275,808
Endo Pharmaceuticals Holdings, Inc., 7.00%, 7/15/19 (c)	USD	185	187,313
Valeant Pharmaceuticals International, 6.50%, 7/15/16 (c)		855	812,250
			1,275,371

		Par (000)	Value
Corporate Bonds			
Professional Services 0.3%			
FTI Consulting, Inc., 6.75%, 10/01/20 (c)	USD	920	\$ 907,350
Real Estate Investment Trusts (REITs) 0.7%			
FelCor Lodging LP, 6.75%, 6/01/19 (c)		1,405	1,320,700
The Rouse Co. LP, 6.75%, 11/09/15		520	526,500
			1,847,200
Real Estate Management & Development 2.2%			
CB Richard Ellis Services, Inc., 6.63%, 10/15/20		335	327,463
Forest City Enterprises, Inc., 7.63%, 6/01/15		1,425	1,371,562
IVG Immobilien AG, 8.00%, 5/29/49 (f)	EUR	100	109,174
Realogy Corp.:			
11.50%, 4/15/17 (f)	USD	995	791,025
12.00%, 4/15/17		100	80,000
7.88%, 2/15/19 (c)		2,610	2,166,300
Shea Homes LP, 8.63%, 5/15/19 (c)		1,120	946,400
			5,791,924
Road & Rail 2.0%			
Avis Budget Car Rental LLC:			
9.63%, 3/15/18		510	521,475
8.25%, 1/15/19		775	749,812
Florida East Coast Railway Corp., 8.13%, 2/01/17 (c)		410	407,950
The Hertz Corp. (c):			
7.50%, 10/15/18		645	632,100
6.75%, 4/15/19		445	414,963
7.38%, 1/15/21		495	472,725
Hertz Holdings Netherlands BV:			
8.50%, 7/31/15	EUR	110	154,855
8.50%, 7/31/15 (c)		1,325	1,865,296
			5,219,176
Semiconductors & Semiconductor Equipment 0.3%			
Micron Technology, Inc. (c):			
Series A, 1.50%, 8/01/31	USD	285	245,100
Series B, 1.88%, 8/01/31		95	79,444
Spansion LLC, 7.88%, 11/15/17 (c)		580	580,000
			904,544
Specialty Retail 2.2%			
Asbury Automotive Group, Inc., 8.38%, 11/15/20		365	358,613
Hillman Group, Inc., 10.88%, 6/01/18		530	535,300
House of Fraser Plc, 8.88%, 8/15/18 (c)	GBP	285	393,254
Limited Brands, Inc., 8.50%, 6/15/19	USD	785	884,106
Phones4u Finance Plc, 9.50%, 4/01/18 (c)	GBP	400	499,976
QVC, Inc. (c):			

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7.13%, 4/15/17	USD	230	240,350
7.50%, 10/01/19		625	673,438
7.38%, 10/15/20		210	225,750
Sonic Automotive, Inc., 9.00%, 3/15/18		370	375,550
Toys R US-Delaware, Inc., 7.38%, 9/01/16 (c)		420	407,400
United Auto Group, Inc., 7.75%, 12/15/16		1,025	1,037,812
			5,631,549
Transportation Infrastructure 0.2%			
Aguila 3 SA, 7.88%, 1/31/18 (c)		431	405,140
Wireless Telecommunication Services 3.4%			
Cricket Communications, Inc.:			
10.00%, 7/15/15		765	790,819
7.75%, 5/15/16		200	202,500
Digicel Group Ltd. (c):			
8.88%, 1/15/15		700	700,000
9.13%, 1/15/15		1,783	1,783,000
8.25%, 9/01/17		1,180	1,180,000
10.50%, 4/15/18		500	530,000
FiberTower Corp., 9.00%, 1/01/16 (h)		311	193,551
Intelsat Jackson Holdings SA, 7.50%, 4/01/21 (c)		160	154,800

