

ING PRIME RATE TRUST  
Form N-Q  
July 27, 2012

OMB APPROVAL

OMB Number: 3235-0578

Expires: April 30, 2013

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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: 811-5410

**ING Prime Rate Trust**

(Exact name of registrant as specified in charter)

7337 E. Doubletree Ranch Rd., Suite 100, Scottsdale, AZ 85258

(Address of principal executive offices) (Zip code)

**C T Corporation System, 101 Federal Street, Boston, MA 02110**

(Name and address of agent for service)

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Registrant's telephone number, including area code: 1-800-992-0180

Date of fiscal year end: February 28

Date of reporting period: May 31, 2012

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**Item 1. Schedule of Investments**

The schedules of investments as of the close of the reporting period are set forth below for:

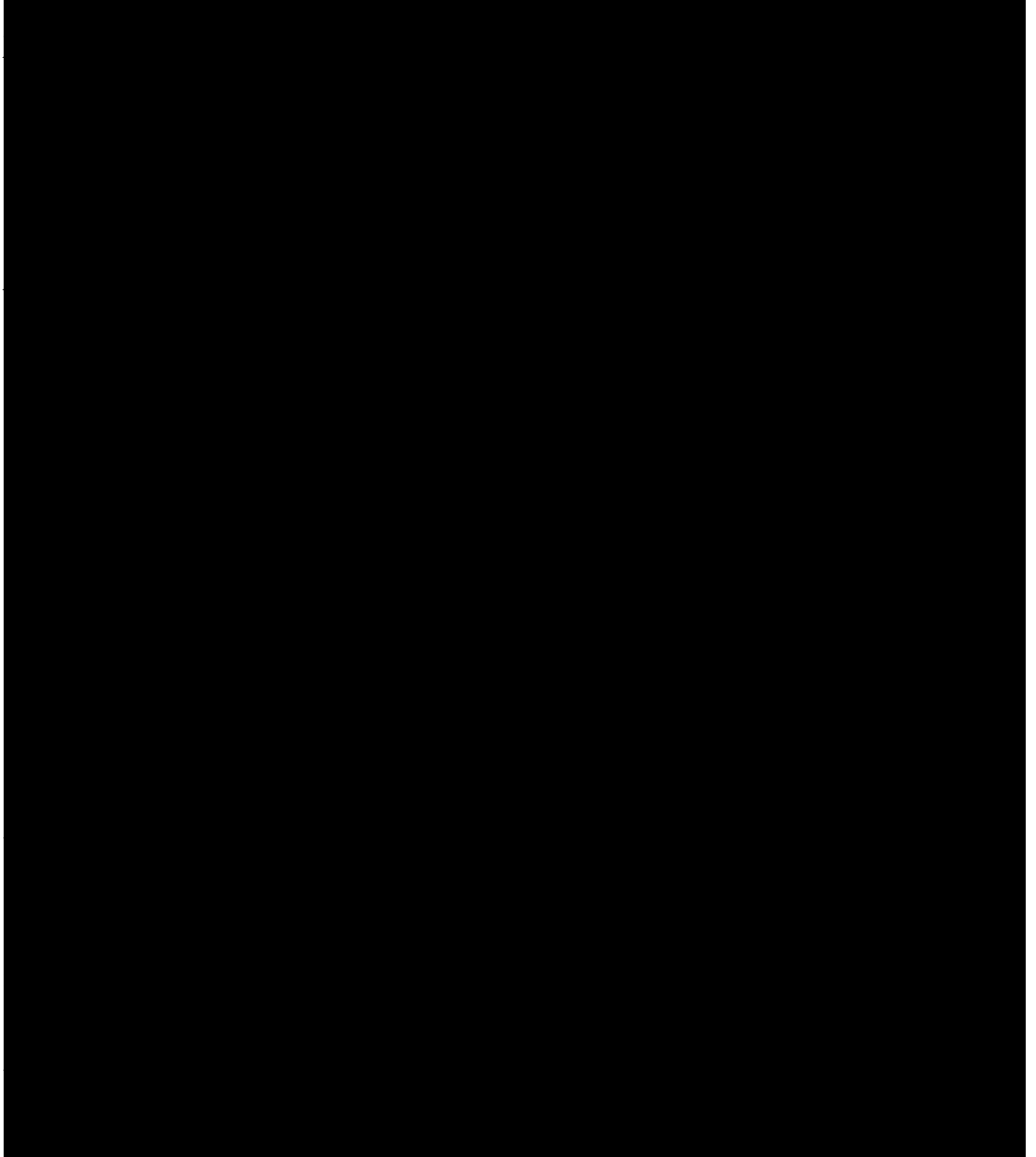
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The schedules are not audited.

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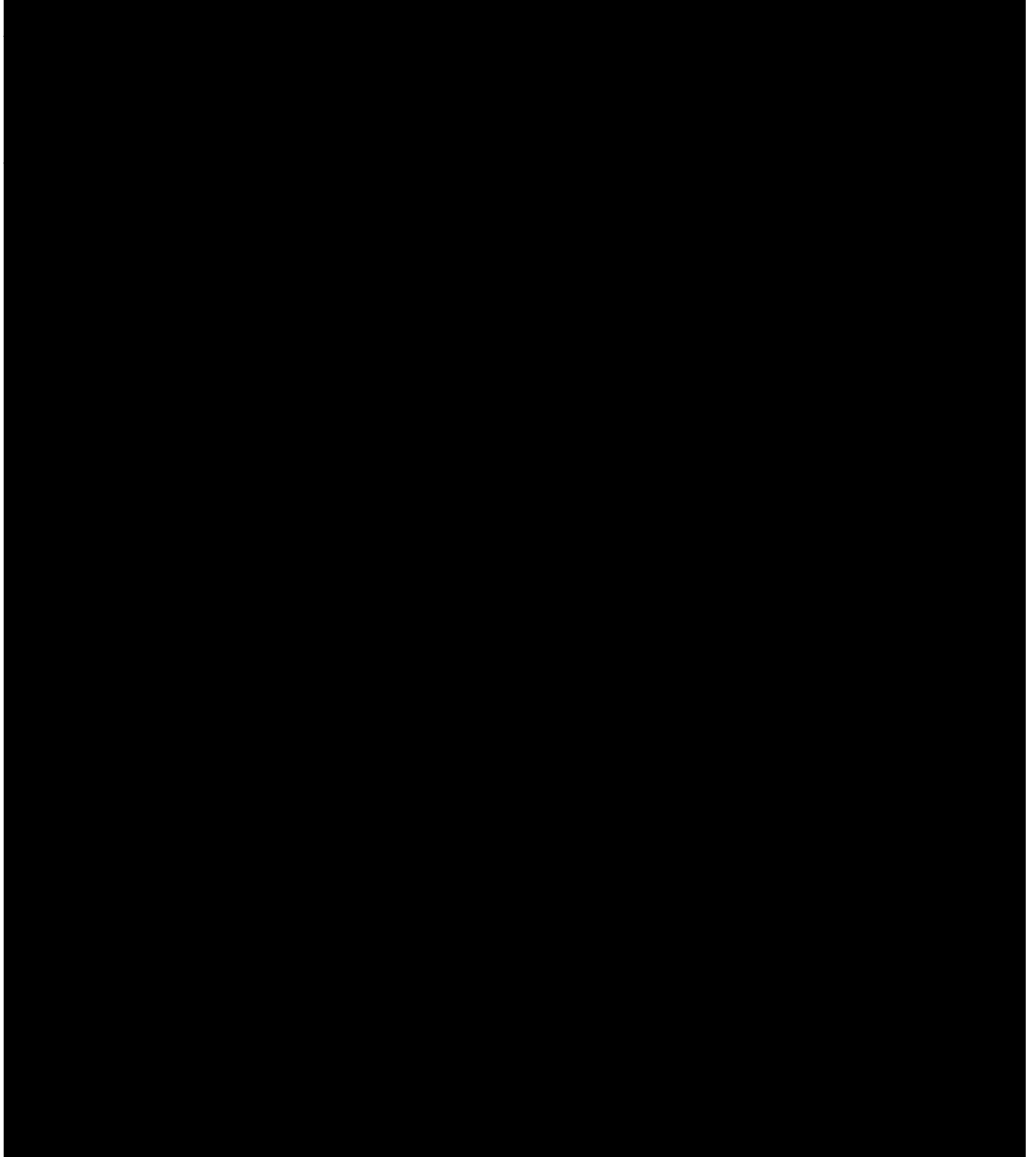
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited)





