FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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BLACKROCK STRATEGIC TERM TRUST INC

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THE BLACKROCK STRATEGIC TERM TRUST INC.
SEMI-ANNUAL REPORT TO SHAREHOLDERS
REPORT OF INVESTMENT ADVISER

July 31, 1996

Dear Trust Shareholder:

After posting strong returns during 1995, the fixed income markets have given back much of their gains in 1996 in response to a strengthening U.S. economy. Accelerating economic growth has raised concerns about an increased inflationary environment, which could erode the value of fixed income investments. The stronger economy also has led some market participants to consider the possibility that the Federal Reserve may increase interest rates to thwart inflation threats after three interest rate reductions over the past twelve months.

Despite the pick-up in economic growth, we believe that current inflationary fears will subside. Commodity prices have risen but manufacturers will have difficulty passing along the increased costs of raw materials to consumers, whose debt levels as a percentage of disposable income are at the highest point since the recessionary highs of 1990. We believe that the overleveraged consumer will have to retrench, restricting future economic expansion and creating a positive environment for bonds in the latter half of this year.

The following semi-annual report provides detailed market commentary and a review of portfolio management activity. We believe that BlackRock's duration controlled management style and risk management capabilities will allow each of our Trusts to achieve its long-term investment objective.

We look forward to maintaining your respect and confidence and to serving your financial needs in the coming years.

Sincerely,

Laurence D. Fink, Chairman

Ralph L. Schlosstein, President

July 31, 1996

Dear Shareholder:

We are pleased to present the semi-annual report for The BlackRock Strategic Term Trust Inc. ("the Trust") for the six months ended June 30, 1996. We would like to take this opportunity to review the Trust's stock price and net asset value (NAV) performance, summarize market developments and discuss recent portfolio management activity.

The Trust is a diversified, actively managed closed-end bond fund whose shares are traded on the New York Stock Exchange under the symbol "BGT". The Trust's investment objective is to return $10 per share (its initial offering price) to shareholders on/or about December 31, 2002 while providing high current income. The Trust seeks these objectives by investing in investment grade fixed income securities, including corporate debt securities, mortgage-backed securities backed by U.S. Government agencies (such as Fannie Mae, Freddie Mac or Ginnie Mae), asset-backed securities and commercial mortgage-backed securities. All of the Trust's assets must be rated "BBB" by Standard & Poor's or "Baa" by Moody's at time of purchase or be issued or guaranteed by the U.S. government or its agencies.

The table below summarizes the performance of the Trust's stock price and NAV (the market value of its assets per share) over the period:

	6/30/96	12/31/95	Change	High	Low
Stock Price	$7.625	$7.625	-	$7.875	$7.25
Net Asset Value (NAV)	$8.89	$9.32	(4.61%)	$9.36	$8.71

The Fixed Income Markets

The domestic fixed income markets witnessed two profoundly different environments during the past six months, providing an exciting and challenging environment in which to manage the Trust. The Treasury market rally of 1995 continued through the middle of February 1996, as market demand for fixed income securities remained strong due to a combination of moderate economic growth, low absolute levels of inflation and two reductions of the Fed funds target rate. The rally halted during mid-February, however, as data indicating accelerating economic growth rekindled inflationary concerns. The strengthening of the economy continued throughout the second quarter, leading market participants to become more resolute in their belief that the Federal Reserve will tighten monetary policy during the second half of 1996, which would result in rising interest rates. These fears translated into a sharp rise in bond yields across the Treasury yield curve, resulting in the fixed income markets rescinding much of their 1995 gains.

Interest rate movements reflected the change in investor sentiment toward fixed income securities. Interest rates across the Treasury yield curve fell dramatically through mid-February, as evidenced by the decline in yield levels on the 10-year Treasury. Continuing the bond market rally of 1995, the yield of the 10-year Treasury fell to 5.52% on January 19, its lowest yield since October 1993. However, data released during February suggesting renewed economic vigor placed pressure on bond prices, as the possibility of a stronger economy dampened investor expectations that interest rates would continue to fall. These fears translated into a sharp rise in bond yields across the Treasury yield curve. The yield of the ten-year Treasury ended the semi-annual period at 6.71%, a net increase of 114 basis points (1.14%) during the first half of 1996.

The mortgage-backed securities (MBS) market outperformed Treasuries for the period, as rising interest rates coupled with a reduction in prepayment risk provided investors an opportunity to fundamentally reassess mortgages after 1995's Treasury market rally. Still, many investors remained on the sidelines, convinced that even historically wide mortgage yield

spreads offered inadequate compensation for the perceived risks of owning mortgages. As a result of this narrow participation, MBS performance in 1996 has been good but somewhat short of expectations given the sharp rise in interest rates.

Corporate bond performance relative to Treasuries was hampered by a heavy new net issue supply, which expanded above 1995 levels despite the rising interest rate environment of 1996. However, the yield premium, or "spread", offered by corporate bonds remained narrow throughout the period. Corporate yield spreads are not expected to widen significantly, as a subsiding of recessionary fears in response to the strengthening U.S. economy is expected to support corporate bond prices.

The Trust's Portfolio and Investment Strategy

BlackRock actively manages the Trust's portfolio holdings consistent with BlackRock's overall market outlook and the Trust's investment objectives. The following chart compares the Trust's current and December 31, 1995 asset composition.

The BlackRock Strategic Term Trust Inc.

Composition	June 30, 1996	December 31, 1995
Taxable Zero Coupon Bonds	28%	24%
Agency Multiple Class Mortgage Pass-Throughs	15%	19%
Corporate Bonds	12%	5%
Stripped Mortgage-Backed Securities	11%	7%
Adjustable Rate Mortgages	10%	9%
Mortgage Pass-Throughs	9%	18%
Commercial Mortgage-Backed Securities	5%	2%
Municipal Bonds	3%	2%
CMO Residuals	3%	2%

Asset-Backed Securities	2%	1%
U.S. Government Securities	1%	7%
Non-Agency Multiple Class Mortgage Pass-Throughs	1%	3%
FNMA Project Loans	-	1%

Credit Rating	Rating % of Corporates June 30, 1996	December 31, 1995
BBB or equivalent	55%	48%
A or equivalent	38%	50%
AA or equivalent	7%	2%

The Trust maintained its focus on the primary investment objective of returning $10 per share to investors on or about its termination date. In conjunction with this objective, the Trust has been reducing its holdings which are subject to cash flow risk or which can extend beyond the Trust's scheduled maturity date. BlackRock has been opportunistically selling bonds with

these characteristics, or "tail risk", and emphasized securities offering attractive yield spreads over Treasury securities, cash flows prior to termination date, or fixed maturities approximating the Trust's termination date. To that end, the Trust further increased its allocation to investment grade corporate bonds, which now comprise approximately 12% of portfolio assets. Corporate bonds allow the Trust to both match the maturity date of the bond with the Trust's scheduled termination date by providing a definite maturity value when they mature and a more defined cash flow. The Trust also increased its exposure to asset-backed securities (ABS), which are generally collateralized by auto or credit card loans. ABS offer attractive yields relative to comparable duration securities in addition to more predictable cash flows than mortgage-backed securities.

The increased corporate bond and asset-backed security positions were accompanied by a corresponding decrease in securities which offer less predictable cash flow streams and maturity dates. Specifically, the Trust has sold mortgage-backed securities such as agency pass-throughs, which have characteristics that are typically more sensitive to interest rate movements than most fixed maturity securities. For example, the maturity of a mortgage bond can extend if interest rates rise; conversely, a sharp decline in interest rates can cause a mortgage bond to prepay, which exposes the Trust to reinvestment risk in a lower interest rate environment. Over the semi-annual period, this strategy has worked to the Trust's benefit, as mortgages outperformed most sectors of the taxable fixed income market. The Trust expects to continue its tail risk reduction strategy as the Trust's maturity date approaches.

We look forward to continuing to manage the Trust to benefit from the opportunities available to investors in the fixed income markets. BlackRock remains confident in the Trust's ability to return its initial offering price at its scheduled termination date. We thank you for your investment in The BlackRock Strategic Term Trust Inc. Please feel free to contact our marketing center at (800) 227-7BFM (7236) if you have specific questions which were not addressed in this report.

Sincerely,

Robert S. Kapito	Michael P. Lustig
Vice Chairman and Portfolio Manager	Vice President and Portfolio Manager
BlackRock Financial Management, Inc.	BlackRock Financial Management, Inc.

The BlackRock Strategic Term Trust Inc.	
Symbol on New York Stock Exchange:	BGT
Initial Offering Date:	December 28, 1990

Closing Stock Price as of 6/30/96:	$7.625
Net Asset Value as of 6/30/96:	$8.89
Yield on Closing Stock Price as of 6/30/96 ($7.625)1:	6.23%
Current Monthly Distribution per Share2:	$0.039583(3)
Current Annualized Distribution per Share2:	$0.475

1Yield on Closing Stock Price is calculated by dividing the current annualized distribution per share by the closing stock price per share.
2Distribution not constant and is subject to change.
3Distribution rate effective with the July 1996 payment.

