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BLACKROCK DEBT STRATEGIES FUND

Form N-Q

January 29, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-08603

Name of Fund: BlackRock Debt Strategies Fund, Inc. (DSF)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive
Officer, BlackRock Debt Strategies Fund, Inc., 800 Scudders Mill Road,
Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ,
08543-9011

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

Date of fiscal year end: 02/29/2008

Date of reporting period: 09/01/2007 - 11/30/2007

Item 1 - Schedule of Investments

BlackRock Debt Strategies Fund, Inc.

Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

| Industry | | Face Amount | Corporate Bonds |
|----------------------------|-----|----------------|---|
| Aerospace & Defense - 3.7% | USD | 5,000,000 | Alliant Techsystems, Inc., 3% due 8/15/20 |
| | | 800,000 | Hawker Beechcraft Acquisition Co. LLC, 8. due 4/01/2015 (g) (m) |
| | | 7,500,000 | L-3 Communications Corp., 3% due 8/01/203 |
| | | 7,170,000 | Vought Aircraft Industries, Inc., 8% due |
| Auto Components - 2.0% | | 1,920,000 | Allison Transmission, 11.25% due 11/01/20 |
| | | 4,500,000 | The Goodyear Tire & Rubber Co., 8.663% due 12/01/2009 (b) |
| | | 2,000 | The Goodyear Tire & Rubber Co., 8.625% du |
| | | 1,020,000 | Lear Corp., 8.75% due 12/01/2016 |
| | | 9,350,000 | Metaldyne Corp., 11% due 6/15/2012 |
| | | 4,450,000 | Venture Holdings Co. LLC, 12% due 6/01/200 |
| | | 1,800,000 | Venture Holdings Co. LLC Series B, 9.50% |

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| | | |
|---------------------------------------|------------|--|
| Biotechnology - 0.7% | 5,000,000 | Angiotech Pharmaceuticals, Inc., 8.874% d |
| Building Products - 2.5% | 7,500,000 | CPG International I, Inc., 12.13% due 7/0 |
| | 1,300,000 | CPG International I, Inc., 10.50% due 7/0 |
| | 5,900,000 | Goodman Global Holding Co., Inc., 7.875% |
| | 2,270,000 | Masonite International Corp., 11% due 4/0 |
| | 235,000 | Momentive Performance Materials, Inc., 10 due 12/01/2014 (g) (m) |
| Capital Markets - 1.4% | 10,000,000 | E*Trade Financial Corp., 12.50% due 11/27 |
| Chemicals - 5.9% | 1,490,000 | American Pacific Corp., 9% due 2/01/2015 |
| | 3,550,000 | ArCo Chemical Co., 9.80% due 2/01/2020 |
| | 9,783,000 | GEO Specialty Chemicals, Inc., 13.85% due |
| | 3,100,000 | Hexion U.S. Finance Corp., 9.369% due 11/ |
| | 2,515,000 | Ineos Group Holdings Plc, 8.50% due 2/15/ |
| | 6,360,000 | MacDermid, Inc., 9.50% due 4/15/2017 (m) |
| | 13,370,000 | NOVA Chemicals Corp., 7.863% due 11/15/20 |
| | 2,500,000 | PolyOne Corp., 6.89% due 9/22/2008 |
| Commercial Banks - 0.4% | 1,500,000 | Investcorp SA, 7.54% due 10/21/2008 |
| | 35,000 | Preferred Term Securities VI, Ltd., 6.06% |
| Commercial Services & Supplies - 1.7% | 1,090,000 | PNA Intermediate Holding Corp., 11.869% due 2/15/2013 (b) (g) (m) |
| | 3,043,000 | Sally Holdings LLC, 10.50% due 11/15/2016 |
| | 3,400,000 | US Investigations Services, Inc., 10.50% |
| | 3,270,000 | West Corp., 11% due 10/15/2016 |
| | 920,000 | The Yankee Candle Company, Inc., 9.75% du |
| Computers & Peripherals - 0.4% | 2,700,000 | Viasystems, Inc., 10.50% due 1/15/2011 |
| Construction Materials - 0.7% | 5,850,000 | Nortek, Inc., 8.50% due 9/01/2014 |
| Containers & Packaging - 4.6% | 665,000 | Berry Plastics Holding Corp., 8.875% due |
| | 375,000 | Berry Plastics Holding Corp., 8.866% due |
| | 1,100,000 | Graham Packaging Co. LP, 9.875% due 10/15 |
| | 705,000 | Graphic Packaging International Corp., 9. |
| | 6,215,000 | Packaging Dynamics Finance Corp., 10% due |
| | 13,625,000 | Smurfit Kappa Funding Plc, 7.75% due 4/01 |
| | 1,600,000 | Smurfit-Stone Container Enterprises, Inc. due 7/01/2012 |
| | 2,600,000 | Smurfit-Stone Container Enterprises, Inc. |
| | 6,325,000 | Wise Metals Group LLC, 10.25% due 5/15/20 |

BlackRock Debt Strategies Fund, Inc.

