

Prudential Short Duration High Yield Fund, Inc.
Form N-Q
April 28, 2015

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS
OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

| | |
|---|--|
| Investment Company Act file number: | 811-22632 |
| Exact name of registrant as specified in charter: | Prudential Short Duration High Yield Fund, Inc. |
| Address of principal executive offices: | Gateway Center 3, 100 Mulberry Street, Newark, New Jersey 07102 |
| Name and address of agent for service: | Deborah A. Docs Gateway Center 3, 100 Mulberry Street, Newark, New Jersey 07102 |
| Registrant's telephone number, including area code: | 800-225-1852 |
| Date of fiscal year end: | 5/31/2015 |
| Date of reporting period: | 2/28/2015 |

Item 1. Schedule of Investments

Prudential Short Duration High Yield Fund, Inc.**Schedule of Investments**

as of February 28, 2015 (Unaudited)

| | Interest Rate | Maturity Date | Principal Amount (000)# | Value |
|---|---------------|---------------|-------------------------|--------------|
| LONG-TERM INVESTMENTS 134.5% | | | | |
| BANK LOANS(a) 3.6% | | | | |
| Capital Goods 1.7% | | | | |
| CPM Acquisition Holdings, Inc. | 6.250% | 08/29/17 | 5,656 | \$ 5,635,170 |
| CPM Acquisition Holdings, Inc. | 10.250% | 03/01/18 | 1,749 | 1,740,255 |
| RAC Ltd. | 5.314% | 12/17/21 | GBP 1,575 | 2,437,648 |
| | | | | 9,813,073 |
| Chemicals 0.3% | | | | |
| Axalta Coating Systems US Holdings | 3.750% | 02/01/20 | 949 | 941,390 |
| Colouroz Investment 2 LLC | 4.750% | 09/07/21 | 1,128 | 1,120,449 |
| | | | | 2,061,839 |
| Gaming 0.3% | | | | |
| MGM Resorts International | 3.500% | 12/20/19 | 1,960 | 1,951,670 |
| Metals 0.7% | | | | |
| FMG Resources (August 2006) Pty. Ltd. (Australia) | 3.750% | 06/30/19 | 4,500 | 4,165,312 |
| Technology 0.6% | | | | |
| Kronos, Inc. | 9.750% | 04/30/20 | 3,740 | 3,821,042 |
| TOTAL BANK LOANS | | | | 21,812,936 |
| (cost \$21,697,816) | | | | |
| CORPORATE BONDS 130.9% | | | | |
| Aerospace & Defense 1.3% | | | | |
| Bombardier, Inc. (Canada), Sr. Unsec d. Notes, 144A(b) | 7.500% | 03/15/18 | 2,875 | 3,061,875 |
| Ducommun, Inc., Gtd. Notes(b) | 9.750% | 07/15/18 | 3,375 | 3,611,250 |
| Esterline Technologies Corp., Gtd. Notes(b) | 7.000% | 08/01/20 | 1,225 | 1,286,250 |
| | | | | 7,959,375 |
| Airlines 1.9% | | | | |
| Continental Airlines, Inc., Pass-Through Trust, Pass-Through Certificates, Series 2012-3, Class C | 6.125% | 04/29/18 | 10,700 | 11,342,000 |
| Automotive 3.9% | | | | |
| Allison Transmission, Inc., Gtd. Notes, 144A(b) | 7.125% | 05/15/19 | 3,915 | 4,086,281 |
| American Axle & Manufacturing, Inc., Gtd. Notes(b) | 5.125% | 02/15/19 | 1,550 | 1,615,875 |
| American Axle & Manufacturing, Inc., Gtd. Notes | 7.750% | 11/15/19 | 445 | 508,413 |
| | 8.000% | 06/15/19 | 7,275 | 7,685,455 |

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|---|--------|----------|-------|------------|
| Chrysler Group LLC/CG Co.-Issuer, Inc., Sec d. Notes(b) | | | | |
| Jaguar Land Rover Automotive PLC (United Kingdom), Gtd. Notes, 144A | 4.250% | 11/15/19 | 1,100 | 1,142,625 |
| Schaeffler Holding Finance BV (Germany), Sr. Sec d. Notes, PIK, 144A | 6.250% | 11/15/19 | 1,200 | 1,272,000 |
| Schaeffler Holding Finance BV (Germany), Sr. Sec d. Notes, PIK, 144A(b) | 6.875% | 08/15/18 | 6,850 | 7,175,375 |
| | | | | 23,486,024 |

Building Materials & Construction 7.8%

| | | | | |
|---|---------|----------|-------|-----------|
| Beazer Homes USA, Inc., Gtd. Notes | 5.750% | 06/15/19 | 1,675 | 1,616,375 |
| Beazer Homes USA, Inc., Sr. Sec d. Notes(b) | 6.625% | 04/15/18 | 5,275 | 5,486,000 |
| Cemex Finance LLC (Mexico), Sr. Sec d. Notes, 144A(b) | 9.875% | 04/30/19 | 5,000 | 5,561,000 |
| D.R. Horton, Inc., Gtd. Notes(b) | 4.750% | 05/15/17 | 3,000 | 3,135,000 |
| HD Supply, Inc., Gtd. Notes | 11.500% | 07/15/20 | 2,500 | 2,875,000 |
| KB Home, Gtd. Notes(b) | 4.750% | 05/15/19 | 2,000 | 1,937,500 |
| Lennar Corp., Gtd. Notes(b) | 4.500% | 06/15/19 | 2,600 | 2,678,000 |
| Lennar Corp., Gtd. Notes(b) | 4.750% | 12/15/17 | 5,075 | 5,265,312 |
| Standard Pacific Corp., Gtd. Notes(b) | 8.375% | 05/15/18 | 1,000 | 1,145,000 |

