

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

FLOATING RATE INCOME STRATEGIES FUND INC
 Form N-Q
 July 25, 2005

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 811-21413

Name of Fund: Floating Rate Income Strategies Fund, Inc.

Fund Address: P.O. Box 9011
 Princeton, NJ 08543-9011

Name and address of agent for service: Robert C. Doll, Jr., Chief Executive
 Officer, Floating Rate Income Strategies Fund, Inc., 800 Scudders Mill
 Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton,
 NJ, 08543-9011

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 08/31/05

Date of reporting period: 03/01/05 - 05/31/05

Item 1 - Schedule of Investments

Floating Rate Income Strategies Fund, Inc.

Schedule of Investments as of May 31, 2005

| Industry* | Face Amount | Floating Rate Loan Interests** |
|----------------------------|---|---|
| Aerospace & Defense - 2.2% | \$ 1,951,854 2,101,911 | K&F Industries, Inc. Term Loan, due 11/18/ MRO Acquisitions Corp. First Lien Term Loa due 8/27/2010 Vought Aircraft Industries, Inc: Term Loan, due 12/22/2011 Tranche B L/C Deposit, due 12/22/2010 |
| Automotive - 3.0% | 2,992,500 1,660,870 1,700,078 2,896,483 1,272,374 | Affinia Group Tranche B Term Loan, due 11/ Keystone Automotive Operations, Inc. Term due 10/30/2009 NFIL Holdings Corp. Term Loan B, due 2/27/ Tenneco Automotive, Inc.: Term Loan B, due 12/12/2010 Tranche B-1 Credit Linked, due 12/12/2 |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|--------------------------------|------------|--|
| Broadcasting - 1.4% | 2,992,500 | Emmis Operating Company Term Loan B, due 12/31/2010 |
| | 1,995,000 | Gray Television, Inc. Term Incremental, due 12/31/2010 |
| Cable - U.S. - 18.0% | 8,000,000 | Century Cable Holdings LLC Discretionary Term Loan, due 12/31/2009 |
| | 21,090,625 | Charter Communications Operating, LLC Term Loan, due 4/07/2011 |
| | 3,000,000 | DIRECTV Holdings, Inc. Tranche B Term Loan, due 4/13/2013 |
| | | Inmarsat Facility Term: |
| | 2,292,136 | Loan B, due 1/08/2011 |
| | 2,297,523 | Loan C, due 1/08/2012 |
| | 4,937,500 | Insight Midwest Holdings, LLC Term Loan B, due 12/31/2009 |
| | 2,992,500 | Intelsat Ltd. Term Loan, due 7/28/2011 |
| | 2,387,500 | Mediacom Broadband Group Tranche A Term Loan, due 3/31/2010 |
| | 3,192,000 | Mediacom Communications, LLC Tranche B Term Loan, due 3/31/2013 |
| | 6,947,289 | PanAmSat Corp. Tranche B-1 Term Loan, due 8/20/2011 |
| | 5,000,000 | SatBirds Capital Participations Second Lien Term Loan, due 9/30/2013 |
| Chemicals - 8.1% | 1,980,000 | Hercules Inc. Term Loan B, due 10/08/2010 |
| | 6,090,310 | Huntsman International, LLC Term Loan B, due 12/31/2010 |
| | | Invista B.V. New Tranche: |
| | 2,355,088 | B-1 Term Loan, due 4/29/2011 |
| | 1,021,794 | B-2 Term Loan, due 4/29/2011 |
| | 735,203 | Kraton Polymers Term Loan, due 12/16/2010 |
| | 992,500 | Lyondell-Citgo Refining Term Loan, due 5/15/2010 |
| | 6,658,852 | Nalco Co. Tranche B Term Loan, due 11/04/2010 |
| | 1,148,293 | Pinnacle Polymers (Epsilon Products) Term Loan, due 12/15/2006 |
| | 2,000,000 | Rockwood Specialties Group, Inc. Tranche D Term Loan, due 12/10/2012 |
| | 4,750,000 | Wellman, Inc. Second Lien Term Loan, due 2/10/2010 |
| Consumer - Durables - 2.0% | | Simmons Co.: |
| | 4,500,000 | Term Loan, due 6/19/2012 |
| | 2,425,586 | Tranche B Term Loan, due 12/19/2011 |
| Consumer - Non-Durables - 1.2% | 1,795,103 | American Achievement Corp. Term Loan B, due 3/22/2011 |
