

FIRST TRUST FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II

Form N-Q

October 29, 2004

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 811-21539  
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FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II  
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(Exact name of registrant as specified in charter)

1001 Warrenville Road  
Suite 300  
LISLE, IL 60532  
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(Address of principal executive offices) (Zip code)

W. Scott Jardine  
First Trust Portfolios, LP  
1001 Warrenville Road  
Suite 300  
LISLE, IL 60532  
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(Name and address of agent for service)

Registrant's telephone number, including area code: 630-241-4141  
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Date of fiscal year end: MAY 31, 2004  
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Date of reporting period: AUGUST 31, 2004  
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Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule of Investments is attached herewith.

First Trust/Four Corners Senior Floating Rate Income Fund II  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

| PRINCIPAL<br>VALUE | DESCRIPTION**  | MARKET<br>VALUE |
|--------------------|--|-----------------|
|                    | SENIOR FLOATING RATE INTERESTS - 153.7%                              |                 |
|                    | ADVERTISING - 1.3%   |                 |
| \$ 6,000,000       | Adams Outdoor Advertising, LP,<br>Term Loan, 10/15/11                | \$ 6,060,000    |
|                    | AEROSPACE/DEFENSE - 3.0%   |                 |
| 3,990,000          | CACI International, Inc., Term Loan B, 5/03/11                       | 4,002,469       |
| 3,250,000          | MRO Acquisition Corp., Term Loan, 8/27/10                            | 3,266,250       |
| 4,000,000          | Standard Aero Holdings, Inc.,<br>Term Loan B, 8/24/12                | 4,040,000       |
| 3,000,000          | United Air Lines, Inc., Term Loan, 6/30/05                           | 3,026,250       |
|                    |  | 14,334,969      |
|                    | BROADCAST MEDIA - 3.7%   |                 |
| 4,000,000          | Bragg Communications, Inc., Term Loan, 8/31/11<br>Cablecom           | 4,030,000       |
| 3,000,000          | Term Loan B, 4/15/12   | 2,992,500       |
| 3,000,000          | Term Loan C, 4/15/13   | 2,992,500       |
| 4,000,000          | NEP Supershooters, LP, Term Loan, 2/03/11                            | 4,035,000       |
| 3,750,000          | Salem Communications Holding Corp.,<br>Term Loan B, 3/31/10          | 3,782,812       |
|                    |  | 17,832,812      |
|                    | CABLE TELEVISION - 6.2%  |                 |
| 10,530,000         | Century Cable Holdings, LLC,<br>Term Loan, 6/30/09                   | 10,251,703      |
| 14,000,000         | Charter Communications Operating, LLC,<br>Term Loan A, 4/27/10       | 13,648,404      |
| 6,000,000          | PanAmSat Corp., Term Loan B, 8/20/11                                 | 6,004,128       |
|                    |  | 29,904,235      |
|                    | CASINOS & GAMING - 6.0%  |                 |
| 6,000,000          | Boyd Gaming Corp., Term Loan B, 6/30/11                              | 6,056,250       |
| 3,800,000          | Pinnacle Entertainment, Inc.,<br>Term Loan DD, 8/27/10               | 3,781,000       |
| 12,000,000         | Venetian Casino Resort, Term Loan B, 6/15/11+<br>Wynn Las Vegas, LLC | 12,135,000      |
| 5,000,000          | Revolving Credit, 10/30/08+  | 4,900,000       |
| 2,150,000          | Term Loan DD, 9/30/09+   | 2,169,709       |
|                    |  | 29,041,959      |

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|           |                                       |            |
|-----------|---------------------------------------|------------|
|           | CHEMICALS - 6.6%                      |            |
| 6,000,000 | Brenntag, Term Loan B, 3/05/11        | 6,067,500  |
|           | Celanese AG                           |            |
| 6,000,000 | Term Loan, 5/17/11+                   | 6,063,750  |
| 3,000,000 | Term Loan C, 12/08/11                 | 3,054,999  |
| 2,000,000 | Innophos, Inc., Term Loan B, 8/13/10+ | 2,012,500  |
| 1,000,000 | Ripplewood Phosphorous LLC,           |            |
|           | Term Loan, 7/20/11                    | 1,007,500  |
|           | Rockwood Specialties, Inc.            |            |
| 4,000,000 | Term Loan, 12/15/05                   | 3,990,000  |
| 9,500,000 | Term Loan B, 7/30/12                  | 9,562,767  |
|           |                                       | -----      |
|           |                                       | 31,759,016 |
|           |                                       | -----      |