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|---|-----------|----------|-------|------------|
| Standard Pacific Corp., Gtd. Notes(b) | 10.750% | 09/15/16 | 3,225 | 3,612,000 |
| Taylor Morrison Communities, Inc./Monarch Communities, Inc., Gtd. Notes, 144A (original cost \$3,845,625; purchased 03/18/14-07/25/14)(b)(c)(d) | 7.750% | 04/15/20 | 3,500 | 3,710,000 |
| Toll Brothers Finance Corp., Gtd. Notes | 4.000% | 12/31/18 | 400 | 411,000 |
| Toll Brothers Finance Corp., Gtd. Notes(b) | 8.910% | 10/15/17 | 1,600 | 1,848,000 |
| US Concrete, Inc., Sr. Sec d. Notes(b) | 8.500% | 12/01/18 | 6,575 | 6,969,500 |
| | | | | 46,249,687 |
| Cable & Satellite 8.5% | | | | |
| Cablevision Systems Corp., Sr. Unsec d. Notes(b) | 7.750% | 04/15/18 | 2,750 | 3,066,250 |
| Cablevision Systems Corp., Sr. Unsec d. Notes(b) | 8.625% | 09/15/17 | 6,700 | 7,579,375 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes(b) | 7.000% | 01/15/19 | 7,450 | 7,748,000 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes(b) | 7.250% | 10/30/17 | 1,900 | 1,978,375 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes | 7.375% | 06/01/20 | 1,000 | 1,070,000 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes(b) | 8.125% | 04/30/20 | 2,460 | 2,579,925 |
| CSC Holdings LLC, Sr. Unsec d. Notes(b) | 8.625% | 02/15/19 | 2,500 | 2,915,625 |
| DISH DBS Corp., Gtd. Notes(b) | 4.250% | 04/01/18 | 3,390 | 3,406,950 |
| DISH DBS Corp., Gtd. Notes(b) | 7.875% | 09/01/19 | 1,000 | 1,128,750 |
| Intelsat Jackson Holdings SA (Luxembourg), Gtd. Notes | 7.250% | 04/01/19 | 6,135 | 6,349,725 |
| Intelsat Jackson Holdings SA (Luxembourg), Gtd. Notes | 7.250% | 10/15/20 | 500 | 520,000 |
| Numericable Group SA (France), Sr. Sec d. Notes, 144A(b) | 4.875% | 05/15/19 | 4,655 | 4,655,000 |
| Telesat Canada/Telesat LLC (Canada), Gtd. Notes, 144A(b) | 6.000% | 05/15/17 | 7,500 | 7,678,125 |
| Videotron Ltee (Canada), Gtd. Notes | 9.125% | 04/15/18 | 41 | 42,127 |
| | | | | 50,718,227 |
| Capital Goods 13.1% | | | | |
| Anixter International, Inc., Gtd. Notes(b) | 5.625% | 05/01/19 | 1,500 | 1,605,000 |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., Gtd. Notes(b) | 2.984%(a) | 12/01/17 | 5,340 | 5,366,700 |
| BlueLine Rental Finance Corp., Sec d. Notes, 144A (original cost \$1,142,312; purchased 01/16/14-02/12/14)(b)(c)(d) | 7.000% | 02/01/19 | 1,125 | 1,167,188 |
| Clean Harbors, Inc., Gtd. Notes | 5.250% | 08/01/20 | 850 | 867,000 |
| Cleaver-Brooks, Inc., Sr. Sec d. Notes, 144A (original cost \$2,612,250; purchased 03/21/14-10/06/14)(b)(c)(d) | 8.750% | 12/15/19 | 2,400 | 2,454,000 |
| CNH America LLC, Gtd. Notes(b) | 7.250% | 01/15/16 | 7,235 | 7,542,487 |
| CNH Capital LLC, Gtd. Notes(b) | 3.875% | 11/01/15 | 2,075 | 2,087,969 |
| Hertz Corp. (The), Gtd. Notes(b) | 4.250% | 04/01/18 | 3,875 | 3,913,750 |
| Hertz Corp. (The), Gtd. Notes | 6.750% | 04/15/19 | 925 | 956,219 |
| Hertz Corp. (The), Gtd. Notes(b) | 7.500% | 10/15/18 | 2,400 | 2,484,000 |
| International Wire Group Holdings, Inc., Sec d. Notes, 144A(b) | 8.500% | 10/15/17 | 1,000 | 1,045,000 |
| Kenan Advantage Group, Inc. (The), Sr. Unsec d. Notes, 144A (original cost \$9,981,563; purchased 04/04/14-04/15/14)(b)(c)(d) | 8.375% | 12/15/18 | 9,250 | 9,620,000 |
| Laureate Education, Inc., Gtd. Notes, 144A | 10.000% | 09/01/19 | 3,875 | 3,700,625 |
| Michael Baker International, Inc., Sr. Sec d. Notes, 144A(b) | 8.250% | 10/15/18 | 4,525 | 4,411,875 |
| NCSG Crane & Heavy Haul Services (Canada), Sec d. Notes, 144A(b) | 9.500% | 08/15/19 | 2,900 | 1,812,500 |
| Polymer Group, Inc., Sr. Sec d. Notes(b) | 7.750% | 02/01/19 | 1,342 | 1,395,680 |
| Safway Group Holding LLC/Safway Finance Corp., Sec d. Notes, 144A(b) | 7.000% | 05/15/18 | 7,474 | 7,548,740 |

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|--|--------|----------|-------|------------|
| SPX Corp., Gtd. Notes(b) | 6.875% | 09/01/17 | 3,600 | 3,924,000 |
| Terex Corp., Gtd. Notes | 6.500% | 04/01/20 | 1,500 | 1,575,000 |
| Unifrax I LLC/Unifrax Holding Co., Gtd. Notes, 144A (original cost \$5,864,030; purchased 05/14/14-06/30/14)(c)(d) | 7.500% | 02/15/19 | 5,538 | 5,593,380 |
| Unifrax I LLC/Unifrax Holding Co., Gtd. Notes, 144A (original cost \$4,080,000; purchased 07/28/14)(c)(d) | 7.500% | 02/15/19 | 4,000 | 4,040,000 |
| United Rentals North America, Inc., Sec d. Notes(b) | 5.750% | 07/15/18 | 1,025 | 1,064,078 |
| WireCo WorldGroup, Inc., Gtd. Notes(b) | 9.500% | 05/15/17 | 3,600 | 3,546,000 |
| | | | | 77,721,191 |

Chemicals 3.0%

| | | | | |
|---|--------|----------|-------|------------|
| Axalta Coating Systems US Holdings, Inc./Axalta Coating Systems | | | | |
| Dutch Holdings BV, Gtd. Notes, 144A | 7.375% | 05/01/21 | 3,350 | 3,626,375 |
| Hexion U.S. Finance Corp., Sr. Sec d. Notes | 8.875% | 02/01/18 | 3,250 | 2,738,125 |
| Kissner Milling Co., Ltd. (Canada), Sr. Sec d. Notes, 144A (original cost \$2,083,000; purchased 05/15/14-02/03/15)(c)(d) | 7.250% | 06/01/19 | 2,075 | 2,116,500 |
| Koppers, Inc., Gtd. Notes(b) | 7.875% | 12/01/19 | 5,494 | 5,555,807 |
| PolyOne Corp., Sr. Unsec d. Notes | 7.375% | 09/15/20 | 3,500 | 3,714,375 |
| | | | | 17,751,182 |

