

Blackstone / GSO Strategic Credit Fund
Form N-CSR
March 09, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-22686

Blackstone / GSO Strategic Credit Fund

(exact name of Registrant as specified in charter)

345 Park Avenue, 31st Floor

New York, New York 10154

(Address of principal executive offices) (Zip code)

(Name and address of agent for service)

Marisa Beeney

345 Park Avenue, 31st Floor

New York, New York 10154

Registrant's telephone number, including area code: 877-876-1121

Date of fiscal year end: December 31

Date of reporting period: January 1, 2015 December 31, 2015

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Item 1. **Report to Stockholders.**

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Blackstone / GSO Funds

Manager Commentary

December 31, 2015 (Unaudited)

To Our Shareholders:

Returns across dollar-denominated asset classes were subpar in 2015 as macroeconomic factors caused investors to take a cautious approach in managing their portfolios. Concerns overhanging the markets included diverging monetary policy between the US and other major central banks, global growth concerns and falling commodity prices. The high yield and loan markets produced negative annual returns for the first time since the beginning of the financial crisis. The Barclays High Yield Index (Barclays HYI) lost 4.47% in 2015, the fourth-worst year in its 31-year history. The S&P/LSTA Leveraged Loan Index (S&P LLI) fared better but still fell 0.69%, representing only the second negative annual return in its 19-year history. Investment grade bonds performed roughly in line with the overall US bond market with the Barclays Aggregate gaining 0.55% and US investment grade corporate bonds losing 0.68%. Emerging market debt was one of the best asset classes, gaining 1.29%. Equity performance was mixed, led by large-cap equities (S&P 500 +1.37%).

Although the poor performance in 2015 was driven in part by fundamental developments, such as the commodity sell off, technicals played an important role as well. The three largest types of loan buyers stepped back during the year, which resulted in decreased demand. CLOs are the largest buyers of senior loans but production of CLOs slowed in 2015 to \$97.9bn from a record \$124.1bn the prior year.¹ Next, mutual funds experienced additional outflows. According to JP Morgan, retail investors pulled \$20.3bn from loan mutual funds and \$13.4bn from high yield funds. Lastly, distressed hedge funds suffered outflows following poor performance in 2014 and 2015. The one source of demand we saw grow in 2015 was from institutions which typically focus on high-quality companies. The institutional inflows were not enough to offset the decline in demand from other investor types but were enough to stabilize high-quality loan valuations.

2015 Total Returns

US Loans (S&P/LSTA Leveraged Loan Index)	-0.69%
US High Yield Bonds (Barclays High Yield Index)	-4.47%
3-month Treasury Bills (BofA Merrill Lynch US 3-Month Treasury Bill Index)	0.05%
10-Year Treasuries (BofA Merrill Lynch 10-Year US Treasury Index)	0.91%
US Aggregate Bonds (Barclays US Aggregate Bond Index)	0.55%
US Investment Grade Bonds (Barclays US Corporate Investment Grade Index)	-0.68%
Emerging Markets (Barclays EM USD Aggregate Index)	1.29%
US Large Cap Equities (S&P 500® Index)	1.37%

Sources: Barclays, Bloomberg, S&P/LCD

Consequently, within high yield and senior loans, performance was uneven with double-B loans producing *Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. You*

positive returns while the *cannot invest directly in an index.* rest of the market closed in negative territory. According to S&P/LSTA, double-B loans manufactured a respectable 2.23% return last year, easily outpacing single-B loans (-0.82%) and triple-C loans (-8.43%). A similar trend occurred in high yield where the Barclays Ba Index outperformed its lower-rated counterparts, but even higher-quality bonds lost ground in 2015. Double-B bonds lost 1.00% while single-B bonds lost 4.72% and triple-C bonds lost 12.11%.

The Federal Reserve finally raised rates at its December 16 meeting, ending its 7-year zero interest rate policy. Even though lift off didn't occur until the last month of the year, the effect of the Fed tightening has been felt since the second half of 2014 when the dollar began to strengthen and commodities commenced their precipitous decline. The Atlanta Federal Reserve estimates a Shadow Federal Funds Rate, which adjusts the actual Federal Funds Rate for other factors such as curve shape and quantitative easing. This measure bottomed at -3% in May 2014 and has been steadily rising ever since, closing 2015 at 0.2%. Even though we are at the beginning of the rate hike cycle, we are in the middle of the tightening phase.

Volatility will likely continue in 2016 as the factors influencing the market remain unresolved. One of the biggest questions for speculative-grade investors in 2016 will be the potential for a turn in the credit cycle. As mentioned above, triple-C paper dramatically underperformed in 2015, leaving valuations at multi-year lows. The average price of triple-C bonds was 71.57% of par at year end, the lowest price since May 2009. A similar story exists in senior loans, with triple-C loans trading at a 3 1/2-year low of 73.59% of par. Naturally, as funding costs rise for low-quality companies, the potential for increasing defaults becomes more likely. However, excluding commodities, default rates are expected to be 1.5% for both loans and high yield bonds, below their long-term averages of 3.3% and 3.6%, respectively.²

Loans remain attractively priced with only 1.3% of the market trading above par. Wall Street strategists forecast 2016 total returns for loans and high yield bonds of 2.5% to 5.5% and (2.5%) to 5.5%, respectively. With yields for investment grade products meager, investors still have to move lower in quality to obtain high yields, though active management and careful credit selection are critical. Loans have the potential to continue to benefit from the Fed's expected rate hikes and offer investors attractive returns compared to other income-oriented products.