Schedule of Investments as of November 30, 2007 (Unaudited)

(in U.S. dollars)

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| Industry | | Face Amount | Corporate Bonds |
|--|-----|----------------|--|
| Distributors - 0.3% | USD | 2,000,000 | Buhrmann US, Inc., 7.875% due 3/01/2015 |
| Diversified Consumer Services - 0.5% | | 3,875,000 | NBC Acquisition Corp., 11% due 3/15/2013 |
| Diversified Financial Services - 1.0% | | 5,743,690 | Archimedes Funding III Ltd., 5.50% due 11/15/2015 |
| | | 760,000 | Ford Motor Credit Co. LLC, 5.80% due 1/15/2015 |
| | | 2,680,000 | Ford Motor Credit Co. LLC, 7.993% due 1/15/2015 |
| | | 750,000 | Ford Motor Credit Co. LLC, 9.693% due 4/15/2015 |
| Diversified Telecommunication Services - 1.3% | | 2,675,000 | Qwest Corp., 8.241% due 6/15/2013 (b) |
| | | 6,000,000 | Time Warner Telecom Holdings, Inc., 9.25% due 6/15/2013 (b) |
| Electric Utilities - 0.8% | | 5,380,000 | NSG Holdings LLC, 7.75% due 12/15/2025 (j) |
| Electronic Equipment & Instruments - 1.2% | | 2,675,000 | Muzak Holdings, LLC, 13% due 3/15/2010 |
| | | 5,520,000 | NXP BV, 7.993% due 10/15/2013 (b) |
| | | 1,507,000 | NXP BV, 9.50% due 10/15/2015 |
| Energy Equipment & Services - 2.1% | | 245,000 | Compagnie Generale de Geophysique-Veritas due 5/15/2015 |
| | | 8,000,000 | Ocean RIG ASA, 9.24% due 4/04/2011 (b) |
| | | 6,300,000 | SemGroup LP, 8.75% due 11/15/2015 (m) |
| Food & Staples Retailing - 0.2% | | 1,910,000 | Rite Aid Corp., 9.375% due 12/15/2015 (m) |
| Gas Utilities - 0.5% | | 2,900,000 | El Paso Performance-Linked Trust, 7.75% due 12/15/2015 (m) |
| Health Care Equipment & Supplies - 2.7% | | 1,600,000 | Biomet, Inc., 11.625% due 10/15/2017 (m) |
| | | 1,200,000 | LVB Acquisition Merger Sub, Inc., 10% due 10/15/2017 (g) (m) |
| | | 1,200,000 | LVB Acquisition Merger Sub, Inc., 10.375% due 10/15/2017 (g) (m) |
| | | 15,000,000 | ReAble Therapeutics Finance LLC, 10.875% due 11/15/2014 (m) |
| Health Care Providers & Services - 2.4% | | 3,575,000 | Community Health Systems, Inc. Series WI, due 7/15/2015 |
| | | 2,990,000 | Tenet Healthcare Corp., 6.50% due 6/01/2015 |
| | | 6,000,000 | Tenet Healthcare Corp., 7.375% due 2/01/2015 |
| | | 930,000 | Universal Hospital Services, Inc., 8.288% due 6/01/2015 (b) (m) |
| | | 1,000,000 | Universal Hospital Services, Inc., 8.50% due 6/01/2015 (b) (m) |
| | | 4,100,000 | Vanguard Health Holding Co. I, LLC, 11.25% due 10/01/2015 (h) |

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|--------------------------------------|-----------|--|
| Hotels, Restaurants & Leisure - 6.0% | 1,250,000 | Galaxy Entertainment Finance Co. Ltd., 9.0% due 12/15/2012 (m) |
| | 6,193,353 | HRP Myrtle Beach Holdings LLC, 14.50% due 4/01/2014 (g) (m) |
| | 5,000,000 | HRP Myrtle Beach Operations LLC, 9.894% due 4/01/2012 (b) (m) |
| | 5,000,000 | HRP Myrtle Beach Operations LLC, 12.50% due 4/01/2013 (m) |
| | 2,560,000 | Little Traverse Bay Bands of Odawa Indian, 10.0% due 2/15/2014 (m) |
| | 2,700,000 | Pinnacle Entertainment, Inc., 7.50% due 6/15/2015 (m) |
| | 1,370,000 | Shingle Springs Tribal Gaming Authority, 9.0% due 6/15/2015 (m) |
| | 1,015,000 | Snoqualmie Entertainment Authority, 9.062% due 2/01/2014 (b) (m) |

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| Industry | Face Amount | Corporate Bonds |
|---|-------------|---|
| | USD | |
| | 3,400,000 | Station Casinos, Inc., 7.75% due 8/15/2014 (b) |
| | 2,600,000 | Travelport LLC, 9.749% due 9/01/2014 (b) |
| | 3,265,000 | Tropicana Entertainment LLC Series WI, 9.0% due 12/15/2014 |
| | 3,000,000 | Tunica-Biloxi Gaming Authority, 9% due 11/01/2010 (b) |
| | 5,300,000 | Universal City Florida Holding Co. I, 9.6% due 5/01/2010 (b) |
| Household Durables - 0.5% | 1,910,000 | Jarden Corp., 7.50% due 5/01/2017 |
| | 2,250,000 | Stanley-Martin Communities LLC, 9.75% due 11/01/2010 (b) |
| IT Services - 0.7% | 4,818,000 | SunGard Data Systems, Inc., 10.25% due 8/15/2014 (b) |
| Independent Power Producers & Energy Traders - 2.1% | 3,200,000 | Energy Future Holding Corp., 11.25% due 11/01/2015 (m) |
| | 9,000,000 | Texas Competitive Electric Holdings Co. L, 10.0% due 11/01/2015 (m) |
| | 2,400,000 | Texas Competitive Electric Holdings Co. L, 10.0% due 11/01/2016 (g) (m) |
| Insurance - 0.6% | 2,500,000 | Alliant Holdings I, Inc., 11% due 5/01/2014 (b) |
| | 1,630,000 | USI Holdings Corp., 8.744% due 11/15/2014 (b) |
| Leisure Equipment & Products - 0.2% | 2,000,000 | True Temper Sports, Inc., 8.375% due 9/15/2014 (b) |