The BlackRock Strategic Term Trust Inc.
Portfolio of Investments
June 30, 1996 (Unaudited)

(left column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
		LONG-TERM INVESTMENTS-138.0%	
		Mortgage Pass-Throughs-20.4%	
		Federal Home Loan Mortgage Corporation,	
	$19,333	6.50%, 01/01/99	$ 18,106,227
	931	7.50%, 11/01/10, 15 Year	935,640
	23	7.50%, 02/01/17	22,779
	10,660	8.00%, 09/01/23	10,750,301
	2,066	9.00%, 11/01/05, 15 Year	2,140,330
		Federal National Mortgage Association,	
	4,750	6.50%, Trust 1994-M1, Class M1-D, 10/25/23-Multifamily	4,585,234
	5,979	7.25%, 01/01/23, Project 797	5,710,766
	7,083	7.50%, 04/01/08, 15 Year	7,113,790
	3,010	8.00%, 08/01/17	3,032,986
	3,485	8.50%, 01/01/25	3,576,646
	2,982	10.50%, 06/01/04, 15 Year	3,158,549
		Government National Mortgage Association,	
	14,000	6.00%, 01/20/99 1 Year CMT (ARM)	13,873,125
	8,000	6.50%, 12/15/99 1 Year CMT (ARM)	8,012,500
	1,725	7.00%, 10/15/22	1,653,605
	15,289	7.00%, 10/20/23 1 Year CMT (ARM)	15,494,016
	2,237	8.50%, 04/15/21	2,299,593
	3,338	9.00%, 11/15/16	3,493,819
	224	10.00%, 02/15/16	243,984
			104,203,890
		Commercial Mortgage-Backed Securities-6.5%	
AAA	2,600	Aetna Commercial Mortgage Trust, Series 1995-CS, Class B, 12/26/30	2,478,208
BBB+	4,000	Federal Deposit Ins. Corp. Trust, Series 1994-C1, Class IIF, 09/25/25	4,101,250
AAA	4,982	LTC Commercial MPT Cert., Series 1996-1, Class A-144A, 04/15/28	4,896,049

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Ratings*	Principal Amount (000)	Description	Value (Note 1)
A	$ 2,290	Merrill Lynch Mtg Invs Co., Trust 1995-1, Class C1, 05/25/13	$ 2,268,999
AAA	4,378	Morgan Stanley Capital I, Series 1995-GAL1, Class A1, 08/15/27	4,378,437
		PaineWebber Mortgage Acceptance Corp.,	
AAA	2,000	Series 1995-M1, Class M1-A, 01/15/07	1,961,672
A	2,000	Series 1995-M1, Class M1-C, 01/15/07	1,966,799
BBB	1,656	Series 1995-M1, Class M1-D, 01/15/07	1,596,255
A	5,986	Resolution Trust Corp., Series 1993-C3, Class C3-D, 12/25/24	5,829,406
AAA	3,925	Structured Asset Securities Corp., Series 1996-CFL, Class B, 02/25/28	3,752,717
			33,229,792
		Multiple Class Mortgage Pass-Throughs-29.0%	
		Federal Home Loan Mortgage Corporation, Multiclass Mortgage Participation Certificates,	
	4,038	Series 39, Class 39-J, 03/25/24 (I)	746,870
	22,040	Series 90, Class 90-G, 10/15/20	22,665,275
	3,000	Series 1218, Class 1218-G, 05/15/14	2,789,160
	5,000	Series 1295, Class 1295-JB, 03/15/07	4,404,900
	1,500	Series 1321, Class 1321-E, 01/15/06	1,495,215
	1,000	Series 1388, Class 1388-FB, 05/15/06 (ARM).....................	936,390
	993	Series 1407, Class 1407-CL, 01/15/22	924,172
	1,883	Series 1488, Class 1488-F, 09/15/06	1,811,804

See Notes to Financial Statements.

(Left Column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
		Federal Home Loan Mortgage Corporation, Multiclass Mortgage Participation Certificates,	
	$ 1,625	Series 1488, Class 1488-PF, 09/15/06	$ 1,630,704
	25,889	Series 1551, Class 1551-J, 07/15/08 (ARM)	1,253,998
	11,262	Series 1590, Class 1590-JC, 01/15/19 (ARM)	679,435
	1,543	Series 1602, Class 1602-Y, 07/15/22	1,417,088
	4,039	Series 1603, Class 1603-MB, 10/15/23	3,656,543
	4,973	Series 1626, Class 1626-PV, 12/15/08 (I)	962,129
	2,067	Series 1662, Class 1662-P, 11/15/07 (I)	525,058
	1,908	Series 1704, Class 1704-S, 03/15/09 (ARM)	1,630,957
		Federal National Mortgage Association, REMIC Pass-Through Certificates,	

	1,172	Trust 1991-146, Class 146-S, 10/25/06 (ARM)	1,204,944
	10,000	Trust 1992-43, Class 43-E, 04/25/22	9,789,800
	4,895	Trust 1992-129, Class 129-G, 06/25/18	4,367,955
	2,000	Trust 1992-155, Class 155-SB, 12/25/06 (ARM)	1,788,120
	35,550	Trust 1992-156, Class 156-H, 04/25/06	32,065,389
	40	Trust 1992-210, Class 210-KB, 10/25/20 (I)	1,933,256
	1,469	Trust 1993-G17, Class G17-SH, 04/25/23 (ARM)	832,601
	2,870	Trust 1993-G22, Class G22-SA, 09/2/09 (ARM)	2,674,398
	4,532	Trust 1993-26, Class 26-PT, 12/25/17 (I)	976,626
	40,921	Trust 1993-G31, Class G31-PS, 08/25/18 (ARM)	1,663,024
	31,720	Trust 1993-35, Class G35-S, 01/25/22 (ARM)	1,538,084
	100	Trust 1993-92, Class 92-F, 06/25/23 (I)	5,450,000
	2,617	Trust 1993-92, Class 92-G, 05/25/23	818,371
	9,800	Trust 1993-124, Class 124-D, 08/25/22 (P)	7,928,788
	536	Trust 1993-132, Class 132-CA, 10/25/22 (P)	289,312

(right column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
	$ 7,041	Trust 1993-170, Class 170-SA, 09/25/08 (ARM)	$ 6,212,841
	3,841	Trust 1993-179, Class 179-SD, 10/25/23 (ARM)	3,313,099
	5,000	Trust 1993-245, Class 245-JA, 03/25/19 (I)	909,150
	2,205	Trust 1994-40, Class 40-H, 10/25/20	2,105,841
	3,391	Trust 1994-42, Class 42-SO, 03/25/23 (ARM)	452,459
	3,445	Trust 1994-54, Class 54-C, 11/25/23	2,471,834
	20,598	Trust 1996-15, Class 15-SG, 08/25/08 (ARM)	2,330,150
	12,937	Trust 1996-20, Class 20-SB, 10/25/08 (ARM)	3,961,849
	4,484	Trust 1996-24, Class 24-SB, 10/25/08 (ARM)	863,231
	8,499	Trust 1996-24, Class 24-SJ, 01/25/22 (ARM)	2,188,506
AAA	3,250	Prudential Bache Collateralized Mortgage Obligation, Trust 10-H, Class H, 04/01/19 (P)	2,429,375
			148,088,701
		Collateralized Mortgage Obligation Residuals **-3.6%	
AAA	942	American Housing Trust 8, Senior Mortgage Pass-Through Certificate, Series 8, Class R (REMIC), 01/25/21#	893,708
		Federal Home Loan Mortgage Corporation, Multiclass Mortgage Participation Certificates,	
	947	Series 87, Class 87-R, 11/15/20	307,219
	3	Series 88, Class 88-R, 10/15/20	342,765
	10	Series 1016, Class 1016-R, 11/15/20	142,000
	100	Series 1033, Class 1033-R, 01/15/06	1,044,345
	1,480	Series 1060, Class 1060-R, 03/15/21	1,600,000
	1	Series 1060, Class 1060-RS,	

		03/15/21	1,000

See Notes to Financial Statements.

