

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
Form N-CSR
August 08, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21539

First Trust Senior Floating Rate Income Fund II
(Exact name of registrant as specified in charter)

120 East Liberty Drive
Wheaton, IL 60187
(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive
Wheaton, IL 60187
(Name and address of agent for service)

registrant's telephone number, including area code: N30-765-8000

Date of fiscal year end: May 31

Date of reporting period: May 31, 2018

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

First Trust
Senior Floating Rate Income Fund II (FCT)
Annual Report
For the Year Ended
May 31, 2018

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First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 2018

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Caution Regarding Forward-Looking Statements

This report contains certain forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the goals, beliefs, plans or current expectations of First Trust Advisors L.P. (“First Trust” or the “Advisor”) and its representatives, taking into account the information currently available to them. Forward-looking statements include all statements that do not relate solely to current or historical fact. For example, forward-looking statements include the use of words such as “anticipate,” “estimate,” “intend,” “expect,” “believe,” “plan,” “may,” “should,” “would” or other words to convey uncertainty of future events or outcomes.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of First Trust Senior Floating Rate Income Fund II (the “Fund”) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. When evaluating the information included in this report, you are cautioned not to place undue reliance on these forward-looking statements, which reflect the judgment of the Advisor and its representatives only as of the date hereof. We undertake no obligation to publicly revise or update these forward-looking statements to reflect events and circumstances that arise after the date hereof.

Performance and Risk Disclosure

There is no assurance that the Fund will achieve its investment objectives. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and that the value of the Fund shares may therefore be less than what you paid for them. Accordingly, you can lose money by investing in the Fund. See “Risk Considerations” in the Additional Information section of this report for a discussion of certain other risks of investing in the Fund.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit www.ftportfolios.com or speak with your financial advisor. Investment returns, net asset value and common share price will fluctuate and Fund shares, when sold, may be worth more or less than their original cost. The Advisor may also periodically provide additional information on Fund performance on the Fund’s web page at www.ftportfolios.com.

How to Read This Report

This report contains information that may help you evaluate your investment in the Fund. It includes details about the Fund and presents data and analysis that provide insight into the Fund’s performance and investment approach. By reading the portfolio commentary by the portfolio management team of the Fund, you may obtain an understanding of how the market environment affected the Fund’s performance. The statistical information that follows may help you understand the Fund’s performance compared to that of a relevant market benchmark. It is important to keep in mind that the opinions expressed by personnel of the Advisor are just that: informed opinions. They should not be considered to be promises or advice. The opinions, like the statistics, cover the period through the date on the cover of this report. The material risks of investing in the Fund are spelled out in the prospectus, the statement of additional information, this report and other Fund regulatory filings.

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Shareholder Letter

First Trust Senior Floating Rate Income Fund II (FCT)

Annual Letter from the Chairman and CEO

May 31, 2018

Dear Shareholders,

First Trust is pleased to provide you with the annual report for the First Trust Senior Floating Rate Income Fund II which contains detailed information about your investment for the period ended May 31, 2018, including a market overview and a performance analysis for the period. We encourage you to read this report carefully and discuss it with your financial advisor.

As you are no doubt aware, 2017 was a very strong year for both the U.S. and global markets. The three major U.S. indices – the S&P 500® Index, the Dow Jones Industrial Average and the Nasdaq Composite – posted their best performance since 2013. And there was more good news for Wall Street as the year ended and analysts collected stock market data:

- The S&P 500® Index did something it had never previously done, finishing 2017 with 12 months of gains;
- The Dow Jones Industrial Average achieved a milestone as well, closing above 24,000 for the first time ever on November 30; and
- The Nasdaq Composite set a record by having 11 months of gains in 2017 (June was the only down month, and by just 0.86%).

As 2017 ended, President Trump signed the “Tax Cuts and Jobs Act of 2017” tax reform bill. As 2018 began, there was much enthusiasm for this tax reform package and the potential increase in take-home pay for many Americans, as well as the reduction in the federal corporate tax rate from 35% to 21%. Early in the year, many investors were also watching the Federal Reserve (the “Fed”) and its signaled intent to continue raising interest rates at a gradual pace. Based on strong job growth and the economic outlook in the U.S., the Fed did, in fact, raise interest rates on March 21, 2018. At the Fed’s May 2018 meeting, interest rates were unchanged, but the statement the Fed released points to the possibility of two or more rate hikes in the latter part of 2018.