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|------------------|--|--|
| Machinery - 1.7% | 3,070,000 | Esco Corp., 8.866% due 12/15/2013 (b) (m) |
| | 3,815,000 | Invensys Plc, 9.875% due 3/15/2011 (m) |
| | 1,480,000 | RBS Global, Inc., 9.50% due 8/01/2014 |
| | 1,685,000 | RBS Global, Inc., 8.875% due 9/01/2016 |
| | 1,530,000 | Titan International, Inc., 8% due 1/15/20 |
| Marine - 0.5% | 1,447,000 | Navios Maritime Holdings, Inc., 9.50% due |
| | 1,760,000 | Titan Petrochemicals Group Ltd., 8.50% du |
| Media - 10.9% | 280,000 | Affinion Group, Inc., 10.125% due 10/15/2 |
| | 800,000 | Affinion Group, Inc., 11.50% due 10/15/20 |
| | 5,950,000 | Cablevision Systems Corp. Series B, 9.644% due 4/01/2009 (b) |
| | 2,000,000 | Cadmus Communications Corp., 8.375% due 6 |
| | 5,000,000 | Canadian Satellite Radio Holdings, Inc., due 2/15/2014 |
| | 3,750,000 | Charter Communications Holdings LLC, 10% |
| | 1,319,000 | Charter Communications Holdings LLC, 11.1% due 1/15/2011 |
| | 1,978,000 | Charter Communications Holdings LLC, 10% |
| | 8,605,000 | Intelsat Bermuda Ltd., 10.829% due 6/15/2 |
| | 2,880,000 | Intelsat Bermuda Ltd., 8.886% due 1/15/20 |
| | 10,350,000 | Intelsat Intermediate Holding Co. Ltd., 9% due 2/01/2015 (h) |
| | 4,125,000 | Liberty Media Corp., 0.75% due 3/30/2023 |
| | 3,875,000 | Mediacom LLC, 9.50% due 1/15/2013 |
| | 750,000 | NTL Cable Plc, 8.75% due 4/15/2014 |
| | 580,000 | Network Communications, Inc., 10.75% due |
| 2,800,000 | Paxson Communications Corp., 8.493% due 1 | |
| 3,235,000 | Sinclair Broadcast Group, Inc. Class A, 4% due 7/15/2018 (a) (h) | |
| 5,795,000 | Sirius Satellite Radio, Inc., 9.625% due | |

BlackRock Debt Strategies Fund, Inc.

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| Industry | Face Amount | Corporate Bonds |
|------------------------|-------------|--|
| USD | 5,230,000 | TL Acquisitions, Inc., 10.50% due 1/15/20 |
| | 2,850,000 | Windstream Regatta Holdings, Inc., 11% du |
| | 2,800,000 | XM Satellite Radio, Inc., 9.411% due 5/01 |
| | 2,535,000 | Young Broadcasting, Inc., 10% due 3/01/20 |
| Metals & Mining - 3.9% | 2,735,000 | Aleris International, Inc., 9% due 12/15/ |
| | 10,360,000 | Freeport-McMoRan Copper & Gold, Inc., 8.3% due 4/01/2015 (b) |
| | 2,854,000 | Indalex Holding Corp. Series B, 11.50% due |
| | 4,550,000 | RathGibson, Inc., 11.25% due 2/15/2014 |

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|--|--|---|
| | 6,720,000 | Ryerson, Inc., 12.574% due 11/01/2014 (b) |
| ----- | | |
| Multi-Utilities - 1.0% | 4,142,000 | CenterPoint Energy, Inc. Series B, 3.75% |
| ----- | | |
| Oil, Gas & Consumable Fuels - 0.8% | 480,000 3,000,000 2,445,000 | Berry Petroleum Co., 8.25% due 11/01/2016 Chaparral Energy, Inc., 8.50% due 12/01/2016 Compton Petroleum Finance Corp., 7.625% due 11/01/2015 |
| ----- | | |
| Paper & Forest Products - 6.5% | 6,500,000 9,725,000 8,000,000 7,600,000 3,775,000 8,000,000 3,325,000 4,400,000 | Abitibi-Consolidated, Inc., 8.491% due 6/15/2015 Ainsworth Lumber Co. Ltd., 8.948% due 10/15/2015 Ainsworth Lumber Co. Ltd., 9.198% due 4/01/2015 Bowater, Inc., 7.991% due 3/15/2010 (b) Domtar Corp., 7.125% due 8/15/2015 NewPage Corp., 11.161% due 5/01/2012 (b) NewPage Corp., 12% due 5/01/2013 Verso Paper Holdings LLC Series B, 8.661% due 8/01/2014 (b) |
| ----- | | |
| Pharmaceuticals - 1.2% | 3,525,000 4,825,000 | Elan Finance Plc, 7.75% due 11/15/2011 Elan Finance Plc, 8.869% due 11/15/2011 (b) |
| ----- | | |
| Real Estate Investment Trusts | 3,500,000 | RAIT Financial Trust, 6.875% due 4/15/2020 |
| ----- | | |
| Real Estate Management & Development - 1.8% | 4,770,000 7,540,000 4,615,000 | Realogy Corp., 10.50% due 4/15/2014 (m) Realogy Corp., 11% due 4/15/2014 (g) (m) Realogy Corp., 12.375% due 4/15/2015 (m) |
| ----- | | |
| Road & Rail - 0.6% | 1,250,000 513,000 5,060,000 | Atlantic Express Transportation Corp., 12.5% due 4/15/2012 (b) Britannia Bulk Plc, 11% due 12/01/2011 St. Acquisition Corp., 12.619% due 5/15/2012 |
| ----- | | |
| Semiconductors & Semiconductor Equipment - 2.4% | 3,000,000 210,000 2,645,000 5,470,000 3,180,000 3,370,000 | Amkor Technology, Inc., 7.125% due 3/15/2015 Amkor Technology, Inc., 7.75% due 5/15/2015 Amkor Technology, Inc., 9.25% due 6/01/2015 Freescale Semiconductor, Inc., 8.866% due 6/01/2015 Freescale Semiconductor, Inc., 9.125% due 6/01/2015 Spansion, Inc., 8.249% due 6/01/2013 (b) (m) |
| ----- | | |
| Software - 0.4% | 2,416,832 | BMS Holdings, Inc., 12.40% due 2/15/2012 |
| ----- | | |
| Specialty Retail - 4.3% | 2,040,000 5,560,000 4,480,000 3,790,000 8,660,000 28,700,000 | Buffets, Inc., 12.50% due 11/01/2014 General Nutrition Centers, Inc., 10.009% due 11/01/2014 General Nutrition Centers, Inc., 10.75% due 11/01/2014 Michaels Stores, Inc., 10% due 11/01/2014 Michaels Stores, Inc., 11.375% due 11/01/2014 Movie Gallery, Inc., 11% due 5/01/2012 (e) |