Consumer 1.9%

| | | | | |
|---|--------|----------|-------|------------|
| Gibson Brands, Inc., Sr. Sec d. Notes, 144A (original cost \$625,500; purchased 05/13/14)(c)(d) | 8.875% | 08/01/18 | 600 | 589,500 |
| Jarden Corp., Gtd. Notes(b) | 7.500% | 05/01/17 | 3,750 | 4,134,375 |
| Scotts Miracle-Gro Co. (The), Gtd. Notes(b) | 6.625% | 12/15/20 | 2,000 | 2,120,000 |
| Service Corp. International, Sr. Unsec d. Notes | 7.000% | 06/15/17 | 1,000 | 1,090,000 |
| Service Corp. International, Sr. Unsec d. Notes(b) | 7.625% | 10/01/18 | 2,753 | 3,145,303 |
| | | | | 11,079,178 |

Electric 3.6%

| | | | | |
|---|--------|----------|-------|------------|
| AES Corp. (The), Sr. Unsec d. Notes(b) | 8.000% | 10/15/17 | 4,000 | 4,495,000 |
| AES Corp. (The), Sr. Unsec d. Notes | 9.750% | 04/15/16 | 2,702 | 2,965,445 |
| DPL, Inc., Sr. Unsec d. Notes | 6.500% | 10/15/16 | 271 | 285,905 |
| Dynegy Finance I, Inc./Dynegy Finance II, Inc., Sr. Sec d. Notes, 144A(b) | 6.750% | 11/01/19 | 3,625 | 3,792,656 |
| Mirant Mid Atlantic LLC, Pass-Through Certificates, Series B | 9.125% | 06/30/17 | 613 | 637,830 |
| NRG Energy, Inc., Gtd. Notes(b) | 7.625% | 01/15/18 | 6,850 | 7,603,500 |
| NRG REMA LLC, Pass-Through Certificates, Series B(d) | 9.237% | 07/02/17 | 709 | 738,863 |
| NRG REMA LLC, Pass-Through Certificates, Series C(b) | 9.681% | 07/02/26 | 900 | 976,500 |
| | | | | 21,495,699 |

Energy Integrated 0.2%

| | | | | |
|--|--------|----------|-------|-----------|
| Pacific Rubiales Energy Corp. (Colombia), Gtd. Notes, 144A | 7.250% | 12/12/21 | 1,500 | 1,076,250 |
|--|--------|----------|-------|-----------|

Energy Other 3.4%

| | | | | |
|--|--------|----------|-------|-----------|
| California Resources Corp., Gtd. Notes, 144A | 5.000% | 01/15/20 | 900 | 825,750 |
| EP Energy LLC/EP Energy Finance, Inc., Gtd. Notes(b) | 9.375% | 05/01/20 | 1,200 | 1,281,000 |
| Hilcorp Energy I LP/Hilcorp Finance Co., Sr. Unsec d. Notes, 144A (original cost \$7,717,500; purchased 03/15/13)(b)(c)(d) | 8.000% | 02/15/20 | 7,000 | 7,175,000 |
| Kodiak Oil & Gas Corp., Gtd. Notes | 8.125% | 12/01/19 | 3,050 | 3,179,625 |
| PHI, Inc., Gtd. Notes | 5.250% | 03/15/19 | 1,225 | 1,114,750 |

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SESI LLC, Gtd. Notes(b)