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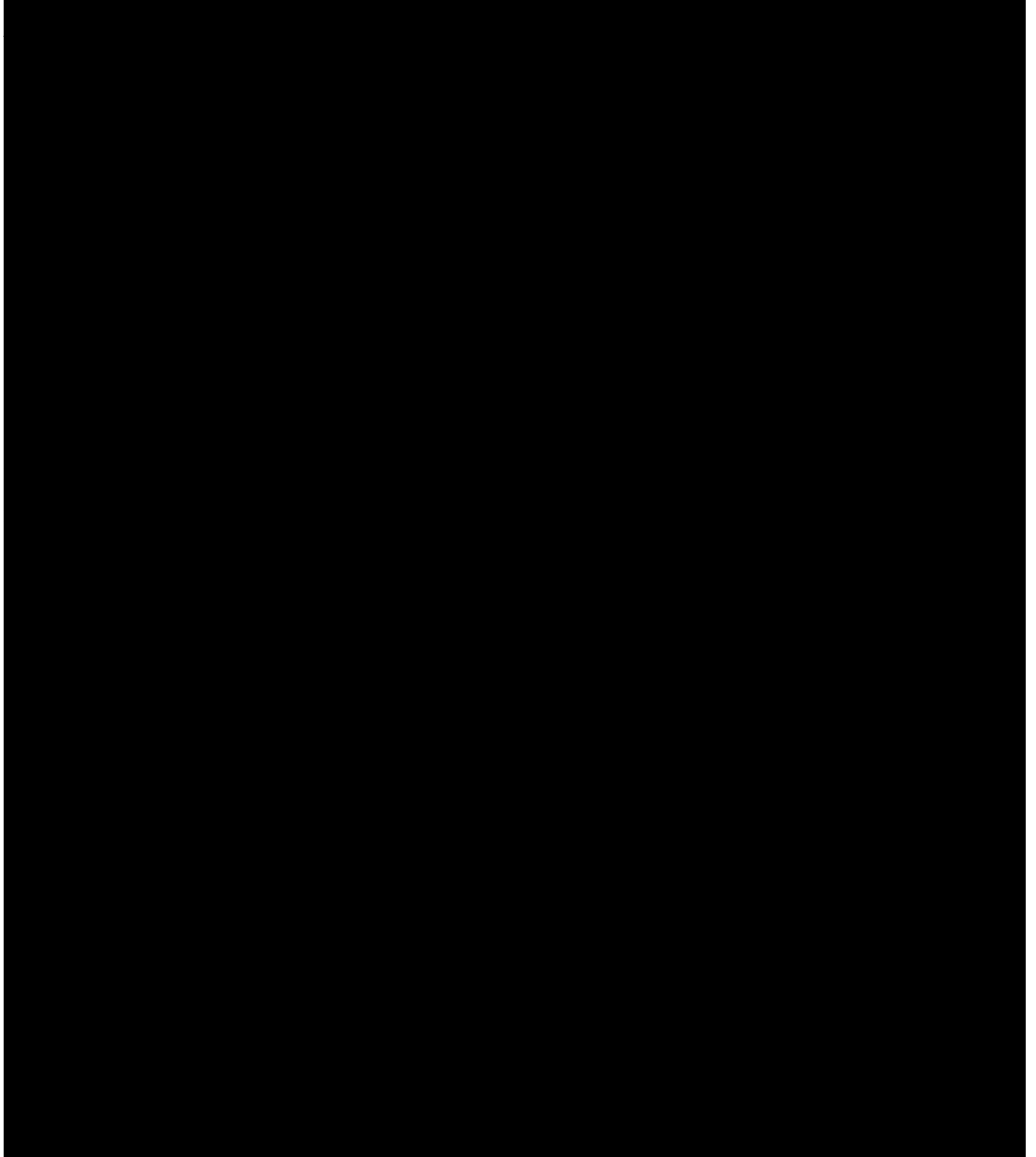
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)





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**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)