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Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

| Industry | Face Amount | Corporate Bonds |
|---|----------------|---|
| | USD | |
| | 1,380,000 | United Auto Group, Inc., 7.75% due 12/15/ |
| Wireless Telecommunication Services - 3.5% | 1,905,000 | Centennial Communications Corp., 10.981% due 1/01/2013 (b) |
| | 2,760,000 | Cricket Communications, Inc., 9.375% due |
| | 920,000 | Cricket Communications, Inc., 9.375% due |
| | 3,560,000 | Digicel Group Ltd., 8.875% due 1/15/2015 |
| | 7,748,000 | Digicel Group Ltd., 9.125% due 1/15/2015 |
| | 2,150,000 | FiberTower Corp., 9% due 11/15/2012 (a) (m) |
| | 1,250,000 | iPCS, Inc., 7.036% due 5/01/2013 (b) |
| | 1,310,000 | MetroPCS Wireless, Inc., 9.25% due 11/01/ |
| | 2,600,000 | Nordic Telephone Co. Holdings ApS, 8.875% due 5/01/2016 (m) |
| | 620,000 | Orascom Telecom Finance SCA, 7.875% due 2 |
| | 755,000 | Orascom Telecom Finance SCA, 7.875% due 2 |
| | | Total Corporate Bonds (Cost - \$633,453,8 |
| | | Floating Rate Loan Interests** |
| Aerospace & Defense - 0.2% | 39,007 | Hawker Beechcraft Acquisition Co. LLC Let 6.198% due 3/31/2014 |
| | 458,688 | Hawker Beechcraft Acquisition Co. LLC Ter 6.819% - 7.36% due 3/31/2014 |
| | 1,142,294 | IAP Worldwide Services Inc. Term Loan, 11 due 12/31/2012 |
| Airlines - 0.8% | 2,000,000 | Delta Air Lines, Inc. First Lien Term Loa due 5/15/2012 |
| | 2,000,000 | US Airways Group, Inc. Term Loan B, 7.283 |
| | 1,492,500 | United Air Lines, Inc. Term Loan B, 6.688 due 1/30/2014 |
| Auto Components - 1.1% | 1,000,000 | Delphi Automotive Systems Term Loan, 7.43 due 12/31/2007 |
| | 2,000,000 | The Goodyear Tire & Rubber Co. First Lien 6.43% due 4/30/2014 |
| | 1,685,185 | Intermet Corp. Letter of Credit, 10.70% d |
| | 1,162,530 | Intermet Corp. Term Loan B, 10.36% due 11 |

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| | | 86,538 | Metaldyne Corp. Letter of Credit, 5.17% - due 1/15/2012 |
| | | 588,462 | Metaldyne Corp. Term Loan B, 8.999% due 1/15/2012 |
| | | 997,500 | TRW Automotive, Inc. Term Loan B, 6.875% due 1/15/2012 |
| ----- | | | |
| Beverages - 0.3% | EUR | 1,500,000 | Culligan International Second Lien Term Loan, 7.379% due 4/24/2013 |
| | USD | 2,500 | Culligan International Term Loan B, 7.379% due 4/24/2013 |
| ----- | | | |
| Biotechnology - 0.2% | | 1,500,000 | Talecris Biotherapeutics, Inc. First Lien Term Loan, 7.379% due 11/13/2014 |
| ----- | | | |
| Chemicals - 1.7% | | 400,000 | Arizona Chemical Second Lien Term Loan, 11.6% due 2/28/2014 |
| | | 2,000,000 | Flint Group Term Loan, 7.393% due 12/20/2013 |
| | | 1,995,000 | Huish Detergents, Inc. First Lien Term Loan, 7.379% due 4/15/2014 |
| | | 1,500,000 | Huish Detergents, Inc. Second Lien Term Loan, 11.6% due 10/15/2014 |