¹ S&P/LCD.

² JP Morgan.

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Blackstone / GSO Funds

Manager Commentary

December 31, 2015 (Unaudited)

At GSO / Blackstone, we value your continued investment and confidence in us and in our family of funds. Additional information about our funds is available on our website at www.blackstone-gso.com.

Sincerely,

GSO / Blackstone Debt Funds Management LLC

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Blackstone / GSO Senior Floating Rate Term Fund

Fund Summary

December 31, 2015 (Unaudited)

Fund Overview

Blackstone / GSO Senior Floating Rate Term Fund (BSL or herein, the Fund) is a closed-end term fund that trades on the New York Stock Exchange under the symbol BSL . BSL 's primary investment objective is to seek high current income, with a secondary objective to seek preservation of capital, consistent with its primary goal of high current income. Under normal market conditions, the fund invests at least 80% of its total assets in senior, secured floating rate loans (Senior Loans). BSL may also invest in second-lien loans and high yield bonds and employs financial leverage, which may increase risk to the fund. The Fund has a limited term, and absent shareholder approval to extend the life of the Fund, the Fund will dissolve on or about May 31, 2020.

Portfolio Management Commentary*Fund Performance*

BSL underperformed its key benchmark, the S&P LLI, on a Net Asset Value (NAV) per share basis for the periods of three months, six months, one year, three years, five years, and the life of the Fund since inception. On a share price basis, the Fund also underperformed its benchmark over those periods. The shares of the Fund traded at an average discount to NAV of 6.8% for the twelve months ended December 31, compared to its peer group average discount of 9.5% over the same time.¹

NAV Performance Factors²

The Fund 's strong outperformance relative to its benchmark during the first half of 2015 was more than offset by underperformance during the extraordinarily challenging market conditions of the latter half of the year. For the full year, a significant portion of the Fund 's underperformance relative to the benchmark in 2015 was attributable to the outperformance of higher-rated (BB- or above), generally lower coupon loans, to which the Fund was under-allocated (8.6% vs. 44.7% for the benchmark). The Fund may rotate into higher quality loans as their spreads widen, though currently expects to remain under-allocated versus its benchmark. By sector, the Fund 's credit selection in consumer discretionary, telecom, and industrials, as well as over-allocations to utilities (7.4% versus 4.9% for the benchmark) and energy (5.3% versus 3.8%), were the top detractors from performance relative to its benchmark. This was partially offset by positive contributions from credit selection within utilities and energy. By issuer, the largest detractors of performance relative to the benchmark were Avaya and Sports Authority, which were partially offset by avoiding TXU.

Portfolio Activity and Positioning

Over the past year, BSL reduced its exposure to energy, oil and gas and retail, and increased its exposure to construction and building and banking, finance, insurance, and real estate companies. The Fund maintained a minimal cash balance throughout the period, decreased its allocation in high yield bonds, and increased its allocation into second lien loans, selectively increasing its triple-C assets. BSL continued to recover some of the portfolio loan spread lost last year, increasing the average loan spread 23 basis points and its average high yield bond coupon 42 basis points from the end of 2014.

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As of December 31, 2015, the Fund held over 97% of its Managed Assets in bank loans and around 2% in high yield bonds. BSL's investments represented the obligations of 166 companies diversified across 28 distinct industries, with an average position size representing 0.53% of Managed Assets and the top five industry groups representing 46% of total holdings of the Fund. High tech industries, business services and healthcare represent the Fund's top industry weightings.

¹ *Average discount and peer group per Morningstar.*

² *Industries per the Global Industry Classification Standard.*

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Blackstone / GSO Senior Floating Rate Term Fund

Fund Summary

December 31, 2015 (Unaudited)

** For more information on Moody's ratings and descriptions refer to www.moody's.com.

Portfolio Characteristics

Weighted Average Loan Spread [^]	5.39%
Weighted Average Bond Coupon	8.12%
Current Dividend Yield	7.27%
Weighted Average Days to Reset	68
Effective Duration*	0.31
Average Position**	0.53%
Leverage**	32.98%

[^] Spread over LIBOR inclusive of LIBOR floors.

Using current dividend rate of \$0.090/share and market price/share as of December 31, 2015.

* Loan durations are treated as 3 months because of LIBOR resets, however, the effective rate for loans with LIBOR floors will not change if LIBOR is below the floor.

** As a percentage of Managed Assets.

Top 10 Holdings*

Avaya Inc, Senior Secured First Lien Term B-7 Loan	2.09%
Numericable US LLC, Senior Secured First Lien USD Term B6 Loan	1.81%
Aspect Software Inc, Senior Secured First Lien Tranche B Non-PIK Term Loan	1.65%
Jeld-Wen Inc, Senior Secured First Lien Initial Term Loan	1.40%
Compuware Corporation, Senior Secured Second Lien Term Loan	1.37%
Microsemi Corporation, Senior Secured First Lien Term B Loan	1.36%
SESAC Holdco II LLC, Senior Secured First Lien Term Loan	1.33%
Sensus USA Inc, Senior Secured Second Lien Term Loan	1.32%
Crossmark Holdings Inc, Senior Secured First Lien Term Loan	1.25%
Inmar Inc, Senior Secured First Lien Initial Term Loan	1.18%
Top 10 Holdings	14.76%

Portfolio holdings and distributions are subject to change and are not recommendations to buy or sell any security.

