

Prudential Short Duration High Yield Fund, Inc.
Form N-Q
April 27, 2016

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: | 655 Broad Street, 17 th Floor, Newark, New Jersey 07102 |
| Name and address of agent for service: | Deborah A. Docs 655 Broad Street, 17 th Floor, Newark, New Jersey 07102 |
| Registrant's telephone number, including area code: | 973-367-7521 |
| Date of fiscal year end: | 5/31/2016 |
| Date of reporting period: | 2/29/2016 |

Item 1. Schedule of Investments

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

as of February 29, 2016 (Unaudited)

| | Interest Rate | Maturity Date | Principal Amount (000)# | Value |
|--|----------------------|----------------------|--------------------------------|--------------|
| LONG-TERM INVESTMENTS 130.0% | | | | |
| BANK LOANS(a) 3.2% | | | | |
| Chemicals 1.1% | | | | |
| Axalta Coating Systems US Holdings, Inc. | 3.750% | 02/01/20 | 895 | \$ 883,889 |
| MacDermid, Inc. | 5.500% | 06/07/20 | 5,686 | 5,173,863 |
| | | | | 6,057,752 |
| Foods 0.3% | | | | |
| Albertson's LLC | 5.500% | 03/21/19 | 1,350 | 1,328,576 |
| Gaming 0.4% | | | | |
| MGM Resorts International | 3.500% | 12/20/19 | 1,940 | 1,920,197 |
| Metals 0.2% | | | | |
| Murray Energy Corp. | 7.500% | 04/16/20 | 2,533 | 1,010,989 |
| Technology 0.8% | | | | |
| BMC Software Finance, Inc. | 5.000% | 09/10/20 | 3,302 | 2,633,575 |
| Kronos, Inc. | 9.750% | 04/30/20 | 1,865 | 1,807,658 |
| | | | | 4,441,233 |
| Telecommunications 0.4% | | | | |
| Communications Sales & Leasing, Inc. | 5.000% | 10/24/22 | 2,562 | 2,382,776 |
| TOTAL BANK LOANS | | | | |
| (cost \$19,640,406) | | | | 17,141,523 |
| CORPORATE BONDS 126.8% | | | | |
| Airlines 2.3% | | | | |
| Continental Airlines, Inc., Pass-Through Trust, Series 2012-3, Class C, Pass-Through Certificates(b) | 6.125% | 04/29/18 | 8,800 | 9,086,000 |
| United Airlines, Pass-Through Trust, Series 2007-1, Class A, Pass-Through Certificates | 6.636% | 07/02/22 | 3,076 | 3,229,572 |
| | | | | 12,315,572 |
| Auto Manufacturers 0.5% | | | | |
| Fiat Chrysler Automobiles NV (United Kingdom), Sr. Unsecured Notes | 4.500% | 04/15/20 | 1,050 | 1,034,250 |
| Jaguar Land Rover Automotive PLC (United Kingdom), Gtd. Notes, 144A | 4.250% | 11/15/19 | 1,600 | 1,608,000 |
| | | | | 2,642,250 |
| Auto Parts & Equipment 2.9% | | | | |

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|--|--------|----------|-------|------------|
| American Axle & Manufacturing, Inc., Gtd. Notes(b) | 5.125% | 02/15/19 | 2,650 | 2,630,125 |
| American Axle & Manufacturing, Inc., Gtd. Notes | 7.750% | 11/15/19 | 3,020 | 3,216,300 |
| Meritor, Inc., Gtd. Notes | 6.750% | 06/15/21 | 1,200 | 1,032,000 |
| Schaeffler Holding Finance BV (Germany), Sr. Sec d. Notes, PIK, 144A | 6.250% | 11/15/19 | 1,200 | 1,249,500 |
| Schaeffler Holding Finance BV (Germany), Sr. Sec d. Notes, PIK, 144A | 6.875% | 08/15/18 | 6,850 | 7,021,250 |
| ZF North America Capital, Inc. (Germany), Gtd. Notes, 144A | 4.000% | 04/29/20 | 250 | 251,562 |
| | | | | 15,400,737 |
| Banks 0.8% | | | | |
| CIT Group, Inc., Sr. Unsec d. Notes(b) | 4.250% | 08/15/17 | 4,175 | 4,256,413 |
| Beverages 1.7% | | | | |
| Constellation Brands, Inc., Gtd. Notes | 3.875% | 11/15/19 | 2,025 | 2,097,293 |
| Constellation Brands, Inc., Gtd. Notes(b) | 7.250% | 09/01/16 | 3,052 | 3,138,677 |