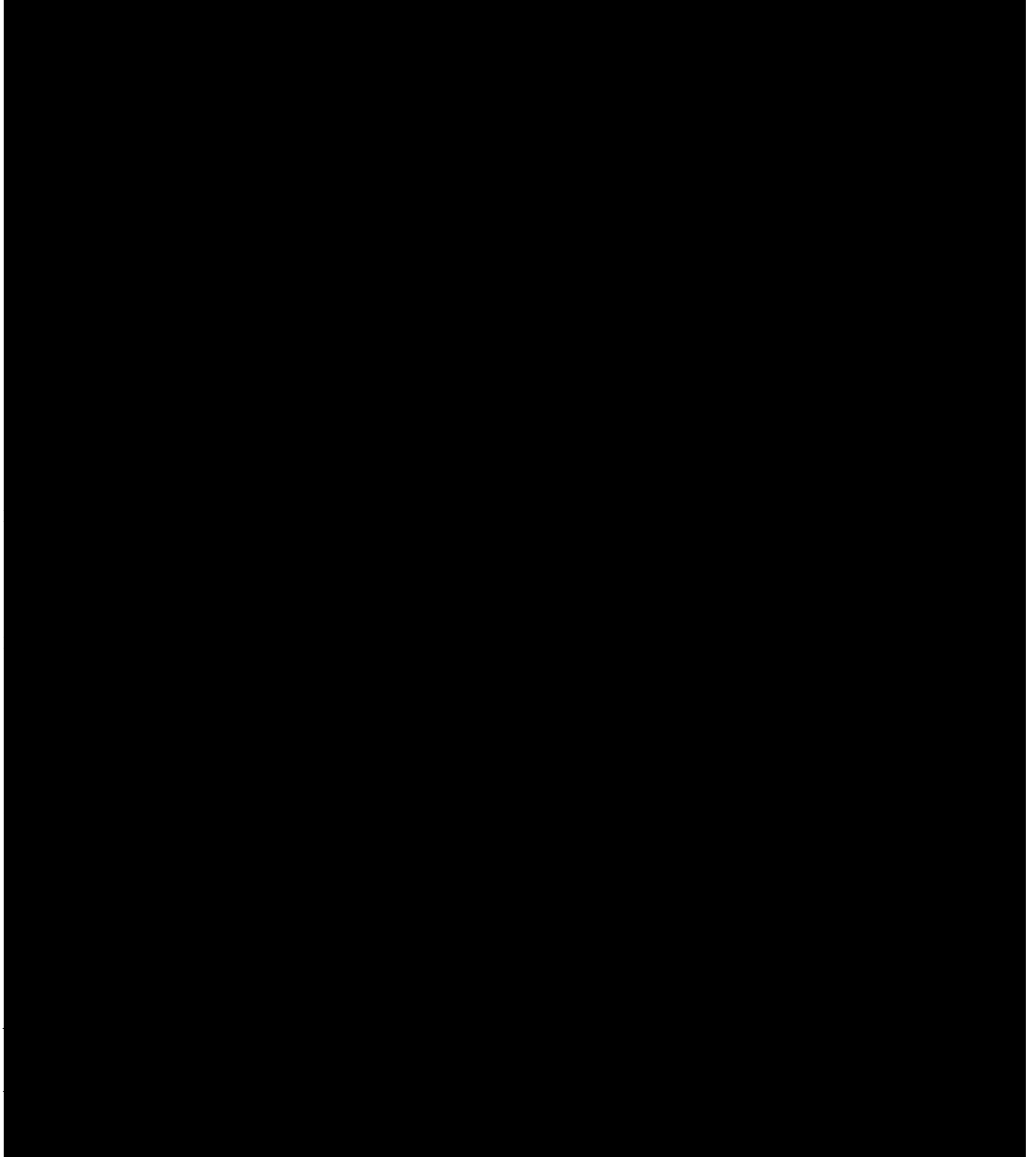






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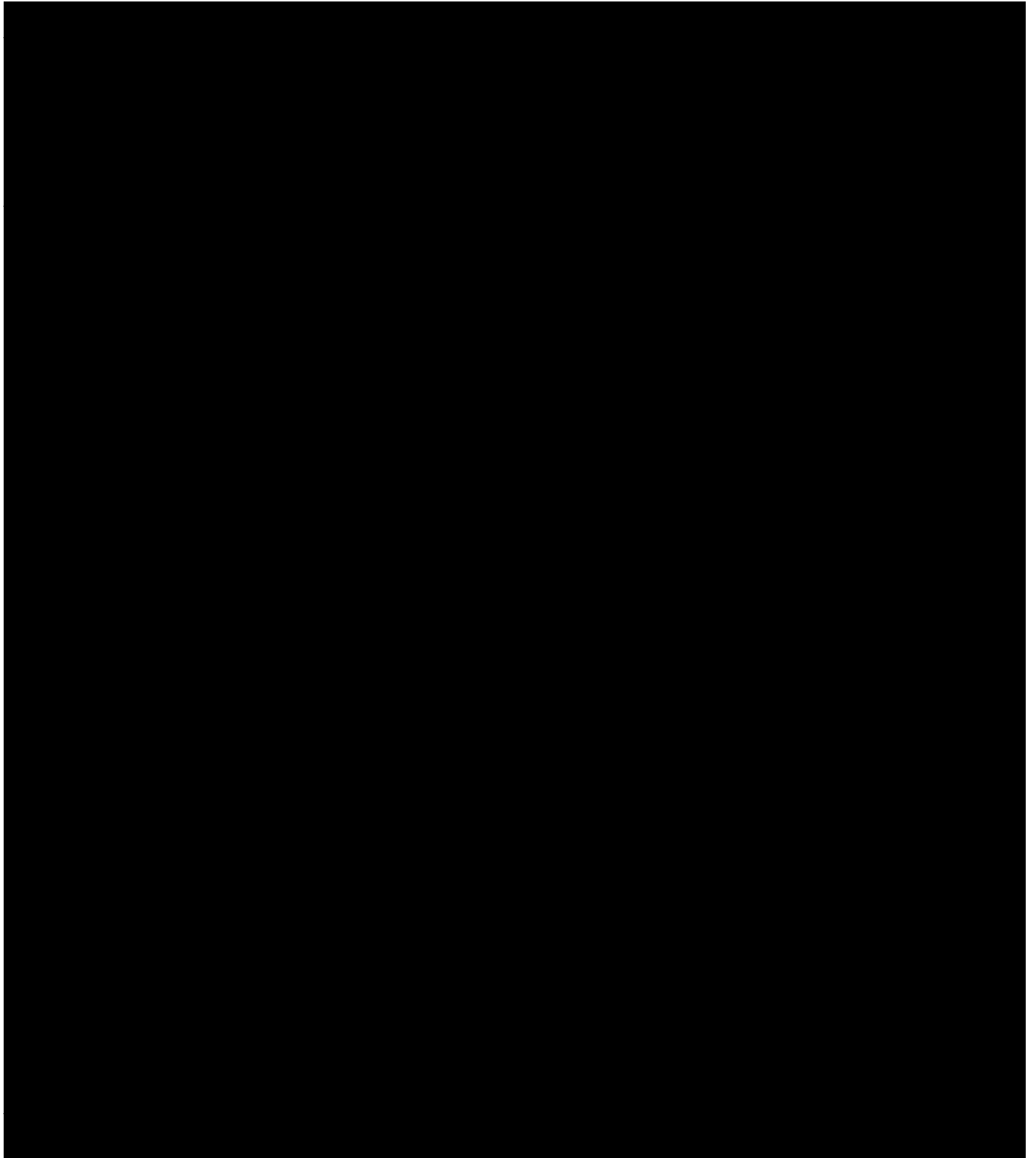
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)





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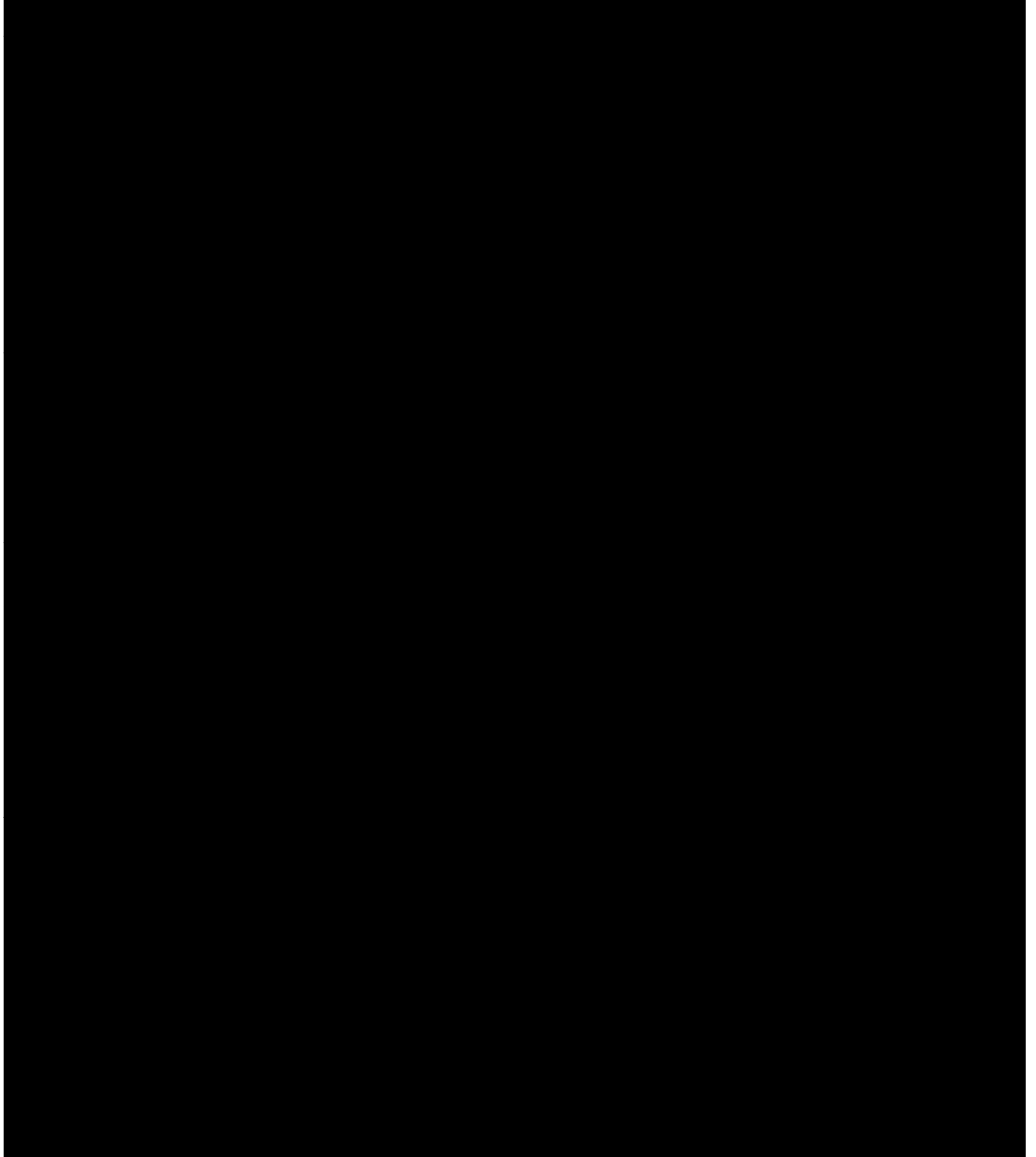
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)