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 Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

| Industry | Face Amount | Floating Rate Loan Interests** |
|---------------------------------------|-------------|--|
| | USD | 1,636,016 |
| | | 620,000 |
| | | 10,000,000 |
| ----- | | |
| Commercial Services & Supplies - 5.9% | 533,316 | Aramark Corp. Letter of Credit, 5.198% due 1/30/2010 |
| | 7,461,994 | Aramark Corp. Term Loan B, 7.198% due 1/30/2010 |
| | 2,531,839 | Euramax International Plc First Lien Term Loan, 7.379% due 6/29/2012 |
| | 6,000,000 | Euramax International Plc Second Lien Term Loan, 11.6% due 6/29/2013 |
| | 1,496,250 | Jason, Inc. Term Loan B, 7.158% due 4/30/2010 |
| | 1,369,100 | John Maneely Co. Term Loan B, 8.125% - 8.125% due 12/15/2013 |
| | 3,019,996 | NES Rentals Holdings, Inc. Term Loan C, 11.6% due 7/12/2013 |
| | 250,000 | RiskMetrics Group, Inc. Second Lien Term Loan, 11.6% due 6/15/2014 |
| | 746,250 | RiskMetrics Group, Inc. Term Loan, 7.448% due 6/15/2014 |
| | 8,670,000 | Service Master Bridge Loan, 9.59% due 6/15/2010 |
| | 7,000,359 | Waste Services, Inc. Term Loan D, 6.92% due 12/15/2010 |
| | 3,970,056 | West Corp. Term Loan, 7.128% - 7.88% due 12/15/2010 |

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|---|--|---|
| Communications Equipment - 0.1% | 997,500 | SafeNet, Inc. First Lien Term Loan, 7.748% |
| Computers & Peripherals - 0.4% | 418,691 1,000,000 1,500,000 | Intergraph Corp. Term Loan, 7.506% due 5/15/2014 Intergraph Corp. Term Loan, 11.062% due 1/15/2014 Reynolds and Reynolds Co. Third Lien Term Loan, 12.698% due 10/31/2014 |
| Construction Materials - 0.3% | 1,962,500 | Headwaters, Inc. Term Loan B-1, 6.79% due 10/15/2014 |
| Containers & Packaging - 1.6% | 2,232,996 8,681,054 750,000 493,759 | Anchor Glass Container Corp. Term Loan B, 7.791% due 5/03/2013 Berry Plastics Corp. Term Loan B, 11.61% due 10/15/2014 Consolidated Container Co. LLC Second Lien Term Loan, 10.82% - 10.86% due 10/15/2014 Graham Packaging Co. LP Term Loan B, 7.50% due 4/15/2011 |
| Distributors - 0.2% | 1,736,875 | Keystone Automotive Operations, Inc. Term Loan B, 8.206% - 8.626% due 1/15/2012 |
| Diversified Financial Services - 0.6% | 4,000,000 | J.G. Wentworth Manufacturing Term Loan B, due 4/15/2014 |
| Diversified Telecommunication Services - 0.9% | 992,500 250,783 3,161,871 | Kentucky Data Link, Inc. Term Loan B, 7.0% due 2/28/2015 Transaction Network Services Term Loan B, due 5/15/2014 Winstar Communications Debtor In Possession Term Loan B, due 12/31/2006 (n) |
| Electrical Equipment - 0.4% | 4,000,000 | Generac Power Systems, Inc. Second Lien Term Loan B, due 5/15/2014 |

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| Industry | | Face Amount | Floating Rate Loan Interests** |
|---|-----|--|---|
| Electronic Equipment & Instruments - 0.2% | USD | 1,500,000 | CoCreate Software, Inc. Second Lien Term Loan, due 5/30/2014 |
| Energy Equipment & Services - 1.0% | | 2,946,346 2,500,000 214,286 1,231,250 | Dresser, Inc. First Lien Term Loan, 7.322% Dresser, Inc. Second Lien Term Loan, 11.1% MEG Energy Corp. Delayed Draw Term Loan, due 4/02/2008 MEG Energy Corp. Term Loan B, 7.20% due 4/15/2014 |

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|---|-----------|--|
| Food & Staples Retailing - 1.3% | 1,000,000 | Bolthouse Farms, Inc. Second Lien Term Loan due 12/01/2013 |
| | 1,000,000 | DS Waters LP Term Loan B, 9.128% due 11/1 |
| | 323,981 | Dole Food Co., Inc. Letter of Credit, 5.1 |
| | 718,024 | Dole Food Co., Inc. Term Loan B, 6.938% - due 4/12/2013 |
| | 2,393,412 | Dole Food Co., Inc. Term Loan C, 6.938% - due 4/04/2013 |
| | 967,874 | Eight O'Clock Coffee Second Lien Term Loan due 7/21/2012 |
| | 496,250 | McJunkin Corp. Term Loan B, 7.448% due 1/ |
| | 995,000 | Sturm Foods, Inc. First Lien Term Loan, 7 due 1/30/2014 (g) |
| | 1,250,000 | Sturm Foods, Inc. Second Lien Term Loan, due 6/30/2014 |
| Food Products - 0.3% | 1,937,500 | Jetro Holdings, Inc. Term Loan, 7.74% due |
| Health Care Equipment & Supplies - 1.1% | 4,000,000 | Biomet, Inc. Term Loan B, 8.203% due 12/2 |
| | 3,500,000 | ReAble Therapeutics Finance LLC Term Loan due 5/14/2014 |
| Health Care Providers & Services - 0.5% | 486,773 | CCS Medical First Lien Term Loan, 8.57% d |
| | 3,238,764 | Rotech Healthcare, Inc. Term Loan B, 11.3 |
| Hotels, Restaurants & Leisure - 2.7% | 1,500,000 | Golden Nugget, Inc. Term Loan Second Lien 7.94% - 8.84% due 11/30/2014 |
| | 750,000 | Green Valley Ranch Gaming LLC Term Loan, due 8/30/2014 |
| | 3,192,000 | Las Vegas Sands LLC Term Loan B, 7.11% du |
| | 75,188 | OSI Restaurant Partners, Inc. Revolving C due 5/15/2014 |
| | 922,500 | OSI Restaurant Partners, Inc. Term Loan B due 5/15/2014 |
| | 6,000,000 | QCE LLC Second Lien Term Loan, 10.948% du |
| | 1,000,535 | Tropicana Opco Term Loan B, 7.61% due 12/ |
| | 2,500,000 | Venetian Macau US Finance Co. LLC Delay D Loan, 7.45% due 5/25/2012 |
| | 3,500,000 | Venetian Macau US Finance Co. LLC Term Lo due 5/25/2013 |
| Household Durables - 0.4% | 3,000,000 | American Residential Services Second Lien 12% due 4/17/2015 |
| Household Products - 0.6% | 281,917 | Spectrum Brands, Inc. Letter of Credit, 4 |
| | 4,146,058 | Spectrum Brands, Inc. Term Loan B-1, 8.66 due 4/15/2013 |

