

Prudential Short Duration High Yield Fund, Inc.
Form N-Q
April 29, 2014

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: | 5/31/2014 |
| Date of reporting period: | 2/28/2014 |

Item 1. Schedule of Investments

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

as of February 28, 2014 (Unaudited)

| | Interest Rate | Maturity Date | Principal Amount (000)# | Value |
|--|---------------|---------------|-------------------------|--------------|
| LONG-TERM INVESTMENTS 135.0% | | | | |
| BANK LOANS(a) 5.2% | | | | |
| Cable 0.5% | | | | |
| Newsday LLC | 3.655% | 10/12/16 | 2,954 | \$ 2,957,539 |
| Electric 0.6% | | | | |
| Calpine Corp. | 4.000% | 10/09/19 | 3,753 | 3,764,777 |
| Energy - Other 0.3% | | | | |
| Samson Investment Co. | 5.000% | 09/25/18 | 1,850 | 1,863,413 |
| Gaming 0.3% | | | | |
| MGM Resorts International | 3.500% | 12/20/19 | 1,980 | 1,976,288 |
| Healthcare & Pharmaceutical 0.2% | | | | |
| Catalent Pharma Solutions, Inc. | 6.500% | 12/29/17 | 1,500 | 1,516,875 |
| Media & Entertainment 0.7% | | | | |
| Getty Images, Inc. | 4.750% | 10/18/19 | 2,930 | 2,793,022 |
| Gray Television, Inc. | 4.750% | 10/11/19 | 1,432 | 1,439,595 |
| | | | | 4,232,617 |
| Metals 0.8% | | | | |
| FMG Resources (August 2006) Pty. Ltd. (Australia) | 4.250% | 06/30/19 | 4,938 | 4,983,915 |
| Property & Casualty Insurance 0.6% | | | | |
| Asurion LLC | 3.750% | 03/03/17 | 4,000 | 4,000,000 |
| Technology 1.2% | | | | |
| Ancestry.com, Inc. | 4.500% | 12/28/18 | 1,772 | 1,779,567 |
| First Data Corp | 4.246% | 09/24/18 | 1,675 | 1,678,141 |
| Kronos, Inc. | 9.750% | 04/30/20 | 3,743 | 3,808,441 |
| | | | | 7,266,149 |
| TOTAL BANK LOANS | | | | |
| (cost \$32,340,616) | | | | 32,561,573 |
| CORPORATE BONDS 129.3% | | | | |
| Aerospace & Defense 2.1% | | | | |
| Bombardier, Inc. (Canada), Sr. Unsec d. Notes, 144A(b) | 6.300% | 05/01/14 | 1,725 | 1,737,937 |
| Bombardier, Inc. (Canada), Sr. Unsec d. Notes, 144A(b) | 7.500% | 03/15/18 | 2,875 | 3,234,375 |
| Michael Baker International, Inc., Sr. Sec d. Notes, 144A(b) | 8.250% | 10/15/18 | 4,825 | 5,180,844 |
| TransDigm, Inc., Gtd. Notes(b) | 7.750% | 12/15/18 | 3,000 | 3,213,750 |
| | | | | 13,366,906 |

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Automobiles 3.9%

| | | | | |
|--|---------|----------|-------|------------|
| Chrysler Group LLC/CG Co.-Issuer, Sec d. Notes(b) | 8.000% | 06/15/19 | 7,500 | 8,250,000 |
| General Motors Co., Sr. Unsec d. Notes, 144A(b) | 3.500% | 10/02/18 | 2,925 | 3,020,063 |
| Lear Corp., Gtd. Notes | 7.875% | 03/15/18 | 5,646 | 5,878,897 |
| Lear Corp., Gtd. Notes | 8.125% | 03/15/20 | 1,402 | 1,535,190 |
| Meritor, Inc., Gtd. Notes | 10.625% | 03/15/18 | 1,650 | 1,742,813 |
| Schaeffler Holding Finance BV (Germany), Sr. Sec d. Notes, PIK, 144A | 6.875% | 08/15/18 | 3,850 | 4,100,250 |
| | | | | 24,527,213 |

Building Materials & Construction 5.9%

| | | | | |
|---|--------|----------|-------|-----------|
| Beazer Homes USA, Inc., Gtd. Notes | 9.125% | 06/15/18 | 2,000 | 2,120,000 |
| Beazer Homes USA, Inc., Sr. Sec d. Notes(b) | 6.625% | 04/15/18 | 4,775 | 5,157,000 |

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|--|---------|----------|-------|-----------|
| Building Materials Corp. of America, Sr. Notes, 144A (original cost \$2,103,860; purchased 06/20/13)(b)(c)(d) | 6.875% | 08/15/18 | 2,000 | 2,102,500 |
| Cemex Finance LLC (Mexico), Sr. Sec d. Notes, 144A(b) | 9.875% | 04/30/19 | 5,000 | 5,725,000 |
| D.R. Horton, Inc., Gtd. Notes(b) | 4.750% | 05/15/17 | 3,000 | 3,210,000 |
| Lennar Corp., Gtd. Notes | 4.500% | 06/15/19 | 2,600 | 2,655,250 |
| Lennar Corp., Gtd. Notes(b) | 4.750% | 12/15/17 | 5,075 | 5,392,187 |
| Standard Pacific Corp., Gtd. Notes(b) | 10.750% | 09/15/16 | 4,000 | 4,860,000 |
| Toll Brothers Finance Corp., Gtd. Notes | 4.000% | 12/31/18 | 400 | 410,000 |
| Toll Brothers Finance Corp., Gtd. Notes(b) | 8.910% | 10/15/17 | 1,600 | 1,936,000 |
| US Concrete, Inc., Sr. Sec d. Notes, 144A | 8.500% | 12/01/18 | 3,325 | 3,532,813 |