Top 5 Industries*[^]

High Tech Industries	18.06%
Services - Business	8.58%

Healthcare and Pharmaceuticals	6.93%
Construction and Building	6.13%
Banking, Finance, Insurance and Real Estate	6.06%

BSL Total Return

	3	6	1	3	5	Since
	Month	Month	Year	Year	Year	Inception
NAV	-5.86%	-9.07%	-5.19%	0.38%	2.87%	3.69%
Market Price	-4.12%	-9.97%	-4.72%	-3.67%	1.06%	1.53%
S&P/LSTA Leveraged Loan Index	-2.10%	-3.42%	-0.69%	2.04%	3.41%	4.16%

* *As a percentage of Managed Assets.
Annualized.*

^ *Industries per S&P.*

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Blackstone / GSO Long-Short Credit Income Fund

Fund Summary

December 31, 2015 (Unaudited)

Fund Overview

Blackstone / GSO Long-Short Credit Income Fund (BGX or herein, the Fund) is a closed-end fund that trades on the New York Stock Exchange under the symbol BGX . BGX 's primary investment objective is to provide current income, with a secondary objective of capital appreciation. BGX will take long positions in investments which we believe offer the potential for attractive returns under various economic and interest rate environments. BGX may also take short positions in investments which we believe will under-perform due to a greater sensitivity to earnings growth of the issuer, default risk or the general level and direction of interest rates. BGX must hold no less than 70% of its Managed Assets in first-and second-lien secured floating rate loans (Secured Loans), but may also invest in unsecured loans and high yield bonds. BGX may use financial leverage and derivatives in employing its long strategy for up to a total of 150% of net assets.

Portfolio Management Commentary*Fund Performance*

BGX underperformed a composite weighting of the S&P LLI and the Barclays HYI (70% loans, 30% high yield bonds) on a NAV per share basis for the periods of three months, six months, one year, three years, and the life of the Fund since inception. On a share price basis, the Fund also underperformed its benchmark over those periods. The shares of the Fund traded at an average discount to NAV of 13.5% for the last twelve months ending December 31, compared to its peer group average discount of 12.5% over the same time. ¹

NAV Performance Factors²

The Fund 's strong outperformance relative to its benchmark during the first half of 2015 was more than offset by underperformance during the extraordinarily challenging market conditions of the latter half of the year. For the full year, a significant portion of the Fund 's underperformance relative to the benchmark in 2015 was attributable to the outperformance of higher-rated (BB- or above), generally lower coupon loans, to which the Fund was under-allocated. The Fund may rotate into higher quality loans as their spreads widen, though currently expects to remain under-allocated versus its benchmark. By sector, the Fund 's credit selection in consumer discretionary, telecom, and industrials, as well as an over-allocation to utilities (6.6% versus 4.4% for the benchmark), were the top detractors from performance relative to its benchmark. This was partially offset by positive contributions from credit selection within utilities and energy, as well as an over-allocation to industrials (21.6% vs. 15.6% for the benchmark). By issuer, the largest detractors of performance relative to the benchmark were Avaya, Sports Authority and Payless, which were partially offset by avoiding TXU.

Portfolio Activity and Positioning

Over the year, BGX reduced its exposure to retail and energy, oil and gas, and increased its exposure to business services and utilities electric companies. The Fund also allocated more of its portfolio to high yield bonds while reducing its holdings of Secured Loans, which reduced the average rating of the Fund 's underlying positions. The Fund 's cash balance remained stable throughout the period. The portfolio average loan spread increased by 51 basis

points, and the average high yield bond coupon increased by 45 basis points from the end of 2014.

As of December 31, 2015, 74% of BGX's assets were invested in Secured Loans and 21% were invested in high yield bonds. The Fund also held two positions totaling 2% of its assets in the Ba3 rated tranche of collateralized loan obligations. In the aggregate, BGX's positions represent the direct obligations of 177 companies diversified across 27 distinct industries, with an average position representing 0.50% of Managed Assets. The top five industry groups represented 47% of total holdings of the Fund.

¹ *Average discount and peer group per Morningstar.*

² *Industries per the Global Industry Classification Standard.*

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Blackstone / GSO Long-Short Credit Income Fund

Fund Summary

December 31, 2015 (Unaudited)

** For more information on Moody's ratings and descriptions refer to www.moodys.com.

Portfolio Characteristics

Weighted Average Loan Spread [^]	5.81%
Weighted Average Bond Coupon	8.75%
Current Dividend Yield	8.72%
Weighted Average Days to Reset	65
Effective Duration*	0.93
Average Position**	0.50%
Long Positions***	145.70%
Short Positions***	0.00%
Net Positions***	145.70%
Leverage**	32.97%

[^] Spread over LIBOR inclusive of LIBOR floors.

Using current dividend rate of \$0.098/share and market price/share as of December 31, 2015.