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First Trust/Four Corners Senior Floating Rate Income Fund II - (Continued)  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

| PRINCIPAL<br>VALUE                         | DESCRIPTION**   | MARKET<br>VALUE |
|--|---|-----------------|
| -----                                      | -----   | -----           |
| SENIOR FLOATING RATE INTERESTS - CONTINUED |   |                 |
|  | COAL - 0.4%   |                 |
| \$ 2,000,000                               | Foundation PA Coal Company,<br>Term Loan B, 7/30/11           | \$ 2,018,500    |
|  |   | -----           |
|  | COMMERCIAL SERVICES - 7.6%                                    |                 |
| 3,000,000                                  | Acosta Sales Company, Term Loan B, 8/06/10                    | 3,022,500       |
| 3,000,000                                  | Alion Science and Technology Corp.,<br>Term Loan DD, 8/02/09+ | 3,000,000       |
| 5,000,000                                  | Allied Security Holdings LLC,<br>Term Loan, 6/30/10           | 5,037,500       |
| 3,272,961                                  | Infrasource, Inc., Term Loan, 9/30/10                         | 3,289,325       |
| 4,000,000                                  | Language Line Acquisitions, Inc.,<br>Term Loan B, 5/31/11     | 4,035,000       |
| 3,989,950                                  | Monitronics International, Inc.,<br>Term Loan B, 8/26/09      | 4,017,381       |
| 5,000,000                                  | Quanta Services, Inc., Term Loan, 6/19/08                     | 5,012,500       |
|  | United Rentals, Inc.  |                 |
| 2,493,750                                  | Term Loan, 2/14/11  | 2,514,323       |
| 500,000                                    | Term Loan B, 2/14/11  | 504,125         |
| 6,000,000                                  | VUTEk, Inc., Term Loan B, 6/25/10                             | 5,955,000       |
|  |   | -----           |
|  |   | 36,387,654      |
|  |   | -----           |
|  | CONSTRUCTION MATERIALS - 5.3%                                 |                 |
| 1,000,000                                  | Ames True Temper, Inc., Term Loan, 7/02/11                    | 1,011,667       |
|  | Builders FirstSource, Inc.                                    |                 |
| 2,992,500                                  | Term Loan, 2/25/10  | 3,011,203       |
| 3,000,000                                  | Term Loan, 8/25/10  | 2,992,500       |
| 1,000,000                                  | NCI Building Systems, Inc.,<br>Term Loan B, 6/18/10           | 1,010,625       |
| 7,000,000                                  | Nortek, Inc., Term Loan, 7/29/11                              | 7,063,000       |