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Ratings*	Principal Amount (000)	Description	Value (Note 1)
		Federal Home Loan Mortgage Corporation, Multiclass Mortgage Participation Certificates,	
	$ 1,425	Series 1064, Class 1064-R, 04/15/21	$ 1,575,000
	1	Series 1064, Class 1064-RS, 04/15/21	1,000
	2	Series 1068, Class 1068-R, 04/15/21	2,300,000
	2	Series 1068, Class 1068-RS, 04/15/21	1,000
	2	Series 1073, Class 1073-R, 05/15/21	1,656,000
	2	Series 1073, Class 1073-RS, 05/15/21	1,000
	2	Series 1075, Class 1075-R, 05/15/21	1,833,894
	100	Series 1102, Class 1102-R, 06/15/21	926,343
		Federal National Mortgage Association, Pass-Through Certificates,	
	10	Trust 1989-64, Class 64-R, 10/25/19	715,999
	1	Trust 1991-9, Class 9-R, 02/25/06	1,018,710
	1	Trust 1991-9, Class 9-RL, 02/25/06	1,000
	2	Trust 1991-48, Class 48-R, 05/25/06	3,415,000
	2	Trust 1991-48, Class 48-RL, 05/25/06	1,000
	21	Trust 1991-50, Class 50-R, 05/25/06	669,431
AAA	947	Ryland Acceptance Corp, Collateralized Mortgage Obligation, Series 1983-R, Class R, 10/01/18#	125,000
			18,571,414
		Taxable Zero Coupon Bonds-38.3%	
		Financing Corp. (FICO Strips),	
	6,339	02/08/02	4,372,452
	18,000	03/07/02	12,354,120
	6,754	03/26/02	4,617,710
	12,950	04/06/02	8,827,756

(right column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
	$ 3,667	05/02/02	$ 2,487,729
	9,425	06/27/02	6,331,715
	5,311	08/08/02	3,535,533
	5,400	09/07/02	3,576,852
	4,472	09/26/02	2,950,670
	2,992	10/06/02	1,968,108
	3,667	11/02/02	2,400,492
	4,535	11/11/02	2,964,847
	3,616	12/06/02	2,353,112
	29,300	12/27/02	18,992,553
		Aid to Israel,	
	2,932	02/15/02	1,983,550
	2,932	08/15/02	1,946,155
		Government Trust Certificates,	

	5,880	11/15/01	4,109,120
	15,350	05/15/02	10,333,774
	25,000	11/15/02	16,237,000
		Certificates on Government Receipts,	
	7,505	05/15/03, Series 1	4,760,647
	7,600	05/15/03, Series 2	4,820,908
	15,425	Tennessee Valley Authority, 04/15/02	10,517,922
		U.S. Treasury Strip,	
	33,000	08/15/02	22,205,700
	61,750	11/15/02	40,850,712
	280	05/15/04	166,157

			195,665,294

		United States Government Securities-1.5%	
		United States Treasury Notes,	
	5,000	6.375%, 03/31/01	4,978,100
	2,800	6.250%, 02/15/03	2,750,552

			7,728,652

		Stripped Mortgage-Backed Securities-15.2%	
AAA	3,830	Collateralized Mortgage Obligation Trust 26, Class A, 04/23/17 (P/O)	2,900,041
		Federal National Mortgage Association REMIC Pass-Through Certificates,	
	3,988	Trust 11, Class 2, 02/01/17 (I/O)	1,203,785

See Notes to Financial Statements.

(Left Column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
		Federal National Mortgage Association, REMIC Pass-Through Certificates	
	$13,275	Trust 19, Class 2, 06/01/17 (I/O)	$ 4,256,356
	9,457	Trust 22, Class 2, 11/01/16 (I/O)	3,138,659
	7,952	Trust 63, Class 2, 06/01/18 (I/O)	2,539,694
	7,600	Trust 95, Class 2, 10/01/20 (I/O)	2,395,233
	5,990	Trust 116, Class 2, 01/01/17 (I/O)	1,826,985
	1,639	Trust 225, Class 1, 02/01/23, (P/O)	1,179,331
	77	Trust 1991-79, Class 79-B, 07/25/98 (P/O)	68,318
	3,611	Trust 1992-82, Class 82-IO, 05/25/22 (I/O)	1,119,265
	29	Trust 1992-132, Class 132-J, 12/25/18 (I/O)	544,796
	236	Trust 1992-156, Class 156-HA, 04/25/06 (I/O)	7,037,567
	3,624	Trust 1993-23, Class 23-PN, 04/25/22 (I/O)	1,546,282
	895	Trust 1993-17, Class 17-N, 10/25/22 (I/O)	392,438
	97	Trust 1993-G20, Class G20-PT, 02/25/19 (I/O)	2,253,553
	2,721	Trust 1993-31, Class 31-N, 04/25/22 (I/O)	958,850
	2,077	Trust 1993-G35, Class G35-N, 11/25/23 (P/O)	633,516
	59	Trust 1993-92, Class 92-G,	

		12/25/19 (I/O)	1,987,940
	6,292	Trust 1993-161, Class 161-E, 02/25/23 (P/O)	4,257,892
	15,652	Trust 1993-213, Class G213-CL 09/25/23 (P/O)	11,557,754
	1,711	Trust 1994-24, Class 24-B, 11/25/23 (P/O)	1,254,854
	550	Trust 1994-54, Class 54-B, 11/25/23 (P/O)	279,427
	7,998	Trust 1994-87, Class 87-E, 03/25/09 (P/O)	5,853,183
	19,385	Trust 1994-61, Class 61-DB, 03/25/24 (P/O)	10,371,087
		Federal Home Loan Mortgage Corporation, Multiclass Mortgage Participation Certificates,	
	131	Series G2, Class G2-M, 07/25/18 (I/O)	2,515,601

(right column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
	$ 54	Series 186, Class 186-J, 08/15/21 (I/O)	$ 998,206
	19	Series 1375, Class 1375-H, 12/15/05 (I/O)	329,695
	2,269	Series 1597, Class 1597-H, 07/15/23 (P/O)	776,045
	4,077	Series 1662, Class 1662-PO, 01/15/09 (P/O)	2,972,602
AAA	1,238	Salomon Brothers Mortgage Securities, Series 873, Class B, 10/23/17 (I/O)	430,104
			77,579,059
		Asset-Backed Securities-2.7%	
AAA	6,982	Chase Manhattan Grantor Trust, Series 1996-A, Class A, 02/15/02	6,871,073
AAA	2,435	Fleetwood Credit Corporation, Series 1991, Class A, 8.75%, 03/15/06	2,463,017
AAA	4,500	Student Loan Marketing Assoc., Trust 1995-1, Class 1, 10/25/09	4,500,000
			13,834,090
		Municipal Bonds-4.4%	
		Los Angeles County California, Pension Series A	
BBB+	6,250	7.60%, 06/30/98	6,367,125
AAA	1,750	8.30%, 06/30/02	1,864,188
		Pension Series D	
AAA	5,000	6.54%, 06/30/02	4,900,300
AAA	3,510	Long Beach California, Pension Series 6.56%, 09/01/02	3,431,376
AAA	1,000	Kern County California, Pension Series 6.54%, 08/15/02	970,840
BBB+	5,000	New York City, Taxable Series 1, 6.54%, 03/15/02	4,830,200
			22,364,029
		Corporate Bonds-16.4%	
		Banking & Finance-8.4%	
BBB+	4,960	Ahmanson HF&Co., 8.25%, 10/01/02	5,223,169
BBB+	1,700	Amsouth Bankcorporation, 6.75%, 11/01/25	1,629,720
A+	5,000	Goldman Sachs Group L.P., 6.25%, 02/01/03	4,748,976
A+	2,800	Merrill Lynch & Co. Inc., 6.00%, 01/15/01	2,700,824

See Notes to Financial Statements.

(Left Column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
AA-	$ 850	Metropolitan Life Insurance Co., 7.00%, 11/01/05	$ 822,392
A	5,000	Nationbank Corp., Series E, 6.65%, 04/09/02	4,921,900
BBB+	2,190	PaineWebber Group Inc., 7.875%, 02/15/03	2,244,706
BBB	3,000	Salomon Inc., 7.50%, 12/01/03	2,980,080
		Smith Barney Holdings Inc.,	
A-	3,000	6.63%, 06/01/00	2,972,880
A-	1,500	7.00%, 05/15/00	1,504,890
A-	4,500	7.98%, 03/01/00	4,658,985
A	8,500	Transamerica Finance Corporation, 6.75%, 06/01/00	8,452,455
			42,860,977
		Corporate Bonds (Cont'd) Industrial-2.7%	
A+	1,000	Bass America Inc., 8.125%, 03/31/02	1,054,130
A+	1,000	Ford Motor Credit Co., 8.00%, 06/15/02	1,045,920
BBB-	5,000	RJR Nabisco Inc., 8.625%, 12/01/02	5,069,950
BBB-	2,700	Royal Carib. Cruises, 7.128%, 09/18/02 (Liberia)	2,615,024
BBB-	4,000	Tele Communications Inc., 9.25%, 04/15/02	4,253,320
			14,038,344
		Corporate Bonds (Cont'd) Utility-2.8%	
BBB	5,000	Columbia Gas Systems Inc., 6.610%, 11/28/02	4,872,450
BBB-	4,000	360 Communications, 7.125%, 03/01/03	3,830,880
BBB-	3,500	Empresa Elec. Guacolda SA, 7.950%, 04/30/03 (Chile)	3,481,549
BBB+	2,000	Empresa Elec. Pehuence, 7.30%, 05/01/03 (Chile)	1,991,355
			14,176,234
		Corporate Bonds (Cont'd) Yankee Bonds-2.5%	
AA-	5,000	African Dev. Bank, 7.75%, 12/15/01 (SNAT)	5,153,800
BBB	5,000	Corporacion Andina De Fome, 7.10%, 02/01/03 (SNAT)	4,801,950
BBB	2,777	YPF Sociedad Anonima, 7.50%, 10/26/02 (Argentina)	2,994,750
			12,950,500

(Right Column)

Ratings*	Principal Amount (000)	Description	Value (Note 1)
		Total Investments before securities sold short (Cost $717,613,614)	$705,290,976
		Securities Sold Short-(17.8%) U.S. Treasury Bond,	
	($45,000)	6.00%, 02/15/26	(39,902,400)
	(48,000)	7.50%, 11/15/24	(50,880,000)
		Total Securities Sold Short (Proceeds $84,209,688)	(90,782,400)
		Total Investments net of short sales-120.2%	

(Cost $633,403,926)	614,508,576
Liabilities in excess of other assets-(20.2%)	(103,479,521)
NET ASSETS-100%	$511,029,055

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* Using the higher of Standard & Poor's or Moody's rating.
** Illiquid securities representing 2.6% of portfolio assets. See Note 3.
# Private placement securities restricted as to resale. See Note 3.
+ Partial principal amount pledged as collateral for reverse repurchase agreements. See Note 4.
++ Entire principal amount pledged as collateral for reverse repurchase agreements. See Note 4.
@ Amount pledged as collateral for Financial Futures.