37,100,750

Cable 8.6%

| | | | | |
|---|---------|----------|-------|-----------|
| Cablevision Systems Corp., Sr. Unsec d. Notes(b) | 7.750% | 04/15/18 | 750 | 868,125 |
| Cablevision Systems Corp., Sr. Unsec d. Notes(b) | 8.625% | 09/15/17 | 6,200 | 7,393,500 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes(b) | 7.000% | 01/15/19 | 9,160 | 9,698,150 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes | 7.250% | 10/30/17 | 900 | 956,250 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes | 8.125% | 04/30/20 | 1,000 | 1,095,000 |
| Columbus International, Inc. (Barbados), Sr. Sec d. Notes, RegS (original cost \$4,983,956; purchased 09/18/12)(c)(d) | 11.500% | 11/20/14 | 4,485 | 4,742,887 |
| CSC Holdings LLC, Sr. Unsec d. Notes(b) | 8.625% | 02/15/19 | 2,500 | 3,000,000 |
| DISH DBS Corp., Gtd. Notes(b) | 4.250% | 04/01/18 | 6,600 | 6,864,000 |
| Nara Cable Funding Ltd. (Spain), Sr. Sec d. Notes, 144A | 8.875% | 12/01/18 | 1,000 | 1,087,500 |
| Nara Cable Funding Ltd. (Spain), Sr. Sec d. Notes, 144A | 8.875% | 12/01/18 | 2,000 | 2,160,000 |
| UPC Holding BV (Netherlands), Sec d. Notes, 144A(b) | 9.875% | 04/15/18 | 8,455 | 8,962,300 |
| Videotron Ltee (Canada), Gtd. Notes | 9.125% | 04/15/18 | 187 | 194,480 |
| Virgin Media Finance PLC (United Kingdom), Gtd. Notes(b) | 8.375% | 10/15/19 | 1,350 | 1,454,625 |
| Virgin Media Secured Finance PLC (United Kingdom), Sr. Sec d. Notes(b) | 6.500% | 01/15/18 | 5,500 | 5,699,375 |

54,176,192

Capital Goods 7.7%

| | | | | |
|---|-----------|----------|-------|-----------|
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., Gtd. Notes | 8.250% | 01/15/19 | 1,700 | 1,829,625 |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., Gtd. Notes, 144A(b) | 2.988%(a) | 12/01/17 | 6,375 | 6,438,750 |
| Blueline Rental Finance Corp., Sec d. Notes, 144A (original cost \$1,142,313; purchased 01/16/14 - 02/12/14)(c)(d) | 7.000% | 02/01/19 | 1,125 | 1,188,281 |
| CNH America LLC, Gtd. Notes(b) | 7.250% | 01/15/16 | 7,235 | 7,958,500 |
| CNH Capital LLC, Gtd. Notes(b) | 3.875% | 11/01/15 | 2,075 | 2,134,656 |
| Columbus McKinnon Corp., Gtd. Notes(b) | 7.875% | 02/01/19 | 2,900 | 3,132,000 |
| Hertz Corp. (The), Gtd. Notes(b) | 4.250% | 04/01/18 | 3,875 | 4,000,938 |
| Hertz Corp. (The), Gtd. Notes | 6.750% | 04/15/19 | 925 | 990,906 |
| Hertz Corp. (The), Gtd. Notes(b) | 7.500% | 10/15/18 | 3,250 | 3,473,438 |
| Interline Brands, Inc., Gtd. Notes(b) | 7.500% | 11/15/18 | 1,450 | 1,537,725 |
| International Wire Group Holdings, Inc., Sr. Sec d. Notes, 144A | 8.500% | 10/15/17 | 1,000 | 1,090,000 |
| Laureate Education, Inc., Gtd. Notes, 144A | 9.250% | 09/01/19 | 3,875 | 4,146,250 |
| Safway Group Holding LLC/Safway Finance Corp., Sec d. Notes, 144A | 7.000% | 05/15/18 | 1,400 | 1,487,500 |
| United Rentals North America, Inc., Gtd. Notes(b) | 9.250% | 12/15/19 | 6,543 | 7,197,300 |
| WireCo WorldGroup, Inc., Gtd. Notes(b) | 9.500% | 05/15/17 | 2,000 | 2,060,000 |

48,665,869

Chemicals 5.8%

| | | | | |
|--------------------------------------|--------|----------|-------|-----------|
| Ashland, Inc., Sr. Unsec d. Notes(b) | 3.000% | 03/15/16 | 4,675 | 4,780,187 |
|--------------------------------------|--------|----------|-------|-----------|