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| Cott Beverages, Inc. (Canada), Gtd. Notes(b) | 6.750% | 01/01/20 | 3,875 | 4,078,437 |
| | | | | 9,314,407 |
| Building Materials 5.1% | | | | |
| Cemex Espana SA (Mexico), Sr. Sec d. Notes, 144A(b) | 9.875% | 04/30/19 | 5,000 | 5,248,000 |
| Standard Industries, Inc., Sr. Unsec d. Notes, 144A (original cost \$675,000; purchased 02/18/16)(c)(d) | 5.125% | 02/15/21 | 675 | 688,500 |
| Summit Materials LLC/Summit Materials Finance Corp., Sr. Unsec d. Notes, 144A | 8.500% | 04/15/22 | 1,750 | 1,741,250 |
| Unifrax I LLC/Unifrax Holding Co., Gtd. Notes, 144A (original cost \$9,944,030; purchased 05/14/14-07/28/14)(c)(d) | 7.500% | 02/15/19 | 9,538 | 7,344,260 |
| US Concrete, Inc., Sr. Sec d. Notes(b) | 8.500% | 12/01/18 | 7,675 | 7,943,625 |
| USG Corp., Gtd. Notes, 144A | 5.875% | 11/01/21 | 788 | 817,550 |
| USG Corp., Sr. Unsec d. Notes | 9.750% | 01/15/18 | 3,600 | 4,009,500 |
| | | | | 27,792,685 |
| Capital Goods 0.2% | | | | |
| Michael Baker International LLC/CDL Acquisition Co., Inc., Sr. Sec d. Notes, 144A(b) | 8.250% | 10/15/18 | 1,325 | 1,126,250 |
| Chemicals 3.7% | | | | |
| Axalta Coating Systems US Holdings, Inc./Axalta Coating Systems Dutch Holdings BV, Gtd. Notes, 144A(b) | 7.375% | 05/01/21 | 11,626 | 12,352,625 |
| Chemtura Corp., Gtd. Notes | 5.750% | 07/15/21 | 1,984 | 1,954,240 |
| Hexion, Inc., Sr. Sec d. Notes | 8.875% | 02/01/18 | 1,190 | 788,375 |
| Kissner Milling Co., Ltd. (Canada), Sr. Sec d. Notes, 144A (original cost \$3,650,210; purchased 05/15/14-06/18/15)(c)(d) | 7.250% | 06/01/19 | 3,601 | 3,195,887 |
| Rentech Nitrogen Partners LP/Rentech Nitrogen Finance Corp., Sec d. Notes, 144A(b) | 6.500% | 04/15/21 | 1,655 | 1,555,700 |
| | | | | 19,846,827 |
| Commercial Services 4.2% | | | | |
| Hertz Corp. (The), Gtd. Notes(b) | 4.250% | 04/01/18 | 3,875 | 3,816,875 |
| Hertz Corp. (The), Gtd. Notes | 6.750% | 04/15/19 | 925 | 922,789 |
| Hertz Corp. (The), Gtd. Notes(b) | 7.500% | 10/15/18 | 2,400 | 2,430,000 |
| Laureate Education, Inc., Gtd. Notes, 144A | 10.000% | 09/01/19 | 3,875 | 1,976,250 |
| Safway Group Holding LLC/Safway Finance Corp., Sec d. Notes, 144A(b) | 7.000% | 05/15/18 | 7,474 | 7,567,425 |
| Service Corp. International, Sr. Unsec d. Notes(b) | 7.625% | 10/01/18 | 5,403 | 6,024,345 |
| | | | | 22,737,684 |
| Distribution/Wholesale 0.8% | | | | |
| HD Supply, Inc., Gtd. Notes | 11.500% | 07/15/20 | 3,500 | 3,867,500 |
| Rexel SA (France), Sr. Unsec d. Notes, 144A | 5.250% | 06/15/20 | 375 | 376,875 |
| | | | | 4,244,375 |
| Diversified Financial Services 5.1% | | | | |
| Ally Financial, Inc., Sub. Notes | 8.000% | 12/31/18 | 2,975 | 3,235,312 |
| CoreLogic, Inc., Gtd. Notes(b) | 7.250% | 06/01/21 | 5,277 | 5,481,484 |
| Denali Borrower LLC/Denali Finance Corp., Sr. Sec d. Notes, 144A | 5.625% | 10/15/20 | 1,850 | 1,946,182 |
| International Lease Finance Corp., Sr. Unsec d. Notes(b) | 3.875% | 04/15/18 | 1,350 | 1,352,531 |
| International Lease Finance Corp., Sr. Unsec d. Notes | 6.250% | 05/15/19 | 600 | 643,500 |
| International Lease Finance Corp., Sr. Unsec d. Notes(b) | 8.875% | 09/01/17 | 4,000 | 4,295,000 |
| KCG Holdings, Inc., Sr. Sec d. Notes, 144A | 6.875% | 03/15/20 | 1,050 | 887,250 |

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|---|--------|----------|-------|-----------|
| Navient Corp., Sr. Unsec d. Notes, MTN | 8.000% | 03/25/20 | 425 | 419,688 |
| Navient Corp., Sr. Unsec d. Notes, MTN(b) | 8.450% | 06/15/18 | 4,550 | 4,848,616 |