| | 1,500,000 | Burt's Bees, Inc. Term Loan, due 3/29/2011 |
| | 969,000 | Camelbak Products, LLC First Lien Term Loan, due 8/04/2011 |
| Diversified Media - 6.5% | 3,580,968 | Dex Media West, Inc. Term Loan B, due 3/09/2011 |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|-----------------------|------------|---|
| | 1,200,000 | Freedom Communications, Inc. Tranche B Term Loan, due 5/01/2013 |
| | 4,730,000 | Liberty Group Operating Term Loan B, due 2/28/2011 |
| | 10,000,000 | Metro-Goldwyn-Mayer Studios, Inc. Term Loan, due 4/30/2011 |
| | 1,168,692 | Primedia, Inc. Term Loan B, due 6/30/2009 |
| | 2,092,349 | RH Donnelley Tranche D Term Loan, due 8/30/2011 |
| Energy - Other - 1.1% | 2,750,000 | Dresser, Inc. Term Loan Unsecured, due 2/28/2011 |
| | 978,542 | Pride Offshore, Inc. Term Loan, due 7/07/2011 |
| Food & Drug - 0.2% | 755,740 | Alimentation Couche-Tard, Inc. US Term Loan, due 12/17/2010 |
| Food & Tobacco - 5.0% | 3,380,298 | Constellation Brands Term Loan B, due 11/30/2011 |
| | 1,741,250 | Doane Pet Care Enterprises, Inc. Term Loan, due 11/05/2009 |
| | 5,637,874 | Dr. Pepper/Seven Up Bottling Group, Inc. Term Loan, due 12/19/2010 |
| | 2,953,518 | Meow Mix, Inc. First Lien Term Loan, due 11/30/2011 |
| | 2,738,255 | Michael Foods, Inc. Term Loan, due 11/21/2011 |
| | 880,833 | Pierre Foods, Inc. Term Loan B, due 6/30/2011 |
| Gaming - 3.6% | 1,985,000 | Boyd Gaming Corp. Term Loan, due 6/30/2011 |
| | 1,018,029 | Global Cash Access LLC Term Loan B, due 3/31/2011 |
| | 1,980,037 | Green Valley Ranch Gaming, LLC Term Loan, due 12/22/2010 |
| | 990,000 | Isle of Capri Black Hawk LLC Term Loan C, due 12/31/2007 |
| | 1,800,000 | Pinnacle Entertainment, Inc. New Term Loan, due 8/27/2010 |
| | 1,500,000 | Trump Entertainment Resorts Holdings, LP Term Loan B-1, due 5/01/2012 |
| | 3,100,000 | Venetian Casino Resort, LLC Term Loan B Full, due 6/15/2011 |
| Health Care - 5.3% | 2,786,000 | Community Health Systems, Inc. Term Loan, due 8/19/2011 |
| | 1,968,750 | HealthSouth Corp.: Term Loan, due 3/08/2010 |
| | 531,250 | Tranche B Term Loan, due 3/08/2010 |
| | 4,950,000 | LifePoint Hospitals, Inc. Term Loan B, due 11/30/2011 |
| | 3,750,000 | Orthofix International NV Term Loan B, due 12/15/2008 |
| | 681,555 | Rotech Healthcare, Inc. Term Loan B, due 3/31/2011 |
| | 3,648,069 | Triad Hospitals Holdings, Inc. Term Loan B, due 9/30/2008 |
| Housing - 3.9% | 2,095,291 | General Growth Properties, Inc. Tranche B Term Loan, due 11/12/2008 |
| | 3,112,541 | Headwaters, Inc. Term Loan B-1, due 4/30/2011 |
| | 1,078,149 | Juno Lighting, Inc. First Lien Term Loan, due 11/30/2011 |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|-------------------------------|-----------|--|
| | 2,481,250 | Nortek, Inc., Term Loan, due 8/27/2011 |
| | 4,615,000 | PGT Industries, Inc. First Lien Term Loan, due 1/31/2009 |
| Information Technology - 2.6% | 3,700,000 | Fidelity National Information Solutions, Inc. Term Loan B, due 3/09/2013 |
| | 2,000,000 | Telcordia Technologies Inc. Term Loan, due 9/15/2012 |
| | 3,368,750 | VUTEK Inc. Term Loan, due 6/25/2010 |
| Leisure - 1.9% | 4,458,609 | 24 Hour Fitness Worldwide Term Loan B, due 7/01/2009 |
| | 2,000,000 | Wyndham International, Inc. First Lien Term Loan, due 5/10/2011 |
| Manufacturing - 4.6% | 2,222,222 | Communications & Power Industries, Inc. Term Loan, due 7/23/2010 |