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|---|--------|----------|-------|-----------|
| Celanese U.S. Holdings LLC, Gtd. Notes | 6.625% | 10/15/18 | 495 | 524,700 |
| Hexion U.S. Finance Corp., Sr. Sec d. Notes | 8.875% | 02/01/18 | 1,500 | 1,563,750 |
| Huntsman International LLC, Gtd. Notes | 8.625% | 03/15/20 | 2,000 | 2,207,500 |

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|---|--------|----------|-------|------------|
| Koppers, Inc., Gtd. Notes(b) | 7.875% | 12/01/19 | 5,494 | 5,919,785 |
| Olin Corp., Sr. Unsec d. Notes(b) | 8.875% | 08/15/19 | 2,000 | 2,150,000 |
| Orion Engineered Carbons Bondco GmbH (Germany), Sr. Sec d. Notes, 144A | 9.625% | 06/15/18 | 4,000 | 4,360,000 |
| Orion Engineered Carbons Finance & Co. SCA (Luxembourg), Gtd. Notes, PIK, 144A | 9.250% | 08/01/19 | 2,850 | 2,964,000 |
| PetroLogistics LP/PetroLogistics Finance Corp., Gtd. Notes | 6.250% | 04/01/20 | 1,000 | 1,015,000 |
| Taminco Global Chemical Corp. (Belgium), Sec d. Notes, 144A(b) | 9.750% | 03/31/20 | 9,800 | 11,123,000 |
| | | | | 36,607,922 |
| Consumer 2.7% | | | | |
| Jarden Corp., Gtd. Notes(b) | 7.500% | 05/01/17 | 3,750 | 4,312,500 |
| PVH Corp., Sr. Unsec d. Notes(b) | 7.375% | 05/15/20 | 2,250 | 2,503,125 |
| QVC, Inc., Sr. Sec d. Notes, 144A | 7.500% | 10/01/19 | 750 | 802,362 |
| Scotts Miracle-Gro Co. (The), Gtd. Notes(b) | 6.625% | 12/15/20 | 2,000 | 2,167,500 |
| Service Corp. International, Sr. Unsec d. Notes(b) | 7.000% | 05/15/19 | 3,235 | 3,437,187 |
| Service Corp. International, Sr. Unsec d. Notes(b) | 7.625% | 10/01/18 | 2,753 | 3,200,363 |
| West Corp., Gtd. Notes | 8.625% | 10/01/18 | 690 | 743,475 |
| | | | | 17,166,512 |
| Electric 3.7% | | | | |
| AES Corp. (The), Sr. Unsec d. Notes | 8.000% | 10/15/17 | 4,000 | 4,740,000 |
| AES Corp. (The), Sr. Unsec d. Notes | 9.750% | 04/15/16 | 6,120 | 7,221,600 |
| DPL, Inc., Sr. Unsec d. Notes | 6.500% | 10/15/16 | 750 | 808,125 |
| GenOn REMA LLC, Pass-Through Certificates Ser. B(c) | 9.237% | 07/02/17 | 1,088 | 1,077,157 |
| GenOn REMA LLC, Pass-Through Certificates Ser. C(b) | 9.681% | 07/02/26 | 900 | 873,000 |
| Mirant Mid Atlantic LLC, Pass-Through Certificates Ser. B | 9.125% | 06/30/17 | 819 | 859,460 |
| NRG Energy, Inc., Gtd. Notes(b) | 7.625% | 01/15/18 | 7,000 | 7,910,000 |
| | | | | 23,489,342 |
| Energy - Integrated 0.3% | | | | |
| Pacific Rubiales Energy Corp. (Colombia), Gtd. Notes, 144A(b) | 7.250% | 12/12/21 | 1,500 | 1,612,500 |
| Energy - Other 4.2% | | | | |
| Cie Generale de Geophysique-Veritas (France), Gtd. Notes(b) | 9.500% | 05/15/16 | 5,030 | 5,231,200 |
| Denbury Resources, Inc., Gtd. Notes | 8.250% | 02/15/20 | 2,740 | 2,996,875 |
| EP Energy LLC/EP Energy Finance, Inc., Sr. Unsec d. Notes | 9.375% | 05/01/20 | 1,250 | 1,446,875 |
| Hercules Offshore, Inc., Sr. Sec d. Notes, 144A | 7.125% | 04/01/17 | 750 | 792,188 |
| Hilcorp Energy I LP/Hilcorp Finance Co., Sr. Notes, 144A (original cost \$7,717,500; purchased 03/15/13)(b)(c)(d) | 8.000% | 02/15/20 | 7,000 | 7,560,000 |
| Kodiak Oil & Gas Corp., Gtd. Notes | 8.125% | 12/01/19 | 1,275 | 1,418,437 |
| Seitel, Inc., Gtd. Notes | 9.500% | 04/15/19 | 475 | 488,063 |
| SESI LLC, Gtd. Notes | 6.375% | 05/01/19 | 2,550 | 2,722,125 |
| Tesoro Corp., Gtd. Notes(b) | 4.250% | 10/01/17 | 3,675 | 3,867,937 |
| | | | | 26,523,700 |
| Foods 7.6% | | | | |
| ARAMARK Corp., Gtd. Notes, 144A | 5.750% | 03/15/20 | 950 | 1,002,250 |
| Constellation Brands, Inc., Gtd. Notes(b) | 7.250% | 09/01/16 | 3,052 | 3,456,390 |