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| OneMain Financial Holdings, Inc., Gtd. Notes, 144A(b) | 6.750% | 12/15/19 | 4,400 | 4,163,500 |
| | | | | 27,273,063 |
| Electric 4.9% | | | | |
| AES Corp., Sr. Unsec d. Notes | 7.375% | 07/01/21 | 1,250 | 1,303,125 |
| DPL, Inc., Sr. Unsec d. Notes | 6.500% | 10/15/16 | 115 | 116,438 |
| DPL, Inc., Sr. Unsec d. Notes | 6.750% | 10/01/19 | 1,160 | 1,162,900 |
| DPL, Inc., Sr. Unsec d. Notes | 7.250% | 10/15/21 | 3,350 | 3,291,375 |
| Dynegy, Inc., Gtd. Notes(b) | 6.750% | 11/01/19 | 5,725 | 5,306,359 |
| GenOn Energy, Inc., Sr. Unsec d. Notes | 7.875% | 06/15/17 | 750 | 624,375 |
| GenOn Energy, Inc., Sr. Unsec d. Notes | 9.500% | 10/15/18 | 2,625 | 1,706,250 |
| GenOn Energy, Inc., Sr. Unsec d. Notes | 9.875% | 10/15/20 | 1,400 | 847,000 |
| Mirant Mid Atlantic Trust, Series B, Pass-Through Certificates | 9.125% | 06/30/17 | 2,285 | 2,181,862 |
| NRG Energy, Inc., Gtd. Notes(b) | 7.625% | 01/15/18 | 6,850 | 7,098,312 |
| NRG REMA LLC, Series B, Pass-Through Certificates(d)(e) | 9.237% | 07/02/17 | 2,062 | 2,020,706 |
| NRG REMA LLC, Series C, Pass-Through Certificates(b) | 9.681% | 07/02/26 | 1,100 | 1,067,000 |
| | | | | 26,725,702 |
| Electrical Components & Equipment 0.5% | | | | |
| Anixter, Inc., Gtd. Notes(b) | 5.625% | 05/01/19 | 1,500 | 1,567,500 |
| International Wire Group Holdings, Inc., Sec d. Notes, 144A(b) | 8.500% | 10/15/17 | 1,000 | 990,000 |
| | | | | 2,557,500 |
| Electronics 0.1% | | | | |
| Jabil Circuit, Inc., Sr. Unsec d. Notes | 5.625% | 12/15/20 | 690 | 714,150 |
| Entertainment 9.3% | | | | |
| CCM Merger, Inc., Gtd. Notes, 144A (original cost \$3,999,595; purchased 09/04/13-11/17/15)(c)(d) | 9.125% | 05/01/19 | 3,818 | 3,884,815 |
| Cedar Fair LP/Canada s Wonderland Co./Magnum Management Corp., Gtd. Notes(b) | 5.250% | 03/15/21 | 4,350 | 4,496,812 |
| Cinemark USA, Inc., Gtd. Notes | 7.375% | 06/15/21 | 2,322 | 2,432,295 |
| GLP Capital LP/GLP Financing II, Inc., Gtd. Notes(b) | 4.375% | 11/01/18 | 3,775 | 3,798,594 |
| GLP Capital LP/GLP Financing II, Inc., Gtd. Notes | 4.875% | 11/01/20 | 2,000 | 2,024,400 |
| Greektown Holdings LLC/Greektown Mothership Corp., Sr. Sec d. Notes, 144A(d) | 8.875% | 03/15/19 | 2,025 | 1,974,375 |
| Isle of Capri Casinos, Inc., Gtd. Notes(b) | 8.875% | 06/15/20 | 8,160 | 8,568,000 |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., Sr. Sec d. Notes, 144A (original cost \$4,651,513; purchased 07/30/13-08/25/15)(b)(c)(d) | 5.000% | 08/01/18 | 4,550 | 4,595,500 |
| National CineMedia LLC, Sr. Sec d. Notes | 6.000% | 04/15/22 | 1,310 | 1,362,400 |
| National CineMedia LLC, Sr. Unsec d. Notes | 7.875% | 07/15/21 | 1,500 | 1,556,250 |
| Peninsula Gaming LLC/Peninsula Gaming Corp., Gtd. Notes, 144A | 8.375% | 02/15/18 | 4,000 | 4,060,000 |
| Penn National Gaming, Inc., Sr. Unsec d. Notes | 5.875% | 11/01/21 | 1,550 | 1,508,336 |
| Pinnacle Entertainment, Inc., Gtd. Notes | 7.500% | 04/15/21 | 1,050 | 1,092,000 |
| Pinnacle Entertainment, Inc., Gtd. Notes(b) | 8.750% | 05/15/20 | 4,481 | 4,677,044 |
| Scientific Games Corp., Gtd. Notes(b) | 8.125% | 09/15/18 | 5,075 | 3,958,500 |
| | | | | 49,989,321 |
| Environmental Control 0.2% | | | | |
| Clean Harbors, Inc., Gtd. Notes | 5.250% | 08/01/20 | 850 | 852,125 |
| Food 3.4% | | | | |
| Bertin SA/Bertin Finance Ltd. (Brazil), Gtd. Notes, 144A | 10.250% | 10/05/16 | 1,300 | 1,332,500 |