| | 1,875,000 | High Voltage Engineering Corp. Term Loan A, due 7/31/2006 |
| | 2,000,000 | Invensys International Holdings Ltd. Second Lien Term Loan, due 12/04/2009 |
| | 568,784 | Itron, Inc. Tranche C Term Loan, due 12/17/2010 |
| | 3,066,771 | Mueller Group, Inc. Initial Term Loan, due 12/17/2010 |
| | 5,525,000 | Sensus Metering Systems Inc. Term Loan: B-1, due 12/17/2010 |
| | 828,750 | B-2, due 12/19/2010 |
| Packaging - 4.3% | 6,066,778 | Berry Plastics Corp. Term Loan, due 7/22/2011 |
| | 2,992,500 | Graham Packaging Co. LP Term Loan B, due 10/07/2011 |
| | 1,990,000 | Intertape Polymer US Inc. Term Loan B, due 10/07/2011 |
| | 3,240,129 | Owens-Illinois Group Inc.: French Tranche C-1 Term Loan, due 4/01/2008 |
| | 525,619 | Term Loan B-1, due 4/01/2008 |
| Paper - 2.2% | 1,800,000 | Boise Cascade Holdings, LLC Tranche B Term Loan, due 10/28/2011 |
| | 966,667 | SP Newsprint Co.: Tranche B Line of Credit, due 1/09/2011 |
| | 474,583 | Tranche B Term Loan, due 1/09/2010 |
| | 1,006,071 | Tranche B-1 Credit Linked Deposit, due 1/09/2010 |
| | 493,929 | Tranche B-1 Term Loan, due 1/09/2010 |
| | 2,288,382 | Smurfit Stone Container Corp.: Tranche B, due 11/01/2011 |
| | 704,118 | Tranche C, due 11/01/2011 |
| Retail - 1.0% | 1,750,000 | American Reprographics Co., LLC Second Lien Term Loan, due 12/18/2009 |
| | 1,700,082 | General Nutrition Centers, Inc. Tranche B Term Loan, due 12/05/2009 |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|--------------------------------|-----------|--|
| Service - 2.8% | | Baker Tanks, Inc.: |
| | 346,786 | Tl Ci Pr, due 1/30/2011 |
| | 2,089,109 | Term Loan, due 1/30/2011 |
| | 2,878,250 | Buhrmann US, Inc. Term C-1 Facility, due 1/30/2011 |
| | 2,487,966 | Coinstar, Inc. Term, due 7/07/2011 |
| | | United Rentals, Inc.: |
| | 1,650,000 | Term Loan, due 2/14/2011 |
| | 333,333 | Tranche B, Credit-Linked Deposit, due 1/30/2011 |
| Telecommunications - 2.1% | 2,178,000 | Consolidated Communications, Inc. Term Loan, due 10/14/2011 |
| | | WilTel Communications, LLC: |
| | 3,581,053 | First Lien Term Loan, due 6/30/2011 |
| | 1,800,000 | Second Lien Term Loan, due 12/31/2010 |
| Utility - 11.5% | 1,571,429 | AES Corp. Term Loan, due 4/30/2008 |
| | 4,927,274 | Calpine Corp. Second Lien Term Loan, due 7/15/2011 |
| | | Calpine Generating Co. LLC: |
| | 1,500,000 | First Priority Term Loan, due 4/01/2009 |
| | 2,500,000 | Second Priority Term Loan, due 3/11/2009 |
| | 4,700,000 | Cogentrix Delaware Holdings, Inc. Term Loan, due 4/15/2012 |
| | 2,779,000 | Dynegy Holdings, Inc. Term Loan, due 5/27/2011 |
| | | El Paso Corp.: |
| | 1,425,000 | Deposit Account, due 11/23/2009 |
| | 2,356,000 | Term Loan, due 11/23/2009 |
| | 5,000,000 | KGen LLC Tranche A Term Loan, due 8/05/2011 |
| | 452,226 | Midwest Generation LLC Term Loan C, due 4/15/2012 |
| | | NRG Energy: |
| | 700,000 | Credit Linked Deposit, due 12/24/2007 |
| | 897,750 | Term Loan, due 12/24/2011 |
| | 2,475,000 | Quanta Services, Inc. Credit Linked Deposit, due 6/19/2008 |
| | 3,092,250 | Reliant Energy, Inc. Term Loan, due 4/30/2011 |
| | | Texas Genco LLC: |
| | 2,046,154 | Delayed Draw Term Loan, due 12/14/2011 |
| | 4,941,461 | Initial Term Loan, due 12/14/2011 |
| Wireless Communications - 2.3% | 2,320,625 | Centennial Cellular Operating Co. Term Loan, due 2/09/2011 |
| | 5,758,987 | SBA Senior Finance, Inc. Tranche C Term Loan, due 10/31/2008 |