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|           |   |            |
|-----------|---|------------|
| 6,960,013 | PGT Industries, Inc., Term Loan, 2/07/10      | 7,047,013  |
| 3,500,000 | Ply Gem Industries, Inc., Term Loan, 2/12/11  | 3,513,125  |
|           |   | -----      |
|           |   | 25,649,133 |
|           |   | -----      |
|           | CONTAINERS, PACKAGING & GLASS - 6.0%          |            |
| 1,000,000 | BWAY Corp., Term Loan B, 6/30/11              | 1,012,500  |
| 8,000,000 | Horizon Lines Holding LLC, Term Loan, 7/07/11 | 8,120,000  |
| 1,500,000 | Kranson Industries, Inc., Term Loan, 7/30/11  | 1,513,125  |
|           | Owens Illinois Group, Inc.                    |            |
| 7,164,339 | Term Loan A, 4/01/07                          | 7,234,492  |
| 4,000,000 | Term Loan B, 4/01/08                          | 4,055,000  |
| 2,000,000 | Term Loan C, 4/01/08                          | 2,000,000  |
| 4,984,975 | Solo Cup Company, Term Loan, 2/27/11          | 5,030,672  |
|           |   | -----      |
|           |   | 28,965,789 |
|           |   | -----      |
|           | DIVERSIFIED/CONGLOMERATE SERVICES - 0.6%      |            |
| 3,000,000 | Roller Bearing Corp., Term Loan, 12/17/10     | 3,015,000  |
|           |   | -----      |
|           | ELECTRONIC EQUIPMENT & INSTRUMENTS - 3.3%     |            |
| 2,000,000 | Coinstar, Inc., Term Loan, 7/01/11            | 2,032,500  |
| 4,937,501 | Global Cash Access, LLC, Term Loan B, 3/10/10 | 4,999,220  |
|           | Memec Group Holdings Ltd.                     |            |
| 3,000,000 | Term Loan A, 5/28/09                          | 2,970,000  |
| 4,000,000 | Term Loan B, 6/15/10                          | 3,990,000  |

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First Trust/Four Corners Senior Floating Rate Income Fund II - (Continued)  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

| PRINCIPAL<br>VALUE                             | DESCRIPTION**  | MARKET<br>VALUE |
|--|--|-----------------|
| -----  | -----  | -----           |
| SENIOR FLOATING RATE INTERESTS - CONTINUED     |  |                 |
| ELECTRONIC EQUIPMENT & INSTRUMENTS - CONTINUED |  |                 |
| \$ 2,000,000                                   | VeriFone, Inc., Term Loan B, 6/30/11                       | \$ 2,025,000    |
|  |  | -----           |
|  |  | 16,016,720      |
|  |  | -----           |
|  | ENTERTAINMENT - 8.9%                                       |                 |
| 6,000,000                                      | Metro-Goldwyn-Mayer Studios, Inc.,<br>Term Loan B, 4/30/11 | 6,018,000       |
| 2,000,000                                      | Nexstar Broadcasting Group, Inc.,<br>Term Loan D, 12/31/10 | 1,998,383       |
| 10,000,000                                     | NTL Investment Holdings Ltd.,<br>Term Loan, 5/10/12        | 9,866,670       |
| 8,000,000                                      | Paxson Communications Corp.,<br>Floating Rate, 1/15/10     | 8,040,000       |
| 6,500,000                                      | Rainbow Media Holdings LLC,<br>Term Loan B, 3/31/12        | 6,571,500       |
| 3,000,000                                      | Wallace Theater Corp., Term Loan, 7/31/09                  | 3,022,500       |
| 6,995,000                                      | WGM Acquisition Corp., Term Loan, 2/28/11                  | 7,079,940       |

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|            |   |            |
|------------|---|------------|
|            |   | -----      |
|            |   | 42,596,993 |
|            |   | -----      |
|            | ENVIRONMENTAL SERVICES - 3.5%   |            |
| 3,478,261  | Duratek, Inc., Term Loan, 12/16/09                                    | 3,467,391  |
| 1,500,000  | Environmental Systems Products Holdings, Inc.,<br>Term Loan, 12/12/10 | 1,537,500  |
|            | EnviroSolutions Holdings, Inc.  |            |
| 7,507,895  | Term Loan, 3/01/09  | 7,489,125  |
| 1,200,203  | Term Loan DD, 3/01/09+  | 1,197,203  |
| 3,000,000  | Waste Connections, Inc., Term Loan, 10/22/10                          | 3,022,500  |
|            |   | -----      |
|            |   | 16,713,719 |
|            |   | -----      |
|            | FARMING AND AGRICULTURE - 2.0%  |            |
|            | United Industries Corp.   |            |
| 4,000,000  | Term Loan, 9/30/11  | 4,055,000  |
| 3,990,000  | Term Loan, 4/30/11  | 4,029,900  |
| 1,500,000  | Term Loan B, 3/31/11  | 1,515,000  |
|            |   | -----      |
|            |   | 9,599,900  |
|            |   | -----      |
|            | FINANCE - 3.1%  |            |
| 15,000,000 | Refco Finance Holdings LLC,<br>Term Loan, 8/05/11                     | 14,943,750 |
|            |   | -----      |
|            | FOOD, BEVERAGES, & TOBACCO - 8.1%                                     |            |
| 4,000,000  | Atkins Nutritionals Inc., Term Loan, 10/29/09                         | 3,520,000  |
| 1,995,000  | Golden State Foods Corp., Term Loan B, 2/25/11                        | 2,017,444  |
| 12,000,000 | Keystone Foods Holdings LLC,<br>Term Loan, 6/16/11                    | 12,075,000 |
| 3,000,000  | N.E.W. Customer Service Companies, Inc.,<br>Term Loan B, 8/17/09      | 3,015,000  |
| 8,000,000  | OSI Group, Term Loan B, 9/02/11                                       | 8,070,000  |
|            | Pinnacle Foods Holding Corp.  |            |
| 1,537,431  | Term Loan, 11/25/10   | 1,552,805  |
| 5,445,069  | Term Loan DD, 11/25/10  | 5,499,520  |
| 3,000,000  | THL Food Products Company,<br>Term Loan, 11/21/11                     | 3,080,625  |
|            |   | -----      |
|            |   | 38,830,394 |
|            |   | -----      |