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Schedule of Investments
(continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Wireless Telecommunication Services (concluded)		
iPCS, Inc., 2.38%, 5/01/13 (f)	USD 815	\$ 755,912
MetroPCS Wireless, Inc.:		
7.88%, 9/01/18	350	354,813
6.63%, 11/15/20	920	860,200
NII Capital Corp., 7.63%, 4/01/21	381	388,620
Sprint Capital Corp., 6.88%, 11/15/28	1,270	1,136,650
		9,030,865
Total Corporate Bonds 103.1%		270,079,813
Floating Rate Loan Interests (f)		
Airlines 0.2%		
Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17	700	645,169
Building Products 0.2%		
Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/30/17	625	628,125
Capital Markets 0.1%		
Marsico Parent Co., LLC, Term Loan, 5.25%, 12/14/14	369	206,424
Chemicals 0.3%		
PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term Loan Facility (First Lien), 3.48% 3.51%, 7/30/14	290	264,826
Styron Sarl, Term Loan B, 6.00%, 8/02/17	492	452,038
		716,864
Commercial Services & Supplies 0.8%		
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16	508	489,304
Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16	550	546,331
Volume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 9/16/16	993	949,495
		1,985,130
Construction & Engineering 0.8%		
Safeway Services, LLC, Last Out Term Loan, 7.25%, 12/18/17	2,000	2,000,000
Consumer Finance 1.8%		
Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17	5,150	4,770,188
Diversified Consumer Services 0.0%		
ServiceMaster Co.:		
Closing Date Term Loan, 2.69% 2.76%, 7/24/14	86	79,808
Delayed Draw Term Loan, 2.72%, 7/24/14	9	7,948
		87,756
Diversified Telecommunication Services 0.2%		
Level 3 Financing, Inc., Incremental Tranche A Term Loan, 2.50%, 3/13/14	500	462,000

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Electronic Equipment, Instruments & Components	0.0%			
CDW LLC (FKA CDW Corp.), Non-Extended Term Loan, 3.71%, 10/10/14			120	112,800
Energy Equipment & Services	2.1%			
Dynegey Holdings, Inc.:				
Coal Company Term Loan, 9.25%, 8/04/16			1,996	1,928,119
Gas Company Term Loan, 9.25%, 8/04/16			3,654	3,589,727
				5,517,846
Floating Rate Loan Interests (f)			Par (000)	Value
Food Products	0.3%			
Advance Pierre Foods, Term Loan (Second Lien), 11.25%, 9/29/17		USD	900	\$ 882,000
Health Care Providers & Services	0.6%			
Harden Healthcare, Inc.:				
Tranche A Additional Term Loan, 7.75%, 3/02/15			456	447,136
Tranche A Term Loan, 8.50%, 3/02/15			433	423,909
inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 8/04/16			801	755,846
				1,626,891
Hotels, Restaurants & Leisure	0.4%			
Caesars Entertainment Operating Co., Inc., Term Loan B-3, 3.25%, 1/28/15			363	312,268
Travelport LLC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12			1,362	750,196
				1,062,464
Independent Power Producers & Energy Traders	0.9%			
Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.71% 4.77%, 10/10/17			3,134	2,300,562
Media	4.1%			
Cengage Learning Acquisitions, Inc., (FKA Thomson Learning) Tranche 1 Incremental Term Loan, 7.50%, 7/03/14			1,698	1,621,113
HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14			935	751,410
Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18			7,282	6,972,276
Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13			1,325	1,368,062
				10,712,861
Oil, Gas & Consumable Fuels	0.8%			
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15			1,982	1,962,293
Paper & Forest Products	0.5%			
Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (h)			1,433	1,232,420
Pharmaceuticals	0.3%			
Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17			995	897,490
Real Estate Investment Trusts (REITs)	0.6%			
iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13			1,524	1,480,754
Real Estate Management & Development	0.3%			
Realogy Corp.:				
Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16			133	109,694
Extended Term Loan B, 4.52%, 10/10/16			737	606,247
				715,941
Specialty Retail	0.0%			

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Claire's Stores, Inc., Term Loan B, 3.00%, 5/29/14	113	98,036
Wireless Telecommunication Services 1.2%		
Vodafone Americas Finance 2, Inc.:		
Initial Loan, 6.88%, 8/11/15	1,873	1,882,436
Term Loan B, 6.25%, 7/11/16	1,300	1,306,500
		3,188,936
Total Floating Rate Loan Interests 16.5%		43,292,950