6.375%

05/01/19

2,550

2,562,750

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|--|---------|----------|-------|------------|
| Tesoro Corp., Gtd. Notes(b) | 4.250% | 10/01/17 | 3,675 | 3,822,000 |
| | | | | 19,960,875 |
| Foods 5.6% | | | | |
| ARAMARK Corp., Gtd. Notes | 5.750% | 03/15/20 | 950 | 992,750 |
| Constellation Brands, Inc., Gtd. Notes | 3.875% | 11/15/19 | 2,275 | 2,360,313 |
| Constellation Brands, Inc., Gtd. Notes(b) | 7.250% | 09/01/16 | 3,052 | 3,299,212 |
| Cott Beverages, Inc. (Canada), Gtd. Notes, 144A | 6.750% | 01/01/20 | 2,525 | 2,525,000 |
| JBS USA LLC/JBS USA Finance, Inc. (Brazil), Gtd. Notes, 144A (original cost \$3,784,375; purchased 06/17/14)(b)(c)(d) | 7.250% | 06/01/21 | 3,500 | 3,681,632 |
| Landry's, Inc., Sr. Unsec d. Notes, 144A (original cost \$8,665,000; purchased 05/27/14-01/29/15)(c)(d) | 9.375% | 05/01/20 | 8,000 | 8,630,000 |
| Smithfield Foods, Inc., Sr. Unsec d. Notes, 144A | 5.250% | 08/01/18 | 4,585 | 4,728,281 |
| Tops Holding Corp./Tops Markets LLC, Sr. Sec d. Notes (original cost \$7,387,000; purchased 05/24/13- 08/14/14)(b)(c)(d) | 8.875% | 12/15/17 | 6,700 | 7,001,500 |
| | | | | 33,218,688 |
| Gaming 9.1% | | | | |
| Boyd Gaming Corp., Gtd. Notes(b) | 9.125% | 12/01/18 | 5,120 | 5,363,200 |
| Caesars Entertainment Resort Properties LLC, Sr. Sec d. Notes, 144A | 8.000% | 10/01/20 | 1,575 | 1,586,813 |
| CCM Merger, Inc., Gtd. Notes, 144A (original cost \$3,788,015; purchased 09/04/13-05/21/14)(c)(d) | 9.125% | 05/01/19 | 3,618 | 3,934,575 |
| GLP Capital LP/GLP Financing II, Inc., Gtd. Notes(b) | 4.375% | 11/01/18 | 3,775 | 3,926,000 |
| Isle of Capri Casinos, Inc., Gtd. Notes(b) | 7.750% | 03/15/19 | 5,575 | 5,784,062 |
| MGM Resorts International, Gtd. Notes(b) | 7.500% | 06/01/16 | 2,000 | 2,120,000 |
| MGM Resorts International, Gtd. Notes | 8.625% | 02/01/19 | 1,275 | 1,466,250 |
| MGM Resorts International, Gtd. Notes(b) | 10.000% | 11/01/16 | 7,000 | 7,805,000 |
| MTR Gaming Group, Inc., Sec d. Notes(b) | 11.500% | 08/01/19 | 6,102 | 6,620,670 |
| Peninsula Gaming LLC/Peninsula Gaming Corp., Gtd. Notes, 144A | 8.375% | 02/15/18 | 4,000 | 4,230,000 |
| Pinnacle Entertainment, Inc., Gtd. Notes(b) | 7.500% | 04/15/21 | 3,050 | 3,229,187 |
| Pinnacle Entertainment, Inc., Gtd. Notes(b) | 8.750% | 05/15/20 | 4,481 | 4,727,455 |
| Station Casinos LLC, Gtd. Notes | 7.500% | 03/01/21 | 3,000 | 3,225,000 |
| | | | | 54,018,212 |
| Healthcare & Pharmaceutical 13.1% | | | | |
| Acadia Healthcare Co., Inc., Gtd. Notes | 12.875% | 11/01/18 | 1,000 | 1,127,500 |
| Allergan, Inc., Sr. Unsec d. Notes(b) | 1.350% | 03/15/18 | 2,240 | 2,198,513 |
| Biomet, Inc., Gtd. Notes | 6.500% | 08/01/20 | 2,750 | 2,935,625 |
| Capella Healthcare, Inc., Gtd. Notes(b) | 9.250% | 07/01/17 | 4,128 | 4,293,120 |
| Capsugel SA, Sr. Unsec d. Notes, PIK, 144A | 7.000% | 05/15/19 | 3,700 | 3,769,375 |
| CHS/Community Health Systems, Inc., Gtd. Notes(b) | 8.000% | 11/15/19 | 9,950 | 10,646,500 |
| ConvaTec Finance International SA (Luxembourg), Sr. Unsec d. Notes, PIK, 144A | 8.250% | 01/15/19 | 1,235 | 1,250,685 |
| ConvaTec Healthcare E SA (Luxembourg), Gtd. Notes, 144A | 10.500% | 12/15/18 | 5,615 | 5,923,825 |
| Emdeon, Inc., Gtd. Notes(b) | 11.000% | 12/31/19 | 8,000 | 8,780,000 |
| HCA Holdings, Inc., Sr. Unsec d. Notes(b) | 7.750% | 05/15/21 | 6,000 | 6,420,000 |
| HCA, Inc., Gtd. Notes(b) | 8.000% | 10/01/18 | 1,855 | 2,165,712 |
| HCA, Inc., Sr. Sec d. Notes(b) | 3.750% | 03/15/19 | 3,075 | 3,140,344 |
| HCA, Inc., Sr. Sec d. Notes | 4.250% | 10/15/19 | 2,350 | 2,432,250 |
| Kindred Healthcare, Inc., Gtd. Notes, 144A(b) | 8.000% | 01/15/20 | 3,650 | 3,960,250 |
| MedAssets, Inc., Gtd. Notes(b) | 8.000% | 11/15/18 | 7,026 | 7,333,387 |
| Tenet Healthcare Corp., Sr. Sec d. Notes(b) | 6.250% | 11/01/18 | 2,750 | 3,000,937 |
| Tenet Healthcare Corp., Sr. Unsec d. Notes | 8.000% | 08/01/20 | 1,000 | 1,060,000 |
| Tenet Healthcare Corp., Sr. Unsec d. Notes, 144A | 5.000% | 03/01/19 | 5,700 | 5,728,500 |

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| Valeant Pharmaceuticals International, Gtd. Notes, 144A | 6.750% | 08/15/18 | 1,991 | 2,115,438 |
| | | | | 78,281,961 |
| Media & Entertainment 5.4% | | | | |
| AMC Entertainment, Inc., Gtd. Notes(b) | 9.750% | 12/01/20 | 5,678 | 6,245,800 |
| AMC Networks, Inc., Gtd. Notes(b) | 7.750% | 07/15/21 | 2,170 | 2,381,575 |
| Carlson Travel Holdings, Inc., Sr. Unsec d. Notes, PIK, 144A (original cost \$3,812,250; purchased 06/26/14-08/04/14)(c)(d) | 7.500% | 08/15/19 | 3,800 | 3,847,500 |
| Carmike Cinemas, Inc., Sec d. Notes(b) | 7.375% | 05/15/19 | 4,550 | 4,823,000 |
| Cinemark USA, Inc., Gtd. Notes | 7.375% | 06/15/21 | 825 | 884,812 |
| Clear Channel Worldwide Holdings, Inc., Gtd. Notes | 7.625% | 03/15/20 | 215 | 225,213 |
| Crown Media Holdings, Inc., Gtd. Notes | 10.500% | 07/15/19 | 500 | 540,000 |
| Entercom Radio LLC, Gtd. Notes | 10.500% | 12/01/19 | 4,000 | 4,385,000 |
| Gannett Co., Inc., Gtd. Notes | 5.125% | 10/15/19 | 650 | 680,875 |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., Sr. Sec d. Notes, 144A (original cost \$1,225,000; purchased 07/30/13)(b)(c)(d) | 5.000% | 08/01/18 | 1,225 | 1,266,344 |
| NCL Corp. Ltd., Sr. Unsec d. Notes, 144A | 5.250% | 11/15/19 | 1,200 | 1,233,000 |
| Univision Communications, Inc., Sr. Sec d. Notes, 144A (original cost \$5,773,250; purchased 06/04/14-10/01/14)(b)(c)(d) | 7.875% | 11/01/20 | 5,250 | 5,637,187 |
| | | | | 32,150,306 |
| Metals 9.4% | | | | |
| AK Steel Corp., Sr. Sec d. Notes(b) | 8.750% | 12/01/18 | 7,691 | 8,267,825 |
| Alcoa, Inc., Sr. Unsec d. Notes(b) | 6.750% | 07/15/18 | 3,000 | 3,397,098 |
| ArcelorMittal SA (Luxembourg), Sr. Unsec d. Notes | 5.250% | 02/25/17 | 4,000 | 4,198,000 |
| ArcelorMittal SA (Luxembourg), Sr. Unsec d. Notes | 6.125% | 06/01/18 | 4,100 | 4,443,375 |
| AuRico Gold, Inc. (Canada), Sec d. Notes, 144A(b) | 7.750% | 04/01/20 | 1,500 | 1,470,000 |
| Berau Capital Resources Pte. Ltd. (Indonesia), Sr. Sec d. Notes, 144A | 12.500% | 07/08/15 | 3,850 | 2,502,500 |
| Calcipar SA (Luxembourg), Sr. Sec d. Notes, 144A (original cost \$6,234,862; purchased 05/27/14-06/30/14)(c)(d) | 6.875% | 05/01/18 | 5,850 | 5,996,250 |
| Cliffs Natural Resources, Inc., Sr. Unsec d. Notes | 5.950% | 01/15/18 | 1,300 | 1,163,500 |
| FMG Resources (August 2006) Pty. Ltd. (Australia), Gtd. Notes, 144A(b) | 6.875% | 02/01/18 | 1,267 | 1,269,833 |
| FMG Resources (August 2006) Pty. Ltd. (Australia), Gtd. Notes, 144A | 8.250% | 11/01/19 | 2,150 | 2,031,750 |
| JMC Steel Group, Sr. Unsec d. Notes, 144A (original cost \$2,579,250; purchased 08/11/14-11/26/14)(c)(d) | 8.250% | 03/15/18 | 2,550 | 2,224,875 |
| Kaiser Aluminum Corp., Gtd. Notes | 8.250% | 06/01/20 | 1,200 | 1,300,500 |
| Lundin Mining Corp. (Canada), Sr. Sec d. Notes, 144A(b) | 7.500% | 11/01/20 | 5,825 | 5,985,188 |
| New Gold, Inc. (Canada), Gtd. Notes, 144A | 7.000% | 04/15/20 | 1,325 | 1,371,375 |
| Peabody Energy Corp., Gtd. Notes(b) | 6.000% | 11/15/18 | 2,474 | 2,251,340 |
| Steel Dynamics, Inc., Gtd. Notes(b) | 6.125% | 08/15/19 | 6,525 | 6,998,062 |
| United States Steel Corp., Sr. Unsec d. Notes | 7.000% | 02/01/18 | 1,000 | 1,068,750 |
| | | | | 55,940,221 |
| Non-Captive Finance 3.1% | | | | |
| CIT Group, Inc., Sr. Unsec d. Notes(b) | 4.250% | 08/15/17 | 4,175 | 4,279,375 |
| International Lease Finance Corp., Sr. Unsec d. Notes(b) | 3.875% | 04/15/18 | 1,350 | 1,383,750 |
| International Lease Finance Corp., Sr. Unsec d. Notes | 6.250% | 05/15/19 | 600 | 672,750 |
| International Lease Finance Corp., Sr. Unsec d. Notes(b) | 8.875% | 09/01/17 | 4,000 | 4,575,000 |
| OneMain Financial Holdings, Inc., Gtd. Notes, 144A | 6.750% | 12/15/19 | 2,900 | 3,059,500 |
| SLM Corp., Sr. Unsec d. Notes, MTN | 8.000% | 03/25/20 | 425 | 494,594 |