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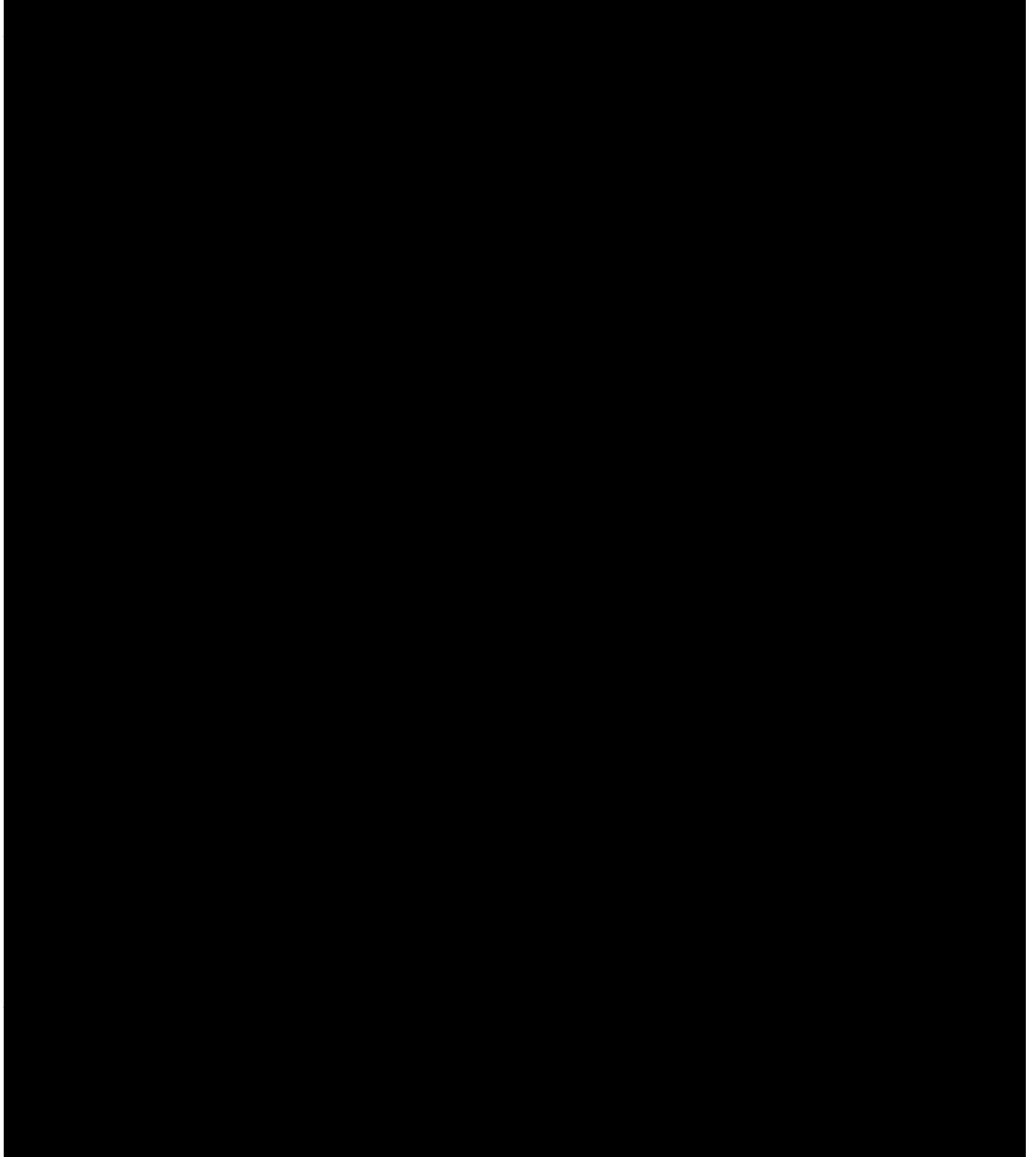
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)





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**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)

