

BLACKROCK INCOME TRUST, INC.  
Form N-Q  
July 24, 2017

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: 811-05542

Name of Fund: BlackRock Income Trust, Inc. (BKT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Income Trust, Inc.,  
55 East 52<sup>nd</sup> Street, New York, NY 10055

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

Date of fiscal year end: 08/31/2017

Date of reporting period: 05/31/2017

Item 1 Schedule of Investments

## Schedule of Investments May 31, 2017 (Unaudited)

BlackRock Income Trust, Inc. (BKT)

(Percentages shown are based on Net Assets)

|                                                                                                                | Par<br>(000)         | Value        |
|----------------------------------------------------------------------------------------------------------------|----------------------|--------------|
| <b>Asset-Backed Securities</b>                                                                                 |                      |              |
| <b>Asset-Backed Securities 0.4%</b>                                                                            |                      |              |
| Securitized Asset Backed Receivables LLC Trust, Series 2005-OP2, Class M1, 1.45%, 10/25/35 (a)                 | \$ 1,875             | \$ 1,824,283 |
| <b>Interest Only Asset-Backed Securities 0.1%</b>                                                              |                      |              |
| Small Business Administration Participation Certificates, Series 2000-1, 1.80%, 3/15/21 (b)                    | 276                  | 2,414        |
| Sterling Bank Trust, Series 2004-2, Class Note, 2.08%, 3/30/30 (b)(c)                                          | 1,510                | 102,868      |
| Sterling Coofs Trust, Series 2004-1, Class A, 2.36%, 4/15/29 (b)                                               | 4,520                | 310,246      |
|                                                                                                                |                      | 415,528      |
| <b>Total Asset-Backed Securities 0.5%</b>                                                                      |                      | 2,239,811    |
| <b>Non-Agency Mortgage-Backed Securities</b>                                                                   |                      |              |
| <b>Collateralized Mortgage Obligations 0.5%</b>                                                                |                      |              |
| Deutsche Securities, Inc. Mortgage Alternate Loan Trust, Series 2006-AR5, Class 22A, 5.50%, 10/25/21           | 173                  | 169,066      |
| HomeBanc Mortgage Trust, Series 2005-4, Class A1, 1.29%, 10/25/35 (a)                                          | 1,283                | 1,247,462    |
| Kidder Peabody Acceptance Corp., Series 1993-1, Class A6, 14.72%, 8/25/23 (a)                                  | 33                   | 36,061       |
| Structured Adjustable Rate Mortgage Loan Trust, Series 2004-11, Class A, 3.27%, 8/25/34 (a)                    | 739                  | 724,507      |
|                                                                                                                |                      | 2,177,096    |
| <b>Interest Only Collateralized Mortgage Obligations 0.4%</b>                                                  |                      |              |
| CitiMortgage Alternative Loan Trust, Series 2007-A5, Class 1A7, 6.00%, 5/25/37                                 | 400                  | 89,423       |
| IndyMac INDX Mortgage Loan Trust, Series 2006-AR33, Class 4AX, 0.17%, 1/25/37 (b)                              | 38,662               | 48,327       |
| MASTR Adjustable Rate Mortgages Trust, Series 2004-3, Class 3AX, 0.48%, 4/25/34 (b)(d)                         | 4,876                | 97,511       |
| MASTR Alternative Loans Trust, Series 2003-9, Class 15X2, 6.00%, 1/25/19                                       | 70                   | 2,529        |
| Morgan Stanley Mortgage Loan Trust, Series 2004-3, Class 1AX, 5.00%, 5/25/19                                   | 48                   | 506          |
| <b>Non-Agency Mortgage-Backed Securities</b>                                                                   | <b>Par<br/>(000)</b> | <b>Value</b> |
| <b>Interest Only Collateralized Mortgage Obligations (continued)</b>                                           |                      |              |
| Sequoia Mortgage Trust, Series 2005-2, Class XA, 0.85%, 3/20/35 (a)(b)                                         | \$ 21,378            | \$ 587,894   |
| Structured Adjustable Rate Mortgage Loan Trust, Series 2006-7, Class 3AS, 1.99%, 8/25/36 (a)(b)                | 9,462                | 686,017      |
| Vendee Mortgage Trust, Series 1999-2, Class 1, 0.00%, 5/15/29 (a)                                              | 24,149               | 24           |
|                                                                                                                |                      | 1,512,231    |
| <b>Principal Only Collateralized Mortgage Obligations 0.1%</b>                                                 |                      |              |
| Countrywide Home Loan Mortgage Pass-Through Trust, Series 2003-J8, 0.00%, 9/25/23 (e)                          | 29                   | 27,105       |
| Drexel Burnham Lambert CMO Trust, Series K, Class 1, 0.00%, 9/23/17 (e)                                        | (f)                  | 4            |
| Residential Asset Securitization Trust, Series 2005-A15, Class 1A8, 0.00%, 2/25/36 (e)                         | 300                  | 249,411      |
| Washington Mutual Alternative Mortgage Pass-Through Certificates, Series 2005-9, Class CP, 0.00%, 11/25/35 (e) | 126                  | 93,982       |
|                                                                                                                |                      | 370,502      |
| <b>Total Non-Agency Mortgage-Backed Securities 1.0%</b>                                                        |                      | 4,059,829    |
| <b>U.S. Government Sponsored Agency Securities</b>                                                             |                      |              |
| <b>Agency Obligations 2.6%</b>                                                                                 |                      |              |
| Federal Housing Administration (b):                                                                            |                      |              |
| USGI Projects, Series 99, 7.43%, 6/01/21                                                                       | 2,254                | 2,152,431    |
| General Motors Acceptance Corp. Projects, Series 56, 7.43%, 11/01/22                                           | (f)                  | 1            |
| Merrill Projects, Series 54, 7.43%, 5/15/23                                                                    | 1                    | 1,059        |
| Reilly Projects, Series 41, 8.28%, 3/01/20                                                                     | 23                   | 22,727       |