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BlackRock Debt Strategies Fund, Inc.

Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

| Industry | Face Amount | Floating Rate Loan Interests** |
|---|----------------|--|
| <hr/> | | |
| IT Services - 1.1% | USD | |
| | 3,686,354 | Activant Solutions Term Loan B, 6.94% - 7.00% due 5/02/2013 |
| | 1,000,000 | Audio Visual Services Corp. Second Lien Term Loan, 10.33% due 9/15/2014 |
| | 2,000,000 | First Data Corp. Term Loan B, 7.96% due 9/15/2014 |
| | 891,972 | RedPrairie Corp. Term Loan, 8.063% - 8.50% |
| | 297,750 | RedPrairie Corp. Term Loan, 8.75% due 7/31/2013 |
| <hr/> | | |
| Independent Power Producers & Energy Traders - 0.9% | 4,000,000 | TXU Corp. Term Loan 3, 8.622% due 10/10/2013 |
| | 2,000,000 | TXU Corp. Term Loan B 2, 8.396% due 10/14/2013 |
| <hr/> | | |
| Insurance - 0.3% | 1,000,000 | Alliant Insurance Services Term Loan B, 7.00% due 10/23/2014 |
| | 997,500 | USI Holdings Corp. Term Loan B, 7.95% due 10/23/2014 |
| <hr/> | | |
| Machinery - 1.7% | 995,000 | Harrington Holdings, Inc. Term Loan, 7.44% |
| | 997,500 | Maxim Crane Term Loan B, 6.793% - 8.50% due 6/30/2012 |
| | 1,866,667 | Navistar International Transportation Corp. Revolving Credit, 5.17% - 8.234% due 6/30/2012 |
| | 5,133,333 | Navistar International Transportation Corp. Term Loan B, 8.234% due 6/30/2012 |
| | 1,975,000 | OshKosh Truck Corp. Term Loan B, 7.11% due 6/30/2012 |
| | 1,128,739 | Rexnord Corp. Payment In Kind Term Loan, due 3/02/2013 |
| <hr/> | | |
| Media - 8.9% | 4,000,000 | Affinion Group, Inc. Term Loan, 11.678% due 10/01/2013 |
| | 9,318,269 | Cequel Communications LLC Second Lien Term Loan, 10.911% due 5/04/2014 |
| | 1,589,824 | Cequel Communications LLC Term Loan B, 7.00% due 11/05/2013 |
| | 13,500,000 | Charter Communications, Inc. Term Loan B, due 4/30/2014 |
| | 973,460 | ClientLogic Holding Corp. Term Loan B, 7.00% due 1/30/2014 |
| | 4,030,137 | Easton-Bell Sports Inc. Term Loan B, 10.80% due 10/01/2013 |
| | 6,500,000 | Ellis Communications Term Loan, 10% due 10/01/2013 |
| | 591,667 | GateHouse Media Operating, Inc. Delay Draw Term Loan, 7.07% - 7.25% due 9/15/2014 |
| | 2,000,000 | GateHouse Media Operating, Inc. Term Loan B, due 9/15/2014 |
| | 6,750,000 | Insight Midwest Holdings LLC Delay Draw Term Loan, 7.36% due 4/03/2014 |
| | 1,250,000 | Insight Midwest Holdings LLC Term Loan B, due 4/06/2014 |

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| | | |
|-----|-----------|---|
| | 997,500 | Local TV LLC Term Loan, 7.31% due 5/15/20 |
| | 446,250 | Multicultural Radio Broadcasting Inc. Ter due 12/15/2012 |
| | 994,997 | NEP Supershooters, LP Term Loan B, 7.448% |
| | 1,000,000 | Penton Media Term Loan, 9.984% due 2/15/2 |
| EUR | 432,414 | ProSiebenSat.1 Media AG Term Loan B, 7.07 due 6/30/2015 |
| | 864,827 | ProSiebenSat.1 Media AG Term Loan B, 7.32 due 6/30/2016 |
| USD | 963,550 | Riverdeep Group Ltd. Bridge Loan, 11.938% |

BlackRock Debt Strategies Fund, Inc.

Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

| Industry | Face Amount | Floating Rate Loan Interests** |
|---------------------------------------|---------------|--|
| | USD 2,118,731 | Riverdeep Group Ltd. Term Loan B, 7.941% due 12/21/2013 |
| | 4,832,215 | Univision Communications, Inc. Delay Draw 7.072% - 7.21% due 9/30/2014 |
| Multi-Utilities - 0.5% | 497,500 | Brand Energy & Infrastructure Services, I B, 7.313% - 7.50% due 2/15/2014 |
| | 457,793 | Coletto Creek Letter of Credit, 7.948% due |
| | 31,847 | Coletto Creek Term Loan B, 5.098% due 7/31 |
| | 750,000 | Energy Transfer Equity LP Term Loan B, 6. due 11/01/2012 |
| | 750,000 | NE Energy Second Lien Term Loan, 9.75% du |
| | 997,500 | USPF Holdings Term Loan, 7.082% - 7.569% |
| Oil, Gas & Consumable Fuels - 3.1% | 783,125 | Big West Oil & Gas Term Loan B, 7.448% du |
| | 372,159 | Carrizo Oil & Gas, Inc. Second Lien Term due 7/21/2010 |
| | 6,400,000 | Frontier Drilling Term Loan B, 8.99% due |
| | 1,995,000 | Petroleum Geo-Services ASA Term Loan B, 6 due 6/30/2015 |
| | 2,000,000 | SandRidge Energy, Inc. Term Loan B, 8.854 |
| | 8,000,000 | Scorpion Drilling Ltd. Second Lien Term L due 5/05/2015 |
| | 184,018 | Western Refining Co. LP Delay Draw Term L due 3/15/2014 |
| | 1,205,357 | Western Refining Co. LP Term Loan B, 6.55 due 3/15/2014 |
| Paper & Forest Products - 1.2% | 8,195,000 | Verso Paper Holdings LLC Term Loan B, 11. due 2/01/2013 |
| Pharmaceuticals - 0.4% | 2,992,500 | Pharmaceutical Technologies & Services (P Loan, 7.448% due 4/15/2014 |

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| | | |
|---|-------------------------------------|---|
| Real Estate Management & Development - 1.2% | 4,000,000 4,000,000 441,748 | Enclave First Lien Term Loan, 6.14% due 3/01 Georgian Towers Term Loan, 6.14% due 3/01 Yellowstone Club Term Loan B, 7.184% due |
| Road & Rail - 0.6% | 4,418,605 | Swift Transportation Co., Inc. Term Loan due 5/15/2014 |
| Software - 1.1% | 8,000,000 | Aspect Software Second Lien Term Loan, 12% due 7/05/2012 |
| Specialty Retail - 0.7% | 1,995,000 1,480,589 1,491,250 | ADESA, Inc. Term Loan B, 7.61% due 10/30/ Burlington Coat Factory Warehouse Corp. T B, 7.32% due 4/15/2013 Claire's Stores Term Loan B, 8.11% due 5/ |
| Textiles, Apparel & Luxury Goods - 0.2% | 995,000 743,868 | David's Bridal, Inc. Term Loan B, 6.899% Renfro Corp. Term Loan B, 8.61% - 8.76% d |
| Wireless Telecommunication Services - 1.0% | 4,750,000 | Centennial Cellular Operating Co. Term Lo 7.198% - 7.541% due 2/09/2011 |

BlackRock Debt Strategies Fund, Inc.
Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

| Industry | Face Amount | Floating Rate Loan Interests** |
|--------------------------|----------------------|---|
| | USD | |
| | 1,995,000 609,626 | IPC Systems First Lien Term Loan, 7.448% NG Wireless Term Loan, 7.559% due 7/31/20 |
| | | Total Floating Rate Loan Interests (Cost - \$326,917,159) - 45.7% |
| | Shares Held | Common Stocks |
| Airlines - 0.6% | 221,600 | Delta Air Lines, Inc. (d) |
| Building Products - 0.1% | 144,858 | Neenah Enterprises Inc. |
| Capital Markets - 0.3% | 484,043 | E*Trade Financial Corp. (d) |
| Chemicals - 0.1% | 339,340 403 | GEO Specialty Chemicals, Inc. (d) GenTek Inc. (d) |

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| | | |
|---|-----------|---|
| Commercial Services & Supplies - 0.4% | 90,876 | Outsourcing Solutions Inc. (d) |
| Communications Equipment - 0.8% | 150,354 | Loral Space & Communications Ltd. (d) |
| Containers & Packaging - 0.4% | 36,342 | Smurfit Kappa Plc (d) |
| | 1,428,423 | Viskase Cos., Inc. (d) |
| Electrical Equipment - 0.5% | 286,757 | Medis Technologies Ltd. (d) |
| Hotels, Restaurants & Leisure - 0.1% | 5,000 | HRP PIK Corp. Class B (m) |
| | 27,787 | Lodgian, Inc. (d) |
| Paper & Forest Products - 0.0% | 211,149 | Western Forest Products, Inc. (d) |
| Semiconductors & Semiconductor Equipment - 0.3% | 55,172 | Cypress Semiconductor Corp. |
| | | Total Common Stocks (Cost - \$26,350,165) |
| | | Preferred Stocks |
| Oil, Gas & Consumable Fuels - 1.5% | 179 | EXCO Resources, Inc., 7% (a) |
| | 737 | EXCO Resources, Inc., 11% |
| | | Total Preferred Stocks (Cost - \$9,160,000) |
| | | Warrants (k) |
| Building Products - 0.1% | 130,548 | Neenah Enterprises Inc. (expires 9/30/2010) |
| Chemicals - 0.0% | 471 | GenTek Inc. Tranche B (expires 11/10/2008) |
| | 231 | GenTek Inc. Tranche C (expires 11/10/2010) |
| Health Care Providers & Services - 0.0% | 126,761 | HealthSouth Corp. (expires 1/16/2014) |
| Media - 0.0% | 15,000 | Sirius Satellite Radio, Inc. (expires 5/1/2010) |
| Wireless Telecommunication Services - 0.2% | 1,325 | American Tower Corp. (expires 8/01/2008) |
| | | Total Warrants (Cost - \$870,754) - 0.3% |
| | | Rights |
| Household Durables - 0.0% | 28,675 | Medis Tech Rights (l) |