Total Floating Rate Loan Interests
(Cost - \$338,489,232) - 96.8%

Corporate Bonds

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|--|--|--|
| Airlines - 0.6% | 1,700,000 3,550,000 | Delta Air Lines, Inc.: 7.90% due 12/15/2009 2.875% due 2/18/2024 (b) (e) |
| Automotive - 0.3% | 250,000 700,000 | Delco Remy International, Inc., 7.141% due 4/15/2009 (c) Tenneco Automotive, Inc., 8.625% due 11/15/2010 |
| Broadcasting - 2.5% | 4,000,000 4,750,000 250,000 | Granite Broadcasting Corp., 9.75% due 12/01/2010 Paxson Communications Corp., 5.891% due 1/15/2010 (b) (c) XM Satellite Radio, Inc., 8.71% due 5/01/2010 |
| Cable - International - 1.0% | 3,000,000 375,000 | NTL Cable Plc: 8.141% due 10/15/2012 (c) 8.75% due 4/15/2014 |
| Cable - U.S. - 1.8% | 850,000 750,000 500,000 350,000 250,000 3,000,000 | Inmarsat Finance Plc, 7.625% due 6/30/2012 Intelsat Bermuda Ltd. (b): 7.805% due 1/15/2012 (c) 8.25% due 1/15/2013 Mediacom Broadband LLC, 11% due 7/15/2013 New Skies Satellites, BV, 8.539% due 11/01/2010 Rainbow National Services LLC, 10.375% due 9/01/2014 (b) |
| Chemicals - 2.8% | 1,950,000 2,186,000 5,000,000 | Crompton Corp., 9.164% due 8/01/2010 (c) GEO Specialty Chemicals, Inc., 11.593% due 12/31/2009 (b) (e) PolyOne Corp., 10.625% due 5/15/2010 |
| Consumer - Non-Durables - 0.8% | 250,000 2,000,000 350,000 | Elizabeth Arden, Inc., 7.75% due 1/15/2014 Playtex Products, Inc., 8% due 3/01/2011 Samsonite Corp., 8.875% due 6/01/2011 |
| Diversified Media - 0.1% | 250,000 250,000 | CanWest Media, Inc., 8% due 9/15/2012 (b) Universal City Florida Holding Co. I, 7.96% due 5/01/2010 (c) |
| Energy - Exploration & Production - 0.1% | 250,000 | Belden & Blake Corp., 8.75% due 7/15/2012 |
| Energy - Other - 0.1% | 250,000 | Aventine Renewable Energy Holdings, Inc., due 12/15/2011 (b) (c) |
| Food & Drug - 0.1% | 275,000 | Duane Read Inc., 7.51% due 12/15/2010 (b) (c) |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|-------------------------------|---|--|
| Food & Tobacco - 1.3% | 250,000 3,000,000 1,050,000 | AmeriQual Group LLC, 9% due 4/01/2012 (b) Smithfield Foods, Inc., 7% due 8/01/2011 The Wornick Co., 10.875% due 7/15/2011 |
| Gaming - 3.0% | 5,000,000 250,000 325,000 4,000,000 775,000 | Majestic Star Casino LLC, 9.50% due 10/15/ Mohegan Tribal Gaming Authority, 7.125% due 8/15/2014 River Rock Entertainment Authority, 9.75% due 11/01/2011 Station Casinos, Inc.: 6% due 4/01/2012 6.50% due 2/01/2014 |
| Health Care - 0.2% | 575,000 | U.S. Oncology, Inc., 9% due 8/15/2012 |
| Housing - 0.1% | 450,000 | Nortek, Inc. 8.50% due 9/01/2014 |
| Hybrid - 1.4% | 4,885,000 | Dow Jones CDX.NA.HY.3 Trust 3 December 200 8% due 12/29/2009 (b) |
| Information Technology - 1.9% | 2,050,000 4,625,000 300,000 | Freescal Semiconductor, Inc., 5.891% due MagnaChip SemiConductor SA, 6.26% due 12/15/2011 (b) (c) Telcordia Technologies Inc., 10% due 3/15/ |
| Leisure - 1.8% | 5,400,000 1,000,000 | Felcor Lodging LP, 7.78% due 6/01/2011 (c) True Temper Sports, Inc., 8.375% due 9/15/ |