Key to Abbreviations

ARM	-Adjustable Rate Mortgage.
CMO	-Collateralized Mortgage Obligation.
CMT	-Constant Maturity Treasury.
I/O	-Interest Only.
I	-Denotes a CMO with Interest Only Characteristics.
P/O	-Principal Only.
P	-Denotes a CMO with Principal Only Characteristics.
REMIC	-Real Estate Mortgage Investment Conduit.

See Notes to Financial Statements.

(left column)

The BlackRock Strategic Term Trust Inc.
Statement of Assets and Liabilities
June 30, 1996
(Unaudited)

Assets	
Investments, at value (cost $717,613,614) (Note 1)	$705,290,976
Cash	338,531
Deposit with broker for investments sold short (Note 1)	91,263,750
Interest receivable	5,405,519
Receivable for variation margin	588,337
Receivable for investments sold	4,013
Deferred organization expenses and other assets (Note 1)	33,014
	802,924,140
Liabilities	
Reverse repurchase agreement (Note 4)	157,236,000
Investment sold short, at value (proceeds $84,209,688) (Note 1)	90,782,400
Payable for investments purchased	41,492,764
Interest payable	1,475,991
Advisory fee payable (Note 2)	193,027
Administration fee payable (Note 2)	53,619
Other accrued expenses and liabilities	661,284
	291,895,085
Net Assets	$511,029,055
Net assets were comprised of:	
Common stock, at par (Note 5)	$ 575,106
Paid-in capital in excess of par	535,942,670
	536,517,776
Undistributed net investment income	5,800,915
Accumulated net realized losses	(14,238,646)
Net unrealized depreciation	(17,050,990)
Net assets, June 30, 1996	$511,029,055
Net asset value per share: ($511,029,055 / 57,510,639 shares of common stock issued and outstanding)	$8.89

(Right column)

The BlackRock Strategic Term Trust Inc.
Statement of Operations
For the Six Months Ended June 30, 1996
(Unaudited)

Net Investment Income	
Income	
Interest (including net accretion of discount of $6,165,234 and net of interest expense of $5,928,892)	$ 18,730,131
Expenses	
Investment advisory	1,189,552
Administration	330,431
Reports to shareholders	149,240
Custodian	67,704
Transfer agent	62,608
Audit	48,776
Directors	35,854
Registration	24,024
Legal	10,010
Miscellaneous	79,597
Total operating expenses	1,997,796
Net investment income	16,732,335
Realized and Unrealized Gain (Loss) on Investments (Note 3)	
Net Realized gain (loss) on:	
Investments	7,714,544
Short Sales	(1,689,832)
Futures	(10,156,521)
	(4,131,809)
Change in net unrealized depreciation on:	
Investments	(34,042,731)
Short Sales	10,696,741
Futures	412,260
	(22,933,730)
Net loss on investments	(27,065,539)
Net Decrease in Net Assets Resulting from Operations	$(10,333,204)

See Notes to Financial Statements.

(Left column)

The BlackRock Strategic Term Trust Inc.
Statement of Cash Flows
For the Six Months Ended June 30, 1996
(Unaudited)

Increase (Decrease) in Cash	
Cash flows provided by operating activities:	
Interest received (excluding net discount amortization of $6,165,234)	$ 18,367,732
Operating expenses paid	(1,626,906)
Interest expense paid	(6,534,098)
Proceeds from disposition of short-term portfolio investments, net	1,319,789
Variation margin on futures	(10,023,229)
Purchase of long-term portfolio investments	(498,816,561)
Proceeds from disposition of long-term portfolio investments	587,184,953
Net cash flows provided by operating activities	89,871,680
Cash flows used for financing activities:	

Net proceeds from issuance of reverse repurchase agreements	(75,159,750)
Cash dividends paid	(14,378,809)
Net cash flows used for financing activities	(89,538,559)
Net increase in cash	333,121
Cash at beginning of period	5,410
Cash at end of period	$ 338,531

Reconciliation of Net Increase in Net Assets Resulting from Operations to Net Cash Flows Provided by Operating Activities	
Net decrease in net assets resulting from operations	$(10,333,204)
Decrease in investments	55,138,049
Net realized loss	4,131,809
Increase in unrealized depreciation	22,933,730
Decrease in receivable for investments sold	10,169
Increase in receivable for variation margin	(278,968)
Increase in interest receivable	(125,997)
Increase in other assets	(32,917)
Increase in payable for investments purchased	19,115,300
Increase in deposits with brokers for short sales	(16,107,500)
Increase in payable for securities sold short	15,655,525
Decrease in interest payable	(605,206)
Increase in accrued expenses and other liabilities	370,890
Total adjustments	100,204,884
Net cash flows provided by operating activities	(89,871,680)

See Notes to Financial Statements.

(Right Column)

The BlackRock Strategic Term Trust Inc.
Statements of Changes
in Net Assets
(Unaudited)

	For the Six Months ended June 30, 1996 (Unaudited)	For the Year ended December 31, 1995
Increase (Decrease) in Net Assets		
Operations:		
Net investment income	$ 16,732,335	$ 35,797,123
Net realized gain (loss)	(4,131,809)	814,320
Net change in unrealized appreciation (depreciation) on investments, futures and short sales	(22,933,730)	64,354,396
Net increase (decrease) in net assets resulting from operations	(10,333,204)	100,965,839
Dividends from net investment income	(14,378,809)	(32,349,734)
Total increase (decrease)	(24,712,013)	68,616,105
Net Assets		
Beginning of period	535,741,068	467,124,963
End of period	$511,029,055	$535,741,068

See Notes to Financial Statements.

The BlackRock Strategic Term Trust Inc.
Financial Highlights (Unaudited)

<TABLE>
<CAPTION>

<S>	Six Months Ended June 30, 1996 <C>	Year Ended December 31, 1995 <C>	1994 <C>	1993 <C>	1992 <C>	One Month Ended December 31, 1991 <C>	December 1990** through November 30, 1991 <C>
PER SHARE OPERATING PERFORMANCE:							
Net asset value, beginning of period	$ 9.32	$ 8.12	$ 9.36	$ 9.76	$10.13	$ 9.94	$ 9.40
Net investment income (net interest expense of $.10, $.34, $.19, $.12, $.17, $.02 and $.07, respectively)	.29	.62	.46	.82	.82	.09	.98
Net realized and unrealized gain (loss) on investments	(.47)	1.14	(1.07)	(.39)	(.29)	.26	.39
Net increase (decrease) from investment operations	(.18)	1.76	(.61)	.43	.53	.35	1.37
Dividends from net investment income	(.25)	(.56)	(.49)	(.83)	(.90)	(.16)	(.81)
Distribution in excess of net investment income	-	-	(.14)	-	-	-	-
Capital charge with respect of issuance of shares	-	-	-	-	-	-	(.02)
Net asset value, end of period*	$ 8.89	$ 9.32	$ 8.12	$ 9.36	$ 9.76	$10.13	$ 9.94#
Market value, end of period*	$ 7.63	$ 7.63	$ 7.13	$ 9.75	$ 9.88	$10.63	$10.38@
TOTAL INVESTMENT RETURN+:	3.33%	14.68%	(20.28%)	7.24%	1.29%	3.96%	19.30%
RATIOS TO AVERAGE NET ASSETS:							
Operating Expenses***	.77%++	.78%	.98%	.93%	.89%	1.35%(DD)	.92%(DD)
Net Investment Income	6.45%++	7.13%	5.32%	8.40%	8.32%	11.06%(DD)	11.14%(DD)
SUPPLEMENTAL DATA:							
Average net assets (000)	$518,991	$501,869	$491,747	$560,543	$568,959	$575,792	$548,431
Portfolio turnover rate	56%	135%	133%	94%	18%	0%	199%
Net assets, end of period (000)	$511,029	$535,741	$467,125	$538,465	$561,407	$582,514	$571,615
Reverse repurchase agreements outstanding, end of period (000)	$157,236	$232,396	$184,672	$175,569	$249,768	$269,867	$273,788
Asset coverage+++	$ 4,250	$ 3,305	$ 3,529	$ 4,067	$ 3,248	$ 3,159	$ 3,088

</TABLE>

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* NAV and market value published in The Wall Street Journal each Monday.