Edgar Filing: BLACKROCK INCOME TRUST, INC. - Form N-Q

|                                                                                     |        |            |
|-------------------------------------------------------------------------------------|--------|------------|
| Residual Funding Corp., 0.00%, 4/15/30 (e)                                          | 13,000 | 8,930,467  |
| <b>Collateralized Mortgage Obligations 65.0%</b>                                    |        | 11,106,685 |
| Fannie Mae Mortgage-Backed Securities:<br>Series 2011-142, Class PE, 3.50%, 1/25/42 | 15,567 | 16,067,969 |

BLACKROCK INCOME TRUST, INC.

MAY 31, 2017

1

## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

|                                                               | Par<br>(000) | Value        |
|---------------------------------------------------------------|--------------|--------------|
| <b>U.S. Government Sponsored Agency Securities</b>            |              |              |
| <b>Collateralized Mortgage Obligations (continued)</b>        |              |              |
| Fannie Mae Mortgage-Backed Securities (continued):            |              |              |
| Series 2014-28, Class BD, 3.50%, 8/25/43                      | \$ 5,804     | \$ 6,095,906 |
| Series 2010-136, Class CY, 4.00%, 12/25/40                    | 3,060        | 3,333,330    |
| Series 2011-8, Class ZA, 4.00%, 2/25/41                       | 6,310        | 6,803,591    |
| Series 2011-117, Class CP, 4.00%, 11/25/41                    | 14,350       | 15,750,651   |
| Series 2011-99, Class CB, 4.50%, 10/25/41                     | 43,000       | 48,347,076   |
| Series 2010-47, Class JB, 5.00%, 5/25/30                      | 9,936        | 10,798,809   |
| Series 2003-135, Class PB, 6.00%, 1/25/34                     | 7,468        | 7,917,347    |
| Series 2004-31, Class ZG, 7.50%, 5/25/34                      | 4,875        | 6,004,739    |
| Series 1993-247, Class SN, 10.00%, 12/25/23 (a)               | 95           | 114,239      |
| Series 2005-73, Class DS, 14.89%, 8/25/35 (a)                 | 526          | 609,947      |
| Series 1991-87, Class S, 23.97%, 8/25/21 (a)                  | 8            | 9,460        |
| Series G-49, Class S, 928.35%, 12/25/21 (a)                   | (f)          | 37           |
| Series G-07, Class S, 1,029.12%, 3/25/21 (a)                  | (f)          | 342          |
| Series 1991-46, Class S, 2,284.60%, 5/25/21 (a)               | (f)          | 1            |
| Freddie Mac Mortgage-Backed Securities:                       |              |              |
| Series T-11, Class A9, 3.10%, 1/25/28 (a)                     | 744          | 774,760      |
| Series 4242, Class PA, 3.50%, 5/15/41                         | 5,926        | 6,157,831    |
| Series 3762, Class LN, 4.00%, 11/15/40                        | 2,000        | 2,178,745    |
| Series 4269, Class PM, 4.00%, 8/15/41                         | 8,884        | 9,544,349    |
| Series 4016, Class BX, 4.00%, 9/15/41                         | 15,408       | 17,000,309   |
| Series 3688, Class PB, 4.50%, 8/15/32                         | 10,000       | 10,454,813   |
| Series 4316, Class VB, 4.50%, 3/15/34                         | 10,787       | 11,784,850   |
| Series 3856, Class PB, 5.00%, 5/15/41                         | 10,000       | 11,335,618   |
| Series 2758, Class KV, 5.50%, 5/15/23                         | 251          | 250,458      |
| Series 2927, Class BZ, 5.50%, 2/15/35                         | 4,064        | 4,618,524    |
| Series 2542, Class UC, 6.00%, 12/15/22                        | 1,493        | 1,583,321    |
| <b>U.S. Government Sponsored Agency Securities</b>            |              |              |
| <b>Collateralized Mortgage Obligations (continued)</b>        |              |              |
| Freddie Mac Mortgage-Backed Securities (continued):           |              |              |
| Series 0040, Class K, 6.50%, 8/17/24                          | \$ 93        | \$ 102,195   |
| Series 0019, Class F, 8.50%, 3/15/20                          | 5            | 5,155        |
| Series 2218, Class Z, 8.50%, 3/15/30                          | 1,884        | 2,236,027    |
| Series 0173, Class RS, 10.01%, 11/15/21 (a)(b)                | (f)          | 2            |
| Series 1160, Class F, 35.24%, 10/15/21 (a)                    | 5            | 6,700        |
| Ginnie Mae Mortgage-Backed Securities:                        |              |              |
| Series 2010-099, Class JM, 3.75%, 12/20/38                    | 19,300       | 19,824,138   |
| Series 2010-112, Class TL, 4.00%, 1/20/39                     | 15,000       | 15,501,669   |
| Series 2011-80, Class PB, 4.00%, 10/20/39                     | 11,489       | 11,962,552   |
| Series 2012-16, Class HJ, 4.00%, 9/20/40                      | 10,000       | 10,690,836   |
| Series 2011-88, Class PY, 4.00%, 6/20/41                      | 15,402       | 16,301,920   |
| Series 2015-96, Class ZM, 4.00%, 7/20/45                      | 6,732        | 7,372,144    |
| Series 2004-89, Class PE, 6.00%, 10/20/34                     | 67           | 68,853       |
|                                                               |              | 281,609,213  |
| <b>Interest Only Collateralized Mortgage Obligations 5.3%</b> |              |              |
| Fannie Mae Mortgage-Backed Securities:                        |              |              |
| Series 1997-50, Class SI, 1.20%, 4/25/23 (a)                  | 80           | 2,170        |
| Series G92-60, Class SB, 1.60%, 10/25/22 (a)                  | 39           | 1,263        |
| Series 2013-10, Class PI, 3.00%, 2/25/43                      | 13,838       | 1,464,510    |
| Series 2012-96, Class DI, 4.00%, 2/25/27                      | 3,542        | 299,198      |
| Series 2013-45, Class EI, 4.00%, 4/25/43                      | 6,157        | 973,481      |
| Series 2010-74, Class DI, 5.00%, 12/25/39                     | 3,604        | 198,193      |
| Series 2015-66, Class AS, 5.23%, 9/25/45 (a)                  | 51,916       | 8,840,339    |
| Series 2006-36, Class PS, 5.58%, 5/25/36 (a)                  | 6,770        | 1,320,364    |



## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

| U.S. Government Sponsored Agency Securities                          | Par<br>(000) | Value         |
|----------------------------------------------------------------------|--------------|---------------|
| <b>Interest Only Collateralized Mortgage Obligations (continued)</b> |              |               |
| Fannie Mae Mortgage-Backed Securities (continued):                   |              |               |
| Series 2011-124, Class GS, 5.68%, 3/25/37 (a)                        | \$ 7,240     | \$ 484,493    |
| Series 1997-90, Class M, 6.00%, 1/25/28                              | 1,278        | 163,809       |
| Series 1999-W4, 6.50%, 12/25/28                                      | 116          | 10,756        |
| Series G92-05, Class H, 9.00%, 1/25/22                               | 1            | 41            |
| Series 094, Class 2, 9.50%, 8/25/21                                  | (f)          | 59            |
| Series 1990-136, Class S, 19.06%, 11/25/20 (a)                       | 3            | 3             |
| Series 1991-139, Class PT, 648.35%, 10/25/21                         | (f)          | 1             |
| Series G-10, Class S, 995.61%, 5/25/21 (a)                           | (f)          | 1             |
| Freddie Mac Mortgage-Backed Securities:                              |              |               |
| Series 2559, 0.50%, 8/15/30 (a)                                      | 29           | 145           |
| Series 3745, Class IN, 4.00%, 1/15/35                                | 10,189       | 449,694       |
| Series 3744, Class PI, 4.00%, 6/15/39                                | 8,626        | 925,106       |
| Series 4026, 4.50%, 4/15/32                                          | 2,706        | 347,240       |
| Series 2611, Class QI, 5.50%, 9/15/32                                | 392          | 16,295        |
| Series 1043, Class H, 39.78%, 2/15/21 (a)                            | 3            | 4             |
| Ginnie Mae Mortgage-Backed Securities (a):                           |              |               |
| Series 2014-124, Class IE, 0.75%, 5/16/54                            | 9,630        | 440,925       |
| Series 2012-97, Class JS, 5.26%, 8/16/42                             | 19,335       | 3,176,825     |
| Series 2009-116, Class KS,<br>5.30%, 12/16/39                        | 1,226        | 184,437       |
| Series 2011-52, Class NS, 5.50%, 4/16/41                             | 10,548       | 1,938,796     |
| Series 2011-52, Class MJ, 5.64%, 4/20/41                             | 9,129        | 1,629,368     |
|                                                                      |              | 22,867,516    |
| <b>Mortgage-Backed Securities 74.9%</b>                              |              |               |
| Fannie Mae Mortgage-Backed Securities:                               |              |               |
| 2.50%, 6/01/32 (g)                                                   | 10,000       | 10,102,734    |
| 3.00%, 6/01/43 - 6/01/47 (g)(h)                                      | 69,704       | 70,365,168    |
| 3.50%, 10/01/42 - 6/01/47 (g)(h)                                     | 55,458       | 57,531,760    |
| 4.00%, 1/01/41 - 6/01/47 (g)(h)                                      | 46,268       | 49,135,748    |
| 4.50%, 8/01/25 - 9/01/41 (h)                                         | 51,915       | 56,486,179    |
| 5.00%, 1/01/23 (h)                                                   | 32,911       | 36,386,358    |
| <b>U.S. Government Sponsored Agency Securities</b>                   |              |               |