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|---|---------|----------|--------|------------|
| Cott Beverages, Inc., Gtd. Notes(b) | 8.125% | 09/01/18 | 6,750 | 7,205,625 |
| Dave Buster s, Inc., Gtd. Notes(b) | 11.000% | 06/01/18 | 3,000 | 3,228,750 |
| Michael Foods Group, Inc., Gtd. Notes | 9.750% | 07/15/18 | 5,505 | 5,924,756 |
| Pilgrim s Pride Corp., Gtd. Notes | 7.875% | 12/15/18 | 2,250 | 2,435,625 |
| Stater Brothers Holdings, Inc., Gtd. Notes(b) | 7.375% | 11/15/18 | 2,990 | 3,158,187 |
| Sun Merger Sub, Inc., Sr. Unsec d. Notes, 144A | 5.250% | 08/01/18 | 2,625 | 2,752,969 |
| Tops Holding Corp./Tops Markets LLC, Sr. Sec d. Notes | 8.875% | 12/15/17 | 6,000 | 6,570,000 |
| TreeHouse Foods, Inc., Gtd. Notes | 7.750% | 03/01/18 | 7,600 | 7,926,800 |
| U.S. Foods, Inc., Gtd. Notes (original cost \$4,385,000; purchased 01/02/14)(c)(d) | 8.500% | 06/30/19 | 4,000 | 4,335,000 |
| | | | | 47,996,352 |
| Gaming 8.0% | | | | |
| Boyd Gaming Corp., Gtd. Notes(b) | 9.125% | 12/01/18 | 5,120 | 5,568,000 |
| Caesars Entertainment Operating Co., Inc., Sr. Sec d. Notes(b) | 11.250% | 06/01/17 | 10,000 | 10,212,500 |
| Caesars Entertainment Resort Properties LLC, Sr. Sec d. Notes, 144A | 8.000% | 10/01/20 | 1,575 | 1,675,406 |
| CCM Merger, Inc., Gtd. Notes, 144A (original cost \$3,254,265; purchased 09/04/13 - 09/10/13)(c)(d) | 9.125% | 05/01/19 | 3,118 | 3,312,875 |
| GLP Capital LP/GLP Financing II, Inc., Gtd. Notes, 144A | 4.375% | 11/01/18 | 2,775 | 2,879,063 |
| Isle of Capri Casinos, Inc., Gtd. Notes(b) | 7.750% | 03/15/19 | 3,000 | 3,258,750 |
| MGM Resorts International, Gtd. Notes(b) | 7.500% | 06/01/16 | 2,000 | 2,230,000 |
| MGM Resorts International, Gtd. Notes | 7.625% | 01/15/17 | 1,500 | 1,706,250 |
| MGM Resorts International, Gtd. Notes(b) | 10.000% | 11/01/16 | 5,000 | 6,000,000 |
| MTR Gaming Group, Inc., Sec d. Notes(b) | 11.500% | 08/01/19 | 3,000 | 3,390,000 |
| Peninsula Gaming LLC/Peninsula Gaming Corp., Gtd. Notes, 144A | 8.375% | 02/15/18 | 4,000 | 4,330,000 |
| Pinnacle Entertainment, Inc., Gtd. Notes(b) | 7.500% | 04/15/21 | 1,000 | 1,087,500 |
| Pinnacle Entertainment, Inc., Gtd. Notes(b) | 8.750% | 05/15/20 | 4,474 | 4,921,400 |
| | | | | 50,571,744 |
| Healthcare & Pharmaceutical 9.0% | | | | |
| Accellent, Inc., Sr. Sec d. Notes | 8.375% | 02/01/17 | 4,277 | 4,469,465 |
| Capella Healthcare, Inc., Gtd. Notes(b) | 9.250% | 07/01/17 | 4,828 | 5,165,960 |
| Capsugel SA, Sr. Unsec d. Notes, PIK, 144A (original cost \$750,000; purchased 10/31/13)(d) | 7.000% | 05/15/19 | 750 | 778,125 |
| CHS/Community Health Systems, Inc., Gtd. Notes(b) | 8.000% | 11/15/19 | 5,972 | 6,634,892 |
| ConvaTec Finance International SA (Luxembourg), Sr. Unsec d. Notes, PIK, 144A | 8.250% | 01/15/19 | 1,525 | 1,570,750 |
| ConvaTec Healthcare E SA (Luxembourg), Gtd. Notes, 144A | 10.500% | 12/15/18 | 5,615 | 6,246,688 |
| Emdeon, Inc., Gtd. Notes | 11.000% | 12/31/19 | 8,000 | 9,240,000 |
| Forest Laboratories, Inc., Sr. Unsec d. Notes, 144A | 4.375% | 02/01/19 | 675 | 722,250 |
| HCA, Inc., Gtd. Notes | 8.000% | 10/01/18 | 1,325 | 1,580,063 |
| HCA, Inc., Sr. Sec d. Notes(b) | 8.500% | 04/15/19 | 3,000 | 3,150,000 |
| HCA, Inc., Sr. Unsec d. Notes(b) | 6.375% | 01/15/15 | 1,325 | 1,379,656 |
| HCA, Inc., Sr. Unsec d. Notes, MTN(b) | 9.000% | 12/15/14 | 6,203 | 6,559,672 |
| Healthcare Technology Intermediate, Inc., Sr. Unsec d. Notes, PIK, 144A | 7.375% | 09/01/18 | 450 | 465,750 |
| MedAssets, Inc., Gtd. Notes(b) | 8.000% | 11/15/18 | 6,450 | 6,941,812 |
| Valeant Pharmaceuticals International, Gtd. Notes, 144A(b) | 6.750% | 08/15/18 | 2,000 | 2,205,000 |
| | | | | 57,110,083 |
| Media & Entertainment 9.4% | | | | |
| AMC Entertainment, Inc., Gtd. Notes | 9.750% | 12/01/20 | 5,140 | 5,930,275 |
| Cedar Fair LP/Canada s Wonderland Co./Magnum Management Corp., Gtd. Notes(b) | 9.125% | 08/01/18 | 4,392 | 4,715,910 |