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First Trust/Four Corners Senior Floating Rate Income Fund II - (Continued)  
Portfolio of Investments  
August 31, 2004 (Unaudited)

| PRINCIPAL<br>VALUE                         | DESCRIPTION**                            | MARKET<br>VALUE |
|--|--|-----------------|
| -----                                      | -----                                    | -----           |
| SENIOR FLOATING RATE INTERESTS - CONTINUED |  |                 |
|  | HEALTHCARE (EQUIPMENT & SUPPLIES) - 3.9% |                 |
| \$ 5,400,000                               | Advanced Medical Optics, Inc.,           |                 |

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|            |   |              |
|------------|---|--------------|
|            | Term Loan, 6/25/09  | \$ 5,460,750 |
| 6,000,000  | Arizant, Inc., Term Loan, 7/31/10                         | 6,022,500    |
| 2,000,000  | Medical Device Manufacturing,<br>Term Loan B, 6/30/10     | 2,010,000    |
| 5,080,100  | VWR International, Term Loan B, 4/07/11                   | 5,144,871    |
|            |   | -----        |
|            |   | 18,638,121   |
|            |   | -----        |
|            | HEALTHCARE (PROVIDERS & SERVICES) - 13.5%                 |              |
| 7,000,000  | Accredo Health, Inc., Term Loan B, 6/30/11                | 7,026,250    |
| 3,000,000  | Ardent Health Services LLC,<br>Term Loan B, 8/12/11       | 3,000,000    |
| 7,000,000  | Community Health Systems, Inc.,<br>Term Loan, 8/19/11     | 6,997,501    |
| 3,576,014  | Connecticare Capital LLC, Term Loan, 10/30/09             | 3,589,424    |
| 1,000,000  | DaVita, Inc., Term Loan C, 6/30/10                        | 1,005,833    |
| 4,381,500  | Genesis Healthcare Corp.,<br>Term Loan B, 12/01/10        | 4,434,442    |
| 6,500,000  | Iasis Healthcare Corp., Term Loan B, 6/22/11              | 6,571,097    |
| 3,000,000  | MedCath Holdings Corp., Term Loan, 6/30/11                | 3,035,625    |
|            | Skilled Healthcare Group, Inc.<br>Term Loan, 1/31/11      | 2,040,000    |
| 2,000,000  | Term Loan, 7/31/10  | 4,025,000    |
| 4,000,000  | Team Health, Inc., Term Loan B, 3/23/11                   | 4,993,734    |
| 14,000,000 | U.S. Oncology Holding, Term Loan B, 8/20/11               | 14,070,000   |
| 4,000,000  | Vanguard Health Systems, Inc.,<br>Term Loan, 5/18/11      | 3,995,000    |
|            |   | -----        |
|            |   | 64,783,906   |
|            |   | -----        |
|            | INSURANCE - 2.7%  |              |
| 13,000,000 | Conseco, Inc., Term Loan, 6/22/10                         | 13,162,500   |
|            |   | -----        |
|            | LEISURE - 3.8%  |              |
| 1,000,000  | Blockbuster, Inc., Term Loan B, 8/20/11                   | 998,750      |
| 4,000,000  | Brooklyn Basketball, LLC, Term Loan B, 6/16/08            | 3,990,000    |
| 7,000,000  | Loews Cineplex Entertainment,<br>Term Loan, 7/30/11       | 7,048,125    |
| 6,165,307  | The Titan Corp., Term Loan B, 6/30/09                     | 6,182,003    |
|            |   | -----        |
|            |   | 18,218,878   |
|            |   | -----        |
|            | MANUFACTURING - 3.1%                                      |              |
| 8,844,279  | Cinram International, Inc.,<br>Term Loan D, 9/30/09       | 8,852,575    |
| 5,987,536  | Invensys PLC, Term Loan B, 9/05/09                        | 6,062,381    |
|            |   | -----        |
|            |   | 14,914,956   |
|            |   | -----        |
|            | MISCELLANEOUS - 1.5%                                      |              |
| 6,982,368  | Moran Transportation Company,<br>Term Loan, 8/08/09       | 7,026,008    |
|            |   | -----        |
|            | OIL & GAS - 3.5%  |              |
| 1,000,000  | Alon USA, Inc., Term Loan B, 12/16/08                     | 1,020,000    |
| 2,000,000  | BPL Acquisition (Buckeye Pipeline),<br>Term Loan, 6/10/10 | 2,020,000    |