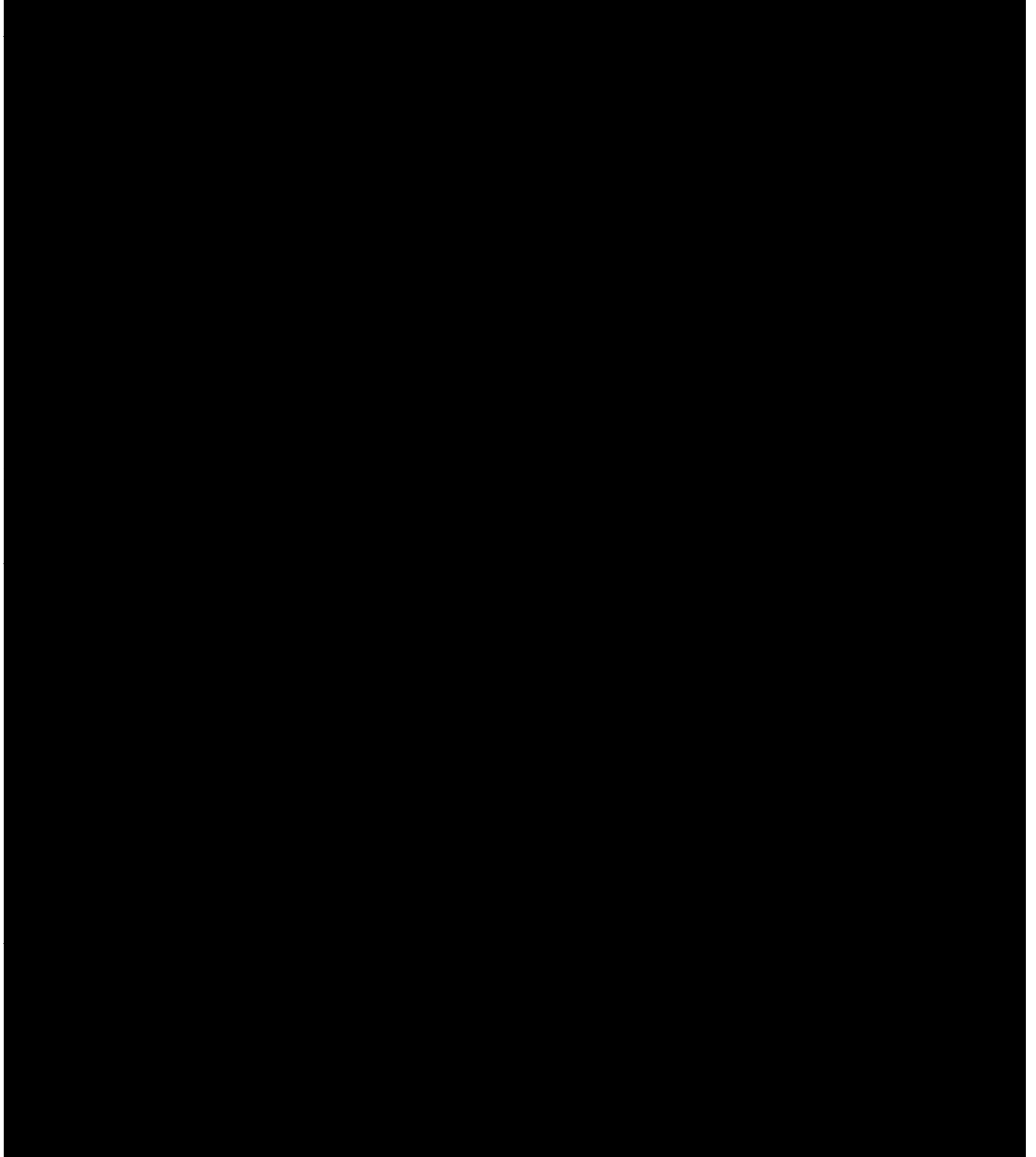


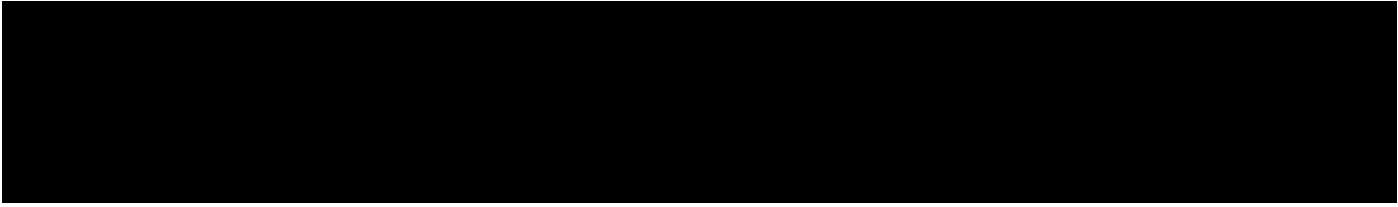




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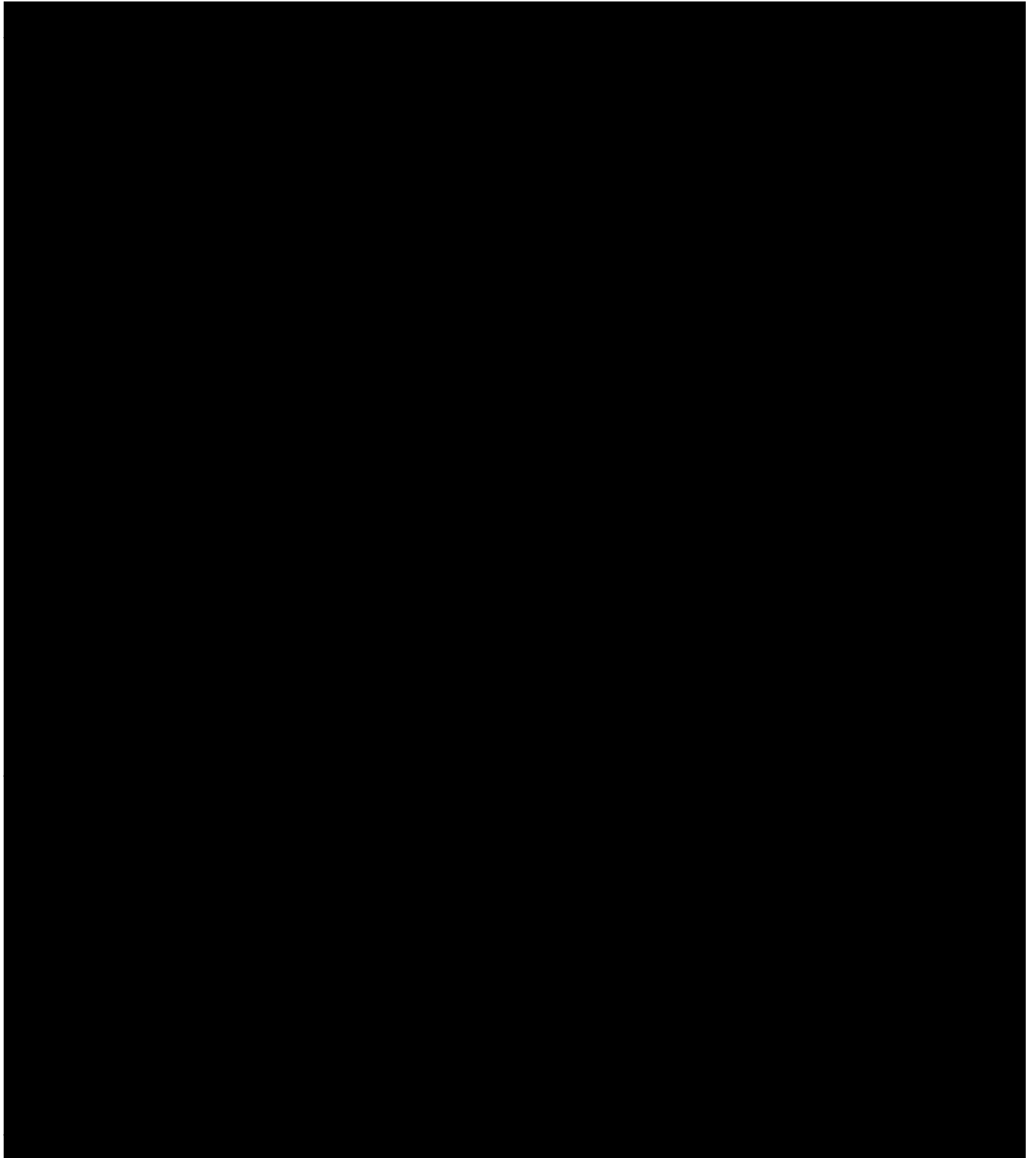
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)