* Loan durations are treated as 3 months because of LIBOR resets, however, the effective rate for loans with LIBOR floors will not change if LIBOR is below the floor.

** As a percentage of Managed Assets.

*** As a percentage of net assets.

Top 10 Holdings*

Aspect Software Inc, Senior Secured First Lien Tranche B Non-PIK Term Loan	1.60%
Compuware Corporation, Senior Secured First Lien Tranche B-2 Term Loan	1.59%
Onex Carestream Finance LP, Senior Secured Second Lien Term Loan	1.49%
Panda Sherman Power LLC, Senior Secured First Lien Term Loan	1.48%
Palace Entertainment Holdings LLC, Senior Secured Bond	1.35%
Symphony Ltd, Senior Secured Collateralized Loan Obligation	1.32%
Microsemi Corporation, Senior Secured First Lien Term B Loan	1.27%
Scientific Games Corp, Senior Secured Bond	1.26%
Lineage Logistics LLC, Senior Secured First Lien Term Loan	1.21%
Avago Technologies Cayman Finance Limited, Senior Secured First Lien Term B Loan	1.17%
Top 10 Holdings	13.74%

Portfolio holdings and distributions are subject to change and are not recommendations to buy or sell any security.

Top 5 Industries*[^]

High Tech Industries	15.35%
Services - Business	9.59%
Banking, Finance, Insurance and Real Estate	7.96%
Healthcare and Pharmaceuticals	7.26%
Utilities Electric	6.39%

BGX Total Return

	3	6	1	3	Since
	Month	Month	Year	Year	Inception
NAV	-6.66%	-10.44%	-6.04%	0.58%	2.89%
Market Price	-2.63%	-8.62%	-5.44%	-3.35%	-0.75%
70% S&P/LSTA Leveraged Loan Index & 30%					
Barclays US High Yield Index	-2.07%	-4.43%	-1.43%	2.08%	3.65%

* *As a percentage of Managed Assets.
Annualized.*

^ *Industries per S&P.*

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Blackstone / GSO Strategic Credit Fund

Fund Summary

December 31, 2015 (Unaudited)

Fund Overview

Blackstone / GSO Strategic Credit Fund (*BGB* or herein, the *Fund*) is a closed-end term fund that trades on the New York Stock Exchange under the symbol *BGB* . *BGB* 's primary investment objective is to seek high current income, with a secondary objective to seek preservation of capital, consistent with its primary goal of high current income. *BGB* invests primarily in a diversified portfolios or loans and other fixed income instruments of predominantly US Corporate issuers, including first- and second-lien loans (*Senior Secured Loans*) and high yield corporate bonds of varying maturities. *BGB* must hold no less than 80% of its Managed Assets in credit investments comprised of corporate fixed income instruments and other investments (including derivatives) with similar economic characteristics. The Fund has a limited term and will dissolve on or about September 15, 2027, absent shareholder approval to extend such term.

Portfolio Management Commentary*Fund Performance*

BGB underperformed a composite weighting of the S&P LLI and the Barclays HYI (75% loans, 25% high yield bonds) on a NAV per share basis for the periods of three months, six months, one year, three years, and the life of the Fund since inception. On a share price basis, the Fund outperformed its benchmark for the period of three months, and underperformed its benchmark for the periods of six months, one year, three years, and the life of the Fund since inception. The shares of the Fund traded at an average discount to NAV of 13.1% for the last twelve months ending December 31, compared to its peer group average discount of 12.6% over the same time. ¹

NAV Performance Factors²

The Fund 's strong outperformance relative to its benchmark during the first half of 2015 was more than offset by underperformance during the extraordinarily challenging market conditions of the latter half of the year. For the full year, a significant portion of the Fund 's underperformance relative to the benchmark in 2015 was attributable to the outperformance of higher-rated (BB- or above), generally lower coupon loans, to which the Fund was under-allocated. The Fund may rotate into higher quality loans as their spreads widen, though currently expects to remain under-allocated versus its benchmark. By sector, the Fund 's credit selection in consumer discretionary, industrials, and telecom, as well as an over-allocation to energy (8.6% versus 6.2% for the benchmark), were the top detractors from performance relative to its benchmark. This was partially offset by positive contributions from credit selection within utilities and healthcare. By issuer, the largest detractors relative to the benchmark were Avaya and Modular Space, which were partially offset by avoiding TXU.

Portfolio Activity and Positioning

Over the past year, *BGB* decreased its exposure to energy, oil and gas and retail, and increased its exposure to business services and healthcare and pharmaceuticals companies. The Fund reduced its cash balance over the period. *BGB* allocated more of its portfolio to second-lien loans and high yield bonds by reducing its holdings of first-lien Senior Secured Loans, selectively increasing its triple-C assets. The portfolio average loan spread increased by 41

basis points and the average high yield bond coupon increased by 78 basis points from the end of 2014.

As of December 31, 2015, approximately 69% of BGB's assets were invested in Senior Secured Loans and 30% were invested in high yield bonds. In the aggregate, BGB's investments represent the direct obligations of 214 companies diversified across 27 distinct industries, with an average position representing 0.40% of Managed Assets. The top five industry groups represented 45% of total holdings of the Fund.