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First Trust/Four Corners Senior Floating Rate Income Fund II - (Continued)  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

| PRINCIPAL<br>VALUE                         | DESCRIPTION**   | MARKET<br>VALUE |
|--|---|-----------------|
| -----                                      |   |                 |
| SENIOR FLOATING RATE INTERESTS - CONTINUED |   |                 |
| OIL & GAS - CONTINUED                      |   |                 |
|  | Quest Cherokee, LLC                                     |                 |
| \$ 604,444                                 | L of C, 12/31/08***                                     | \$ 607,467      |
| 4,835,556                                  | Term Loan, 7/22/10                                      | 4,859,733       |
| 2,500,000                                  | SemCrude, L.P., Term Loan, 8/27/10                      | 2,521,875       |
| 2,000,000                                  | Transport Industries, L.P.,<br>Term Loan B, 6/13/10     | 2,000,000       |
| 4,000,000                                  | Vulcan Energy Corp., Term Loan, 7/23/10                 | 4,050,000       |
|  |   | -----           |
|  |   | 17,079,075      |
|  |   | -----           |
| PAPER & FOREST PRODUCTS - 1.7%             |   |                 |
| 6,000,000                                  | Georgia Pacific Corp., Term Loan, 7/02/09               | 5,970,000       |
|  | Koch Cellulose, LLC                                     |                 |
| 395,773                                    | L of C, 5/07/11***                                      | 398,742         |
| 1,600,216                                  | Term Loan B, 5/07/11                                    | 1,612,217       |
|  |   | -----           |
|  |   | 7,980,959       |
|  |   | -----           |
| PERSONAL PRODUCTS - 1.3%                   |   |                 |
| 2,422,500                                  | American Safety Razor Company,<br>Term Loan B, 4/29/11  | 2,446,725       |
| 3,990,000                                  | Prestige Brands, Inc., Term Loan B, 4/06/11             | 3,990,000       |
|  |   | -----           |
|  |   | 6,436,725       |
|  |   | -----           |
| PRINTING & PUBLISHING - 5.5%               |   |                 |
| 5,250,000                                  | Freedom Communications, Inc.,<br>Term Loan B, 5/18/12   | 5,322,187       |
| 2,000,000                                  | Herald Media, Inc., Term Loan, 6/29/11                  | 2,020,000       |
| 9,000,000                                  | RH Donnelley Inc., Term Loan B, 6/30/11                 | 9,100,125       |
|  | Transwestern Publishing Company                         |                 |
| 4,227,500                                  | Term Loan, 2/25/12                                      | 4,249,961       |
| 5,802,532                                  | Term Loan B, 2/25/12                                    | 5,842,424       |
|  |   | -----           |
|  |   | 26,534,697      |
|  |   | -----           |
| REAL ESTATE - 0.4%                         |   |                 |
| 1,964,010                                  | CB Richard Ellis Services, Inc.,<br>Term Loan, 3/31/10  | 1,972,603       |
|  |   | -----           |
| RETAIL - 6.8%                              |   |                 |
| 13,500,000                                 | Harbor Freight Tools, Term Loan, 7/15/10                | 13,542,187      |
| 11,000,000                                 | Jean Coutu Group (PJC), Inc.,<br>Term Loan B, 7/30/11   |                 |
| 1,804,769                                  | Oriental Trading Company, Inc.,<br>Term Loan B, 8/04/10 | 111,088,748     |
| 6,000,000                                  | Savers, Inc., Term Loan, 8/04/09                        | 6,030,000       |
|  |   | -----           |