** Commencement of investment operations.

*** The ratios of operating expenses, including interest expense, to average net assets, were 3.05%, 4.68%, 3.18%, 2.12%, 2.64%, 3.82% and 1.04% for the periods indicated above, respectively. The ratios of operating expenses, including interest expense and excise tax, to average net assets, were 3.05%, 4.68%, 3.18%, 2.12%, 2.67%, 3.85% and 1.04% for the periods indicated above, respectively.

Net asset value immediately after the closing of the first public offering was $9.38.

\+ Total investment return is calculated assuming a purchase of common stock at the current market value on the first day and a sale at the current market value on the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment return does not reflect brokerage commissions. Total investment return for periods of less than one full year are not annualized.

++ Annualized.

+++ Per $1,000 of reverse repurchase agreements outstanding.

The information above represents the unaudited operating performance data for a share of common stock outstanding, total investment return, ratios to average net assets and other supplemental data for each of the periods indicated. This information has been determined based upon financial information provided in the financial statements and market value data for the Trust's shares.

See Notes to Financial Statements.

(Left Column)

Note 1. Accounting Policies

The BlackRock Strategic Term Trust Inc., (the "Trust") a Maryland corporation, is a diversified, closed-end management investment company. The investment objective of the Trust is to manage a portfolio of investment grade fixed income securities that will return at least $10 per share to investors on or about December 31, 2002, while providing high monthly income. The ability of issuers of debt securities held by the Trust to meet their obligations may be affected by economic developments in a specific industry or region. No assurance can be given that the Trust's investment objective will be achieved.

The following is a summary of significant accounting policies followed by the Trust:

Securities Valuation: The Trust values mortgage-backed, asset-backed, municipal and other debt securities on the basis of current market quotations provided by dealers or pricing services, approved by the Trust's Board of Directors. In determining the value of a particular security, pricing services may use certain information with respect to transactions in such securities, quotations from dealers, market transactions in comparable securities, various relationships observed in the market between securities, and calculated yield measures based on valuation technology commonly employed in the market for such securities. Exchange-traded options are valued at their last sales price as of the close of options trading on applicable exchanges. In the absence of a last sale, options are valued at the average of the quoted bid and asked prices as of the close of business. A futures contract is valued at the last sale price as of the close of the commodities exchange on which it trades unless the Trust's Board of Directors determines that such price does not reflect its fair value, in which case it will be valued at its fair value as determined by the Trust's Board of Directors. Any securities or other assets for which such current market quotations are not readily available are valued at fair market value as determined in good faith under procedures established by and under the general supervision and responsibility of the Trust's Board of Directors.

Short-term securities which mature in more than 60 days are valued at current market quotations. Short-term securities which mature in 60 days or less are valued at amortized cost, if their term to maturity from date of purchase was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if their original term to maturity from date of purchase exceeded 60 days.

(Right column)

In connection with transactions in repurchase agreements, the Trust's custodian takes possession of the underlying collateral securities, the value of which at least equals the principal amount of the repurchase agreement, including accrued interest. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to ensure the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Trust may be delayed or limited.

Option Selling/Purchasing: When the Trust sells or purchases an option, an amount equal to the premium received or paid by the Trust is recorded as a liability or an asset and is subsequently adjusted to the current market value of the option written or purchased. Premiums received or paid from writing or purchasing options which expire unexercised are treated by the Trust on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on effecting a closing purchase or sale transaction, including brokerage commissions, is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is added to the proceeds from the sale or cost of the purchase in determining whether the Trust has realized a gain or a loss on investment transactions. The Trust, as a writer of an option, may have no control over whether the underlying securities may be sold (call) or purchased (put) and as a result bears the market risk of an unfavorable change in the price of the security underlying the written option.

Options, when used by the Trust, help in maintaining a targeted duration. Duration is a measure of the price sensitivity of a security or a portfolio to relative changes in interest rates. For instance, a duration of "one" means that a portfolio's or a security's price would be expected to change by approximately one percent with a one percent change in interest rates, while a duration of five would imply that the price would move approximately five percent in relation to a one percent change in interest rates.

Option selling and purchasing is used by the Trust to effectively hedge more volatile positions so that changes in interest rates do not change the duration of the portfolio

(Left Column)

unexpectedly. In general, the Trust uses options to hedge a long or short position or an overall portfolio that is longer or shorter than the benchmark security. A call option gives the purchaser of the option the right (but not obligation) to buy, and obligates the seller to sell (when the option is exercised), the underlying position at the exercise price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying position at the exercise price at any time or at a specified time during the option period. Put options can be purchased to effectively hedge a position or a portfolio against price declines if a portfolio is long. In the same sense, call options can be purchased to hedge a portfolio that is shorter than its benchmark against price changes. The Trust can also sell (or write) covered call options and put options to hedge portfolio positions.

The main risk that is associated with purchasing options is that the option expires without being exercised. In this case, the option expires worthless and the premium paid for the option is considered the loss. The risk associated with writing call options is that the Trust may forego the opportunity for a profit if the market value of the underlying position increases and the option is exercised. The risk in writing put options is that the Trust may incur a loss if the market value of the underlying position decreases and the option is exercised. In addition, as with futures contracts, the Trust risks not being able to enter into a closing transaction for the written option as the result of an illiquid market.

Financial Futures Contracts: A futures contract is an agreement between two parties to buy or sell a financial instrument for a set price on a future date. Initial margin deposits are made upon entering into futures contracts and can be either cash or securities. During the period that the futures contract is open, changes in the value of the contract are recognized as unrealized gains or losses by "marking-to-market" on a daily basis to reflect the market value of the contract at the end of each day's trading. Variation margin payments are made or received, depending upon whether unrealized gains or losses are incurred. When the contract is closed, the Trust records a realized gain or loss equal to

the difference between the proceeds from (or cost of) the closing transaction and the Trust's basis in the contract.

Financial futures contracts, when used by the Trust, help in maintaining a targeted duration. Duration is a measure of the price sensitivity of a security or a portfolio to relative changes in interest rates. For instance, a duration of "one"

(Right Column)

means that a portfolio's or a security's price would be expected to change by approximately one percent with a one percent change in interest rates, while a duration of "five" would imply that the price would move approximately five percent in relation to a one percent change in interest rates. Futures contracts can be sold to effectively shorten an otherwise longer duration portfolio. In the same sense, futures contracts can be purchased to lengthen a portfolio that is shorter than its duration target. Thus, by buying or selling futures contracts, the Trust can effectively hedge more volatile positions so that changes in interest rates do not change the duration of the portfolio unexpectedly.

The Trust may invest in financial futures contracts primarily for the purpose of hedging its existing portfolio securities or securities the Trust intends to purchase against fluctuations in value caused by changes in prevailing market interest rates. Should interest rates move unexpectedly, the Trust may not achieve the anticipated benefits of the financial futures contracts and may realize a loss. The use of futures transactions involves the risk of imperfect correlation in movements in the price of futures contracts, interest rates and the underlying hedged assets. The Trust is also at risk of not being able to enter into a closing transaction for the futures contract because of an illiquid secondary market. In addition, since futures are used to shorten or lengthen a portfolio's duration, there is a risk that the portfolio may have temporarily performed better without the hedge or that the Trust may lose the opportunity to realize appreciation in the market price of the underlying positions.

Securities Lending: The Trust may lend its portfolio securities to qualified institutions. The loans are secured by collateral at least equal, at all times, to the market value of the securities loaned. The Trust may bear the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower of the securities fail financially. The Trust receives compensation for lending its securities in the form of interest on the loan. The Trust also continues to receive interest on the securities loaned, and any gain or loss in the market price of the securities loaned, that may occur during the term of the loan will be for the account of the Trust. The Trust did not engage in securities lending during the six months ended June 30, 1996.

Short Sales: The Trust may make short sales of securities as a method of hedging potential price declines in similarsecurities owned. When the Trust makes a short sale, it may borrow the security sold short and deliver it to the broker-

(Left Column)

dealer through which it made the short sale as collateral for its obligation to deliver the security upon conclusion of the sale. The Trust may have to pay a fee to borrow the particular securities and may be obligated to pay over any payments received on such borrowed securities. A gain, limited to the price at which the Trust sold the security short, or a loss, unlimited as to dollar amount, will be recognized upon the termination of a short sale if the market price is greater or less than the proceeds originally received.

Securities Transactions and Investment Income: Security transactions are recorded on the trade date. Realized and unrealized gains and losses are calculated on the identified cost basis. Interest income is recorded on the accrual basis, and the Trust accretes discount and amortizes premium on securities purchased using the interest method.

Taxes: It is the Trust's intention to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute sufficient amounts of its taxable income to shareholders. Therefore, no federal tax provision is required. As part of the tax planning strategy the Trust may retain a portion of its taxable income and pay an excise tax on the undistributed amount.

Dividends and Distributions: The Trust declares and pays dividends and distributions monthly first from net investment income, then from realized short-term capital gains and other sources, if necessary. Net long-term capital gains, if any, in excess of loss carryforwards, may be distributed annually. Dividends and distributions are recorded on the ex-dividend date.

Deferred Organization Expenses: A total of $67,520 was incurred in connection with the organization of the Trust. These costs have been deferred and are being amortized ratably over a period of sixty months from the date the Trust commenced operations.