¹ *Average discount and peer group per Morningstar.*

² *Industries per the Global Industry Classification Standard.*

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Blackstone / GSO Strategic Credit Fund

Fund Summary

December 31, 2015 (Unaudited)

** For more information on Moody's ratings and descriptions refer to www.moodys.com.

Portfolio Characteristics

Weighted Average Loan Spread [^]	5.74%
Weighted Average Bond Coupon	8.61%
Current Dividend Yield	9.42%
Weighted Average Days to Reset	65
Effective Duration*	1.27
Average Position**	0.40%
Leverage**	32.77%

[^] Spread over LIBOR inclusive of LIBOR floors.

Using current dividend rate of \$0.105/share and market price/share as of December 31, 2015.

* Loan durations are treated as 3 months because of LIBOR resets, however, the effective rate for loans with LIBOR floors will not change if LIBOR is below the floor.

** As a percentage of Managed Assets.

Top 10 Holdings*

Builders FirstSource Inc, Senior Unsecured Bond	1.48%
Microsemi Corporation, Senior Secured First Lien Term B Loan	1.47%
Aspect Software Inc, Senior Secured First Lien Tranche B Non-PIK Term Loan	1.43%
Kronos Incorporated, Senior Secured Second Lien Initial Term Loan	1.42%
Scientific Games Corp, Senior Secured Bond	1.38%
Avago Technologies Cayman Finance Limited, Senior Secured First Lien Term B Loan	1.35%
Coveris Holdings SA, Senior Unsecured Bond	1.30%
Palace Entertainment Holdings LLC, Senior Secured Bond	1.27%
P F Chang's China Bistro Inc, Senior Unsecured Bond	1.10%
Monitronics International Inc, Senior Unsecured Bond	1.07%
Top 10 Holdings	13.27%

Portfolio holdings and distributions are subject to change and are not recommendations to buy or sell any security.

Top 5 Industries*[^]

High Tech Industries	17.42%
Services - Business	7.75%
Banking, Finance, Insurance and Real Estate	6.54%
Energy, Oil and Gas	6.57%

Healthcare and Pharmaceuticals	6.31%
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BGB Total Return

	3	6	1	3	Since
	Month	Month	Year	Year	Inception
NAV	-7.21%	-11.84%	-7.42%	0.26%	0.76%
Market Price	-2.99%	-9.90%	-11.15%	-2.85%	-4.47%
75% S&P/LSTA Leveraged Loan Index & 25% Barclays US					
High Yield Index	-4.26%	-1.30%	0.25%	2.08%	2.51%

* *As a percentage of Managed Assets.
Annualized.*

^ *Industries per S&P.*

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Blackstone / GSO Senior Floating Rate Term Fund

Portfolio of Investments

December 31, 2015

	Principal Amount	Market Value
FLOATING RATE LOAN INTERESTS^(a) - 145.62%		
Aerospace and Defense - 4.08%		
Landmark Aviation FBO Canada Inc, Senior Secured First Lien 2013 Specified Refinancing Canadian Term Loan, 4.750%, 10/25/2019	\$92,578	\$92,318
LM US Member LLC, Senior Secured First Lien 2013 Specified Refinancing US Term Loan, 4.750%, 10/25/2019	2,332,704	2,326,149
LM US Member LLC, Senior Secured Second Lien 2014 Specified Refinancing Term Loan, 8.250%, 01/25/2021	848,563	846,798
PRV Aerospace LLC, Senior Secured First Lien Term Loan, 6.500%, 05/09/2018	3,113,959	3,059,464
TurboCombustor Technology Inc, Senior Secured First Lien Initial Term Loan, 5.500%, 12/02/2020	4,076,079	3,586,949
		9,911,678
Automotive - 2.06%		
American Tire Distributors Inc, Senior Secured First Lien Initial Term Loan, 5.250%, 09/01/2021	597,973	590,002
Dealer Tire LLC, Senior Secured First Lien Initial Term Loan, 5.500%, 12/22/2021	684,332	686,042
Mitchell International Inc, Senior Secured Second Lien Term Loan, 8.500%, 10/11/2021	3,895,978	3,736,905
		5,012,949
Banking, Finance, Insurance and Real Estate - 8.82%		
Acrisure LLC, Senior Secured First Lien Term B Loan, 6.500%, 05/19/2022	807,975	776,666
Alliant Holdings Intermediate LLC, Senior Secured First Lien Initial Term Loan, 4.500%, 08/12/2022	785,526	768,590
AmWins Group LLC, Senior Secured First Lien New Term Loan, 5.250%, 09/06/2019	2,639,880	2,637,900
AssuredPartners Capital Inc, Senior Secured First Lien Term Loan, 5.750%, 10/24/2022	2,471,660	2,460,340
Asurion LLC, Senior Secured Second Lien Term Loan, 8.500%, 03/03/2021	2,925,532	2,517,420
Confie Seguros Holding II Co, Senior Secured First Lien Term B Loan, 5.750%, 11/09/2018	670,691	662,308
Cunningham Lindsey US Inc, Senior Secured First Lien Initial Term Loan, 5.000%, 12/10/2019	3,821,003	2,617,387
	4,331,359	4,233,904

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DTZ US Borrower LLC, Senior Secured First Lien 2015-1 Converted Term Loan, 4.250%, 11/04/2021