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| Diamond Foods, Inc., Gtd. Notes, 144A | 7.000% | 03/15/19 | 5,750 | 5,951,250 |
| JBS Investments GmbH (Brazil), Gtd. Notes, 144A | 7.750% | 10/28/20 | 2,000 | 1,925,000 |
| 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 | 3,386,250 |
| Shearer s Foods LLC/Chip Finance Corp., Sr. Sec d. Notes, 144A | 9.000% | 11/01/19 | 2,900 | 3,052,250 |
| Smithfield Foods, Inc., Sr. Unsec d. Notes, 144A(b) | 5.250% | 08/01/18 | 2,300 | 2,340,250 |
| Smithfield Foods, Inc., Sr. Unsec d. Notes, 144A | 5.875% | 08/01/21 | 500 | 508,595 |
| | | | | 18,496,095 |
| Food Service 0.2% | | | | |
| ARAMARK Services, Inc., Gtd. Notes | 5.750% | 03/15/20 | 910 | 939,575 |
| Forest Products & Paper 0.8% | | | | |
| Smurfit Kappa Acquisitions (Ireland), Gtd. Notes, 144A | 4.875% | 09/15/18 | 3,450 | 3,563,850 |
| Tembec Industries, Inc. (Canada), Sr. Sec d. Notes, 144A | 9.000% | 12/15/19 | 1,575 | 1,015,875 |
| | | | | 4,579,725 |
| Gas 0.3% | | | | |
| AmeriGas Partners LP/AmeriGas Eagle Finance Corp., Sr. Unsec d. Notes | 6.500% | 05/20/21 | 1,725 | 1,720,688 |
| Healthcare-Products 1.7% | | | | |
| ConvaTec Finance International SA (Luxembourg), Gtd. Notes, PIK, 144A | 8.250% | 01/15/19 | 1,235 | 1,089,888 |
| ConvaTec Healthcare E SA (Luxembourg), Gtd. Notes, 144A | 10.500% | 12/15/18 | 4,115 | 4,217,875 |
| Mallinckrodt International Finance SA/Mallinckrodt CB LLC, Gtd. Notes, 144A | 4.875% | 04/15/20 | 3,775 | 3,737,250 |
| | | | | 9,045,013 |
| Healthcare-Services 7.7% | | | | |
| Centene Escrow Corp., Sr. Unsec d. Notes, 144A | 5.625% | 02/15/21 | 2,375 | 2,481,875 |
| CHS/Community Health Systems, Inc., Gtd. Notes(b) | 8.000% | 11/15/19 | 10,950 | 10,347,750 |
| HCA Holdings, Inc., Sr. Unsec d. Notes | 6.250% | 02/15/21 | 1,000 | 1,057,500 |
| HCA, Inc., Gtd. Notes(b) | 8.000% | 10/01/18 | 1,855 | 2,085,725 |
| HCA, Inc., Sr. Sec d. Notes(b) | 3.750% | 03/15/19 | 3,075 | 3,132,349 |
| HCA, Inc., Sr. Sec d. Notes | 4.250% | 10/15/19 | 1,625 | 1,673,750 |
| Kindred Healthcare, Inc., Gtd. Notes | 8.000% | 01/15/20 | 6,350 | 5,873,750 |
| Select Medical Corp., Gtd. Notes | 6.375% | 06/01/21 | 3,000 | 2,700,000 |
| Tenet Healthcare Corp., Sr. Sec d. Notes(b) | 6.250% | 11/01/18 | 5,400 | 5,683,500 |
| Tenet Healthcare Corp., Sr. Unsec d. Notes | 5.000% | 03/01/19 | 4,775 | 4,560,125 |
| Tenet Healthcare Corp., Sr. Unsec d. Notes | 6.750% | 02/01/20 | 925 | 888,000 |
| Tenet Healthcare Corp., Sr. Unsec d. Notes | 8.000% | 08/01/20 | 1,000 | 1,010,000 |
| | | | | 41,494,324 |
| Home Builders 8.8% | | | | |
| Beazer Homes USA, Inc., Gtd. Notes | 5.750% | 06/15/19 | 3,450 | 2,777,250 |
| Beazer Homes USA, Inc., Sr. Sec d. Notes(b) | 6.625% | 04/15/18 | 7,275 | 7,311,375 |
| Brookfield Residential Properties, Inc. (Canada), Gtd. Notes, 144A | 6.500% | 12/15/20 | 2,765 | 2,516,150 |
| CalAtlantic Group, Inc., Gtd. Notes(b) | 8.375% | 05/15/18 | 4,200 | 4,609,500 |
| CalAtlantic Group, Inc., Gtd. Notes(b) | 10.750% | 09/15/16 | 3,225 | 3,362,062 |
| D.R. Horton, Inc., Gtd. Notes(b) | 4.750% | 05/15/17 | 3,000 | 3,088,200 |
| KB Home, Gtd. Notes(b) | 4.750% | 05/15/19 | 5,659 | 5,404,345 |
| KB Home, Gtd. Notes | 7.250% | 06/15/18 | 2,000 | 2,080,000 |
| Lennar Corp., Gtd. Notes(b) | 4.500% | 06/15/19 | 2,600 | 2,673,112 |
| Lennar Corp., Gtd. Notes | 4.500% | 11/15/19 | 1,000 | 1,030,620 |
| Lennar Corp., Gtd. Notes(b) | 4.750% | 12/15/17 | 5,075 | 5,201,875 |

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| M/I Homes, Inc., Gtd. Notes | 6.750% | 01/15/21 | 2,075 | 2,007,563 |
| Toll Brothers Finance Corp., Gtd. Notes | 4.000% | 12/31/18 | 400 | 409,000 |
| Toll Brothers Finance Corp., Gtd. Notes(b) | 8.910% | 10/15/17 | 1,600 | 1,760,000 |
| William Lyon Homes, Inc., Gtd. Notes | 5.750% | 04/15/19 | 1,350 | 1,228,500 |
| William Lyon Homes, Inc., Gtd. Notes | 8.500% | 11/15/20 | 2,300 | 2,288,500 |
| | | | | 47,748,052 |
| Household Products/Wares 0.7% | | | | |
| Jarden Corp., Gtd. Notes(b) | 7.500% | 05/01/17 | 3,750 | 3,839,063 |
| Internet 1.1% | | | | |
| Ancestry.com, Inc., Gtd. Notes | 11.000% | 12/15/20 | 3,300 | 3,473,250 |
| Zayo Group LLC/Zayo Capital, Inc., Gtd. Notes | 10.125% | 07/01/20 | 2,254 | 2,417,415 |
| | | | | 5,890,665 |
| Iron/Steel 1.8% | | | | |
| AK Steel Corp., Sr. Sec d. Notes(b) | 8.750% | 12/01/18 | 3,641 | 3,313,310 |
| ArcelorMittal (Luxembourg), Sr. Unsec d. Notes | 5.500% | 02/25/17 | 4,435 | 4,468,262 |
| ArcelorMittal (Luxembourg), Sr. Unsec d. Notes | 10.850% | 06/01/19 | 980 | 1,031,450 |
| United States Steel Corp., Sr. Unsec d. Notes | 7.000% | 02/01/18 | 1,000 | 790,000 |
| | | | | 9,603,022 |
| Leisure Time 0.6% | | | | |
| NCL Corp. Ltd., Sr. Unsec d. Notes, 144A | 4.625% | 11/15/20 | 1,725 | 1,677,563 |
| NCL Corp. Ltd., Sr. Unsec d. Notes, 144A | 5.250% | 11/15/19 | 1,800 | 1,800,000 |
| | | | | 3,477,563 |
| Lodging 3.9% | | | | |
| Boyd Gaming Corp., Gtd. Notes | 9.000% | 07/01/20 | 2,389 | 2,520,395 |
| MGM Resorts International, Gtd. Notes(b) | 8.625% | 02/01/19 | 6,280 | 7,112,100 |
| MGM Resorts International, Gtd. Notes(b) | 10.000% | 11/01/16 | 7,000 | 7,323,750 |
| Station Casinos LLC, Gtd. Notes | 7.500% | 03/01/21 | 4,141 | 4,322,169 |
| | | | | 21,278,414 |
| Machinery-Construction & Mining 0.4% | | | | |
| Terex Corp., Gtd. Notes | 6.000% | 05/15/21 | 750 | 708,750 |
| Terex Corp., Gtd. Notes | 6.500% | 04/01/20 | 1,500 | 1,425,000 |
| | | | | 2,133,750 |
| Machinery-Diversified 1.2% | | | | |
| Cleaver-Brooks, Inc., Sr. Sec d. Notes, 144A (original cost \$3,350,250; purchased 03/21/14-02/26/16)(b)(c)(d) | 8.750% | 12/15/19 | 3,400 | 3,153,500 |
| CNH Industrial Capital LLC, Gtd. Notes(b) | 4.375% | 11/06/20 | 1,900 | 1,824,000 |
| SPX FLOW, Inc., Gtd. Notes | 6.875% | 09/01/17 | 1,525 | 1,566,938 |
| | | | | 6,544,438 |
| Media 13.2% | | | | |
| AMC Networks, Inc., Gtd. Notes(b) | 7.750% | 07/15/21 | 8,815 | 9,321,862 |
| Cablevision Systems Corp., Sr. Unsec d. Notes(b) | 7.750% | 04/15/18 | 2,250 | 2,311,875 |
| Cablevision Systems Corp., Sr. Unsec d. Notes(b) | 8.625% | 09/15/17 | 7,300 | 7,759,900 |