| <b>Mortgage-Backed Securities (continued)</b>                        |              |               |
| Fannie Mae Mortgage-Backed Securities (continued):                   |              |               |
| 5.50%, 7/01/17 - 10/01/39 (h)                                        | \$ 13,590    | \$ 15,227,930 |
| 6.50%, 12/01/37 - 10/01/39                                           | 4,514        | 5,092,775     |
| 7.50%, 2/01/22                                                       | (f)          | 10            |
| 9.50%, 1/01/19 - 9/01/19                                             | 1            | 792           |
| Freddie Mac Mortgage-Backed Securities:                              |              |               |
| 2.93%, 10/01/34 (a)                                                  | 99           | 100,774       |
| 3.11%, 1/01/35 (a)                                                   | 166          | 169,177       |
| 5.00%, 2/01/22 - 4/01/22                                             | 132          | 138,413       |
| 5.50%, 1/01/39 (h)                                                   | 16,903       | 18,983,869    |
| 9.00%, 9/01/20                                                       | 3            | 3,034         |
| Ginnie Mae Mortgage-Backed Securities:                               |              |               |
| 5.00%, 10/15/39                                                      | 4,302        | 4,706,555     |
| 7.50%, 8/15/21 - 11/15/23                                            | 58           | 59,966        |
| 8.00%, 10/15/22 - 8/15/27                                            | 36           | 38,356        |
| 9.00%, 4/15/20 - 9/15/21                                             | 2            | 1,840         |
|                                                                      |              | 324,531,438   |
| <b>Principal Only Collateralized Mortgage Obligations 0.1%</b>       |              |               |
| Fannie Mae Mortgage-Backed Securities (e):                           |              |               |
| Series 1991-7, Class J, 0.00%, 2/25/21                               | 2            | 1,490         |
| Series G93-2, Class KB, 0.00%, 1/25/23                               | 48           | 46,059        |
| Series 1993-51, Class E, 0.00%, 2/25/23                              | 21           | 19,810        |
| Series 1993-70, Class A, 0.00%, 5/25/23                              | 3            | 2,403         |

Edgar Filing: BLACKROCK INCOME TRUST, INC. - Form N-Q

|                                                                 |     |                    |
|-----------------------------------------------------------------|-----|--------------------|
| Series 0228, Class 1, 0.00%, 6/25/23                            | 4   | 3,949              |
| Series 1999-W4, 0.00%, 2/25/29                                  | 48  | 45,038             |
| Series 2002-13, Class PR, 0.00%, 3/25/32                        | 104 | 95,559             |
| Freddie Mac Mortgage-Backed Securities (e):                     |     |                    |
| Series 1418, Class M, 0.00%, 11/15/22                           | 15  | 14,785             |
| Series 1571, Class G, 0.00%, 8/15/23                            | 118 | 113,268            |
| Series 1691, Class B, 0.00%, 3/15/24                            | 245 | 228,266            |
| Series T-8, Class A10, 0.00%, 11/15/28                          | 28  | 27,467             |
|                                                                 |     | 598,094            |
| <b>Total U.S. Government Sponsored Agency Securities 147.9%</b> |     | <b>640,712,946</b> |

BLACKROCK INCOME TRUST, INC.