For the entire first quarter of 2018, increased volatility was the norm. The S&P 500® Index was off to a strong start in January as it returned over 7.5% from January 2 to January 26. February, however, was a different story. Early in the month, the Dow Jones Industrial Average plunged 567 points and sank into “correction” territory (defined as a drop of 10% from the index’s high) and in just two weeks, was down more than 3,200 points. However, as February came to a close, the Dow Jones Industrial Average was back on track and up from the lows experienced earlier in the month. Volatility continued in March and April with the Dow Jones Industrial Average ending April with a small gain, while May ended with a slight decline. Across the globe, the first quarter saw the Emerging Market and Developing Market countries, as well as Europe, continue with the strong performances experienced in 2017.

The market volatility we saw during the first quarter of 2018 has continued into the second quarter, both in the U.S. and abroad. Both the U.S. and international markets have been affected by talk of a so-called “trade war” and tariffs on imports from China (and other countries), as well as geopolitical concerns around a possible war with Syria, continued concerns regarding North Korea and the potential effects of the political goals of Italy’s new prime minister. This market volatility is why we believe that one should invest for the long term and be prepared for market movements, which can happen at any time. This can be accomplished by keeping current on your portfolio and investing goals and by speaking regularly with your investment professional. As we’ve said before, markets go up and they also go down, but savvy investors are prepared for either through careful attention to their portfolios and investment goals.

At First Trust, we continue to be optimistic about the U.S. economy and we thank you for giving us the opportunity to be a part of your financial plan. We value our relationship with you and will report on your investment again in six months.

Sincerely,

James A. Bowen

Chairman of the Board of Trustees

Chief Executive Officer of First Trust Advisors L.P.

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First Trust Senior Floating Rate Income Fund II (FCT)

“AT A GLANCE”

As of May 31, 2018 (Unaudited)

Fund Statistics

Symbol on New York Stock Exchange	FCT
Common Share Price	\$12.99
Common Share Net Asset Value (“NAV”)	\$14.05
Premium (Discount) to NAV	(7.54)%
Net Assets Applicable to Common Shares	\$375,015,306
Current Monthly Distribution per Common Share ⁽¹⁾	\$0.0600
Current Annualized Distribution per Common Share	\$0.7200
Current Distribution Rate on Common Share Price ⁽²⁾	5.54%
Current Distribution Rate on NAV ⁽²⁾	5.12%

Common Share Price & NAV (weekly closing price)

Performance

	Average Annual Total Return			
	1 Year Ended 5/31/18	5 Years Ended 5/31/18	10 Years Ended 5/31/18	Inception (5/25/04) to 5/31/18
Fund Performance⁽³⁾				
NAV	4.24%	4.91%	4.70%	4.38%
Market Value	1.05%	2.96%	4.99%	3.45%
Index Performance				
S&P/LSTA Leveraged Loan Index	4.20%	3.85%	5.20%	4.81%

⁽¹⁾Most recent distribution paid or declared through 5/31/2018. Subject to change in the future.⁽²⁾Distribution rates are calculated by annualizing the most recent distribution paid or declared through the report date and then dividing by Common Share Price or NAV, as applicable, as of 5/31/2018. Subject to change in the future.

Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. From inception to October 12, 2010, Four Corners

⁽³⁾Capital Management, LLC served as the Fund’s sub-advisor. Effective October 12, 2010, the Leveraged Finance Team of First Trust Advisors L.P. assumed the day-to-day responsibility for management of the Fund’s portfolio.

Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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First Trust Senior Floating Rate Income Fund II (FCT)

“AT A GLANCE” (Continued)

As of May 31, 2018 (Unaudited)

Credit Quality (S&P Ratings) ⁽⁴⁾	% of Senior Loans and Other Debt Securities ⁽⁵⁾
BBB+	0.1%
BBB-	5.0
BB+	3.6
BB	9.2
BB-	19.1
B+	23.0
B	22.4
B-	11.5
CCC+	1.3
CCC	2.1
CC	0.9
D	0.8
Privately rated ⁽⁶⁾	0.2
Not Rated	0.8
Total	100.0%

Industry Classification	% of Senior Loans and Other Securities ⁽⁵⁾
Health Care Providers & Services	16.0%
Hotels, Restaurants & Leisure	12.9
Software	11.9
Pharmaceuticals	7.1
Life Sciences Tools & Services	5.1
Diversified Financial Services	5.0
Food & Staples Retailing	3.8
Professional Services	3.5
Insurance	3.2
Media	2.9
Containers & Packaging	2.9
Technology Hardware, Storage & Peripherals	2.4
Food Products	2.4
Diversified Telecommunication Services	1.9
Commercial Services & Supplies	1.7
Capital Markets	1.6
Health Care Equipment & Supplies	1.5
Auto Components	1.5
Health Care Technology	1.4
Building Products	1.4
Household Products	1.3
Chemicals	1.2
Electric Utilities	1.1
Diversified Consumer Services	1.1
Industrial Conglomerates	0.9