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| | | | | |
|--|---------|----------|-----------|------------|
| SLM Corp., Sr. Unsec d. Notes, MTN(b) | 8.450% | 06/15/18 | 3,650 | 4,170,125 |
| | | | | 18,635,094 |
| Packaging 4.3% | | | | |
| AEP Industries, Inc., Sr. Unsec d. Notes(b) | 8.250% | 04/15/19 | 4,500 | 4,601,250 |
| Ardagh Packaging Finance PLC (Ireland), Gtd. Notes, 144A | 6.250% | 01/31/19 | 200 | 200,500 |
| Ardagh Packaging Finance PLC (Ireland), Gtd. Notes, 144A | 9.125% | 10/15/20 | 3,000 | 3,217,500 |
| Berry Plastics Corp., Sec d. Notes | 9.750% | 01/15/21 | 1,625 | 1,809,844 |
| Beverage Packaging Holdings Luxembourg II SA, Gtd. Notes, 144A | 6.000% | 06/15/17 | 1,150 | 1,161,500 |
| Greif, Inc., Sr. Unsec d. Notes(b) | 6.750% | 02/01/17 | 1,200 | 1,293,000 |
| Greif, Inc., Sr. Unsec d. Notes | 7.750% | 08/01/19 | 700 | 798,000 |
| Owens-Brockway Glass Container, Inc., Gtd. Notes(b) | 7.375% | 05/15/16 | 5,965 | 6,352,725 |
| PaperWorks Industries, Inc., Sr. Sec d. Notes, 144A(b) | 9.500% | 08/15/19 | 2,525 | 2,562,875 |
| Reynolds Group Issuer, Inc./Reynolds Group Issuer LLC/Reynolds Group LU, Gtd. Notes | 9.875% | 08/15/19 | 3,000 | 3,213,750 |
| Reynolds Group Issuer, Inc./Reynolds Group Issuer LLC/Reynolds Group LU, Sr. Sec d. Notes | 7.875% | 08/15/19 | 625 | 663,125 |
| | | | | 25,874,069 |
| Paper 1.1% | | | | |
| Cascades, Inc. (Canada), Gtd. Notes(b) | 7.875% | 01/15/20 | 1,850 | 1,928,625 |
| Smurfit Kappa Acquisitions (Ireland), Sr. Sec d. Notes, 144A | 4.875% | 09/15/18 | 3,450 | 3,596,625 |
| Tembec Industries, Inc. (Canada), Sr. Sec d. Notes, 144A | 9.000% | 12/15/19 | 1,025 | 1,037,813 |
| | | | | 6,563,063 |
| Pipelines & Other 0.5% | | | | |
| AmeriGas Partners LP/AmeriGas Eagle Finance Corp., Sr. Unsec d. Notes | 6.500% | 05/20/21 | 725 | 761,250 |
| Rockies Express Pipeline LLC, Sr. Unsec d. Notes, 144A (original cost \$2,144,688; purchased 01/10/13-05/02/13)(b)(c)(d) | 6.000% | 01/15/19 | 2,150 | 2,279,000 |
| | | | | 3,040,250 |
| Real Estate Investment Trusts 0.4% | | | | |
| CTR Partnership LP/Caretrust Capital Corp., Gtd. Notes | 5.875% | 06/01/21 | 525 | 535,500 |
| Felcor Lodging LP, Sr. Sec d. Notes | 6.750% | 06/01/19 | 2,032 | 2,123,440 |
| | | | | 2,658,940 |
| Retailers 3.3% | | | | |
| Academy Ltd./Academy Finance Corp., Gtd. Notes, 144A | 9.250% | 08/01/19 | 5,250 | 5,538,750 |
| Claire s Stores, Inc., Sr. Sec d. Notes, 144A | 6.125% | 03/15/20 | 400 | 348,000 |
| Claire s Stores, Inc., Sr. Sec d. Notes, 144A(b) | 9.000% | 03/15/19 | 4,200 | 3,942,750 |
| Family Tree Escrow LLC, Sr. Unsec d. Notes, 144A | 5.250% | 03/01/20 | 700 | 731,500 |
| HT Intermediate Holdings Corp., Sr. Unsec d. Notes, PIK, 144A | 12.000% | 05/15/19 | 350 | 358,750 |
| Petco Holdings, Inc., Sr. Unsec d. Notes, PIK, 144A (original cost \$348,250; purchased 10/04/12)(c)(d) | 8.500% | 10/15/17 | 350 | 360,500 |
| Sally Holdings LLC/Sally Capital, Inc., Gtd. Notes(b) | 6.875% | 11/15/19 | 1,900 | 2,028,250 |
| THOM Europe SAS (France), Sr. Sec d. Notes, 144A | 7.375% | 07/15/19 | EUR 4,000 | 4,655,223 |
| Toys R Us Property Co. II LLC, Sr. Sec d. Notes(b) | 8.500% | 12/01/17 | 1,500 | 1,500,000 |