| Manufacturing - 1.6% | 250,000 2,500,000 325,000 2,900,000 | Altra Industrial Motion, Inc., 9% due 12/0 Case New Holland, Inc., 6% due 6/01/2009 (ERICO International Corp., 8.875% due 3/01 Invensys Plc, 9.875% due 3/15/2011 (b) |
| Metal - Other - 0.2% | 700,000 | Novelis, Inc., 7.25% due 2/15/2015 (b) |
| Packaging - 0.7% | 1,550,000 250,000 600,000 725,000 | Consolidated Container Co. LLC, 10.75% due 6/15/2009 (a) Constar International, Inc., 6.643% due 2/15/2012 (b) (c) Tekni-Plex, Inc., 8.75% due 11/15/2013 (b) Wise Metals Group LLC, 10.25% due 5/15/2012 |
| Paper - 2.1% | 2,650,000 700,000 250,000 925,000 2,912,000 | Abitibi-Consolidated, Inc., 6.51% due 6/15/ Ainsworth Lumber Co. Ltd., 6.84% due 10/01 Boise Cascade LLC, 6.016% due 10/15/2012 (NewPage Corp., 9.46% due 5/01/2012 (b) (c) Western Forest Products, Inc., 15% due 7/28/2009 (b) (d) |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|--------------------------------|-------------|--|
| Retail - 0.4% | 1,300,000 | Jean Coutu Group, Inc., 8.50% due 8/01/2013 |
| Service - 2.0% | 3,375,000 | Allied Waste North America, Inc. Series B, due 4/15/2004 |
| | 2,000,000 | Sunstate Equipment Co. LLC, 10.50% due 4/01/2013 |
| | 2,000,000 | United Rentals North America, Inc., 7.75% due 11/15/2013 |
| Steel - 2.4% | 3,000,000 | CSN Islands VIII Corp., 9.75% due 12/16/2010 |
| | 5,000,000 | Ispat Inland ULC, 9.85% due 4/01/2010 (c) |
| Telecommunications - 4.3% | 6,000,000 | Cincinnati Bell, Inc., 8.375% due 1/15/2011 |
| | 3,700,000 | Qwest Communications International Inc., 6.50% due 2/15/2009 (b) (c) |
| | 2,000,000 | Terremark Worldwide Inc, 9% due 6/15/2009 |
| | 3,500,000 | Time Warner Telecom Holdings, Inc., 7.268% due 2/15/2011 (c) |
| Transportation - 1.5% | 5,000,000 | Grupo Transportacion Ferroviaria Mexicana C.V., 9.375% due 5/01/2012 (b) |
| Utility - 2.2% | 2,000,000 | Aquila, Inc., 7.625% due 11/15/2009 |
| | 3,000,000 | Calpine Canada Energy Finance Ulc, 8.50% due 5/01/2008 |
| | 3,000,000 | Calpine Corp., 9.875% due 12/01/2011 (b) |
| | 1,675,000 | Reliant Energy, Inc. 6.75% due 12/15/2014 |
| | 250,000 | Sierra Pacific Resources, 8.625% due 3/15/2012 |
| Wireless Communications - 1.6% | 3,250,000 | Rogers Wireless Communications, Inc.: 6.135% due 12/15/2010 (c) |
| | 1,100,000 | 7.25% due 12/15/2012 |
| | 250,000 | 8% due 12/15/2012 |
| | 250,000 | Rural Cellular Corp., 7.51% due 3/15/2010 |
| | 350,000 | SBA Communications Corp., 8.50% due 12/01/2012 |
| | 250,000 | SBA Telecommunications, Inc., 9.75% due 12/15/2012 |
| | | |
| | | Total Corporate Bonds (Cost - \$136,213,280) - 38.9% |
| | Shares Held | Common Stocks |
| Chemicals - 0.1% | 13,117 | GEO Specialty Chemicals, Inc. (b) (f) |
| Energy - Other - 0.8% | 160,000 | Trico Marine Services, Inc. (f) |
| Paper - 0.1% | 84,448 | Western Forest Products, Inc. (f) |
| | | Total Common Stocks (Cost - \$3,575,482) - |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