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| Carlson Travel Holdings, Inc., Sr. Unsecured Notes, PIK, 144A (original cost \$3,812,250; purchased 06/26/14-08/04/14)(b)(c)(d) | 7.500% | 08/15/19 | 3,800 | 3,306,000 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes(b) | 6.500% | 04/30/21 | 4,500 | 4,677,188 |
| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes(b) | 7.000% | 01/15/19 | 4,648 | 4,748,862 |

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| CCO Holdings LLC/CCO Holdings Capital Corp., Gtd. Notes | 7.375% | 06/01/20 | 4,000 | 4,162,000 |
| Cequel Communications Holdings I LLC/Cequel Capital Corp., Sr. Unsec d. Notes, 144A | 6.375% | 09/15/20 | 4,175 | 4,086,281 |
| Clear Channel Worldwide Holdings, Inc., Series A, Gtd. Notes | 7.625% | 03/15/20 | 215 | 174,956 |
| Cogeco Communications, Inc. (Canada), Gtd. Notes, 144A | 4.875% | 05/01/20 | 2,500 | 2,525,000 |
| DISH DBS Corp., Gtd. Notes(b) | 4.250% | 04/01/18 | 4,590 | 4,624,425 |
| DISH DBS Corp., Gtd. Notes | 4.625% | 07/15/17 | 1,800 | 1,840,500 |
| DISH DBS Corp., Gtd. Notes(b) | 7.875% | 09/01/19 | 1,000 | 1,083,240 |
| Entercom Radio LLC, Gtd. Notes | 10.500% | 12/01/19 | 4,000 | 4,110,000 |
| Harron Communications LP/Harron Finance Corp., Sr. Unsec d. Notes, 144A (original cost \$8,110,275; purchased 04/14/15-06/24/15)(b)(c)(d) | 9.125% | 04/01/20 | 7,406 | 7,767,042 |
| Numericable-SFR SAS (France), Sr. Sec d. Notes, 144A(b) | 4.875% | 05/15/19 | 4,655 | 4,652,673 |
| Sinclair Television Group, Inc., Gtd. Notes | 5.375% | 04/01/21 | 875 | 887,031 |
| Sinclair Television Group, Inc., Gtd. Notes | 6.375% | 11/01/21 | 560 | 581,000 |
| TEGNA, Inc., Gtd. Notes | 5.125% | 10/15/19 | 650 | 689,000 |
| Univision Communications, Inc., Gtd. Notes, 144A (original cost \$1,770,711; purchased 08/26/15-09/08/15)(b)(c)(d) | 8.500% | 05/15/21 | 1,690 | 1,698,450 |
| | | | | 71,007,285 |
| Mining 2.2% | | | | |
| Alamos Gold, Inc. (Canada), Sec d. Notes, 144A(b) | 7.750% | 04/01/20 | 1,500 | 1,271,250 |
| Alcoa, Inc., Sr. Unsec d. Notes(b) | 6.750% | 07/15/18 | 3,000 | 3,127,500 |
| Kaiser Aluminum Corp., Gtd. Notes | 8.250% | 06/01/20 | 1,200 | 1,248,000 |
| Lundin Mining Corp. (Canada), Sr. Sec d. Notes, 144A(b) | 7.500% | 11/01/20 | 3,825 | 3,385,125 |
| New Gold, Inc. (Canada), Gtd. Notes, 144A | 7.000% | 04/15/20 | 1,325 | 1,111,344 |
| Teck Resources Ltd. (Canada), Gtd. Notes | 3.150% | 01/15/17 | 1,850 | 1,785,250 |
| | | | | 11,928,469 |
| Miscellaneous Manufacturing 1.5% | | | | |
| Bombardier, Inc. (Canada), Sr. Unsec d. Notes, 144A(b) | 7.500% | 03/15/18 | 2,633 | 2,514,515 |
| Koppers, Inc., Gtd. Notes(b) | 7.875% | 12/01/19 | 5,494 | 5,411,590 |
| | | | | 7,926,105 |
| Oil & Gas 1.2% | | | | |
| Pacific Exploration and Production Corp. (Colombia), Gtd. Notes, 144A | 7.250% | 12/12/21 | 200 | 23,000 |
| Sunoco LP/Sunoco Finance Corp., Gtd. Notes, 144A | 5.500% | 08/01/20 | 850 | 811,750 |
| Tesoro Corp., Gtd. Notes(b) | 4.250% | 10/01/17 | 3,675 | 3,730,125 |
| Western Refining, Inc., Gtd. Notes | 6.250% | 04/01/21 | 976 | 780,800 |
| WPX Energy, Inc., Sr. Unsec d. Notes | 7.500% | 08/01/20 | 1,525 | 960,750 |
| | | | | 6,306,425 |
| Oil & Gas Services 0.2% | | | | |
| PHI, Inc., Gtd. Notes | 5.250% | 03/15/19 | 700 | 574,000 |
| SESI LLC, Gtd. Notes | 6.375% | 05/01/19 | 1,165 | 795,113 |
| | | | | 1,369,113 |
| Packaging & Containers 5.8% | | | | |
| AEP Industries, Inc., Sr. Unsec d. Notes(b) | 8.250% | 04/15/19 | 5,100 | 5,202,000 |
| Ardagh Packaging Finance PLC (Ireland), Gtd. Notes, 144A | 9.125% | 10/15/20 | 3,000 | 3,097,500 |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc. (Ireland), Gtd. Notes, 144A | 6.250% | 01/31/19 | 650 | 635,375 |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc. (Ireland), Gtd. Notes, 144A | 9.125% | 10/15/20 | 2,275 | 2,346,094 |