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|           |   |            |
|-----------|---|------------|
|           |   | 32,487,511 |
|           |   | -----      |
|           | TELECOMMUNICATIONS (WIRELESS) - 8.0%                  |            |
| 4,000,000 | AAT Communications Corp.,<br>Term Loan B, 1/16/12     | 4,038,332  |
| 8,000,000 | American Tower Corp., Term Loan B, 8/31/11            | 8,102,504  |
| 4,000,000 | Fairpoint Communications, Inc.,<br>Term Loan, 9/30/08 | 4,022,500  |
| 3,000,000 | MC Communications, LLC, Term Loan, 12/31/10           | 2,955,000  |
| 5,984,962 | Nextel Communications, Inc.,<br>Term Loan E, 12/15/10 | 6,015,157  |
| 5,000,000 | Nextel Partners, Inc., Term Loan C, 5/31/11           | 5,060,000  |

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First Trust/Four Corners Senior Floating Rate Income Fund II - (Continued)  
Portfolio of Investments  
August 31, 2004 (Unaudited)

| PRINCIPAL<br>VALUE                         | DESCRIPTION**  | MARKET<br>VALUE |
|--|--|-----------------|
| -----                                      | -----  | -----           |
| SENIOR FLOATING RATE INTERESTS - CONTINUED |  |                 |
| TELECOMMUNICATIONS (WIRELESS) - CONTINUED  |  |                 |
| \$ 8,000,000                               | Valor Telecommunications, LLC,<br>Term Loan, 6/30/09               | \$ 8,085,000    |
|  |  | -----           |
|  |  | 38,278,493      |
|  |  | -----           |
|  | THEATRES - 0.8%  |                 |
| 3,868,788                                  | Regal Cinemas Corp., Term Loan B, 11/10/10                         | 3,908,443       |
|  |  | -----           |
|  | UTILITY (ELECTRIC) - 21.6%   |                 |
|  | Allegheny Energy Supply Company, LLC                               |                 |
| 4,488,750                                  | Term Loan B, 3/08/11   | 4,548,226       |
| 8,488,750                                  | Term Loan C, 6/08/11   | 8,614,316       |
| 6,000,000                                  | Astoria Energy LLC, Term Loan, 4/16/12                             | 6,070,002       |
| 8,975,544                                  | CenterPoint Energy, Inc., Term Loan, 10/07/06                      | 8,997,982       |
| 997,500                                    | Cogentrix Delaware Holdings, Inc.,<br>Term Loan, 2/25/09           | 1,011,839       |
| 13,965,000                                 | Midwest Generation, LLC, Term Loan, 4/27/11                        | 14,113,378      |
| 8,000,000                                  | Mission Energy Holdings International, LLC, Term<br>Loan, 12/11/06 | 8,015,000       |
| 2,000,000                                  | Nevada Power Company, L of C, 5/4/09***                            | 2,010,000       |
| 3,936,667                                  | Pike Electric, Inc., Term Loan, 7/01/12                            | 4,003,917       |
|  | Reliant Resources, Inc.  |                 |
| 7,500,000                                  | Revolving Credit, 3/15/07+   | 7,306,252       |
| 2,923,908                                  | Term Loan, 3/15/07   | 2,920,253       |
| 4,873,179                                  | Term Loan A, 3/15/07   | 4,860,996       |
| 7,798,942                                  | Riverside Energy Center, LLC,<br>Term Loan, 6/24/11                | 7,857,434       |
|  | Rocky Mountain Energy Center, LLC,<br>L of C, 6/24/11***           | 599,169         |