Opal Acquisition Inc, Senior Secured First Lien Term B Loan, 5.000%, 11/27/2020	1,551,236	1,296,570
TransFirst Inc, Senior Secured Second Lien Term Loan, 9.000%, 11/11/2022	600,000	589,500
Victory Capital Operating LLC, Senior Secured First Lien Initial Term Loan, 7.000%, 10/29/2021	1,020,408	989,796
York Risk Services Holding Corp (Onex York Finance LP), Senior Secured First Lien Initial Term Loan, 4.750%, 10/01/2021	1,984,925	1,881,956
		21,432,337

Beverage, Food and Tobacco - 3.60%

AdvancePierre Foods Inc, Senior Secured Second Lien Term Loan, 9.500%, 10/10/2017	2,160,000	2,124,900
CEC Entertainment Inc, Senior Secured First Lien Term B Loan, 4.250%, 02/15/2021	2,691,196	2,563,364
Fairway Group Acquisition Company, Senior Secured First Lien Term Loan, 5.000%, 08/17/2018	961,827	775,872
Supervalu Inc, Senior Secured First Lien New Term Loan, 4.500%, 03/21/2019	2,892,564	2,858,518
Winebow Holdings Inc, Senior Secured First Lien Initial Term Loan, 4.750%, 07/01/2021	443,626	432,536
		8,755,190

Capital Equipment - 3.25%

LTI Holdings Inc, Senior Secured First Lien Initial Term Loan, 5.250%, 04/18/2022	2,985,000	2,855,645
Sensus USA Inc, Senior Secured Second Lien Term Loan, 8.500%, 05/09/2018	4,884,518	4,799,039
Unifrax I LLC, Senior Secured First Lien New Term Dollar Loan, 4.250%, 11/28/2018	239,035	230,669
		7,885,353

Chemicals, Plastics and Rubber - 3.79%

Emerald Performance Materials LLC, Senior Secured First Lien Initial Term Loan, 4.500%, 08/02/2021	2,996,074	2,942,250
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Portfolio of Investments

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	<u>Principal Amount</u>	<u>Market Value</u>
Chemicals, Plastics and Rubber (continued)		
Pinnacle Operating Corporation, Senior Secured First Lien Term B Refinancing Loan, 4.750%, 11/15/2018	\$2,659,909	\$2,553,513
Royal Holdings Inc, Senior Secured First Lien Initial Term Loan, 4.500%, 06/20/2022	1,333,333	1,315,420
Tekni-Plex Inc, Senior Secured First Lien Tranche B-1 Loan, 4.500%, 06/01/2022	741,615	732,037
Tekni-Plex Inc, Senior Secured Second Lien Initial Term Loan, 8.750%, 06/01/2023	1,730,769	1,670,192
		9,213,412
Construction and Building - 9.16%		
Builders FirstSource Inc, Senior Secured First Lien Initial Term Loan, 6.000%, 07/22/2022	3,295,183	3,266,351
C.H.I. Overhead Doors Inc, Senior Secured First Lien Initial Term Loan, 4.750%, 07/29/2022	851,315	838,017
C.H.I. Overhead Doors Inc, Senior Secured Second Lien Initial Term Loan, 8.750%, 07/28/2023	2,631,579	2,473,684
Jeld-Wen Inc, Senior Secured First Lien Initial Term Loan, 5.250%, 10/15/2021	5,127,437	5,091,135
Jeld-Wen Inc, Senior Secured First Lien Term B-1 Loan, 4.750%, 07/01/2022	974,569	960,559
Priso Acquisition Corporation, Senior Secured First Lien Initial Term Loan, 4.500%, 05/09/2022	1,376,160	1,327,995
SRS Distribution Inc, Senior Secured First Lien Tranche B-1 Loan, 5.250%, 08/25/2022	782,228	777,093
Stardust Finance Holdings Inc, Senior Secured First Lien Term Loan, 6.500%, 03/14/2022	3,952,902	3,844,197
US LBM Holdings LLC, Senior Secured First Lien Initial Term Loan, 6.250%, 08/20/2022	3,836,538	3,663,894
		22,242,925
Consumer Goods Durable - 1.96%		
Apex Tool Group LLC, Senior Secured First Lien Term Loan, 4.500%, 01/31/2020	1,038,592	998,025
Hercules Achievement Inc, Senior Secured First Lien Initial Term Loan, 5.000%, 12/13/2021	1,856,250	1,842,328
MModal LLC, Senior Secured First Lien Term B Loan, 9.000%, 01/31/2020	2,120,314	1,921,535

4,761,888

Consumer Goods Non Durable - 3.56%

FGI Operating Company LLC, Senior Secured First Lien Term B Loan, 5.500%, 04/19/2019	3,959,146	3,088,134
Indra Holdings Corp, Senior Secured First Lien Initial Term Loan, 5.250%, 05/03/2021	959,544	897,173
Inmar Inc, Senior Secured First Lien Initial Term Loan, 4.250%, 01/27/2021	4,387,727	4,291,746
SRAM LLC, Senior Secured First Lien Term Loan, L+3.00%, 04/10/2020 ^(b)	448,677	373,523
		8,650,576