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| Gannett Co., Inc, Gtd. Notes(b) | 8.750% | 11/15/14 | 6,254 | 6,566,700 |
| Gannett Co., Inc., Gtd. Notes | 9.375% | 11/15/17 | 2,000 | 2,100,000 |
| Inmarsat Finance PLC (United Kingdom), Gtd. Notes, 144A(b) | 7.375% | 12/01/17 | 840 | 873,600 |
| Intelsat Jackson Holdings SA (Luxembourg), Gtd. Notes | 7.250% | 04/01/19 | 4,000 | 4,310,000 |
| LIN Television Corp., Gtd. Notes(b) | 8.375% | 04/15/18 | 2,470 | 2,590,412 |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., Sr. Sec d. Notes, 144A | | | | |
| (original cost \$1,225,000; purchased 07/30/13)(c)(d) | 5.000% | 08/01/18 | 1,225 | 1,277,063 |
| New York Times Co. (The), Sr. Unsec d. Notes(b) | 5.000% | 03/15/15 | 1,310 | 1,347,662 |
| Regal Cinemas Corp., Gtd. Notes | 8.625% | 07/15/19 | 2,000 | 2,142,000 |
| SSI Investments II Ltd./SSI Co-Issuer LLC, Gtd. Notes(b) | 11.125% | 06/01/18 | 11,220 | 12,019,425 |
| Telesat Canada/Telesat LLC (Canada), Gtd. Notes, 144A(b) | 6.000% | 05/15/17 | 7,400 | 7,677,500 |
| WMG Acquisition Corp., Gtd. Notes(b) | 11.500% | 10/01/18 | 6,700 | 7,621,250 |
| | | | | 59,171,797 |

Metals 9.1%

| | | | | |
|---|---------|----------|-------|------------|
| AK Steel Corp., Sr. Sec d. Notes(b) | 8.750% | 12/01/18 | 6,691 | 7,535,739 |
| ArcelorMittal SA (Luxembourg), Sr. Unsec d. Notes | 5.000% | 02/25/17 | 3,600 | 3,847,500 |
| ArcelorMittal SA (Luxembourg), Sr. Unsec d. Notes | 6.125% | 06/01/18 | 1,800 | 1,980,000 |
| ArcelorMittal SA (Luxembourg), Sr. Unsec d. Notes | 9.500% | 02/15/15 | 6,000 | 6,435,000 |
| Arch Coal, Inc., Gtd. Notes | 9.875% | 06/15/19 | 675 | 610,875 |
| Barmenco Finance Pty Ltd. (Australia), Gtd. Notes, 144A | 9.000% | 06/01/18 | 2,400 | 2,256,000 |
| Berau Capital Resources Pte Ltd. (Indonesia), Sr. Sec d. Notes, 144A | 12.500% | 07/08/15 | 5,000 | 5,275,000 |
| CONSOL Energy, Inc., Gtd. Notes(b) | 8.000% | 04/01/17 | 4,200 | 4,383,750 |
| FMG Resources (August 2006) Pty Ltd. (Australia), Gtd. Notes, 144A | 6.375% | 02/01/16 | 2,000 | 2,066,000 |
| FMG Resources (August 2006) Pty Ltd. (Australia), Gtd. Notes, 144A(b) | 6.875% | 02/01/18 | 4,000 | 4,210,000 |
| FMG Resources (August 2006) Pty Ltd. (Australia), Gtd. Notes, 144A | 7.000% | 11/01/15 | 2,316 | 2,399,608 |
| Peabody Energy Corp., Gtd. Notes(b) | 6.000% | 11/15/18 | 4,074 | 4,410,105 |
| Steel Dynamics, Inc., Gtd. Notes(b) | 6.125% | 08/15/19 | 3,025 | 3,304,812 |
| Westmoreland Coal Co./Westmoreland Partners, Sr. Sec d. Notes | 10.750% | 02/01/18 | 5,000 | 5,450,000 |
| Wise Metals Group LLC/Wise Alloys Finance Corp., Sr. Sec d. Notes, 144A | 8.750% | 12/15/18 | 3,325 | 3,591,000 |
| | | | | 57,755,389 |