Note 2. Agreements

The Trust has an Investment Advisory Agreement with BlackRock Financial Management, Inc., (the "Adviser") a wholly owned corporate subsidiary of PNC Asset Management Group, Inc., the holding company for PNC's asset management business, and an Administration Agreement with Dean Witter InterCapital Inc. ("DWI").

The investment advisory fee paid to the Adviser is computed weekly and payable monthly at an annual rate of 0.45% from January 1, 1995 through December 31, 1998 and 0.30% from January 1, 1999 to the termination or liquidation of the Trust. The administration fee paid to DWI is also computed weekly and payable monthly at an annual rate of 0.125% from January 1, 1995 through December 31, 1998 and 0.10% from January 1, 1999 to the termination of the Trust.

(Right column)

Pursuant to the agreements, the Adviser provides continuous supervision of the investment portfolio and pays the compensation of officers of the Trust who are affiliated persons of the Adviser. DWI pays occupancy and certain clerical and accounting costs of the Trust. The Trust bears all other costs and expenses.

Note 3. Portfolio Securities

Purchases and sales of investment securities, other than short-term investments and dollar rolls, for the six months ended June 30, 1996 aggregated $422,325,869 and $545,297,824 respectively.

The Trust may invest up to 60% of its total assets in securities which are not readily marketable, including those which are restricted as to disposition under securities law ("restricted securities"). At June 30, 1996, the Trust held 2.6% of its portfolio assets in illiquid securities including 0.2% of its portfolio assets in securities restricted as to resale.

The portfolio may from time to time purchase in the secondary market certain mortgage pass-through securities packaged or master serviced by PNC Mortgage Securities Corp. (or Sears Mortgage if PNC Mortgage Securities Corp. succeeded to rights and duties of Sears) or mortgage related securities containing loans or mortgages originated by PNC Bank or its affiliates. It is possible under certain circumstances for PNC Mortgage Securities Corp. or its affiliates to have interests that are in conflict with the holders of these mortgage-backed securities, and such holders could have rights against PNC Mortgage Securities Corp. or its affiliates.

The federal income tax basis of the Trust's investments at June 30, 1996 was substantially the same as the basis for financial reporting, and, accordingly, net unrealized depreciation for federal income tax purposes was $17,050,990 (gross unrealized appreciation-$19,047,375; gross unrealized depreciation-$36,098,365).

For federal income tax purposes the Trust has a capital loss carryforward of $8,674,737 which expires in 2002.

During the six months ended June 30, 1996, the Trust entered into financial futures contracts. Details of open contracts at June 30, 1996 are as follows:

Number of Contracts	Type	Expiration Date	Value at Trade Date	Value at June 30, 1996	Unrealized Appreciation
	Long positions:				
523	30 Yr. T-Bond	Sept.	55,440,484	57,284,844	1,844,360

(left column)

Note 4. Borrowings

Reverse Repurchase Agreements: The Trust may enter into reverse repurchase agreements with qualified, third party broker-dealers as determined by and under the direction of the Trust's board of directors. Interest on the value of the reverse repurchase agreements issued and outstanding will be based upon competitive market rates at the time of issuance. At the time the Trust enters into a reverse repurchase agreement, it will establish and maintain a segregated account with the lender the value of which at least equals the principal amount of the reverse repurchase transaction, including accrued interest.

The average monthly balance of reverse repurchase agreements outstanding during the six months ended June 30, 1996 was $211,069,542 at a weighted average interest rate of approximately 5.45%. The maximum amount of repurchase agreements outstanding at any month-end during the period was $255,006,750 as of January 31, 1996 which was 26.2% of total assets. The amount of reverse repurchase agreements outstanding at June 30, 1996 was $157,236,000, which was 19.6% of total assets.

Dollar Rolls: The Trust may enter into dollar rolls in which the Trust sells securities for delivery in the current month and simultaneously contracts to repurchase substantially similar (same type, coupon and maturity) securities on a

(Right Column)

specified future date. During the roll period the Trust forgoes principal and interest paid on the securities. The Trust will be compensated by the interest earned on the cash proceeds of the initial sale and the lower repurchase price at the future date.

The average monthly balance of dollar rolls outstanding during the six months ended June 30, 1996 was approximately $14,756,397. The maximum amount of dollar rolls outstanding at any month end during the period was $20,437,400 as of January 31, 1996 which was 2.1% of total assets.

Note 5. Capital

There are 200 million shares of $.01 par value common stock authorized. Of the 57,510,639 shares outstanding at June 30, 1996 the adviser owned 10,639 shares.

Note 6. Dividends and Distributions

Subsequent to June 30, 1996, the Board of Directors of the Trust declared a dividend from undistributed earnings of $0.039583 per share payable July 31, 1996 to shareholders of record on July 15, 1996.

Note 7. Quarterly Data
(Unaudited)

<TABLE>
<CAPTION>

Quarterly period	Total Income	Net Investment Income Amount	Net Investment Income Per share	Net realized and unrealized gains (losses) on investments Amount	Net realized and unrealized gains (losses) on investments Per share	Net increase (decrease) in net assets resulting from operations Amount	Net increase (decrease) in net assets resulting from operations Per share	Dividends and distributions Amount	Dividends and distributions Per share	Share price High	Share price Low	Period and net asset value
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
January 1, 1994 to March 31, 1994 ...	$ 7,559,790	$ 6,303,137	$ .11	$(36,882,912)	$(.64)	$(30,579,775)	$(.53)	$ 7,308,452	$.13	$9-3/4	$8	$8.68
April 1, 1994 to June 30, 1994....	8,055,506	6,819,246	.12	(11,925,912)	(.21)	(5,106,666)	(.09)	10,063,787	.17	8-5/8	7-3/4	8.44
July 1, 1994 to September 30, 1994	14,945,849	6,719,851	.12	(4,901,424)	(.08)	1,818,427	.04	9,705,495	.17	8-1/8	7-1/8	8.30
October 1, 1994 to December 31, 1994.	491,880	6,369,941	.11	(7,777,870)	(.14)	(1,407,929)	(.03)	8,986,612	.16	7-3/8	6-5/8	8.12
January 1, 1995 to March 31, 1995	11,217,003	10,207,637	.18	25,752,043	.45	35,959,680	.63	8,985,462	.15	7-5/8	7-1/8	8.46
April 1, 1995 to June 30, 1995	9,182,551	8,009,072	.14	18,586,436	.33	26,595,508	.47	8,985,462	.15	8-1/8	7-9/16	8.90
July 1, 1995 to September 30, 1995 .	9,683,299	8,804,290	.15	(442,396)	(.01)	8,361,894	.14	7,189,405	.13	7-3/4	7-1/4	8.92
October 1, 1995 to December 31, 1995 .	9,636,633	8,776,124	.15	21,272,633	.37	30,048,757	.52	7,189,405	.13	7-7/8	7-1/2	9.32
January 1, 1996 to March 31, 1996	10,023,028	9,051,736	.16	(22,776,515)	(.40)	(13,724,779)	(.24)	7,189,405	.13	7-7/8	7-3/8	8.95
April 1, 1996 to June 30, 1996 ...	8,707,103	7,680,599	.13	(4,289,024)	(.07)	3,391,575	.06	7,189,404	.12	7-5/8	7-1/4	8.89

</TABLE>

THE BLACKROCK STRATEGIC TERM TRUST INC.
DIVIDEND REINVESTMENT PLAN

Pursuant to the Trust's Dividend Reinvestment Plan (the "Plan"), shareholders may elect to have all distributions of dividends and capital gains automatically reinvested by Dean Witter Trust Company (the "Agent") in Trust Shares pursuant to the Plan. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check in United States dollars mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Custodian, as dividend disbursing agent.

The Plan Agent serves as agent for the shareholders in administering the Plan. After the Trust declares a dividend or determines to make a capital gain distribution, the Plan Agent will, as agent for the participants, receive the cash payment and use it to buy Trust shares in the open market on the New York Stock Exchange, for the participants' accounts. The Trust will not issue shares under the Plan.

Participants in the Plan may withdraw from the Plan upon written notice to the Plan Agent and will receive certificates for whole Trust shares and a cash payment will be made for any fraction of a Trust share.

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by the Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any federal income tax that may be payable on such dividends or distributions.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Trust reserves the right to amend or terminate the Plan as applied to any dividend or distribution paid subsequent to written notice of the change sent to all shareholders of the Trust at least 90 days before the record date for the dividend or distribution. The Plan also may be amended or terminated by the Plan Agent upon at least 90 days' written notice to all shareholders of the Trust. All correspondence concerning the Plan should be directed to the Plan Agent at (800) 576-3143 or BlackRock Financial Management at (800) 227-7BFM. The addresses are on the front of this report.

ADDITIONAL INFORMATION

The Annual Meeting of Trust Shareholders was held May 8, 1996 to vote on the following matters:

(1) To elect two Directors to serve as follows:

Director	Class	Term	Expiring
Frank J. Fabozzi	II	3 years	1999
Ralph L. Schlosstein	II	3 years	1999

Directors whose term of office continues beyond this meeting are Andrew F. Brimmer, Richard E. Cavanagh, Kent Dixon, Laurence D. Fink, James Grosfeld and James Clayburn LaForce, Jr.