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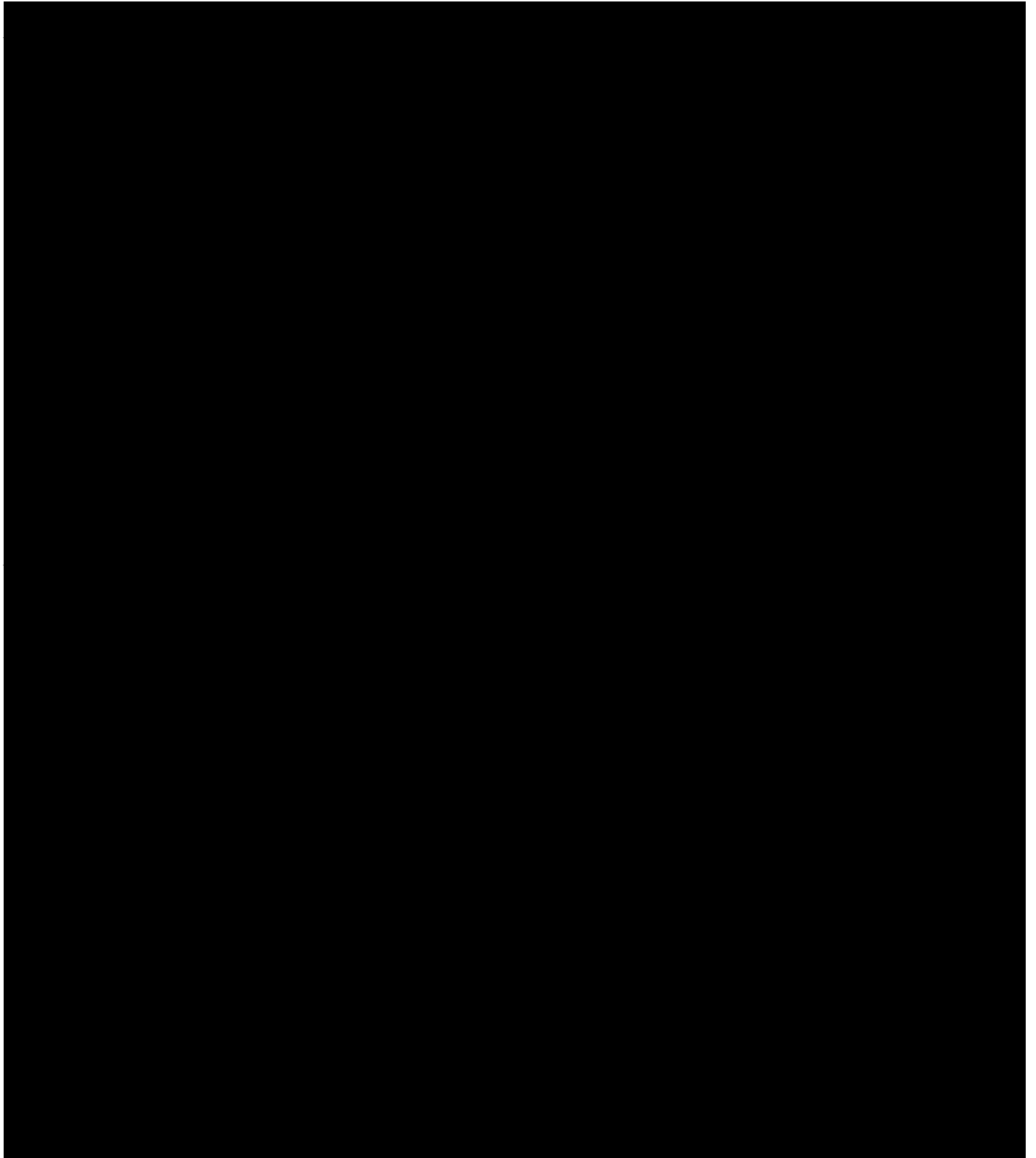
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)





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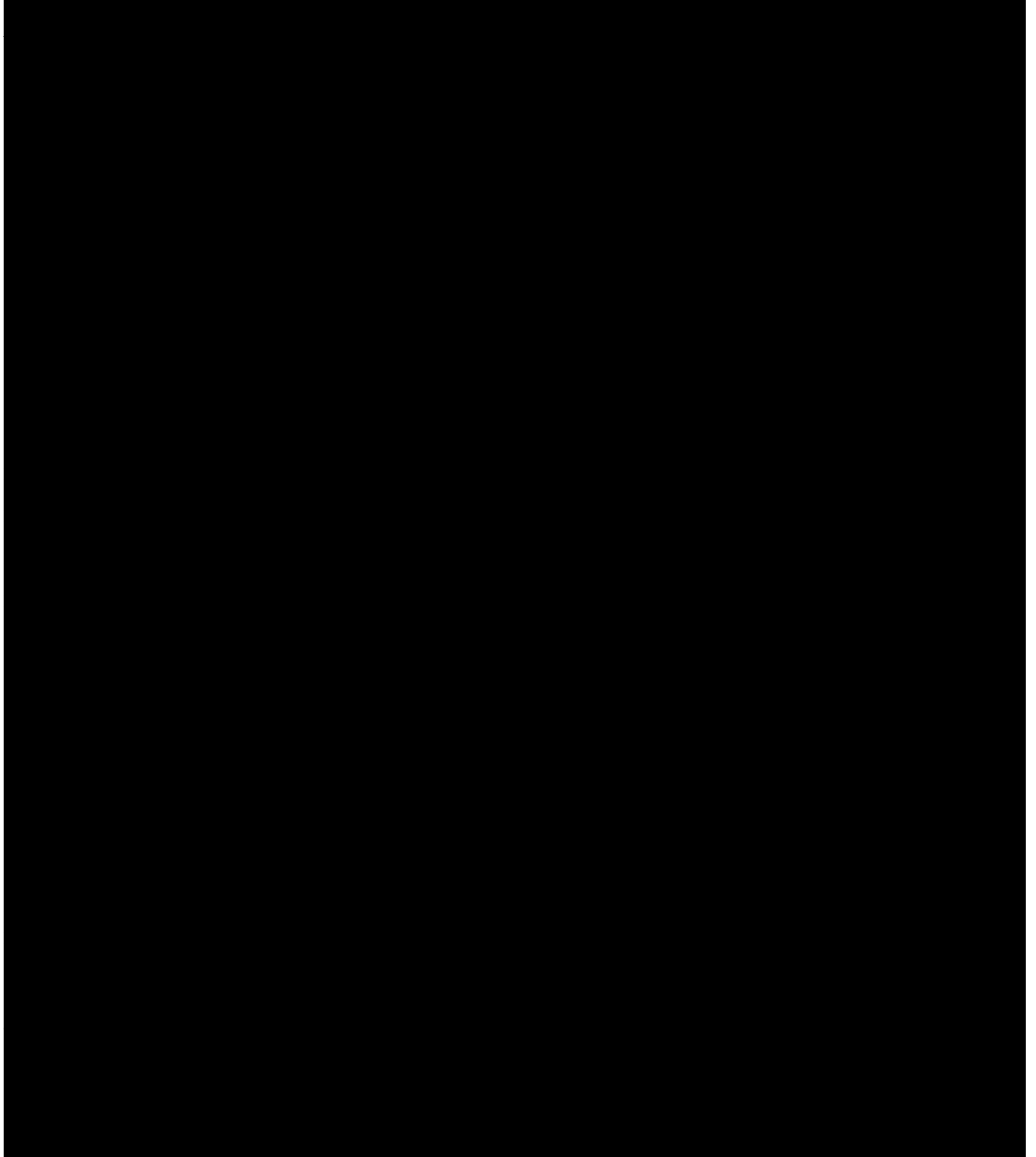
**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)