Non-Captive Finance 2.3%

| | | | | |
|--|--------|----------|-------|------------|
| CIT Group, Inc., Sr. Unsec d. Notes(b) | 4.250% | 08/15/17 | 4,600 | 4,824,250 |
| International Lease Finance Corp., Sr. Unsec d. Notes(b) | 3.875% | 04/15/18 | 1,350 | 1,388,813 |
| International Lease Finance Corp., Sr. Unsec d. Notes(b) | 8.875% | 09/01/17 | 4,000 | 4,800,000 |
| SLM Corp., Sr. Unsec d. Notes, MTN | 8.000% | 03/25/20 | 425 | 490,875 |
| SLM Corp., Sr. Unsec d. Notes, MTN(b) | 8.450% | 06/15/18 | 2,550 | 3,018,562 |
| | | | | 14,522,500 |

Packaging 5.2%

| | | | | |
|---|--------|----------|-------|-----------|
| AEP Industries, Inc., Sr. Unsec d. Notes | 8.250% | 04/15/19 | 3,550 | 3,780,750 |
| Ardagh Packaging Finance PLC (Luxembourg), Gtd. Notes, 144A | 6.250% | 01/31/19 | 200 | 207,500 |
| Ardagh Packaging Finance PLC (Luxembourg), Gtd. Notes, 144A | 9.125% | 10/15/20 | 3,000 | 3,330,000 |
| Ardagh Packaging Finance PLC (Luxembourg), Sr. Sec d. Notes, 144A | 7.375% | 10/15/17 | 3,000 | 3,210,000 |

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| | | | | |
|--|---------|----------|-------|------------|
| Beverage Packaging Holdings Luxembourg II SA, Gtd. Notes, 144A | 5.625% | 12/15/16 | 3,275 | 3,377,344 |
| Beverage Packaging Holdings Luxembourg II SA, Gtd. Notes, 144A | 6.000% | 06/15/17 | 1,150 | 1,196,000 |
| BWAY Holding Co., Gtd. Notes | | | | |
| (original cost \$1,929,688; purchased 07/20/12 - 09/11/13)(c)(d) | 10.000% | 06/15/18 | 1,750 | 1,872,500 |
| Greif, Inc., Sr. Unsec d. Notes | 6.750% | 02/01/17 | 1,200 | 1,332,000 |
| Owens-Brockway Glass Container, Inc., Gtd. Notes(b) | 7.375% | 05/15/16 | 5,965 | 6,643,519 |
| Reynolds Group Issuer, Inc./Reynolds Group Issuer LLC, Gtd. Notes | 9.875% | 08/15/19 | 3,000 | 3,382,500 |
| Sealed Air Corp., Gtd. Notes, 144A(b) | 8.125% | 09/15/19 | 4,000 | 4,485,000 |
| | | | | 32,817,113 |
| Paper 0.6% | | | | |
| Smurfit Kappa Acquisitions (Ireland), Sr. Sec d. Notes, 144A | 4.875% | 09/15/18 | 3,450 | 3,631,125 |
| Pipelines & Other 0.8% | | | | |
| 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 | 2,150,000 |
| Suburban Propane Partners LP/Suburban Energy Finance Corp., Sr. Unsec d. Notes(b) | 7.500% | 10/01/18 | 3,050 | 3,248,250 |
| | | | | 5,398,250 |
| Real Estate Investment Trusts 1.0% | | | | |
| Felcor Lodging LP, Sr. Sec d. Notes(b) | 10.000% | 10/01/14 | 5,866 | 6,151,968 |
| Retailers 2.7% | | | | |
| Academy Ltd./Academy Finance Corp., Gtd. Notes, 144A | 9.250% | 08/01/19 | 4,250 | 4,653,750 |
| Claire s Stores, Inc., Sr. Sec d. Notes, 144A | 6.125% | 03/15/20 | 400 | 380,000 |
| Claire s Stores, Inc., Sr. Sec d. Notes, 144A(b) | 9.000% | 03/15/19 | 5,200 | 5,473,000 |
| HT Intermediate Holdings Corp., Sr. Unsec d. Notes, PIK, 144A | 12.000% | 05/15/19 | 350 | 355,250 |
| Michaels Stores, Inc., Gtd. Notes(b) | 7.750% | 11/01/18 | 3,800 | 4,075,500 |
| Petco Holdings, Inc., Sr. Notes, PIK, 144A (original cost \$348,250; purchased 10/04/12)(c)(d) | 8.500% | 10/15/17 | 350 | 357,438 |
| Toys R US Property Co. II LLC, Sr. Sec d. Notes | 8.500% | 12/01/17 | 1,500 | 1,543,125 |
| | | | | 16,838,063 |
| Technology 18.9% | | | | |
| Alcatel-Lucent USA, Inc. (France), Gtd. Notes, 144A | 4.625% | 07/01/17 | 2,800 | 2,887,500 |
| Anixter International, Inc., Gtd. Notes | 5.625% | 05/01/19 | 1,500 | 1,605,000 |
| Anixter International, Inc., Gtd. Notes | 10.000% | 03/15/14 | 4,377 | 4,387,067 |
| Avaya, Inc., Sec d. Notes, 144A | 10.500% | 03/01/21 | 1,250 | 1,184,375 |
| Brightstar Corp., Gtd. Notes, 144A (original cost \$5,328,375; purchased 04/27/12 - 02/12/14)(b)(c)(d) | 9.500% | 12/01/16 | 5,000 | 5,475,000 |
| 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 | 3,371,250 |
| CDW LLC/CDW Finance Corp., Gtd. Notes(b) | 8.500% | 04/01/19 | 6,475 | 7,122,500 |
| CDW LLC/CDW Finance Corp., Gtd. Notes(b) | 12.535% | 10/12/17 | 662 | 695,100 |
| CDW LLC/CDW Finance Corp., Sr. Sec d. Notes(b) | 8.000% | 12/15/18 | 6,139 | 6,645,467 |
| Ceridian Corp., Gtd. Notes (original cost \$9,363,656; purchased 01/07/13 - 04/24/13)(c)(d) | 11.250% | 11/15/15 | 9,075 | 9,131,719 |
| Ceridian Corp., Gtd. Notes, PIK (original cost \$3,315,450; purchased 02/19/13 - 05/16/13)(c)(d) | 12.250% | 11/15/15 | 3,198 | 3,217,987 |