MAY 31, 2017

3



## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

|                                                                                                                                                                                                                           | <b>Par<br/>(000)</b> | <b>Value</b>          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|
| <b>U.S. Treasury Obligations</b>                                                                                                                                                                                          |                      |                       |
| U.S. Treasury Bonds, 2.50%, 2/15/46 (h)                                                                                                                                                                                   | \$ 2,500             | \$ 2,317,675          |
| U.S. Treasury Notes:                                                                                                                                                                                                      |                      |                       |
| 1.00%, 11/30/19(h)                                                                                                                                                                                                        | 2,965                | 2,939,866             |
| 1.38%, 8/31/20(h)                                                                                                                                                                                                         | 4,045                | 4,028,408             |
| 1.63%, 11/15/22                                                                                                                                                                                                           | 780                  | 771,560               |
| 2.00%, 8/15/25(h)                                                                                                                                                                                                         | 2,860                | 2,831,846             |
| <b>Total U.S. Treasury Obligations 3.0%</b>                                                                                                                                                                               |                      | <b>12,889,355</b>     |
| <b>Total Long-Term Investments</b>                                                                                                                                                                                        |                      |                       |
| <b>(Cost \$667,789,315) 152.4%</b>                                                                                                                                                                                        |                      | <b>659,901,941</b>    |
| <br>                                                                                                                                                                                                                      |                      |                       |
| <b>Short-Term Securities</b>                                                                                                                                                                                              | <b>Shares</b>        |                       |
| <b>Money Market Fund 3.0%</b>                                                                                                                                                                                             |                      |                       |
| BlackRock Liquidity Funds, T-Fund, Institutional Class, 0.67% (i)(j)                                                                                                                                                      | 12,998,577           | 12,998,577            |
|                                                                                                                                                                                                                           | <b>Par</b>           |                       |
|                                                                                                                                                                                                                           | <b>(000)</b>         |                       |
| <b>Borrowed Bond Agreement (k)(l) 0.2%</b>                                                                                                                                                                                |                      |                       |
| Credit Suisse Securities (USA) LLC, 0.90%, Open (Purchased on 12/19/16 to be repurchased at \$859,760. Collateralized by U.S. Treasury Bonds, 2.75%, 11/15/42, par and fair values of \$917,000 and 902,349 respectively) | \$ 856               | 856,249               |
| <b>Total Short-Term Securities</b>                                                                                                                                                                                        |                      |                       |
| <b>(Cost \$13,854,826) 3.2%</b>                                                                                                                                                                                           |                      | <b>13,854,826</b>     |
| <b>Total Investments Before Borrowed Bonds and TBA Sale Commitments (Cost \$681,644,141) 155.6%</b>                                                                                                                       |                      | <b>673,756,767</b>    |
|                                                                                                                                                                                                                           | <b>Par</b>           |                       |
|                                                                                                                                                                                                                           | <b>(000)</b>         |                       |
| <b>Borrowed Bonds</b>                                                                                                                                                                                                     |                      | <b>Value</b>          |
| U.S. Treasury Bonds, 2.75%, 11/15/42                                                                                                                                                                                      | \$ (917)             | \$ (902,349)          |
| <b>Total Borrowed Bonds</b>                                                                                                                                                                                               |                      |                       |
| <b>(Proceeds \$842,347) (0.2)%</b>                                                                                                                                                                                        |                      | <b>(902,349)</b>      |
| <br>                                                                                                                                                                                                                      |                      |                       |
| <b>TBA Sale Commitments</b>                                                                                                                                                                                               |                      |                       |
| <b>Mortgage-Backed Securities (26.2%)</b>                                                                                                                                                                                 |                      |                       |
| Fannie Mae Mortgage-Backed Securities (g):                                                                                                                                                                                |                      |                       |
| 2.50%, 6/01/32                                                                                                                                                                                                            | 9,820                | (9,920,885)           |
| 3.00%, 6/01/47 - 7/01/47                                                                                                                                                                                                  | 59,150               | (59,461,508)          |
| 4.00%, 6/01/47 - 7/01/47                                                                                                                                                                                                  | 28,205               | (29,785,833)          |
| 5.00%, 6/01/47                                                                                                                                                                                                            | 12,900               | (14,183,198)          |
| <b>Total TBA Sale Commitments</b>                                                                                                                                                                                         |                      |                       |
| <b>(Proceeds \$112,435,113) (26.2)%</b>                                                                                                                                                                                   |                      | <b>(113,351,424)</b>  |
| <b>Total Investments, Net of Borrowed Bonds and TBA Sale Commitments</b>                                                                                                                                                  |                      |                       |
| <b>(Cost \$568,366,681*) 129.2%</b>                                                                                                                                                                                       |                      | <b>559,502,994</b>    |
| <b>Liabilities in Excess of Other Assets (29.2)%</b>                                                                                                                                                                      |                      | <b>(126,326,692)</b>  |
| <br>                                                                                                                                                                                                                      |                      |                       |
| <b>Net Assets 100.0%</b>                                                                                                                                                                                                  |                      | <b>\$ 433,176,302</b> |

\* As of May 31, 2017, gross unrealized appreciation and depreciation based on cost for U.S. federal income tax purposes were as follows:

Edgar Filing: BLACKROCK INCOME TRUST, INC. - Form N-Q

|                               |    |              |
|-------------------------------|----|--------------|
| Tax cost                      | \$ | 681,688,081  |
| Gross unrealized appreciation | \$ | 20,735,912   |
| Gross unrealized depreciation |    | (28,667,226) |
| Net unrealized depreciation   | \$ | (7,931,314)  |

**Notes to Schedule of Investments**

\* Cost for federal income tax purposes.

(a) Variable rate security. Rate as of period end.

(b) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.

(c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(d) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.

(e) Zero-coupon bond.

(f) Amount is less than \$500.

## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

(g) Represents or includes a TBA transaction. As of period end, unsettled TBA transactions were as follows:

| Counterparty                                | Value           | Unrealized<br>Appreciation<br>(Depreciation) |
|---------------------------------------------|-----------------|----------------------------------------------|
| Barclays Bank PLC                           | \$ 10,102,734   | \$ 40,234                                    |
| Citigroup Global Markets, Inc.              | \$ 2,419,097    | \$ 24,037                                    |
| Deutsche Bank Securities, Inc.              | \$ 2,492,435    | \$ 22,974                                    |
| Goldman Sachs & Co.                         | \$ (86,671,210) | \$ (820,735)                                 |
| J.P. Morgan Securities LLC                  | \$ 10,596,858   | \$ 92,491                                    |
| Merrill Lynch, Pierce, Fenner & Smith, Inc. | \$ (9,920,885)  | \$ (85,541)                                  |
| Morgan Stanley & Co. LLC                    | \$ 14,278       | \$ 504                                       |

(h) All or a portion of the security has been pledged as collateral in connection with outstanding reverse repurchase agreements.

(i) During the period ended May 31, 2017, investments in issuers considered to be affiliates of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate                                                   | Shares Held           | Net<br>Activity | Shares Held        | Value at        | Income    | Net Realized<br>Gain <sup>1</sup> | Change<br>in<br>Unrealized<br>Appreciation<br>(Depreciation) |
|-------------------------------------------------------------|-----------------------|-----------------|--------------------|-----------------|-----------|-----------------------------------|--------------------------------------------------------------|
|                                                             | at August 31,<br>2016 |                 | at May 31,<br>2017 | May 31,<br>2017 |           |                                   |                                                              |
| BlackRock Liquidity Funds, T-Fund,<br>Institutional Class   |                       | 12,998,577      | 12,998,577         | \$ 12,998,577   | \$ 28,733 | \$ 57                             |                                                              |
| BlackRock Liquidity Funds,<br>TempFund, Institutional Class | 7,183,580             | (7,183,580)     |                    |                 |           |                                   |                                                              |
| <b>Total</b>                                                |                       |                 |                    | \$ 12,998,577   | \$ 28,733 | \$ 57                             |                                                              |

<sup>1</sup> Includes net capital gain distributions.

(j) Current yield as of period end.

(k) Certain agreements have no stated maturity and can be terminated by either party at any time.

(l) The amount to be repurchased assumes the maturity will be the day after period end.

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

## Portfolio Abbreviations

Edgar Filing: BLACKROCK INCOME TRUST, INC. - Form N-Q

**CMO** Collateralized Mortgage Obligation  
**OTC** Over-the-Counter

BLACKROCK INCOME TRUST, INC.

MAY 31, 2017

5

## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

## Reverse Repurchase Agreements

| Counterparty                 | Interest Rate | Trade Date | Maturity Date <sup>1</sup> | Face Value Including Accrued |              | Type of Non-Cash Underlying Collateral      | Remaining Contractual Maturity of the Agreements |
|------------------------------|---------------|------------|----------------------------|------------------------------|--------------|---------------------------------------------|--------------------------------------------------|
|                              |               |            |                            | Face Value                   | Interest     |                                             |                                                  |
| BNP Paribas Securities Corp. | 0.06%         | 12/19/16   | Open                       | \$ 2,924,231                 | \$ 2,925,026 | U.S. Treasury Obligations                   | Open/Demand <sup>1</sup>                         |
| BNP Paribas Securities Corp. | 0.54%         | 12/19/16   | Open                       | 4,004,550                    | 4,014,341    | U.S. Treasury Obligations                   | Open/Demand <sup>1</sup>                         |
| BNP Paribas Securities Corp. | 0.96%         | 4/19/17    | Open                       | 2,315,625                    | 2,317,964    | U.S. Treasury Obligations                   | Open/Demand <sup>1</sup>                         |
| BNP Paribas Securities Corp. | 0.96%         | 4/19/17    | Open                       | 2,831,400                    | 2,834,285    | U.S. Treasury Obligations                   | Open/Demand <sup>1</sup>                         |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 18,269,000                   | 18,279,337   | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 15,893,000                   | 15,901,993   | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 19,854,000                   | 19,865,234   | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 3,713,000                    | 3,715,101    | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 9,389,000                    | 9,394,313    | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 9,582,000                    | 9,587,422    | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 16,652,000                   | 16,661,422   | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 14,523,000                   | 14,531,218   | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 19,648,000                   | 19,659,117   | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc.  | 0.97%         | 5/10/17    | 6/13/17                    | 10,845,000                   | 10,851,136   | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |

## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

## Reverse Repurchase Agreements (continued)

| Counterparty                | Interest Rate | Trade Date | Maturity Date <sup>1</sup> | Face Value     | Face Value Including Accrued Interest | Type of Non-Cash Underlying Collateral      | Remaining Contractual Maturity of the Agreements |
|-----------------------------|---------------|------------|----------------------------|----------------|---------------------------------------|---------------------------------------------|--------------------------------------------------|
| HSBC Securities (USA), Inc. | 0.97%         | 5/10/17    | 6/13/17                    | \$ 14,191,000  | \$ 14,199,030                         | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc. | 0.97%         | 5/10/17    | 6/13/17                    | 16,025,000     | 16,034,067                            | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc. | 0.97%         | 5/10/17    | 6/13/17                    | 7,484,000      | 7,488,235                             | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| HSBC Securities (USA), Inc. | 0.97%         | 5/10/17    | 6/13/17                    | 9,861,000      | 9,866,580                             | U.S. Government Sponsored Agency Securities | Up to 30 Days                                    |
| <b>Total</b>                |               |            |                            | \$ 198,004,806 | \$ 198,125,821                        |                                             |                                                  |

<sup>1</sup> Certain agreements have no stated maturity and can be terminated by either party at any time.

## Derivative Financial Instruments Outstanding as of Period End

| Futures Contracts |                                       | Notional                      | Unrealized Appreciation (Depreciation) |
|-------------------|---------------------------------------|-------------------------------|----------------------------------------|
| Long (Short)      | Issue                                 | Expiration Value              |                                        |
| (24)              | 90-Day Euro Dollar                    | June 2017 \$ 5,925,150        | \$ (1,831)                             |
| (441)             | 5-Year U.S. Treasury Note             | September 2017 \$ 52,175,812  | (99,421)                               |
| (123)             | 10-Year U.S. Treasury Note            | September 2017 \$ 15,534,516  | (36,910)                               |
| (71)              | 10-Year U.S. Ultra Long Treasury Note | September 2017 \$ 9,637,141   | (46,120)                               |
| (24)              | 90-Day Euro Dollar                    | September 2017 \$ 5,920,500   | (3,668)                                |
| (661)             | Long U.S. Treasury Bond               | September 2017 \$ 101,670,062 | (924,968)                              |
| 285               | Ultra Long U.S. Treasury Bond         | September 2017 \$ 47,060,625  | 656,190                                |
| (24)              | 90-Day Euro Dollar                    | December 2017 \$ 5,916,300    | (5,456)                                |
| (24)              | 90-Day Euro Dollar                    | March 2018 \$ 5,912,100       | (6,718)                                |
| (30)              | 90-Day Euro Dollar                    | June 2018 \$ 7,383,750        | (10,363)                               |
| (30)              | 90 Day Euro Future                    | September 2018 \$ 7,377,375   | (11,451)                               |
| (30)              | 90 Day Euro Future                    | December 2018 \$ 7,370,625    | (13,051)                               |
| (30)              | 90-Day Euro Dollar                    | March 2019 \$ 7,366,500       | (13,989)                               |
| <b>Total</b>      |                                       |                               | \$ (517,756)                           |

BLACKROCK INCOME TRUST, INC.

MAY 31, 2017

7

## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

## OTC Interest Rate Swaps

| Fixed Rate         | Floating Rate | Counterparty             | Effective Date | Expiration Date | Notional Amount (000) | Value          | Premiums Received | Unrealized Appreciation (Depreciation) |
|--------------------|---------------|--------------------------|----------------|-----------------|-----------------------|----------------|-------------------|----------------------------------------|
| 4.31% <sup>1</sup> | 3-Month LIBOR | Deutsche Bank AG         | N/A            | 10/01/18        | \$ 60,000             | \$ (2,589,808) |                   | \$ (2,589,808)                         |
| 3.43% <sup>2</sup> | 3-Month LIBOR | JPMorgan Chase Bank N.A. | N/A            | 3/28/21         | \$ 6,000              | 402,967        | \$ (108,682)      | 511,649                                |
| 5.41% <sup>2</sup> | 3-Month LIBOR | JPMorgan Chase Bank N.A. | N/A            | 8/15/22         | \$ 9,565              | \$ 1,851,179   |                   | \$ 1,851,179                           |
| <b>Total</b>       |               |                          |                |                 |                       | \$ (335,662)   | \$ (108,682)      | \$ (226,980)                           |

<sup>1</sup> Fund pays a fixed rate and receives the floating rate.

<sup>2</sup> Fund pays a floating rate and receives the fixed rate.

## Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that the Trust has the ability to access

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 Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments classified within Level 3 have significant unobservable inputs used by the BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) in determining the price for Fair Valued Investments. Level 3 investments include equity or debt issued by privately held companies or funds. There may not be a secondary market, and/or there are a limited number of investors. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Global Valuation Committee in the absence of market information.

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Trust's most recent financial statements as contained in its semi-annual report.

## Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|                                               | Level 1       | Level 2        | Level 3      | Total          |
|-----------------------------------------------|---------------|----------------|--------------|----------------|
| <b>Assets:</b>                                |               |                |              |                |
| Investments:                                  |               |                |              |                |
| Long-Term Investments:                        |               |                |              |                |
| Asset-Backed Securities                       |               | \$ 1,824,283   | \$ 415,528   | \$ 2,239,811   |
| Non-Agency Mortgage-Backed Securities         |               | 2,640,080      | 1,419,749    | 4,059,829      |
| U.S. Government Sponsored Agency Securities   |               | 638,536,726    | 2,176,220    | 640,712,946    |
| U.S. Treasury Obligations                     |               | 12,889,355     |              | 12,889,355     |
| Short-Term Securities:                        |               |                |              |                |
| Money Market Fund                             | \$ 12,998,577 |                |              | 12,998,577     |
| Borrowed Bond Agreement                       |               | 856,249        |              | 856,249        |
| <b>Subtotal</b>                               | \$ 12,998,577 | \$ 656,746,693 | \$ 4,011,497 | \$ 673,756,767 |
| <b>Liabilities:</b>                           |               |                |              |                |
| Investments:                                  |               |                |              |                |
| Borrowed Bonds                                |               | \$ (902,349)   |              | \$ (902,349)   |
| TBA Sale Commitments                          |               | (113,351,424)  |              | (113,351,424)  |
| <b>Total</b>                                  | \$ 12,998,577 | \$ 542,492,920 | \$ 4,011,497 | \$ 559,502,994 |
| Derivative Financial Instruments <sup>1</sup> |               |                |              |                |
| <b>Assets:</b>                                |               |                |              |                |
| Interest rate contracts                       | \$ 656,190    | \$ 2,362,828   |              | \$ 3,019,018   |
| <b>Liabilities:</b>                           |               |                |              |                |
| Interest rate contracts                       | (1,173,946)   | (2,589,808)    |              | (3,763,754)    |
| <b>Total</b>                                  | \$ (517,756)  | \$ (226,980)   |              | \$ (744,736)   |

<sup>1</sup> Derivative financial instruments are swaps and futures contracts. Swaps and futures contracts are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial reporting purposes. As of period end, reverse repurchase agreements of \$198,125,821 are categorized as Level 2 within the disclosure hierarchy.

During the period ended May 31, 2017, there were no transfers between levels 1 and 2.



## Schedule of Investments (concluded)

BlackRock Income Trust, Inc. (BKT)

A reconciliation of Level 3 investments is presented when the Trust had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

|                                                                                                          | Asset-Backed<br>Securities | Non-Agency<br>Mortgage-Backed<br>Securities | U.S. Government<br>Sponsored Agency<br>Securities | Total               |
|----------------------------------------------------------------------------------------------------------|----------------------------|---------------------------------------------|---------------------------------------------------|---------------------|
| <b>Assets:</b>                                                                                           |                            |                                             |                                                   |                     |
| Opening Balance, as of August 31, 2016                                                                   | \$ 468,888                 | \$ 1,589,583                                | \$ 2,580,068                                      | \$ 4,638,539        |
| Transfers into Level 3 <sup>1</sup>                                                                      |                            | 12,150                                      |                                                   | 12,150              |
| Transfers out of Level 3                                                                                 |                            |                                             |                                                   |                     |
| Accrued discounts/premiums                                                                               | (91,140)                   |                                             | (7,452)                                           | (98,592)            |
| Net realized gain (loss)                                                                                 | (95,532)                   | (106)                                       | (8,841)                                           | (104,479)           |
| Net change in unrealized appreciation (depreciation) <sup>1,2</sup>                                      | 133,312                    | (181,873)                                   | 35,153                                            | (13,408)            |
| Purchases                                                                                                |                            |                                             |                                                   |                     |
| Sales                                                                                                    |                            | (5)                                         | (422,708)                                         | (422,713)           |
| <b>Closing Balance, as of May 31, 2017</b>                                                               | <b>\$ 415,528</b>          | <b>\$ 1,419,749</b>                         | <b>\$ 2,176,220</b>                               | <b>\$ 4,011,497</b> |
| Net change in unrealized appreciation (depreciation) on investments held as of May 31, 2017 <sup>2</sup> | \$ 133,312                 | \$ (181,873)                                | \$ 35,153                                         | \$ (13,408)         |

<sup>1</sup> As of August 31, 2016 the Trust used observable inputs in determining the value of certain investments. As of May 31, 2017, the Trust used significant unobservable inputs in determining the value of the same investments. As a result, investments at beginning of period value were transferred from Level 2 to Level 3 in the disclosure hierarchy.

<sup>2</sup> Any difference between net change in unrealized appreciation (depreciation) and net change in unrealized appreciation (depreciation) on investments held as of May 31, 2017 is generally due to investments no longer held or categorized as Level 3 at period end.

The Trust's investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information inputs could result in a significantly lower or higher value of such Level 3 investments.

Item 2 Controls and Procedures

- 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 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 Income Trust, Inc.

By: /s/ John M. Perlowski

John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Income Trust, Inc.

Date: July 24, 2017

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

By: /s/ John M. Perlowski

John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Income Trust, Inc.

Date: July 24, 2017

By: /s/ Neal J. Andrews

Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Income Trust, Inc.

Date: July 24, 2017