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Total Rights (Cost - \$0) - 0.0%

| | | Beneficial Interest | Other Interests (f) |
|------------------------|-----|------------------------|--|
| Airlines - 0.1% | USD | 5,505,000 4,200,000 | Delta Air Lines, Inc. Default 8.33% Escrow Delta Air Lines, Inc. Default 10% Escrow |
| Auto Components - 0.0% | | 3,614,601 | Cambridge Industries, Inc. (Litigation Tr |

BlackRock Debt Strategies Fund, Inc.
Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

| Industry | | Beneficial Interest | Other Interests (f) |
|--------------|-----|--|--|
| Media - 0.0% | USD | 7,500,000 5,000 9,406,019 500,000 | Adelphia Escrow Adelphia Preferred Escrow Adelphia Recovery Trust Adelphia Recovery Trust Series ACC-6B INT |

| | | | |
|--------------------------------|--|----|---|
| Paper & Forest Products - 0.0% | | 18 | Cellu Tissue Holdings, Inc. 1-Year Escrow |
| | | | Total Other Interests (Cost - \$30,801) - |

Short-Term Securities

| | | | |
|--|-----|------------|---|
| | USD | 10,054,508 | BlackRock Liquidity Series, LLC Cash Sweep Series, 4.75% (c) (i) |
| | | | Total Short-Term Securities (Cost - \$10,054,508) - 1.5% |

Total Investments (Cost - \$1,006,837,263)

Liabilities in Excess of Other Assets - (

Net Assets - 100.0%

* The cost and unrealized appreciation (depreciation) of investments as of November 30, 2007, as computed for federal income tax purposes, were as follows:

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| | |
|-------------------------------|------------------|
| Aggregate cost | \$ 1,008,168,610 |
| | ===== |
| Gross unrealized appreciation | \$ 23,291,167 |
| Gross unrealized depreciation | (89,380,986) |
| | ----- |
| Net unrealized depreciation | \$ (66,089,819) |
| | ===== |

** Floating rate loan interests in which the Fund invests generally pay interest at rates that are periodically determined by reference to a base lending rate plus a premium. The base lending rates are generally (i) the lending rate offered by one or more European banks, such as LIBOR (London InterBank Offered Rate), (ii) the prime rate offered by one or more U.S. banks or (iii) the certificate of deposit rate.

- (a) Convertible security.
- (b) Floating rate security.
- (c) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Net Activity | Interest Income |
|--|--------------|-----------------|
| BlackRock Liquidity Series, LLC Cash Sweep Series | \$ 8,139,758 | \$ 261,670 |

- (d) Non-income producing security.
- (e) Non-income producing security; issuer filed for bankruptcy or is in default of interest payments.
- (f) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
- (g) Represents a pay-in-kind security which may pay interest/dividends in additional face/shares.
- (h) Represents a step bond; the interest rate shown reflects the effective yield at the time of purchase.
- (i) Represents the current yield as of November 30, 2007.
- (j) Subject to principal paydowns.
- (k) 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.
- (l) The rights may be exercised until January 7, 2008.
- (m) The security may be offered and sold to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933.
- (n) As a result of bankruptcy proceedings, the company did not repay the principal amount of the security upon maturity. The security is non-income producing.
- o 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 ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease. Industries are shown as a percent of net assets.

BlackRock Debt Strategies Fund, Inc.
Schedule of Investments as of November 30, 2007 (Unaudited) (in U.S. dollars)

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- o Forward foreign exchange contracts as of November 30, 2007 were as follows:

| Foreign Currency Sold | Settlement Date | Unrealized Depreciation |
|--|--------------------|----------------------------|
| EUR 3,247,500 | January 2008 | \$ (153,970) |
| Total Unrealized Depreciation on Forward Foreign Exchange Contracts (USD Commitment - \$4,601,708) | | \$ (153,970) ===== |

- o Swaps outstanding as of November 30, 2007 were as follows:

| | Notional Amount | Unrealize Appreciati (Depreciati |
|---|--------------------|--|
| Sold credit default protection on Novelis Inc. and receive 1.40% Broker, JPMorgan Chase Expires January 2008 | USD 4,000,000 | \$ 3,4 |
| Sold credit default protection on Ford Motor Company and receive 3.80% Broker, Lehman Brothers Special Finance Expires March 2010 | USD 10,000,000 | (371,6 |
| Sold credit default protection on BAA Ferovial Junior Term Loan and receive 2.00% Broker, Deutsche Bank AG London Expires June 2012 | USD 900,000 | (54,0 |
| Bought credit default protection on Frontier Drilling and pay 3.45% Broker, Lehman Brothers Special Finance Expires September 2012 | USD 2,250,000 | 54,9 |
| Bought credit default protection on Frontier Drilling ASA and pay 4.00% Broker, Lehman Brothers Special Finance Expires September 2012 | USD 2,500,000 | 16,7 |
| Total | | \$ (350,5 ===== |

- o Currency Abbreviations:

EUR Euro
USD U.S. Dollar

Item 2 - Controls and Procedures

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

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

Item 3 - Exhibits

Certifications - Attached hereto

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

BlackRock Debt Strategies Fund, Inc.

By: /s/ Donald C. Burke

Donald C. Burke,
Chief Executive Officer of
BlackRock Debt Strategies Fund, Inc.

Date: January 16, 2008

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

By: /s/ Donald C. Burke

Donald C. Burke,
Chief Executive Officer (principal executive officer) of
BlackRock Debt Strategies Fund, Inc.

Date: January 16, 2008

By: /s/ Neal J. Andrews

Neal J. Andrews,
Chief Financial Officer (principal financial officer) of
BlackRock Debt Strategies Fund, Inc.

Date: January 16, 2008