(2) To ratify the selection of Deloitte & Touche LLP as independent public accountants of the Trust for the fiscal year ending December31, 1996.

(3) To modify the investment restriction prohibiting investing for the purpose of exercising control over the management of a company.

Shareholders elected the two Directors, ratified the selection of Deloitte & Touche LLP and approved the modification of the investment restriction prohibiting investing for the purpose of exercising control over the management of a company. The results of the voting was as follows:

	Votes for	Votes Against	Abstentions
Frank J. Fabozzi	32,201,549	16,177	1,115,895
Ralph L. Schlosstein	32,186,335	16,177	1,131,109
Ratification of Deloitte & Touche LLP	31,186,335	514,016	968,721
Investment restriction	31,137,194	989,324	1,207,103

THE BLACKROCK STRATEGIC TERM TRUST INC.
INVESTMENT SUMMARY

The Trust's Investment Objective

The Trust's investment objective is to manage a portfolio of investment grade fixed income securities that will return at least $10 per share (the initial public offering price per share) to investors on or shortly before December 31, 2002 while providing high monthly income.

Who Manages the Trust?

BlackRock Financial Management, Inc. (BlackRock or the Adviser) is the investment adviser for the Trust. BlackRock is a registered investment adviser specializing in fixed income securities. Currently, BlackRock manages approximately $41 billion of assets across the government, mortgage, corporate and municipal sectors. These assets are managed on behalf of institutional and individual investors in 21 closed-end funds traded either on the New York Stock Exchange or the American Stock Exchange, several open-end funds and separate accounts for more than 80 clients in the U.S. and overseas. BlackRock is a subsidiary of PNC Asset Management Group, Inc. which is a division of PNC Bank, one of the nation's largest banking organizations.

What Can the Trust Invest In?

The Trust may invest in all fixed income securities rated investment grade or higher ("AAA", "AA", "A" or "BBB"). Examples of securities in which the Trust may invest include U.S. government and government agency securities, zero coupon securities, mortgage-backed securities, corporate debt securities, asset-backed securities, U.S. dollar-denominated foreign debt securities and municipal securities. Under current market conditions, BlackRock expects that the primary investments of the Trust will be U.S. government securities, securities backed by government agencies (such as mortgage-backed securities) and corporate debt securities.

What is the Adviser's Investment Strategy?

The Adviser will seek to meet the Trust's investment objective by managing the assets of the Trust so as to return the initial offering price ($10 per share) at maturity. The Trust will implement a conservative strategy that will seek to closely match the maturity of the assets of the portfolio with the future return of the initial investment at the end of 2002. At the Trust's termination, BlackRock expects that the value of the securities which have matured, combined with the value of the securities that are sold, will be sufficient to return the initial offering price to investors. On a continuous basis, the Trust will seek its objective by actively managing its assets in relation to market conditions, interest rate changes and, importantly, the remaining term to maturity of the Trust.

In addition to seeking the return of the initial offering price, the Adviser also seeks to provide high monthly income to investors. The portfolio managers will attempt to achieve this objective by investing in securities that provide competitive income. In addition, leverage will be used (in an amount up to 33-1/3% of total assets) to enhance the income of the portfolio. In order to maintain competitive yields as the Trust approaches maturity and depending on market conditions, the Adviser will attempt to purchase securities with call protection or maturities as close to the Trust's maturity date as possible. Securities with call protection should provide the portfolio with some degree of protection against reinvestment risk during times of lower prevailing interest rates. Since the Trust's primary goal is to return the initial offering price at maturity, any cash that the Trust receives prior to its maturity date (i.e. cash from early and regularly scheduled payments of principal on mortgage-backed securities) will be reinvested in securities with maturities which coincide with the remaining term of the Trust. Since shorter-term securities typically yield less than longer-term securities, this strategy will likely result in a decline in the Trust's income over time. However, the Adviser will attempt to maintain a yield which is competitive with a comparable maturity Treasury at the same point in the yield curve (i.e. if the Trust has three years left until its maturity, the Adviser will attempt to maintain a yield at a spread over a 3-year Treasury). It is important to note that the Trust will be managed so as to preserve the integrity of the return of the initial offering price.

How Are the Trust's Shares Purchased and Sold? Does the Trust Pay Dividends Regularly?

The Trust's shares are traded on the New York Stock Exchange which provides investors with liquidity on a daily basis. Orders to buy or sell shares of the Trust must be placed through a registered broker or financial advisor. The Trust pays monthly dividends which are typically paid on the last business day of the month. For shares held in the shareholder's name, dividends may be reinvested in additional shares of the fund through the Trust's transfer agent, Dean Witter Trust Company. Investors who wish to hold shares in a brokerage account should check with their financial advisor to determine whether their brokerage firm offers dividend reinvestment services.

Leverage Considerations in a Term Trust

Under current market conditions, leverage increases the income earned by the Trust. The Trust employs leverage primarily through the use of reverse repurchase agreements and dollar rolls. Leverage permits the Trust to borrow money at short-term rates and reinvest that money in longer-term assets which typically offer higher interest rates. The difference between the cost of the borrowed funds and the income earned on the proceeds that are invested in longer term assets is the benefit to the Trust from leverage. In general, the portfolio is typically leveraged at approximately 33-1/3% of total assets.

Leverage also increases the duration (or price volatility of the net assets) of the Trust, which can improve the performance of the fund in a declining rate environment, but can cause net assets to decline faster than the market in a rising rate environment. BlackRock's portfolio managers continuously monitor and regularly review the Trust's use of leverage and the Trust may reduce, or unwind, the amount of leverage employed should BlackRock consider that reduction to be in the best interests of the shareholders.

Special Considerations and Risk Factors Relevant to Term Trusts

The Trust is intended to be a long-term investment and is not a short-term trading vehicle.

Return of Initial Investment. Although the objective of the Trust is to return its initial offering price upon termination, there can be no assurance that this objective will be achieved.

Dividend Considerations. The income and dividends paid by the Trust are likely to decline to some extent over the term of the Trust due to the anticipated shortening of the dollar-weighted average maturity of the Trust's assets.

Leverage. The Trust utilizes leverage through reverse repurchase agreements and dollar rolls, which involves special risks. The Trust's net asset value and market value may be more volatile due to its use of leverage.

Market Price of Shares. The shares of closed-end investment companies such as the Trust trade on the New York Stock Exchange and as such are subject to supply and demand influences. As a result, shares may trade at a discount or a premium to their net asset value.

Mortgage-Backed and Asset-Backed Securities. The cash flow and yield characteristics of these securities differ from traditional debt securities. The major differences typically include more frequent payments and the possibility of prepayments which will change the yield to maturity of the security.

Corporate Debt Securities. The value of corporate debt securities generally varies inversely with changes in prevailing market interest rates. The Trust may be subject to certain reinvestment risks in environments of declining interest rates.

Zero Coupon Securities. Such securities receive no cash flows prior to maturity, therefore interim price movements on these securities are generally more sensitive to interest rate movements than securities that make periodic coupon payments. These securities appreciate in value over time and can play an important role in helping the Trust achieve its primary objective.

Illiquid Securities. The Trust may invest in securities that are illiquid, although under current market conditions the Trust expects to do so to only a limited extent. These securities involve special risks.

Non-U.S Securities. The Trust may invest less than 10% of its assets in non-U.S. dollar-denominated securities which involve special risks such as currency, political and economic risks, although under current market conditions does not do so.

Antitakeover Provisions. Certain antitakeover provisions will make a change in the Trust's business or management more difficult without the approval of the Trust's Board of Directors and may have the effect of depriving shareholders of an opportunity to sell their shares at a premium above the prevailing market price.

THE BLACKROCK STRATEGIC TERM TRUST INC.
GLOSSARY

Adjustable Rate Mortgage-Backed Securities (ARMs):	Mortgage instruments with interest rates that adjust at periodic intervals at a fixed amount over the market levels of interest rates as reflected in

specified indexes. ARMs are backed by mortgage loans secured by real property.

Asset-Backed Securities: Securities backed by various types of receivables such as automobiles and credit card receivables.

Closed-End Fund: Investment vehicle which initially offers a fixed number of shares and trades on a stock exchange. The fund invests in a portfolio of securities in accordance with its stated investment objectives and policies.

Collateralized Mortgage Obligations (CMOs): Mortgage-backed securities which separate mortgage pools into short-, medium-, and long-term securities with different priorities for receipt of principal and interest. Each class is paid a fixed or floating rate of interest at regular intervals. Also known as multiple-class mortgage pass-throughs.

Discount: When a fund's net asset value is greater than its stock price the fund is said to be trading at a discount.

Dividend: This is income generated by securities in a portfolio and distributed to shareholders after deduction of expenses. This Trust declares and pays dividends on a monthly basis.

Dividend Reinvestment: Shareholders may elect to have all distributions of dividends and capital gains automatically reinvested into additional shares of the Trust.

FHA: Federal Housing Administration, a government agency that facilitates a secondary mortgage market by providing an agency that guarantees timely payment of interest and principal on mortgages.