Containers, Packaging and Glass - 4.19%

Berlin Packaging LLC, Senior Secured First Lien Initial Term Loan, 4.530%, 10/01/2021	2,245,207	2,228,368
Bway Holding Company, Senior Secured First Lien Initial Term Loan, 5.500%, 08/14/2020	3,468,527	3,344,978
Charter Nex US Holdings Inc, Senior Secured First Lien Initial Term Loan, 5.250%, 02/07/2022	335,287	331,305
Multi Packaging Solutions Inc, Senior Secured First Lien Initial Dollar Tranche B Term Loan, 4.250%, 09/30/2020	2,461,064	2,393,385
Pelican Products Inc, Senior Secured First Lien New Term Loan, 5.250%, 04/10/2020	444,241	437,022
Reynolds Group Holdings Inc, Senior Secured First Lien Incremental US Term Loan, 4.500%, 12/01/2018	1,462,031	1,450,305
		10,185,363

Energy Electricity - 1.07%

La Frontera Generation LLC, Senior Secured First Lien Term Loan, 4.500%, 09/30/2020	2,739,323	2,600,070
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Energy, Oil and Gas - 5.79%

Ascent Resources - Marcellus LLC, Senior Secured First Lien Term Loan, 5.250%, 08/04/2020	1,481,481	420,370
CITGO Holding Inc, Senior Secured First Lien Term Loan, 9.500%, 05/12/2018	2,584,201	2,573,425
Crestwood Holdings LLC, Senior Secured First Lien Tranche B-1 Term Loan, 7.000%, 06/19/2019	2,411,000	1,563,123
Drillships Ocean Ventures Inc, Senior Secured First Lien Term Loan, 5.500%, 07/26/2021	994,869	475,050
Jonah Energy Inc, Senior Secured Second Lien Initial Term Loan, 7.500%, 05/12/2021	2,000,000	1,270,000

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	<u>Principal Amount</u>	<u>Market Value</u>
Energy, Oil and Gas (continued)		
Penn Products Terminals LLC, Senior Secured First Lien Tranche B Term Loan, 4.750%, 04/13/2022	\$992,500	\$937,913
Sheridan Investment Partners I LLC, Senior Secured First Lien Tranche B-2 Term Loan, 4.250%, 10/01/2019	5,084,797	3,110,192
Sheridan Production Partners I-A LP, Senior Secured First Lien Tranche B-2 Term Loan, 4.250%, 10/01/2019	673,777	412,126
Sheridan Production Partners I-M LP, Senior Secured First Lien Tranche B-2 Term Loan, 4.250%, 10/01/2019	411,547	251,729
Templar Energy LLC, Senior Secured Second Lien Term Loan, 8.500%, 11/25/2020	3,000,000	363,750
Utex Industries Inc, Senior Secured First Lien New Initial Term Loan, 5.000%, 05/24/2021	1,894,231	1,305,438
W3 Co, Senior Secured First Lien Term Loan, 5.750%, 03/13/2020	1,624,860	1,373,007
		14,056,123
Environmental Industries - 0.89%		
EnergySolutions LLC, Senior Secured First Lien Advance Term Loan, 6.750%, 05/29/2020	2,046,234	1,585,831
Infiltrator Water Technologies LLC, Senior Secured First Lien Term B Loan, 5.250%, 05/27/2022	568,571	566,619
		2,152,450
Forest Products and Paper - 0.16%		
W/S Packaging Group Inc, Senior Secured First Lien Term Loan, 5.000%, 08/09/2019	401,937	386,865
Healthcare and Pharmaceuticals - 10.34%		
Alvogen Pharma US Inc, Senior Secured First Lien Term Loan, 6.000%, 04/01/2022	1,937,938	1,896,757
Concordia Healthcare Corp, Senior Secured First Lien Dollar Term Loan, 5.250%, 10/21/2021	3,806,854	3,666,495
CT Technologies Intermediate Holdings Inc, Senior Secured First Lien Initial Term Loan, 5.250%, 12/01/2021	250,287	242,466
Curo Health Services Holding Inc, Senior Secured First Lien Term B Loan, 6.500%, 02/07/2022	1,417,857	1,406,337

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Genoa a QoL Healthcare Company LLC, Senior Secured First Lien Initial Term Loan, 4.500%, 04/29/2022	1,338,597	1,305,132
Greatbatch Ltd, Senior Secured First Lien Term B Loan, 5.250%, 10/27/2022	2,395,210	2,378,000
Medpace Holdings Inc, Senior Secured First Lien Initial Term Loan, 4.750%, 04/01/2021	865,120	859,713
National Mentor Holdings Inc, Senior Secured First Lien Initial Tranche B Term Loan, 4.250%, 01/29/2021	1,069,041	1,038,755
Onex Carestream Finance LP, Senior Secured Second Lien Term Loan, 9.500%, 12/09/2019	4,628,218	4,130,685
Onex Schumacher Finance LP, Senior Secured First Lien Initial Term Loan, 5.000%, 08/01/2022	717,303	709,829
Physio-Control International Inc, Senior Secured First Lien Initial Term Loan, 5.500%, 06/06/2022	1,506,276	1,481,799
Progressive Solutions LLC, Senior Secured First Lien Initial Term Loan, 5.500%, 10/22/2020	1,469,388	1,454,694
Progressive Solutions LLC, Senior Secured Second Lien Initial Term Loan, 9.500%, 10/22/2021	1,000,000	990,000
Smile Brands Group Inc, Senior Secured First Lien Term B Non-PIK Loan, 9.000%, 08/16/2019	3,969,980	2,874,266
Surgery Center Holdings Inc, Senior Secured First Lien Initial Term Loan, 5.250%, 11/03/2020	675,000	668,810
		25,103,738