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| | | | | |
|--|--------|----------|-------|------------|
| Beverage Packaging Holdings Luxembourg II SA/Beverage Packaging Holdings II IS (New Zealand), Gtd. Notes, 144A | 6.000% | 06/15/17 | 1,150 | 1,145,687 |
| Coveris Holdings SA (Luxembourg), Gtd. Notes, 144A | 7.875% | 11/01/19 | 650 | 516,750 |
| Greif, Inc., Sr. Unsec d. Notes(b) | 6.750% | 02/01/17 | 1,200 | 1,239,000 |
| Greif, Inc., Sr. Unsec d. Notes(b) | 7.750% | 08/01/19 | 6,050 | 6,700,375 |
| PaperWorks Industries, Inc., Sr. Sec d. Notes, 144A(b) | 9.500% | 08/15/19 | 3,000 | 2,527,500 |
| Plastipak Holdings, Inc., Sr. Unsec d. Notes, 144A (original cost \$2,506,125; purchased 11/04/15-02/09/16)(b)(c)(d) | 6.500% | 10/01/21 | 2,550 | 2,448,000 |
| Reynolds Group Issuer, Inc./Reynolds Group Issuer LLC/Reynolds Group LU (New Zealand), Gtd. Notes | 9.875% | 08/15/19 | 4,000 | 4,120,000 |
| Sealed Air Corp., Gtd. Notes, 144A | 6.500% | 12/01/20 | 1,045 | 1,170,400 |
| | | | | 31,148,681 |

Pharmaceuticals 2.3%

| | | | | |
|--|--------|----------|-------|------------|
| Allergan, Inc., Gtd. Notes(b) | 1.350% | 03/15/18 | 2,240 | 2,217,972 |
| Capsugel SA, Sr. Unsec d. Notes, PIK, 144A | 7.000% | 05/15/19 | 3,700 | 3,704,625 |
| Valeant Pharmaceuticals International, Inc., Gtd. Notes, 144A(b) | 5.375% | 03/15/20 | 4,025 | 3,642,625 |
| Valeant Pharmaceuticals International, Inc., Gtd. Notes, 144A | 6.375% | 10/15/20 | 900 | 825,750 |
| Valeant Pharmaceuticals International, Inc., Gtd. Notes, 144A | 7.500% | 07/15/21 | 2,250 | 2,120,625 |
| | | | | 12,511,597 |

Pipelines 0.4%

| | | | | |
|--|--------|----------|-------|-----------|
| 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 | 2,010,250 |
|--|--------|----------|-------|-----------|

Real Estate 0.3%

| | | | | |
|---|--------|----------|-------|-----------|
| Realogy Group LLC/Realogy Co-issuer Corp., Gtd. Notes, 144A | 5.250% | 12/01/21 | 1,425 | 1,448,156 |
|---|--------|----------|-------|-----------|

Real Estate Investment Trusts (REITs) 0.7%

| | | | | |
|--|--------|----------|-------|-----------|
| DuPont Fabros Technology LP, Gtd. Notes | 5.875% | 09/15/21 | 1,991 | 2,070,640 |
| MPT Operating Partnership LP/MPT Finance Corp., Gtd. Notes | 6.375% | 02/15/22 | 1,500 | 1,545,000 |
| | | | | 3,615,640 |

Retail 4.1%

| | | | | |
|--|--------|----------|-----------|------------|
| AmeriGas Finance LLC/AmeriGas Finance Corp., Gtd. Notes | 6.750% | 05/20/20 | 300 | 304,500 |
| Claire s Stores, Inc., Sr. Sec d. Notes, 144A | 6.125% | 03/15/20 | 400 | 196,000 |
| Claire s Stores, Inc., Sr. Sec d. Notes, 144A(b) | 9.000% | 03/15/19 | 4,200 | 2,404,500 |
| Dollar Tree, Inc., Gtd. Notes, 144A | 5.250% | 03/01/20 | 700 | 735,000 |
| Ferrellgas Partners LP/Ferrellgas Partners Finance Corp., Sr. Unsec d. Notes | 8.625% | 06/15/20 | 1,300 | 1,131,000 |
| L Brands, Inc., Gtd. Notes | 8.500% | 06/15/19 | 975 | 1,141,969 |
| Landry s, Inc., Gtd. Notes, 144A (original cost \$9,930,756; purchased 05/27/14-02/22/16)(b)(c)(d) | 9.375% | 05/01/20 | 9,195 | 9,631,763 |
| THOM Europe SAS (France), Sr. Sec d. Notes, 144A | 7.375% | 07/15/19 | EUR 4,000 | 4,481,963 |
| Yum! Brands, Inc., Sr. Unsec d. Notes | 3.875% | 11/01/20 | 2,400 | 2,310,000 |
| | | | | 22,336,695 |