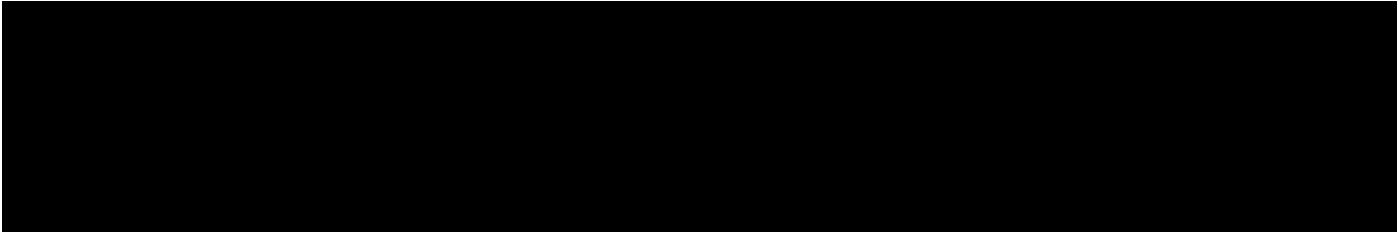


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**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)

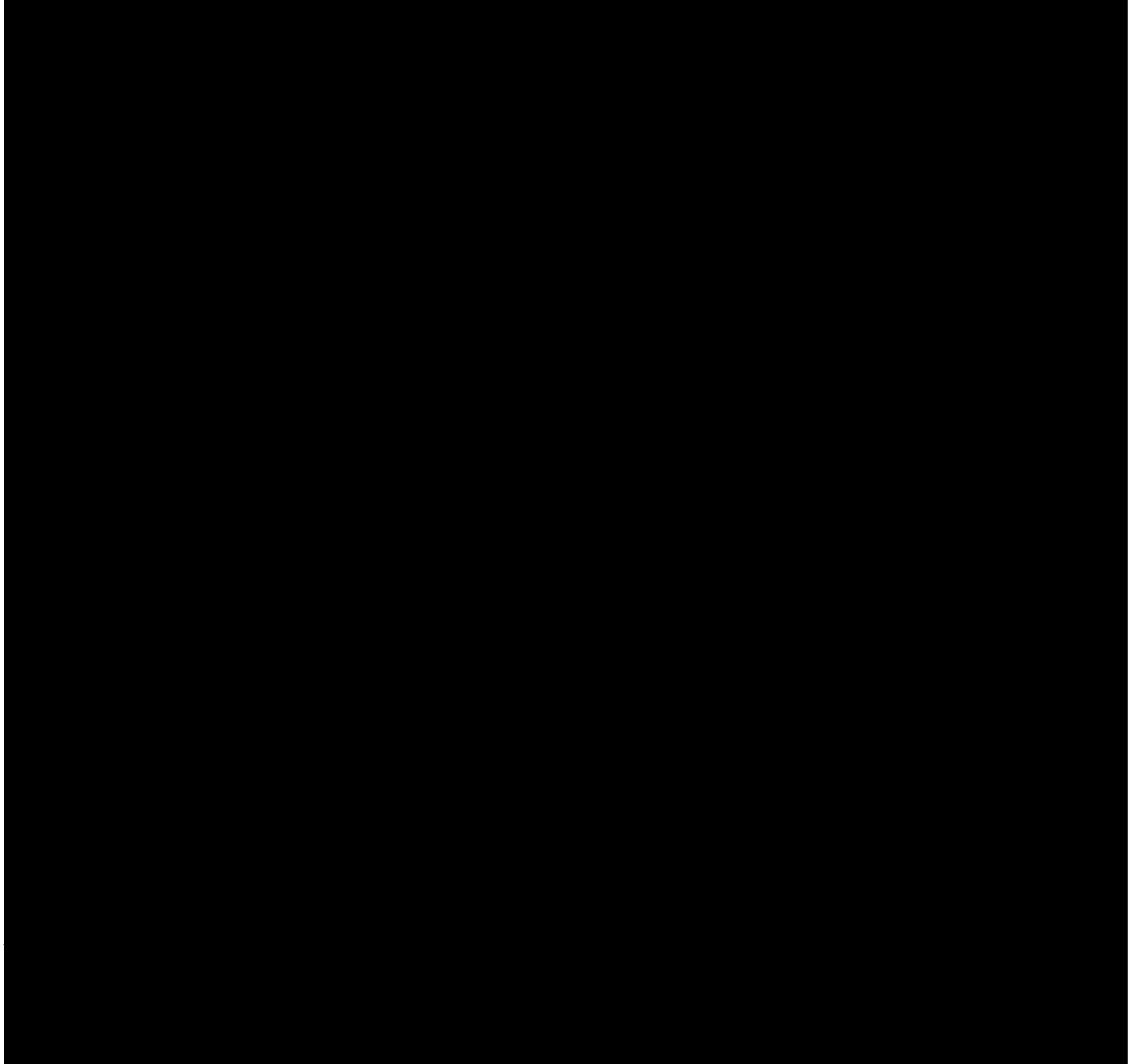






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**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)