19,463,723

Technology 16.3%

| | | | | |
|---|--------|----------|-------|-----------|
| Alcatel-Lucent USA, Inc. (France), Gtd. Notes, 144A(b) | 4.625% | 07/01/17 | 2,800 | 2,891,000 |
|---|--------|----------|-------|-----------|

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| | | | | |
|---|---------|----------|-------|-----------|
| Brightstar Corp., Gtd. Notes, 144A (original cost \$8,400,250; purchased 04/27/12-11/14/14)(b)(c)(d) | 9.500% | 12/01/16 | 7,900 | 8,304,875 |
| Brightstar Corp., Sr. Unsec d. Notes, 144A (original cost \$3,193,501; purchased 07/26/13-10/23/13)(c)(d) | 7.250% | 08/01/18 | 3,100 | 3,317,000 |
| CDW LLC/CDW Finance Corp., Gtd. Notes(b) | 8.500% | 04/01/19 | 5,611 | 5,881,450 |
| CommScope Holding Co., Inc., Sr. Unsec d. Notes, PIK, 144A(b) | 6.625% | 06/01/20 | 4,355 | 4,398,550 |
| CoreLogic, Inc., Gtd. Notes | 7.250% | 06/01/21 | 500 | 534,063 |
| First Data Corp., Gtd. Notes | 12.625% | 01/15/21 | 8,352 | 9,980,640 |
| First Data Corp., Sr. Sec d. Notes, 144A(b) | 7.375% | 06/15/19 | 2,500 | 2,625,000 |
| First Data Corp., Sr. Sec d. Notes, 144A(b) | 8.875% | 08/15/20 | 2,240 | 2,402,400 |
| Freescale Semiconductor, Inc., Gtd. Notes | 10.750% | 08/01/20 | 7,994 | 8,698,471 |
| iGATE Corp., Gtd. Notes | 4.750% | 04/15/19 | 1,050 | 1,065,750 |
| Igloo Holdings Corp., Sr. Unsec d. Notes, PIK, 144A | 8.250% | 12/15/17 | 1,950 | 1,959,750 |
| Infor US, Inc., Gtd. Notes (original cost \$8,253,775; purchased 04/15/14-07/31/14)(c)(d) | 9.375% | 04/01/19 | 7,410 | 7,956,487 |
| Infor US, Inc., Gtd. Notes (original cost \$5,267,369; purchased 04/15/14-05/21/14)(c)(d) | 11.500% | 07/15/18 | 4,559 | 4,969,310 |
| Interactive Data Corp., Gtd. Notes, 144A | 5.875% | 04/15/19 | 7,400 | 7,543,375 |
| NXP BV/NXP Funding LLC (Netherlands), Gtd. Notes, 144A | 3.750% | 06/01/18 | 500 | 508,750 |
| Seagate HDD Cayman, Gtd. Notes | 3.750% | 11/15/18 | 75 | 76,628 |
| Sensata Technologies BV (Netherlands), Gtd. Notes, 144A(b) | 6.500% | 05/15/19 | 5,500 | 5,720,000 |
| SunGard Data Systems, Inc., Gtd. Notes | 6.625% | 11/01/19 | 1,425 | 1,482,000 |
| SunGard Data Systems, Inc., Gtd. Notes(b) | 7.375% | 11/15/18 | 8,093 | 8,426,836 |
| TransUnion Holding Co., Inc., Sr. Unsec d. Notes, PIK | 8.125% | 06/15/18 | 3,835 | 3,921,288 |
| TransUnion Holding Co., Inc., Sr. Unsec d. Notes, PIK | 9.625% | 06/15/18 | 4,140 | 4,212,450 |

96,876,073

Telecommunications 9.9%

| | | | | |
|---|-----------|----------|-------|-----------|
| CenturyLink, Inc., Sr. Unsec d. Notes | 5.150% | 06/15/17 | 565 | 596,075 |
| Clearwire Communications LLC/Clearwire Finance, Inc., Sr. Sec d. Notes, 144A(b) | 14.750% | 12/01/16 | 6,000 | 7,200,000 |
| Digicel Group Ltd. (Jamaica), Sr. Unsec d. Notes, 144A | 8.250% | 09/01/17 | 5,000 | 5,125,000 |
| Eileme 2 AB (Poland), Sr. Sec d. Notes, 144A | 11.625% | 01/31/20 | 750 | 846,750 |
| Embarq Corp., Sr. Unsec d. Notes (original cost \$53,015; purchased 04/11/13)(c)(d) | 7.082% | 06/01/16 | 46 | 49,188 |
| Frontier Communications Corp., Sr. Unsec d. Notes | 8.125% | 10/01/18 | 2,000 | 2,275,000 |
| Level 3 Communications, Inc., Sr. Unsec d. Notes | 8.875% | 06/01/19 | 2,000 | 2,117,500 |
| Level 3 Financing, Inc., Gtd. Notes | 3.826%(a) | 01/15/18 | 1,145 | 1,159,313 |
| Level 3 Financing, Inc., Gtd. Notes(b) | 8.125% | 07/01/19 | 2,675 | 2,832,156 |
| Level 3 Financing, Inc., Gtd. Notes | 8.625% | 07/15/20 | 500 | 545,000 |
| Sprint Communications, Inc., Gtd. Notes, 144A | 9.000% | 11/15/18 | 2,580 | 2,999,250 |
| Sprint Communications, Inc., Sr. Unsec d. Notes(b) | 8.375% | 08/15/17 | 6,550 | 7,205,000 |
| Sprint Communications, Inc., Sr. Unsec d. Notes(b) | 9.125% | 03/01/17 | 1,400 | 1,547,434 |
| T-Mobile USA, Inc., Gtd. Notes(b) | 6.464% | 04/28/19 | 3,210 | 3,330,375 |
| T-Mobile USA, Inc., Gtd. Notes | 6.542% | 04/28/20 | 1,150 | 1,222,461 |
| Telecom Italia Capital SA (Italy), Gtd. Notes | 6.999% | 06/04/18 | 3,000 | 3,367,500 |
| Wind Acquisition Finance SA (Italy), Sr. Sec d. Notes, 144A | 6.500% | 04/30/20 | 3,000 | 3,180,000 |
| Windstream Corp., Gtd. Notes(b) | 7.875% | 11/01/17 | 6,250 | 6,765,625 |
| Zayo Group LLC/Zayo Capital, Inc., Gtd. Notes | 10.125% | 07/01/20 | 354 | 400,020 |
| Zayo Group LLC/Zayo Capital, Inc., Sr. Sec d. Notes(b) | 8.125% | 01/01/20 | 5,838 | 6,188,280 |