Semiconductors 2.5%

| | | | | |
|---|--------|----------|-------|-----------|
| Freescale Semiconductor, Inc., Sr. Sec d. Notes, 144A | 5.000% | 05/15/21 | 1,050 | 1,086,750 |
| Freescale Semiconductor, Inc., Sr. Sec d. Notes, 144A | 6.000% | 01/15/22 | 7,160 | 7,598,550 |

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| | | | | |
|--|---------|----------|---------------|-------------|
| NXP BV/NXP Funding LLC (Netherlands), Gtd. Notes, 144A(b) | 4.125% | 06/15/20 | 4,650 | 4,702,777 |
| | | | | 13,388,077 |
| Software 5.4% | | | | |
| Audatex North America, Inc., Gtd. Notes, 144A | 6.000% | 06/15/21 | 9,825 | 9,923,250 |
| Emdeon, Inc., Gtd. Notes(b) | 11.000% | 12/31/19 | 8,000 | 8,200,000 |
| First Data Corp., Sr. Sec d. Notes, 144A | 6.750% | 11/01/20 | 5,223 | 5,512,876 |
| Infor U.S., Inc., Sr. Sec d. Notes, 144A (original cost \$5,345,725; purchased 08/11/15-02/22/16)(b)(c)(d) | 5.750% | 08/15/20 | 5,340 | 5,380,050 |
| | | | | 29,016,176 |
| Technology 0.5% | | | | |
| Jabil Circuit, Inc., Sr. Unsec d. Notes | 8.250% | 03/15/18 | 2,700 | 2,922,750 |
| Telecommunications 10.9% | | | | |
| CenturyLink, Inc., Sr. Unsec d. Notes, Series N | 6.000% | 04/01/17 | 1,100 | 1,135,200 |
| Clearwire Communications LLC/Clearwire Finance, Inc., Sr. Sec d. Notes, 144A(b) | 14.750% | 12/01/16 | 4,750 | 5,141,875 |
| CommScope Holding Co., Inc., Sr. Unsec d. Notes, PIK, 144A(b) | 6.625% | 06/01/20 | 4,355 | 4,442,100 |
| CommScope, Inc., Sr. Sec d. Notes, 144A(b) | 4.375% | 06/15/20 | 3,975 | 4,044,562 |
| Embarq Corp., Sr. Unsec d. Notes (original cost \$53,015; purchased 04/11/13)(c)(d) | 7.082% | 06/01/16 | 46 | 46,368 |
| Frontier Communications Corp., Sr. Unsec d. Notes | 8.125% | 10/01/18 | 1,775 | 1,837,125 |
| Intelsat Jackson Holdings SA (Luxembourg), Gtd. Notes | 7.250% | 04/01/19 | 6,135 | 4,754,625 |
| Intelsat Jackson Holdings SA (Luxembourg), Gtd. Notes | 7.250% | 10/15/20 | 500 | 345,000 |
| Level 3 Financing, Inc., Gtd. Notes(b) | 7.000% | 06/01/20 | 6,255 | 6,559,931 |
| Qwest Capital Funding, Inc., Gtd. Notes | 6.500% | 11/15/18 | 1,000 | 1,040,000 |
| Sprint Communications, Inc., Gtd. Notes, 144A | 9.000% | 11/15/18 | 2,580 | 2,678,298 |
| T-Mobile USA, Inc., Gtd. Notes | 6.542% | 04/28/20 | 1,150 | 1,190,250 |
| T-Mobile USA, Inc., Gtd. Notes | 6.625% | 11/15/20 | 1,000 | 1,040,000 |
| Telecom Italia Capital SA (Italy), Gtd. Notes | 6.999% | 06/04/18 | 2,060 | 2,224,800 |
| Telesat Canada/Telesat LLC (Canada), Gtd. Notes, 144A(b) | 6.000% | 05/15/17 | 7,000 | 7,008,750 |
| UPCB Finance V Ltd. (Netherlands), Sr. Sec d. Notes, 144A | 7.250% | 11/15/21 | 3,600 | 3,811,500 |
| UPCB Finance VI Ltd. (Netherlands), Sr. Sec d. Notes, 144A | 6.875% | 01/15/22 | 2,022 | 2,128,471 |
| Wind Acquisition Finance SA (Italy), Sr. Sec d. Notes, 144A | 6.500% | 04/30/20 | 3,300 | 3,341,250 |
| Windstream Services LLC, Gtd. Notes | 7.875% | 11/01/17 | 5,750 | 6,023,125 |
| | | | | 58,793,230 |
| Transportation 0.7% | | | | |
| XPO Logistics, Inc., Sr. Unsec d. Notes, 144A(b) | 7.875% | 09/01/19 | 3,750 | 3,871,875 |
| TOTAL CORPORATE BONDS (cost \$713,539,117) | | | | 684,179,972 |
| TOTAL LONG-TERM INVESTMENTS (cost \$733,179,523) | | | | 701,321,495 |
| SHORT-TERM INVESTMENT 2.6% | | | | |
| | | | Shares | |
| AFFILIATED MONEY MARKET MUTUAL FUND | | | | |
| Prudential Investment Portfolios 2 Prudential Core Taxable Money Market Fund (cost \$14,018,797)(f) | | | 14,018,797 | 14,018,797 |
| | | | | 715,340,292 |