FHLMC: Federal Home Loan Mortgage Corporation, a publicly owned, federally chartered corporation that facilitates a secondary mortgage market by purchasing mortgages from lenders such as savings institutions and reselling them to investors by means of mortgage-backed securities. Obligations of FHLMC are not guaranteed by the U.S. government, however; they are backed by FHLMC's authority to borrow from the U.S. government. Also known as Freddie Mac.

FNMA: Federal National Mortgage Association, a publicly owned, federally chartered corporation that facilitates a secondary mortgage market by purchasing mortgages from lenders such as savings institutions and reselling them to investors by means of mortgage-backed securities. Obligations of FNMA are not guaranteed by the U.S. government, however; they are backed by FNMA's authority to borrow from the U.S. government. Also known as Fannie Mae.

GNMA: Government National Mortgage Association, a U.S. Government agency that facilitates a secondary mortgage market by providing an agency that guarantees timely payments of interest and principal on mortgages. GNMA's obligations are supported by the full faith and credit of the U.S. Treasury. Also known as Ginnie Mae.

Government Securities: Securities issued or guaranteed by the U.S. government, or one of its agencies or instrumentalities, such as GNMA (Government National Mortgage Association), FNMA (Federal National Mortgage Association) and FHLMC (Federal Home Loan Mortgage Corporation).

Interest-Only Securities (I/O): Mortgage securities that receive only the interest cash flows from an underlying pool of mortgage loans or underlying pass-through securities. Also known as a Strip.

Market Price:	Price per share of a security trading in the secondary market. For a closed-end fund, this is the price at which one share of the fund trades on the stock exchange. If you were to buy or sell shares, you would pay or receive the market price.
Mortgage Dollar Rolls:	A mortgage dollar roll is a transaction in which the Trust sells mortgage-backed securities for delivery in the current month and simultaneously contracts to repurchase substantially similar (although not the same) securities on a specified future date. During the "roll" period, the Trust does not receive principal and interest payments on the securities, but is compensated for giving up these payments by the difference in the current sales price (for which the security is sold) and lower price that the Trust pays for the similar security at the end date as well as the interest earned on the cash proceeds of the initial sale.
Mortgage Pass-Throughs:	Mortgage-backed securities issued by Fannie Mae, Freddie Mac or Ginnie Mae.
Multiple-Class Pass-Throughs:	Collateralized Mortgage Obligations.
Net Asset Value (NAV):	Net asset value is the total market value of all securities and other assets held by the Trust, plus income accrued on its investments, minus any liabilities including accrued expenses, divided by the total number of outstanding shares. It is the underlying value of a single share on a given day. Net asset value for the Trust is calculated weekly and published in Barron's on Saturday and The New York Times or The Wall Street Journal each Monday.
Principal-Only Securities (P/O):	Mortgage securities that receive only the principal cash flows from an underlying pool of mortgage loans or underlying pass-through securities.
Project Loans:	Mortgages for multi-family, low- to middle-income housing.
Premium:	When a fund's stock price is greater than its net asset value, the fund is said to be trading at a premium.
REMIC:	A real estate mortgage investment conduit is a multiple-class security backed by mortgage-backed securities or whole mortgage loans and formed as a trust, corporation, partnership, or segregated pool of assets that elects to be treated as a REMIC for federal tax purposes. Generally, Fannie Mae REMICs are formed as trusts and are backed by mortgage-backed securities.
Residuals:	Securities issued in connection with collateralized mortgage obligations that generally represent the excess cash flow from the mortgage assets underlying the CMO after payment of principal and interest on the other CMO securities and related administrative expenses.
Reverse Repurchase Agreements:	In a reverse repurchase agreement, the Trust sells securities and agrees to repurchase them at a mutually agreed date and price. During this time, the Trust continues to receive the principal and interest payments from that security. At the end of the term, the Trust receives the same securities that were sold for the same initial dollar amount plus interest on the cash proceeds of the initial sale.
Stripped Mortgage Backed Securities:	Arrangements in which a pool of assets is separated into two classes that receive different proportions of the interest and principal distribution from underlying mortgage-backed securities. IO's and PO's are examples of strips.

BlackRock Financial Management, Inc.
Summary of Closed-End Funds

Taxable Trusts

Perpetual Trusts	Stock Symbol	Termination Date
The BlackRock Income Trust Inc.	BKT	N/A
The BlackRock North American Government Income Trust Inc.	BNA	N/A
Term Trusts		
The BlackRock 1998 Term Trust Inc.	BBT	12/98
The BlackRock 1999 Term Trust Inc.	BNN	12/99
The BlackRock Target Term Trust Inc.	BTT	12/00
The BlackRock 2001 Term Trust Inc.	BLK	06/01
The BlackRock Strategic Term Trust Inc.	BGT	12/02
The BlackRock Investment Quality Term Trust Inc.	BQT	12/04
The BlackRock Advantage Term Trust Inc.	BAT	12/05
The BlackRock Broad Investment Grade 2009 Term Trust Inc.	BCT	12/09

Tax-Exempt Trusts

Perpetual Trusts	Stock Symbol	Termination Date
The BlackRock Investment Quality Municipal Trust Inc.	BKN	N/A
The BlackRock California Investment Quality Municipal Trust Inc.	RAA	N/A
The BlackRock Florida Investment Quality Municipal Trust	RFA	N/A
The BlackRock New Jersey Investment Quality Municipal Trust Inc.	RNJ	N/A
The BlackRock New York Investment Quality Municipal Trust Inc.	RNY	N/A
Term Trusts		
The BlackRock Municipal Target Term Trust Inc.	BMN	12/06
The BlackRock Insured Municipal 2008 Term Trust Inc.	BRM	12/08
The BlackRock California Insured Municipal 2008 Term Trust Inc.	BFC	12/08
The BlackRock Florida Insured Municipal 2008 Term Trust	BRF	12/08
The BlackRock New York Insured Municipal 2008 Term Trust Inc.	BLN	12/08
The BlackRock Insured Municipal Term Trust Inc.	BMT	12/10

If you would like further information please call BlackRock at (800) 227-7BFM or consult with your financial advisor.

BlackRock Financial Management, Inc.
An Overview

BlackRock Financial Management Inc. (BlackRock) is a registered investment adviser which specializes in managing high quality fixed income securities, both taxable and tax exempt. BlackRock currently manages approximately $41 billion of assets across the government, mortgage, corporate and municipal sectors. These assets are managed on behalf of institutional and individual investors in 21 closed-end funds traded on either the New York Stock Exchange or American Stock Exchange, several open-end funds and over 80 institutional clients in the United States and overseas. BlackRock's institutional investor base includes Chrysler Corporation Master Retirement Trust, General Retirement System of the City of Detroit, State Treasurer of Florida, Ford Motor Company Pension Plan, General Electric Pension Trust and Unisys Corporation Master Trust.

BlackRock was formed in April 1988 by fixed income professionals who sought to create an asset management firm specializing in managing fixed income securities for individuals and institutional investors. The professionals at BlackRock have extensive experience creating, analyzing and trading a variety of fixed income instruments, including the most complex structured securities. In fact, individuals at BlackRock are responsible for many of the major innovations in the mortgage-backed and asset-backed securities market, including the creation of the CMO, the floating rate CMO, the senior/subordinated pass-through and the multi-class asset-backed security.

BlackRock is unique among asset management and advisory firms in the significant emphasis it places on the development of propriety analytical capabilities. A quarter of the professionals at BlackRock work full-time in the design, maintenance and use of such systems which are otherwise not generally available to investors. BlackRock's propriety analytical tools are used for evaluating, investing in and designing investment strategies and portfolio of fixed income securities, including mortgage securities, corporate debt securities or tax-exempt securities and a variety of hedging instruments.

BlackRock has developed investment products which respond to investors' needs and has been responsible for several major innovations in closed-end funds. BlackRock introduced the first closed-end mortgage fund, the first taxable and tax-exempt closed-end funds to offer a finite term, the first closed-end fund to achieve a AAAf Rating by S&P and the first closed fund to invest primarily in North American Government securities. BlackRock's closed-end funds currently have dividend reinvestment plans which are designed to provide an ongoing source of demand for the stock in the secondary market. BlackRock manages a ladder of alternative investment vehicles, with each fund having specific investment objectives and policies.

In view of our continued desire to provide a high level of service to all of our shareholders, BlackRock maintains a toll-free number for your questions. The number is (800) 227-7BFM (7236). We encourage you to call us with any questions you may have about your BlackRock funds and thank you for the continued trust you place in our abilities.

(LEFT COLUMN)

BlackRock

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Andrew F. Brimmer
Richard E. Cavanagh
Kent Dixon
Frank J. Fabozzi
James Grosfeld
James Clayburn La Force Jr.
Ralph L. Schlosstein

Officers
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Keith T. Anderson, Vice President
Michael C. Huebsch, Vice President
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The accompanying financial statements as of June 30, 1996 were not audited and accordingly, no opinion is expressed on them.

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of any securities.

The BlackRock Strategic Term Trust Inc.
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The BlackRock
Strategic
Term Trust Inc.

Semi-Annual Report
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