58,951,927

Transportation 0.8%

| | | | | |
|---|--------|----------|-------|-----------|
| XPO Logistics, Inc., Sr. Unsec d. Notes, 144A | 7.875% | 09/01/19 | 4,500 | 4,784,063 |
|---|--------|----------|-------|-----------|

| | | |
|---|---------------|----------------|
| TOTAL CORPORATE BONDS (cost \$784,103,551) | | 779,296,278 |
| TOTAL LONG-TERM INVESTMENTS (cost \$805,801,367) | | 801,109,214 |
| SHORT-TERM INVESTMENT 1.3% | | |
| AFFILIATED MONEY MARKET MUTUAL FUND | Shares | |
| Prudential Investment Portfolios 2 Prudential Core Taxable Money Market Fund (cost \$7,536,134)(e) | 7,536,134 | 7,536,134 |
| TOTAL INVESTMENTS 135.8% (cost \$813,337,501)(f) | | 808,645,348 |
| Liabilities in excess of other assets(g) (35.8)% | | (213,362,881) |
| NET ASSETS 100.0% | | \$ 595,282,467 |

The following abbreviations are used in the portfolio descriptions:

- 144A Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may not be resold subject to that rule except to qualified institutional buyers. Unless otherwise noted, 144A securities are deemed to be liquid.
- EUR Euro
- GBP British Pound
- MTN Medium Term Note
- PIK Payment-in-Kind

- # Principal amount is shown in U.S. dollars unless otherwise stated.
- (a) Variable rate instrument. The interest rate shown reflects the rate in effect at February 28, 2015.
- (b) Represents security, or a portion thereof, with aggregate value of \$479,068,649, segregated as collateral for amount of \$226,000,000 borrowed and outstanding as of February 28, 2015. Of such securities, securities in the amount of \$41,406,432 have been loaned for which, the amount borrowed serves as collateral. Securities on loan are subject to contractual netting arrangements.
- (c) Indicates a restricted security; the aggregate cost of the restricted securities is \$108,861,630. The aggregate value of \$105,921,791, is approximately 17.8% of net assets.
- (d) Indicates a security or securities that have been deemed illiquid.
- (e) Prudential Investments LLC, the manager of the Fund, also serves as manager of the Prudential Investment Portfolios 2 Prudential Core Taxable Money Market Fund.
- (f) The United States federal income tax basis of investments and net unrealized depreciation were as follows:

| | |
|-----------------------------|-----------------|
| Tax Basis | \$ 826,152,716 |
| Appreciation | 5,145,544 |
| Depreciation | (22,652,912) |
| Net Unrealized Depreciation | \$ (17,507,368) |

The book basis may differ from tax basis due to certain tax-related adjustments.

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(g) Includes net unrealized appreciation (depreciation) on the following derivative contracts held at reporting period end:

Forward foreign currency exchange contracts outstanding at February 28, 2015:

| Purchase Contracts | Counterparty | Notional Amount (000) | Value at Settlement Date Payable | Current Value | Unrealized Depreciation(1) |
|-------------------------------------|---------------------|------------------------------|---|----------------------|-----------------------------------|
| British Pound, Expiring 03/03/15 | JPMorgan Chase | GBP 1,551 | \$ 2,397,961 | \$ 2,395,040 | \$ (2,921) |
| Euro, Expiring 03/03/15 | Goldman Sachs & Co. | EUR 3,980 | 4,511,781 | 4,453,437 | (58,344) |
| | | | \$ 6,909,742 | \$ 6,848,477 | \$ (61,265) |

| Sale Contracts | Counterparty | Notional Amount (000) | Value at Settlement Date Receivable | Current Value | Unrealized Appreciation (Depreciation)(1) |
|-------------------------------------|---------------------|------------------------------|--|----------------------|--|
| British Pound, Expiring 03/03/15 | JPMorgan Chase | GBP 1,551 | \$ 2,354,491 | \$ 2,395,040 | \$ (40,549) |
| Expiring 04/02/15 | JPMorgan Chase | GBP 1,551 | 2,397,527 | 2,394,493 | 3,034 |
| Euro, Expiring 03/03/15 | Goldman Sachs & Co. | EUR 3,980 | 4,514,606 | 4,453,437 | 61,169 |
| Expiring 04/02/15 | Goldman Sachs & Co. | EUR 3,980 | 4,513,293 | 4,455,207 | 58,086 |
| | | | \$ 13,779,917 | \$ 13,698,177 | \$ 81,740 |
| | | | | | \$ 20,475 |

(1) The amount represents fair value of derivative instrument subjects to foreign exchange contacts risk exposure as of February 28, 2015. Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below.

Level 1 - quoted prices generally in active markets for identical securities.

Level 2 - quoted prices for similar securities, interest rates and yield curves, prepayment speeds, foreign currency exchange rates and other observable inputs.

Level 3 - unobservable inputs for securities valued in accordance with Board approved fair valuation procedures.

The following is a summary of the inputs used as of February 28, 2015 in valuing such portfolio securities:

| | Level 1 | Level 2 | Level 3 |
|---|---------------------|-----------------------|----------------------|
| Investments in Securities | | | |
| Bank Loans | \$ | \$ 20,072,681 | \$ 1,740,255 |
| Corporate Bonds | | 766,339,948 | 12,956,330 |
| Affiliated Money Market Mutual Fund | 7,536,134 | | |
| Other Financial Instruments* | | | |
| Forward Foreign Currency Exchange Contracts | | 20,475 | |
| Total | \$ 7,536,134 | \$ 786,433,104 | \$ 14,696,585 |

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The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

| | Bank Loans | Corporate Bonds |
|--|---------------------|------------------------|
| Balance as of 5/31/14 | \$ 3,282,112 | \$ 2,181,224 |
| Realized gain (loss) | 2,209 | |
| Change in unrealized appreciation (depreciation)** | (45,593) | (38,879) |
| Purchases | | 11,348,750 |
| Sales | (1,498,473) | (212,418) |
| Accrued discount/premium | | |
| Transfers into Level 3 | | 877,877 |
| Transfers out of Level 3 | | (1,200,224) |
| Balance as of 2/28/15 | \$ 1,740,255 | \$ 12,956,330 |

* Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as futures, forwards and exchange-traded swap contracts, which are recorded at the unrealized appreciation/depreciation on the instrument, and over-the-counter swap contracts which are recorded at fair value.