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|            |  |             |
|------------|--|-------------|
| 5,606,349  | Term Loan, 6/24/11   | 5,648,397   |
| 13,000,000 | Saguaro Utility Group I Corp. (Unisource),<br>Term Loan DD, 3/25/11+ | 12,829,375  |
| 1,000,000  | Sierra Pacific Power Company,<br>L of C, 5/04/08***                  | 1,005,000   |
| 3,500,000  | Tucson Electric Power Company,<br>Term Loan, 6/30/09                 | 3,523,334   |
|            |  | -----       |
|            |  | 103,934,870 |
|            |  | -----       |
|            | TOTAL SENIOR FLOATING RATE INTERESTS                                 | 739,028,288 |
|            |  | -----       |
|            | (Cost \$709,096,692)   |             |

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First Trust/Four Corners Senior Floating Rate Income Fund II - (Continued)  
Portfolio of Investments  
August 31, 2004 (Unaudited)

| PRINCIPAL<br>VALUE | DESCRIPTION**   | MARKET<br>VALUE |
|--------------------|---|-----------------|
| -----              | -----   | -----           |
|                    | REPURCHASE AGREEMENT - 21.4%<br>(Cost \$103,000,000)  |                 |
| \$103,000,000      | Agreement with Wachovia Capital Markets, LLC<br>1.470% dated 8/31/04, to be repurchased at<br>\$103,004,206 on 9/01/04, collateralized by<br>\$89,388,000 U.S. Treasury Note, 7.000% due<br>7/15/06 and \$7,397,000 U.S. Treasury Note,<br>1.625% due 1/31/05 (Value \$105,060,977) | \$ 103,000,000  |
|                    |   | -----           |
|                    | UNFUNDED LOAN COMMITMENT - (6.3)%   | (30,535,512)    |
|                    |   | -----           |
|                    | TOTAL INVESTMENTS - 168.8%<br>(Cost \$812,096,692) *  | 811,492,776     |
|                    |   | -----           |
|                    | NET OTHER ASSETS AND LIABILITIES - (48.0)%  | (230,804,483)   |
|                    |   | -----           |
|                    | PREFERRED SHARES,<br>AT LIQUIDATION VALUE - (20.8)%   | (100,000,000)   |
|                    |   | -----           |
|                    | NET ASSETS - 100.0%   | \$ 480,688,293  |
|                    |   | =====           |

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Notes to Quarterly Portfolio of Investments

August 31, 2004 (Unaudited)

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1. VALUATION AND INVESTMENT PRACTICES

PORTFOLIO VALUATION:

The net asset value ("NAV") of the Common Shares of the Fund is computed based upon the value of the Fund's portfolio and other assets. The NAV is determined as of the close of regular trading on the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. Domestic debt securities and foreign securities are priced using data reflecting the earlier closing of the principal markets for those securities. The Fund calculates NAV per Common Share by subtracting the Fund's liabilities and the liquidation value of any outstanding Preferred Shares from the Fund's Managed Assets and dividing the result by the total number of Common Shares outstanding.

The Fund's investments are valued daily at market value, or in the absence of market value with respect to any portfolio securities, at fair value in accordance with valuation procedures adopted by the Board of Trustees. A majority of the Fund's assets are valued using market information supplied by third parties. In the event that market quotations are not readily available, the pricing service does not provide a valuation for a particular asset, or the valuations are deemed unreliable, or if events occurring after the close of the principal markets for particular securities (e.g., domestic debt and foreign securities), but before the Fund values its assets, would materially affect net asset value, First Trust Advisors L.P. ("First Trust") may use a fair value method in good faith to value the Fund's securities and investments. The use of fair value pricing by the Fund is governed by valuation procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the 1940 Act.