High Tech Industries - 26.98%

Ascend Learning LLC, Senior Secured First Lien Term Loan, 5.500%, 07/31/2019	464,356	462,963
Aspect Software Inc, Senior Secured First Lien Tranche B Non-PIK Term Loan, 7.500%, 05/09/2016	6,463,706	5,984,325
Avago Technologies Cayman Finance Limited, Senior Secured First Lien Term B Loan, L+3.50%, 11/11/2022 ^(b)	3,217,523	3,189,627
Blackboard Inc, Senior Secured First Lien Term B-3 Loan, 4.750%, 10/04/2018	1,410,714	1,358,257
Blue Coat Holdings Inc, Senior Secured First Lien Initial Term Loan, 4.500%, 05/20/2022	2,939,836	2,849,201
BMC Software Finance Inc, Senior Secured First Lien Initial US Term Loan, 5.000%, 09/10/2020	3,871,848	3,202,561

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	<u>Principal Amount</u>	<u>Market Value</u>
High Tech Industries (continued)		
Compuware Corporation, Senior Secured First Lien Tranche B-2 Term Loan, 6.250%, 12/15/2021	\$994,975	\$930,714
Compuware Corporation, Senior Secured Second Lien Term Loan, 9.250%, 12/15/2022	5,500,000	4,977,500
Epicor Software Corporation, Senior Secured First Lien Term B Loan, 4.750%, 06/01/2022	2,848,431	2,787,390
Global Healthcare Exchange LLC, Senior Secured First Lien Initial Term Loan, 5.500%, 08/15/2022	1,169,483	1,162,910
Hyland Software Inc, Senior Secured First Lien Term Loan, 4.750%, 07/01/2022	199,947	197,448
Informatica Corp, Senior Secured First Lien Dollar Term Loan, 4.500%, 08/05/2022	3,237,456	3,124,727
Kronos Incorporated, Senior Secured Second Lien Initial Term Loan, 9.750%, 04/30/2020	4,000,000	3,995,000
MA FinanceCo LLC, Senior Secured First Lien Initial Tranche B Term Loan, 5.250%, 11/19/2021	3,499,008	3,478,242
Microsemi Corporation, Senior Secured First Lien Term B Loan, L+4.00%, 12/17/2022 ^(b)	5,011,933	4,934,248
MSC Software Corporation, Senior Secured Second Lien Term Loan, 8.500%, 05/31/2021	1,500,000	1,320,000
P2 Upstream Acquisition Co, Senior Secured First Lien Term Loan, 5.000%, 10/30/2020	2,800,000	2,548,000
Peak 10 Inc, Senior Secured First Lien Term Loan, 5.000%, 06/17/2021	2,686,364	2,648,298
Peak 10 Inc, Senior Secured Second Lien Initial Term Loan, 8.250%, 06/17/2022	875,000	809,375
ProQuest LLC, Senior Secured First Lien Initial Term Loan, 5.750%, 10/25/2021	1,781,971	1,753,013
Rocket Software Inc, Senior Secured First Lien Term Loan, 5.750%, 02/08/2018	546,778	545,326
Sophia LP, Senior Secured First Lien Closing Date Term Loan, 4.750%, 09/30/2022	1,995,000	1,975,050
Tech Finance & Co SCA, Senior Secured First Lien US Term Loan, 5.000%, 07/13/2020	3,076,603	3,038,915
TIBCO Software Inc, Senior Secured First Lien Term Loan, 6.500%, 12/04/2020	1,724,913	1,571,827
TTM Technologies Inc, Senior Secured First Lien Term B Loan, 6.000%, 05/31/2021	2,359,423	2,141,177
Vertafore Inc, Senior Secured First Lien New Term Loan, 4.250%, 10/03/2019	1,552,950	1,542,273
Vertafore Inc, Senior Secured Second Lien Term Loan, 9.750%, 10/27/2017	3,000,000	2,989,695
		65,518,062

Hotels, Gaming and Leisure - 4.01%

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Alpha Topco Limited - Delta 2 (Lux) Sarl, Senior Secured Second Lien Term Loan, 7.750%, 07/29/2022	3,812,600	3,534,280
Corner Investment Propco LLC, Senior Secured First Lien Term B Loan, 11.000%, 11/04/2019	1,892,097	1,851,890
Scientific Games International Inc, Senior Secured First Lien B-2 Term Loan, 6.000%, 10/01/2021	2,745,378	2,511,527
SMG, Senior Secured First Lien Term Loan, 4.500%, 02/27/2020	1,849,075	1,838,674
		9,736,371

Media Advertising, Printing and Publishing - 1.97%

Penton Media Inc, Senior Secured First Lien B-1 Term Loan, 4.750%, 10/03/2019	1,990,362	1,979,166
Southern Graphics Inc, Senior Secured First Lien New Term Loan, 4.250%, 10/17/2019		