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CommScope, Inc., Gtd. Notes, 144A

(original cost \$10,550,656;

purchased 01/07/13 - 02/05/14)(b)(d)

First Data Corp., Sr. Sec d. Notes, 144A(b)

8.250%

01/15/19

9,637

10,504,330

7.375%

06/15/19

2,500

2,709,375

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| | | | | |
|---|-----------|----------|--------|-------------|
| First Data Corp., Sr. Sec d. Notes, 144A(b) | 8.875% | 08/15/20 | 1,715 | 1,907,937 |
| Freescale Semiconductor, Inc., Gtd. Notes | 10.750% | 08/01/20 | 795 | 924,188 |
| Igloo Holdings Corp., Sr. Unsec d. Notes, PIK, 144A | 8.250% | 12/15/17 | 1,950 | 1,964,625 |
| Interactive Data Corp., Gtd. Notes(b) | 10.250% | 08/01/18 | 12,624 | 13,657,590 |
| Jabil Circuit, Inc., Sr. Unsec d. Notes(b) | 7.750% | 07/15/16 | 2,000 | 2,277,500 |
| Jabil Circuit, Inc., Sr. Unsec d. Notes | 8.250% | 03/15/18 | 1,325 | 1,593,313 |
| NXP BV/NXP Funding LLC (Netherlands), Gtd. Notes, 144A(b) | 3.750% | 06/01/18 | 5,525 | 5,587,156 |
| Seagate HDD Cayman, Gtd. Notes, 144A | 3.750% | 11/15/18 | 2,500 | 2,581,250 |
| Sensata Technologies BV, Gtd. Notes, 144A(b) | 6.500% | 05/15/19 | 3,700 | 3,977,500 |
| SunGard Data Systems, Inc., Gtd. Notes | 6.625% | 11/01/19 | 825 | 881,719 |
| SunGard Data Systems, Inc., Gtd. Notes | 7.375% | 11/15/18 | 10,890 | 11,597,850 |
| TransUnion Holding Co., Inc., Sr. Unsec d. Notes | 8.125% | 06/15/18 | 950 | 1,002,250 |
| TransUnion LLC/TransUnion Financing Corp., Gtd. Notes(b) | 11.375% | 06/15/18 | 11,800 | 12,744,000 |
| | | | | 119,633,548 |
| Telecommunications 9.8% | | | | |
| CenturyLink, Inc., Sr. Unsec d. Notes | 5.150% | 06/15/17 | 565 | 605,963 |
| Cincinnati Bell, Inc., Gtd. Notes | 8.750% | 03/15/18 | 1,520 | 1,590,300 |
| Digicel Group Ltd. (Jamaica), Sr. Unsec d. Notes, 144A | 8.250% | 09/01/17 | 5,000 | 5,200,000 |
| Digicel Group Ltd. (Jamaica), Sr. Unsec d. Notes, 144A | 10.500% | 04/15/18 | 1,750 | 1,859,375 |
| Eileme 2 AB (Poland), Sr. Sec d. Notes, 144A | 11.625% | 01/31/20 | 750 | 897,188 |
| Embarq Corp., Sr. Unsec d. Notes (original cost \$4,869,313; purchased 04/11/13)(b)(c)(d) | 7.082% | 06/01/16 | 4,225 | 4,730,711 |
| Frontier Communications Corp., Sr. Unsec d. Notes(b) | 8.250% | 04/15/17 | 2,000 | 2,325,000 |
| Level 3 Financing, Inc., Gtd. Notes | 8.125% | 07/01/19 | 2,000 | 2,200,000 |
| Level 3 Financing, Inc., Gtd. Notes, 144A | 3.846%(a) | 01/15/18 | 1,645 | 1,669,675 |
| Satelites Mexicanos SA de CV (Mexico), Sr. Sec d. Notes | 9.500% | 05/15/17 | 5,070 | 5,412,225 |
| Sprint Communications, Inc., Gtd. Notes, 144A(b) | 9.000% | 11/15/18 | 3,000 | 3,675,000 |
| Sprint Communications, Inc., Sr. Unsec d. Notes(b) | 6.000% | 12/01/16 | 1,800 | 1,968,750 |
| Sprint Communications, Inc., Sr. Unsec d. Notes(b) | 8.375% | 08/15/17 | 7,550 | 8,842,937 |
| Sprint Communications, Inc., Sr. Unsec d. Notes(b) | 9.125% | 03/01/17 | 1,900 | 2,246,750 |
| T-Mobile USA, Inc., Gtd. Notes(b) | 6.464% | 04/28/19 | 6,700 | 7,152,250 |
| Wind Acquisition Holdings Finance SA (Italy), Sr. Sec d. Notes, 144A | 12.250% | 07/15/17 | 4,505 | 4,685,206 |
| Windstream Corp., Gtd. Notes(b) | 7.875% | 11/01/17 | 6,250 | 7,156,250 |
| | | | | 62,217,580 |
| TOTAL CORPORATE BONDS (cost \$805,172,009) | | | | 817,052,418 |
| FOREIGN AGENCY 0.5% | | | | |
| Harvest Operations Corp. (South Korea), Gtd. Notes(b) (cost \$3,218,219) | 6.875% | 10/01/17 | 3,050 | 3,294,000 |
| TOTAL LONG-TERM INVESTMENTS (cost \$840,730,844) | | | | 852,907,991 |