Portfolio securities listed on any exchange other than the NASDAQ National Market ("NASDAQ") are valued at the last sale price on the business day of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the most recent bid and asked prices on such day. Securities trading on the NASDAQ are valued at the NASDAQ Official Closing Price as determined by NASDAQ. Portfolio securities traded in the over-the-counter market, but excluding securities trading on the NASDAQ, are valued at the closing bid prices. Short-term investments that mature in 60 days or less are valued at amortized cost.

The Senior Floating Rate Interests ("Senior Loans") in which the Fund invests are not listed on any securities exchange or board of trade. Senior Loans are typically bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an over-the-counter secondary market, although typically no formal market-makers exist. This market, while having substantially grown in the past several years, generally has fewer trades and less liquidity than the secondary market for other types of securities. Some Senior Loans have few or no trades, or trade infrequently, and information regarding a specific Senior Loan may not be widely available or may be incomplete. Accordingly, determinations of the market value of Senior Loans may be based on infrequent and dated information. Because there is less reliable, objective data available, elements of judgment may play a greater role in valuation of Senior Loans than for other types of securities. Typically Senior Loans are valued using information provided by an independent third party pricing service. If the pricing service cannot or does not provide a valuation for a particular Senior Loan or such valuation is deemed unreliable, First Trust may value such Senior Loan at a fair value as determined in good faith under procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the 1940 Act.

Notes to Quarterly Portfolio of Investments  
August 31, 2004 (Continued) (Unaudited)

REPURCHASE AGREEMENT:

The Fund engages in repurchase agreement transactions. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. This arrangement results in a fixed rate of return that is not subject to market fluctuations during the Fund's holding period. The value of the collateral is at all times at least equal to the total amount of the repurchase obligations, including interest. In the event of counterparty default, the Fund has the right to use the collateral to offset losses incurred. There is potential loss to the Fund in the event the Fund is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in the value of the underlying securities during the period while the Fund seeks to assert its rights. The Fund reviews the value of the collateral and the creditworthiness of those banks and dealers with which the Fund enters into repurchase agreements to evaluate potential risks.

SECURITIES TRANSACTIONS:

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis.

Securities purchased or sold on a when-issued or delayed-delivery basis may be settled a month or more after the trade date; interest income is not accrued until settlement date. The Fund instructs the custodian to segregate assets of the Fund with a current value at least equal to the amount of its when-issued purchase commitments.

UNFUNDED LOAN COMMITMENTS:

The Fund may enter into certain credit agreements, all or a portion of which may be unfunded. The Fund is obligated to fund these loan commitments at the borrower's discretion. These commitments are disclosed in the accompanying Portfolio of Investments.

2. UNREALIZED APPRECIATION/(DEPRECIATION)

On August 31, 2004, net unrealized depreciation for Federal tax purposes was (\$603,916), consisting of \$1,994,013 aggregate gross unrealized appreciation for all securities in which there is an excess of value over tax cost and \$2,597,929 aggregate gross unrealized depreciation for all securities in which there is an excess of tax cost over value.

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive and principal financial officers,

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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") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).

- (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 (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

SIGNATURES

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.

(Registrant) FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II

By (Signature and Title)\* /S/ JAMES A. BOWEN

James A. Bowen, Chief Executive Officer  
(principal executive officer)

Date OCTOBER 28, 2004

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 (Signature and Title)\* /S/ JAMES A. BOWEN

James A. Bowen, Chief Executive Officer  
(principal executive officer)

Date OCTOBER 28, 2004

By (Signature and Title)\* /S/ MARK R. BRADLEY

Mark R. Bradley, Chief Financial Officer  
(principal financial officer)

Date OCTOBER 28, 2004  
-----

\* Print the name and title of each signing officer under his or her signature.