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Aerospace & Defense	0.8
Semiconductors & Semiconductor Equipment	0.7
Specialty Retail	0.7
Household Durables	0.7
Oil, Gas & Consumable Fuels	0.4
Independent Power and Renewable Electricity Producers	0.4
Wireless Telecommunication Services	0.4
Machinery	0.2
Construction & Engineering	0.0*
Total	100.0%

* Amount is less than 0.1%.

Top 10 Issuers	% of Senior Loans and other Securities ⁽⁵⁾
MultiPlan, Inc. (MPH Acquisition Holdings LLC)	3.0%
Portillo's Holdings LLC	3.0
BMC Software Finance, Inc.	2.7
Valeant Pharmaceuticals International, Inc.	2.6
Amaya Holdings B.V.	2.6
Reynolds Group Holdings, Inc.	2.5
Dell, Inc. (Diamond 1 Finance Corp.)	2.4
AlixPartners	2.3
BJ's Wholesale Club, Inc.	1.8
Caesars Resorts Collection	1.8
Total	24.7%

The ratings are by Standard & Poor's except where otherwise indicated. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations except for those debt obligations that are only privately rated. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Investment grade is defined as those issuers that have a long-term credit rating of BBB- or higher. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

⁽⁴⁾ Percentages are based on long-term positions. Money market funds are excluded.

⁽⁵⁾ Represents Senior Loans privately rated upon issuance. The rating agency does not provide ongoing surveillance on the rating.

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Portfolio Commentary

First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 2018 (Unaudited)

Advisor

The First Trust Advisors L.P. (“First Trust”) Leveraged Finance Team is comprised of 15 experienced investment professionals specializing in below investment grade securities. The team is comprised of portfolio management, research, trading and operations personnel. As of May 31, 2018, the First Trust Leveraged Finance Team managed or supervised approximately \$4.07 billion in senior secured bank loans and high-yield bonds. These assets are managed across various strategies, including two closed-end funds, an open-end fund, four exchange-traded funds, one UCITS fund and a series of unit investment trusts on behalf of retail and institutional clients.

Portfolio Management Team

William Housey, CFA – Senior Vice President, Senior Portfolio Manager

Scott D. Fries, CFA – Senior Vice President, Portfolio Manager

Commentary

First Trust Senior Floating Rate Income Fund II

The primary investment objective of First Trust Senior Floating Rate Income Fund II (“FCT” or the “Fund”) is to seek a high level of current income. As a secondary objective, the Fund attempts to preserve capital. The Fund pursues its objectives by investing primarily in a portfolio of senior secured floating-rate corporate loans (“Senior Loans”). Under normal market conditions, at least 80% of the Fund’s Managed Assets are generally invested in lower grade debt instruments. “Managed Assets” means the total asset value of the Fund minus the sum of its liabilities, other than the principal amount of borrowings. There can be no assurance that the Fund will achieve its investment objectives. Investing in Senior Loans involves credit risk and, during periods of generally declining credit quality, it may be particularly difficult for the Fund to achieve its secondary investment objective. The Fund may not be appropriate for all investors.

Market Recap

The twelve-month period ended May 31, 2018 proved to be favorable for senior loans, which experienced 10 months of positive returns, and outperformed other fixed income asset classes. Specifically, the last twelve month (“LTM”) total return for the S&P/LSTA Leveraged Loan Index (the “Index”) was 4.20%. This compares to 2.29% for high-yield bonds, 1.88% for preferred securities, 0.09% for investment grade bonds and -0.37% for the US Aggregate Index.¹ For reference, the S&P 500[®] Total Return Index returned 14.38% over the same time period.

The senior loan asset class continues to see strong demand from investors. In turn, this demand has resulted in a wave of re-pricings (reduced spread) and refinancings. In fact, of the \$896.5 billion in institutional loan issuance during the prior year period, 69.5%, or about \$623.0 billion, was used for re-pricing and refinancing (JP Morgan). Investor demand for the senior loan asset class has resulted in approximately \$6.5 billion of inflows over the prior year period (JP Morgan). The primary factor influencing this demand has been the gradual increase in the Federal Funds Rate by the U.S. Federal Reserve (the “Fed”). More specifically, the Fed implemented three 25 basis point (bps) rate hikes in the Federal Funds Rate over the prior year to end the period at 175 bps. This increase in the Federal Funds Rate has also led to an increase in 3-month London Interbank Offered Rate (“LIBOR”) from 121 bps to 232 bps, an increase of 111 bps over the same time period. We believe that loans have begun to benefit from this increase in LIBOR, as we appear to have reached the inflection point where LIBOR increases are offsetting the spread declines from the heavy refinancing rate.