| | Shares | |
|--|----------------|-----------|
| SHORT-TERM INVESTMENT 0.2% | | |
| AFFILIATED MONEY MARKET MUTUAL FUND | | |
| Prudential Investment Portfolios 2 Prudential Core Taxable Money Market Fund (cost \$1,473,544)(e) | 1,473,544 | 1,473,544 |
| TOTAL INVESTMENTS 135.2% | | |
| (cost \$842,204,388)(f) | 854,381,535 | |
| Liabilities in excess of other assets (35.2)% | (222,623,039) | |
| NET ASSETS 100.0% | \$ 631,758,496 | |

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. |
| RegS | Regulation S. Security was purchased pursuant to Regulation S and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933. |
| MTN | Medium Term Note |
| PIK | Payment-in-Kind |

Principal amount shown in U.S. dollars unless otherwise stated.

- (a) Variable rate instrument. The interest rate shown reflects the rate in effect at February 28, 2014.
- (b) Represents security, or a portion thereof, with aggregate value of \$493,016,813, segregated as collateral for amount of \$245,000,000 borrowed and outstanding as of February 28, 2014. Of such securities, securities in the amount of \$98,581,424 have been loaned for which, the amount borrowed serves as collateral.
- (c) Indicates a security or securities that have been deemed illiquid.
- (d) Indicates a restricted security; the aggregate original cost of the restricted securities is \$66,605,471. The aggregate value, \$66,107,666, is approximately 10.5% of net assets.
- (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 | \$ 854,978,198 |
| Appreciation | 11,463,455 |
| Depreciation | (12,060,118) |
| Net Unrealized Depreciation | \$ (596,663) |

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

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 - other significant observable inputs including, but not limited to, quoted prices for similar securities, interest rates and yield curves, prepayment speeds, foreign currency exchange rates, and amortized cost.

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Level 3 - significant 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, 2014 in valuing such portfolio securities:

| | Level 1 | Level 2 | Level 3 |
|-------------------------------------|---------------------|-----------------------|---------------------|
| Investments in Securities | | | |
| Bank Loans | \$ | \$ 32,561,573 | \$ |
| Corporate Bonds | | 815,102,261 | 1,950,157 |
| Foreign Agency | | 3,294,000 | |
| Affiliated Money Market Mutual Fund | 1,473,544 | | |
| Total | \$ 1,473,544 | \$ 850,957,834 | \$ 1,950,157 |

Notes to Schedule of Investments (Unaudited)

Security 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 stocks, exchange-traded funds, and derivative instruments 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. 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 except for exchange-traded and cleared swaps which are classified as level 2 in the fair value hierarchy, as the prices are not public.

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 asked prices, or at the last bid price in the absence of an asked 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 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.

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.

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 hold up to 15% of its net assets 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 may invest in open market or receive pursuant to debt restructuring, securities that pay in kind (PIK) the interest due on such debt instruments. The PIK interest, computed at the contractual rate specified, is added to the existing principal balance of the debt when issued bonds have same terms as the bond or recorded as a separate bond when terms are different from the existing debt, and is recorded as interest income. The interest rate on PIK debt is paid out over time.

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 18, 2014

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 18, 2014

By (Signature and Title)* /s/ Grace C. Torres
Grace C. Torres
Treasurer and Principal Financial Officer

Date April 18, 2014

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