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

	Beneficial Interest (000)	Value
Other Interests (l)		
Auto Components 2.6%		
Delphi Debtor-in-Possession Holding Co. LLP, Class B Membership Interests (a)	(m\$)	6,860,756
Lear Corp. Escrow (a)	USD 460	9,200
		6,869,956
Energy, Equipment & Services 0.6%		
BLK CYE (Luxembourg) Investments, S.a.r.l. (Laricina Energy Ltd.) (a)(n)	35	1,549,759
Hotels, Restaurants & Leisure 0.0%		
Buffets, Inc. (a)	575	6
Media 0.0%		
Adelphia Escrow (a)	750	8
Adelphia Recovery Trust (a)	941	94
		102
Total Other Interests 3.2%		8,419,823

Preferred Securities

	Par (000)	
Capital Trusts		
Insurance 0.2%		
Genworth Financial, Inc., 6.15%, 11/15/66 (f)	865	519,000
Total Capital Trusts 0.2%		519,000

	Shares	
Preferred Stocks		
Auto Components 0.7%		
Dana Holding Corp., 4.00% (c)(e)	17,500	1,970,938
Diversified Financial Services 0.9%		
Ally Financial, Inc., 7.00% (c)	3,234	2,460,771
Media 0.3%		
CMP Susquehanna Radio Holdings Corp., 0.00% (a)(c)(f)	37,314	317,169
TRA Global, Inc. (a)	286,652	352,582
		669,751
Real Estate Investment Trusts (REITs) 0.1%		
MPG Office Trust, Inc., Series A, 7.63% (a)	8,994	143,364
Thriffs & Mortgage Finance 0.1%		
Fannie Mae, Series O (a)	30,000	90,000
Freddie Mac, Series Z (a)	75,961	169,393
		259,393
Total Preferred Stocks 2.1%		5,504,217

Trust Preferreds		
Diversified Financial Services 0.7%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (f)	87,860	1,875,811
Total Trust Preferreds 0.7%		1,875,811
Total Preferred Securities 3.0%		7,899,028

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Warrants (o)	Shares	Value
Containers & Packaging 0.0%		
MDP Acquisitions Plc (Expires 10/01/13)	700	\$ 28,868
Health Care Providers & Services 0.0%		
HealthSouth Corp. (Expires 1/16/14)	32,042	
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc. (Expires 4/29/14) (m)	485	5
Media 0.1%		
Cumulus Media, Inc. (Expires 3/26/19)	94,241	240,834
New Vision Holdings LLC (Expires 9/30/14)	22,447	224
		241,058
Software 0.0%		
Bankruptcy Management Solutions, Inc. (Expires 9/29/17)	334	4
HMH Holdings/EduMedia (Expires 3/09/17)	11,225	
		4
Total Warrants 0.1%		269,935
Total Long-Term Investments		
(Cost \$351,137,320) 129.7%		339,733,419

Options Purchased	Contracts	
Exchange-Traded Call Options 0.0%		
E*Trade Financial Corp., Strike Price USD 20.00, Expires 10/22/11	450	5,850
Exchange-Traded Put Options 0.0%		
SPDR S&P 500 ETF Trust, Strike Price USD 120.00, Expires 9/17/11	144	32,403
Over-the-Counter Call Options 0.0%		
Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA	19	
		Notional Amount (000)
Over-the-Counter Call Swaptions 0.1%		
Receive a return based on return of Dow Jones CDX North America High Yield Index Series 16 and pay a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Deutsche Bank Securities Inc.	\$ 10,000	100,351
Total Options Purchased		
(Cost \$258,580) 0.1%		138,604
Total Investments Before Options Written		
(Cost \$351,395,900*) 129.8%		339,872,023

Options Written	Contracts	
Exchange-Traded Put Options 0.0%		
E*Trade Financial Corp., Strike Price USD 13.00, Expires 10/22/11	450	(92,250)
		Notional Amount (000)
Over-the-Counter Call Swaptions (0.1)%		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International	\$ 11,650	(2,279)

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
 (Percentages shown are based on Net Assets)

	Notional Amount (000)	Value
Options Written		
Over-the-Counter Call Swaptions (concluded)		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International	\$ 5,000	\$ (227,178)
		(229,457)
Over-the-Counter Put Swaptions (0.3)%		
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International	3,050	(99,856)
Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International	5,000	(163,317)