Senior Loan Market

The Index returned 4.20% for the twelve-month period ending May 31, 2018. Lower quality CCC rated issues returned 7.17% in the period, outperforming the 4.43% return for higher quality B rated issues and the 3.78% return for even higher quality BB rated issues. The average bid price of loans in the market remained relatively stable, entering the period at \$98.33 and ending the period at \$98.35. The discounted spread to a 3-year life for the senior loan market began the period at L+413 and ended the period at L+379, a tightening of 34 bps.

¹ High-Yield Bonds are represented by the ICE BofAML US High Yield Constrained Index, Preferred Securities are represented by the ICE BofAML Fixed Rate Preferred Securities Index, Investment Grade Bonds are represented by

the ICE BofAML US Corporate Index and the US Aggregate Index is represented by the Bloomberg Barclays US Aggregate Bond Index.

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Portfolio Commentary (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 2018 (Unaudited)

The default rate within the Index remains below the long term average for senior loans. The LTM default rate within the Index ended the period at 2.12%, which compares favorably to the long-term average default rate of 3.01% dating back to March 1999. We believe the default rate remains below the long-term average because overall corporate fundamentals remain healthy. Given the lack of near-term debt maturities and favorable access to capital markets that companies are enjoying, we believe default rates for both senior loans and high-yield bonds will remain relatively benign for some time.

Performance Analysis

The Fund marginally outperformed the Index on a NAV basis but underperformed the Index on a market value basis for the LTM period. The Fund generated a NAV return² of 4.24% and a market price return² of 1.05% while the Index generated a total return of 4.20%. The Fund's discount to NAV ended the period 292 bps wider than one year ago. At the start of the period, the Fund's market price was at a -4.62% discount to NAV and widened to a -7.54% discount to NAV by the end of the period.

Contributing to the Fund's outperformance relative to the Index over the period was the Fund's use of leverage. The use of leverage was beneficial to Fund returns as loan returns outpaced the cost of borrowing. Leverage entered the period at 27.7% of managed assets and ended the period at 29.3%. Additionally, the Fund's overweight position and selection within the drug industry benefitted returns as this industry outperformed the broader market. Partially offsetting these tailwinds were the Fund's selection within the oil & gas and retail (except food & drug) industries.

From an income perspective, the monthly announced distribution rate began the period at \$0.0663 per share and ended at \$0.06 per share. At the \$0.06 per share monthly distribution rate, the annualized distribution rate at the end of May 2018 was 5.12% at NAV and 5.54% at market price.

Market and Fund Outlook

We believe the current healthy credit market environment may persist for the near to intermediate term. The positive backdrop for the senior loan and high-yield bond asset classes continues to be the fact that the U.S. economy is on solid ground, in our opinion. We believe the combination of improved inflation data in the U.S., less accommodation from global central banks and increased U.S. Treasury issuance to fund greater deficits will likely continue to increase interest rate volatility and continue to propel interest rates higher. Higher interest rates would drive long-duration bond prices (the most interest rate sensitive) to be lower, in our opinion. While this may also result in credit market volatility, we remain confident in our belief that the favorable backdrop for the macro economy will persist for the near to intermediate term. Specifically, we believe senior loans, given their senior secured position in the capital structure, floating interest rate, attractive income and low default rate, are well positioned as we move through 2018. Finally, we believe that, with the potential for additional interest rate hikes on the horizon, LIBOR should continue to migrate higher through 2018 and into 2019. As we evaluate new investment opportunities, decisions will continue to be rooted in our rigorous bottom-up credit analysis and our focus will remain on identifying the opportunities that we believe offer the best risk and reward balance.

Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) – 137.9%				
	Aerospace & Defense – 1.2%			
	Transdigm, Inc., Incremental TLE, 1 Mo. LIBOR + 2.50%, 0.00% Floor			
\$1,540,800		4.48%	05/30/25	\$1,535,222
2,821,824	Transdigm, Inc., Term Loan F, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.48%	06/09/23	2,814,431
				4,349,653
	Alternative Carriers – 0.7%			
	Level 3 Financing, Inc., Tranche B 2024 Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor			
2,678,397		4.21%	02/22/24	2,679,897
	Application Software – 6.7%			
	CCC Information Resources, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor			
1,633,372		4.99%	04/26/24	1,635,707
859,054	Hyland Software, Term-3 Loans, 1 Mo. LIBOR + 3.25%, 0.75% Floor	5.23%	07/01/22	864,887
984,481	Infor (US), Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	02/02/22	983,929
2,230,934	Informatica Corp. (Ithacalux S.A.R.L), Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.23%	08/06/22	2,244,877
5,360,344	JDA Software Group (RP Crown Parent, Inc.), Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	10/12/23	5,373,745
6,653	Kronos, Inc., Term Loan B, 2 Mo. LIBOR + 3.00%, 0.00% Floor	5.06%	11/01/23	6,681
2,654,517	Kronos, Inc., Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.36%	11/01/23	2,665,587
438,736	LANDesk Software, Inc., Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor	6.24%	01/18/24	431,971
331,146	Micro Focus International (MA Finance LLC), MA Finance TLB3, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	06/21/24	329,845
2,236,314	Micro Focus International (MA Finance LLC), Seattle Spinco TLB, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	06/21/24	2,227,525
524,453	Mitchell International, Inc., Delayed Draw Term Loan, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.22%	11/30/24	524,264

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6,503,217	Mitchell International, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.23%	11/30/24	6,500,876
1,294,000	Qlik Technologies (Project Alpha Intermediate Holdings, Inc.), Term Loan B, 6 Mo. LIBOR + 3.50%, 1.00% Floor	5.99%	04/26/24	1,289,148
				25,079,042
748,487	Asset Management & Custody Banks – 2.3% American Beacon Advisors, Inc. (Resolute Investment Managers), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor	5.55%	04/30/22	750,358
794,000	First Eagle Investment Management, Term Loan B, 3 Mo. LIBOR + 3.00%, 0.75% Floor	5.30%	12/01/22	798,963
988,886	Harbourvest Partners L.P., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.00% Floor	4.55%	02/28/25	988,065
210,396	Mondrian Investment Partners Ltd. (MIPL Group Ltd.), Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.30%	03/09/20	210,922
1,758,219	Victory Capital Holdings (VCH Holdings LLC), Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor	5.05%	02/15/25	1,762,615
635,808	Virtus Investment Partners, Inc., Delayed Draw Term Loan (d)	2.50%	(e)06/01/24	635,808
3,612,700	Virtus Investment Partners, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	4.43%	06/01/24	3,620,214
				8,766,945
5,456,683	Auto Parts & Equipment – 2.1% Gates Global, Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor	5.05%	03/31/24	5,478,837
1,279,000	Lumileds, Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.80%	06/30/24	1,274,524

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See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
	Auto Parts & Equipment (Continued)			
\$1,237,267	Tower Automotive Holdings USA LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.69%	03/06/24	\$1,240,360
				7,993,721
996,972	Automotive Retail – 0.3% KAR Auction Services, Inc., Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor	4.81%	03/09/23	1,000,093
2,672,150	Broadcasting – 1.5% Cumulus Media Holdings, Inc., Term Loan, Prime Rate + 2.25%, 1.00% Floor (f)	7.00%	12/23/20	2,320,308
33,483	Nexstar Broadcasting, Inc., Mission Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.41%	01/17/24	33,539
260,087	Nexstar Broadcasting, Inc., Nexstar Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.41%	01/17/24	260,518
567,379	Tribune Media Co., Extended Term Loan C, 1 Mo. LIBOR + 3.00%, 0.75% Floor	4.98%	01/27/24	566,670
45,522	Tribune Media Co., Term B Loan, 1 Mo. LIBOR + 3.00%, 0.75% Floor	4.98%	12/27/20	45,522
2,340,003	Univision Communications, Inc., Term Loan C5, 1 Mo. LIBOR + 2.75%, 1.00% Floor	4.73%	03/15/24	2,255,178
				5,481,735
189,810	Building Products – 1.9% Beacon Roofing Supply, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.18%	01/02/25	189,708
62,578	Jeld-Wen, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.30%	12/07/24	62,636
7,013,986	Quikrete Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	4.73%	11/15/23	7,013,986
				7,266,330
985,714	Cable & Satellite – 1.2% Cablevision Systems Corp. (CSC Holdings, Inc.), New Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.42%	01/25/26	983,250

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324,844	Cablevision Systems Corp. (CSC Holdings, Inc.), Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.17%	07/17/25	323,424
409,406	Mediacom Broadband LLC, Term Loan N, 1 Mo. LIBOR + 1.75%, 0.00% Floor	3.51%	02/15/24	