** Of which, (\$69,486) was relating to securities held at the reporting period end.

It is the Fund's policy to recognize transfers in and transfers out at the fair value as of the beginning of period. At the reporting period end, there was one Corporate Bond transferred out of Level 3 as a result of being valued by an independent pricing vendor source and one Corporate Bond transferred into Level 3 as a result of being priced using a single broker quote.

Level 3 securities as presented in the table above are being fair valued using pricing methodologies approved by the Board of Directors, which contain unobservable inputs. Such methodologies include, but are not limited to, using prices provided by a single broker/dealer, the cost of the investment, and prices of any recent transactions or bids/offers for such securities or any comparable securities.

Notes to Schedule of Investments (Unaudited)

Securities Valuation: The Fund holds securities and other assets that are fair valued at the close of each day the New York Stock Exchange (NYSE) is open for trading. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Board of Directors (the Board) has adopted Valuation Procedures for security valuation under which fair valuation responsibilities have been delegated to Prudential Investments LLC (PI or Manager). Under the current Valuation Procedures, the established Valuation Committee is responsible for supervising the valuation of portfolio securities and other assets. The Valuation Procedures permit the Fund to utilize independent pricing vendor services, quotations from market makers, and alternative valuation methods when market quotations are either not readily available or not deemed representative of fair value. A record of the Valuation Committee's actions is subject to the Board's review, approval, and ratification at its next regularly-scheduled quarterly meeting.

Various inputs determine how the Fund's investments are valued, all of which are categorized according to the three broad levels (Level 1, 2, or 3) detailed in the table following the Schedule of Investments.

Common and preferred stocks, exchange-traded funds, and derivative instruments such as futures or options that are traded on a national securities exchange are valued at the last sale price as of the close of trading on the applicable exchange where the security principally trades. Securities traded via NASDAQ are valued at the NASDAQ official closing price. To the extent these securities are valued at the last sale price or NASDAQ official closing price, they are classified as Level 1 in the fair value hierarchy.

In the event that no sale or official closing price on valuation date exists, these securities are generally valued at the mean between the last reported bid and ask prices, or at the last bid price in the absence of an ask price. These securities are classified as Level 2 in the fair value hierarchy, as the inputs are observable and considered to be significant to the valuation.

Common and preferred stocks traded on foreign securities exchanges are valued using pricing vendor services that provide model prices derived using adjustment factors based on information such as local closing price, relevant general and sector indices, currency fluctuations, depository receipts, and futures, as applicable. Securities valued using such model prices are classified as Level 2 in the fair value hierarchy, as the adjustment factors are observable and considered to be significant to the valuation. Such securities are valued using model prices to the extent that the valuation meets the established confidence level for each security. If the confidence level is not met or the vendor does not provide a model price, securities are valued in accordance with exchange-traded common and preferred stocks discussed above.

Investments in open-end, non-exchange-traded mutual funds are valued at their net asset values as of the close of the NYSE on the date of valuation. These securities are classified as Level 1 in the fair value hierarchy since they may be purchased or sold at their net asset values on the date of valuation.

Fixed income securities traded in the over-the-counter market are generally valued at prices provided by approved independent pricing vendors. The pricing vendors provide these prices after evaluating observable inputs including, but not limited to yield curves, yield spreads, credit ratings, deal terms, tranche level attributes, default rates, cash flows, prepayment speeds, broker/dealer quotations, and reported trades. Securities valued using such vendor prices are classified as Level 2 in the fair value hierarchy.

Over-the-counter derivative instruments are generally valued using pricing vendor services, which derive the valuation based on inputs such as underlying asset prices, indices, spreads, interest rates, and exchange rates. These instruments are categorized as Level 2 in the fair value hierarchy.

Centrally cleared swaps listed or traded on a multilateral or trade facility platform, such as a registered exchange, are valued at the daily settlement price determined by the respective exchange. These securities are classified as Level 2 in the fair value hierarchy, as the daily settlement price is not public.

Securities and other assets that cannot be priced according to the methods described above are valued based on pricing methodologies approved by the Board. In the event that significant unobservable inputs are used when determining such valuations, the securities will be classified as Level 3 in the fair value hierarchy.

When determining the fair value of securities, some of the factors influencing the valuation include: the nature of any restrictions on disposition of the securities; assessment of the general liquidity of the securities; the issuer's financial condition and the markets in which it does business; the cost of the investment; the size of the holding and the capitalization of the issuer; the prices of any recent transactions or bids/offers for such securities or any comparable securities; any available analyst media or other reports or information deemed reliable by the investment adviser regarding the issuer or the markets or industry in which it operates. Using fair value to price securities may result in a value that is different from a security's most recent closing price and from the price used by other mutual funds to calculate their net asset values.

The Fund may invest in illiquid securities, including repurchase agreements which have a maturity of longer than seven days, certain securities with legal or contractual restrictions on resale (restricted securities, sometimes referred to as Private Placements) and securities that are not readily marketable. Restricted securities are valued pursuant to the valuation procedures noted above.

The Fund invests in the Prudential Core Taxable Money Market Fund, a portfolio of the Prudential Investment Portfolios 2, registered under the Investment Company Act of 1940, as amended, and managed by PI.

Other information regarding the Fund is available in the Fund's most recent Report to Shareholders. This information is available on the Securities and Exchange Commission's website. (www.sec.gov).

Item 2. Controls and Procedures

- (a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

- (b) There have been no significant changes in the registrant's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Item 3. Exhibits

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 Attached hereto.

SIGNATURES

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

(Registrant) Prudential Short Duration High Yield Fund, Inc.

By (Signature and Title)* /s/ Deborah A. Docs
Deborah A. Docs
Secretary of the Fund

Date April 17, 2015

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

By (Signature and Title)* /s/ Stuart S. Parker
Stuart S. Parker
President and Principal Executive Officer

Date April 17, 2015

By (Signature and Title)* /s/ M. Sadiq Peshimam
M. Sadiq Peshimam
Treasurer and Principal Financial Officer

Date April 17, 2015

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