| | | |
|----|------------------------|---|
| | Beneficial Interest | Short-Term Securities |
| \$ | 4,889,396 | Merrill Lynch Liquidity Series, LLC Cash Sweep Series I (g) |
| | | Total Short-Term Securities (Cost - \$4,889,396) - 1.4% |
| | | Total Investments (Cost - \$483,167,390***) Liabilities in Excess of Other Assets - (3 |
| | | Net Assets - 100.0% |

* For Fund compliance purposes, "Industry" means any one or more of the industry sub-classification one or more widely recognized market indexes or ratings group indexes, and/or as defined by F This definition may not apply for purposes of this report, which may combine such industry sub for reporting ease.

** Floating rate loan interests in which the Fund invests generally pay interest at rates that are redetermined by reference to a base lending rate plus a premium. These base lending rates are (i) the lending rate offered by one or more major European banks, such as LIBOR (London Inter (ii) the prime rate offered by one or more major U.S. banks or (iii) the certificate of deposits

*** The cost and unrealized appreciation (depreciation) of investments as of May 31, 2005, as computed for federal income tax purposes, were as follows:

| | | |
|-------------------------------|----|-------------|
| Aggregate cost | \$ | 483,185,215 |
| | | ===== |
| Gross unrealized appreciation | \$ | 6,875,999 |
| Gross unrealized depreciation | | (6,675,409) |
| | | ----- |
| Net unrealized appreciation | \$ | 200,590 |
| | | ===== |

- (a) Represents a step bond; the interest rate shown reflects the effective yield at the time of purchase.
- (b) The security may be offered and sold to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933.
- (c) Floating rate note.
- (d) Represents a pay-in-kind security which may pay interest/dividends in additional face/shares.
- (e) Convertible security.
- (f) Non-income producing security.
- (g) Investments in companies considered to be an affiliate of the Fund (such companies are defined as "Affiliated Companies" in Section 2(a)(3) of the Investment Company Act of 1940) were as follows:

| Affiliate | Net Activity | Interest Income |
|--|-----------------|--------------------|
| Merrill Lynch Liquidity Series, LLC Cash Sweep Series I | \$ (1,465,174) | \$ 32,186 |

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

Swap contracts outstanding as of May 31, 2005 were as follows:

| | Notional Amount | Unrealized Depreciation |
|---|--------------------|----------------------------|
| Sold credit default protection on General Motors Corp. and receive 4.4% | | |
| Broker, Morgan Stanley Capital Services, Inc. Expires June 2007 | \$ 3,000,000 | \$ (57,912) |

Item 2 - Controls and Procedures

- 2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.
- 2(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

Certifications - Attached hereto

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

Floating Rate Income Strategies Fund, Inc.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
Floating Rate Income Strategies Fund, Inc.

Date: July 15, 2005

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.

Edgar Filing: FLOATING RATE INCOME STRATEGIES FUND INC - Form N-Q

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
Floating Rate Income Strategies Fund, Inc.

Date: July 15, 2005

By: /s/ Donald C. Burke

Donald C. Burke
Chief Financial Officer
Floating Rate Income Strategies Fund, Inc

Date: July 15, 2005