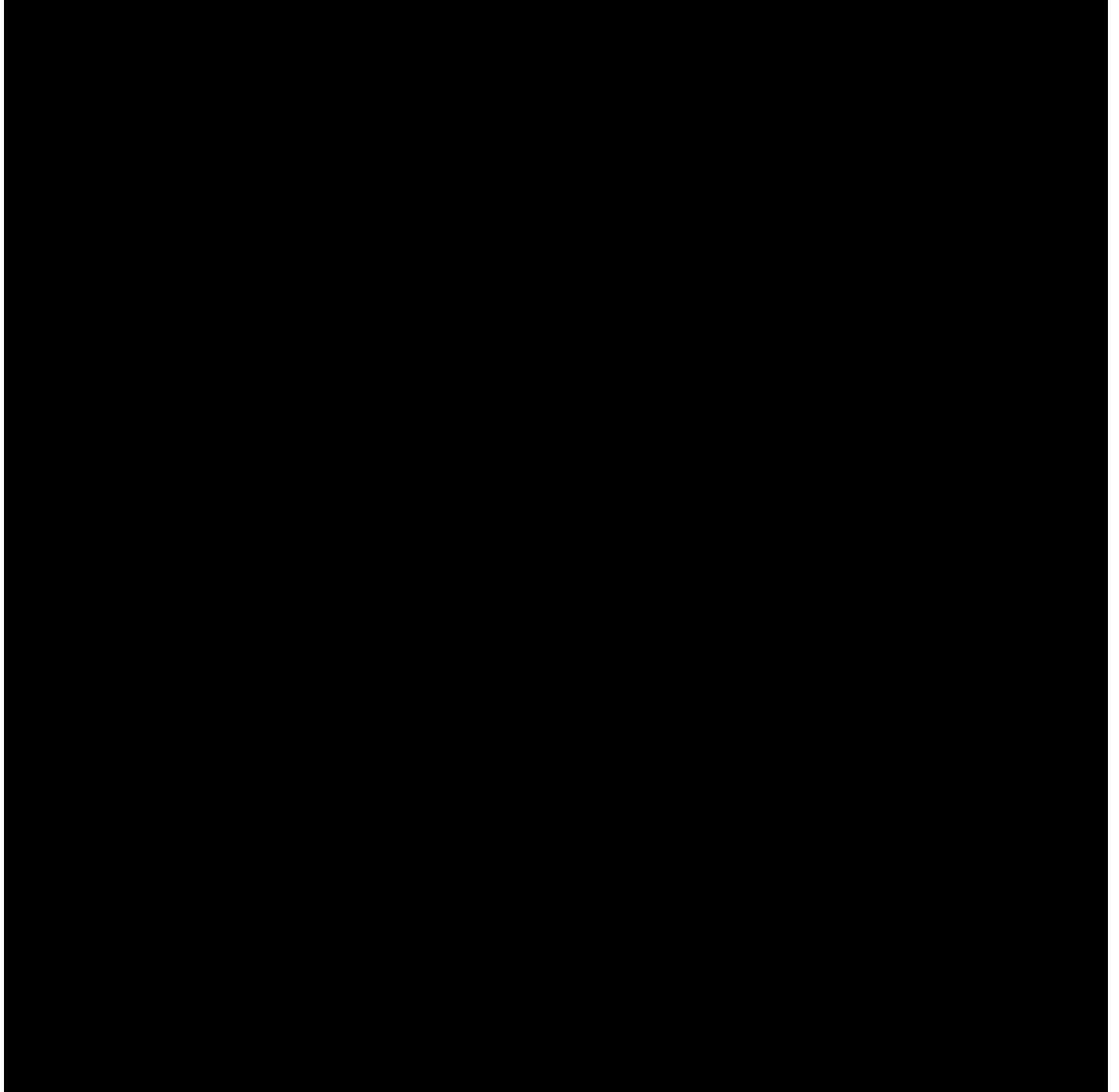
*EQUITIES AND OTHER ASSETS: 1.3%*





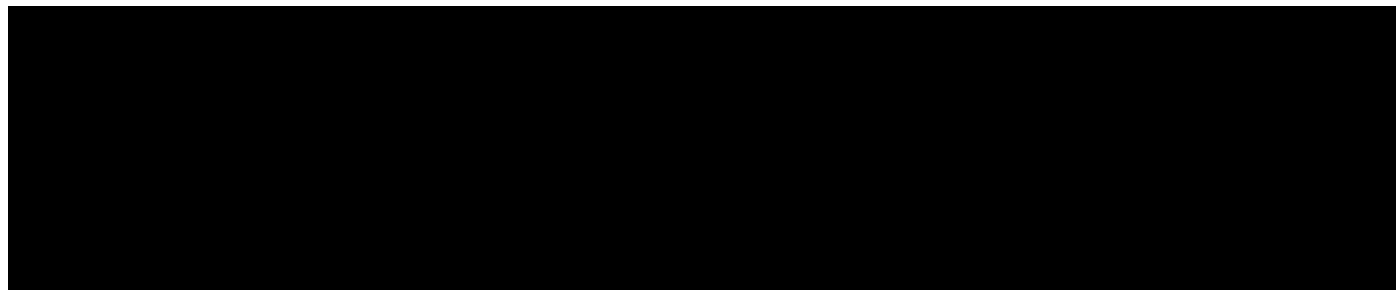
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**PORTFOLIO OF INVESTMENTS**  
as of May 31, 2012 (Unaudited) (continued)



ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS  
as of May 31, 2012 (Unaudited) (continued)



Fair Value Measurements^

The following is a summary of the fair valuations according to the inputs used as of May 31, 2012 in valuing the Trust's assets and liabilities:

	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value at 5/31/12
<b>Asset Table</b>				
<b>Investments, at value</b>				
Senior Loans	\$	\$ 1,194,852,425	\$	\$ 1,194,852,425
Other Corporate Debt		4,316,681		4,316,681
Equities and Other Assets	1,264,219	9,634,089	273,438	11,171,746
Total Investments, at value	\$ 1,264,219	\$ 1,208,803,195	\$ 273,438	\$ 1,210,340,852
<b>Other Financial Instruments+</b>				
Forward foreign currency contracts		1,881,322		1,881,322
Total Assets	\$ 1,264,219	\$ 1,210,684,517	\$ 273,438	\$ 1,212,222,174
<b>Liabilities Table</b>				
<b>Other Financial Instruments+</b>				
Unfunded commitments	\$	\$ (24,341)	\$	\$ (24,341)
Total Liabilities	\$	\$ (24,341)	\$	\$ (24,341)

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Trust's assets and liabilities during the period ended May 31, 2012:

	Beginning Balance at 02/29/12	Purchases	Sales	Accrued Discounts/ (Premiums)	Total Realized Gain/(Loss)	Total Unrealized Appreciation/ (Depreciation)
Senior Loans	\$ 180,719	\$	\$ (180,719)	\$	\$ (1,157,943)	\$ 1,157,943
Other Corporate Debt	422,792	14,236	(484,004)		38,408	8,568
Equities and Other Assets	642,945					
Total	\$ 1,246,456	\$ 14,236	\$ (664,723)	\$	\$ (1,119,535)	\$ 1,166,511



**ING Prime Rate Trust**

**PORTFOLIO OF INVESTMENTS  
as of May 31, 2012 (Unaudited) (continued)**

	Transfers Into Level 3	Transfers Out of Level 3	Ending Balance at 05/31/12
Senior Loans	\$	\$	\$
Other Corporate Debt			
Equities and Other Assets		(369,507)	273,438
Total	\$	\$ (369,507)	\$ 273,438

As of May 31, 2012, total change in unrealized gain (loss) on Level 3 securities still held at period end and included in the change in net assets was \$0.

^ See Note 2, Significant Accounting Policies in the Notes to Financial Statements for additional information.

+ Other Financial Instruments are securities or derivatives not reflected in the Portfolio of Investments and may include open forward foreign currency contracts, futures, swaps, unfunded commitments and written options. Forward foreign currency contracts, futures and unfunded commitments are reported at their unrealized gain/loss at measurement date which represents the amount due to/from the Trust. Swaps and written options are reported at their fair value at measurement date.

Transfers in or out of Level 3 represents either the beginning value (for transfer in), or the ending value (for transfers out) of any security or derivative instrument where a change in the pricing level occurred from the beginning to the end of the period. The Trust's policy is to recognize transfers between levels at the end of the reporting period.

**At May 31, 2012 the following forward foreign currency contracts were outstanding for ING Prime Rate Trust :**

Counterparty	Currency	Buy/Sell	Settlement Date	In Exchange For	Fair Value	Unrealized Appreciation/ (Depreciation)
State Street Bank	Australian Dollar	Sell	06/14/12	\$ 6,602,913	\$ 6,401,053	\$ 201,860
State Street Bank	Euro	Sell	06/14/12	33,332,967	31,825,518	1,507,449
State Street Bank	Sweden Kronor	Sell	06/14/12	3,223,730	3,051,717	172,013
	SEK 22,183,000			\$ 43,159,610	\$ 41,278,288	\$ 1,881,322

See Accompanying Notes to Financial Statements





**Item 2. Controls and Procedures.**

- (a) Based on our evaluation conducted within 90 days of the filing date, hereof, the design and operation of the registrant's disclosure controls and procedures are effective to ensure that material information relating to the registrant is made known to the certifying officers by others within the appropriate entities, particularly during the period in which Forms N-Q are being prepared, and the registrant's disclosure controls and procedures allow timely preparation and review of the information for the registrant's Form N-Q and the officer certifications of such Form N-Q.
- (b) There were no significant changes in the registrant's internal controls over financial reporting that occurred during the registrant's 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.**

A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2 under the Act (17 CFR 270.30a-2) is attached hereto as EX-99.CERT.

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**SIGNATURES**

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

(Registrant): ING Prime Rate Trust

By /s/ Shaun P. Mathews  
Shaun P. Mathews  
President and Chief Executive Officer

Date: July 27, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/ Shaun P. Mathews  
Shaun P. Mathews  
President and Chief Executive Officer

Date: July 27, 2012

By /s/ Todd Modic  
Todd Modic  
Senior Vice President and Chief Financial Officer

Date: July 27, 2012

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