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| | | |
|--|---------------|-----------------------|
| TOTAL INVESTMENTS | 132.6% | |
| (cost \$747,198,320)(g) | | |
| Liabilities in excess of other assets(h) | (32.6)% | (176,032,597) |
| NET ASSETS | 100.0% | \$ 539,307,695 |

The following abbreviations are used in the quarterly schedule of portfolio holdings:

| | |
|------|---|
| 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 |
| OTC | Over-the-counter |
| 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 29, 2016.
- (b) Represents security, or a portion thereof, with aggregate value of \$358,217,383 segregated as collateral for amount of \$175,000,000 borrowed and outstanding as of February 29, 2016. Of such securities, securities in the amount of \$133,204,838 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 original cost of the restricted securities is \$63,728,518. The aggregate value, \$58,536,635, is approximately 10.9% of net assets.
- (d) Indicates a security or securities that have been deemed illiquid.
- (e) Indicates a Level 3 security. The aggregate value of Level 3 securities is \$2,020,706 and 0.4% of net assets.
- (f) Prudential Investments LLC, the manager of the Fund, also serves as manager of the Prudential Investment Portfolios 2 Prudential Core Taxable Money Market Fund.
- (g) The United States federal income tax basis of investments and net unrealized depreciation were as follows:

| | |
|-----------------------------|-----------------|
| Tax Basis | \$ 760,858,646 |
| Appreciation | 1,401,040 |
| Depreciation | (46,919,394) |
| Net Unrealized Depreciation | \$ (45,518,354) |

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

- (h) Includes net unrealized appreciation (depreciation) on the following derivative contracts held at reporting period end:
Forward foreign currency exchange contracts outstanding at February 29, 2016:

| Purchase Contracts | Counterparty | Notional Amount (000) | Value at Settlement Date | Current Value | Unrealized Depreciation(1) |
|---|--------------------------|-----------------------|--------------------------|---------------|----------------------------|
| OTC forward foreign currency exchange contracts: | | | | | |
| British Pound, Expiring 03/02/2016 | Citigroup Global Markets | GBP 1,622 | \$ 2,275,109 | \$ 2,257,782 | \$ (17,327) |
| Euro, Expiring 03/02/2016 | Goldman Sachs & Co. | EUR 4,213 | 4,643,187 | 4,582,757 | (60,430) |
| | | | \$ 6,918,296 | \$ 6,840,539 | \$ (77,757) |

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| Sale Contracts | Counterparty | Notional Amount (000) | Value at Settlement Date | Current Value | Unrealized Appreciation (Depreciation)(1) |
|---|---------------------|-----------------------|--------------------------|---------------|---|
| OTC forward foreign currency exchange contracts: | | | | | |
| British Pound, | | | | | |
| Expiring 03/02/2016 | JPMorgan Chase | GBP 1,551 | \$ 2,222,337 | \$ 2,159,276 | \$ 63,061 |
| Expiring 03/02/2016 | Deutsche Bank AG | GBP 71 | 98,480 | 98,506 | (26) |
| Euro, | | | | | |
| Expiring 03/02/2016 | Goldman Sachs & Co. | EUR 4,213 | 4,573,320 | 4,582,757 | (9,437) |
| Expiring 04/04/2016 | Goldman Sachs & Co. | EUR 4,213 | 4,647,652 | 4,587,873 | 59,779 |
| | | | \$ 11,541,789 | \$ 11,428,412 | \$ 113,377 |
| | | | | | \$ 35,620 |

(1) The amount represents fair value of derivative instruments subject to foreign exchange contracts risk exposure as of February 29, 2016. 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 29, 2016 in valuing such portfolio securities:

| | Level 1 | Level 2 | Level 3 |
|---|---------------|----------------|--------------|
| Investments in Securities | | | |
| Bank Loans | \$ | \$ 17,141,523 | \$ |
| Corporate Bonds | | 682,159,266 | 2,020,706 |
| Affiliated Money Market Mutual Fund | 14,018,797 | | |
| Other Financial Instruments* | | | |
| OTC Forward Foreign Currency Exchange Contracts | | 35,620 | |
| Total | \$ 14,018,797 | \$ 699,336,409 | \$ 2,020,706 |

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

| | Corporate Bonds |
|--|-----------------|
| Balance as of 5/31/15 | \$ 12,888,346 |
| Realized gain (loss) | |
| Change in unrealized appreciation (depreciation)** | (91,793) |
| Purchases | 1,569,505 |
| Sales | (211,373) |
| Accrued discount/premium | |
| Transfers into Level 3 | 754,367 |
| Transfers out of Level 3 | (12,888,346) |
| Balance as of 2/29/16 | \$ 2,020,706 |

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

** Of which, \$(91,793) was relating to securities held at the reporting period end.

Level 3 securities as presented in the table above are being fair valued using pricing methodologies approved by Board, which contain unobservable inputs as follows:

| Level 3 Securities | Valuation | | |
|--------------------|------------------------------------|-----------------|--------------------------------|
| | Fair Value as of February 29, 2016 | Methodology | Unobservable Inputs |
| Corporate Bonds | \$ 2,020,706 | Market Approach | Single Broker Indicative Quote |

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, securities transferred levels as follows:

Investments in

| Securities | Amount Transferred | Level Transfer | Logic |
|-----------------|--------------------|----------------|--|
| Corporate Bonds | \$ 754,367 | L2 to L3 | Multiple Broker Quotes to Single Broker Indicative Quote |
| Corporate Bonds | \$ 12,888,346 | L3 to L2 | Single Broker Indicative Quote to Multiple Broker Quotes |

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 and 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.

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, depositary receipts, and futures, as applicable. Securities valued using such model prices are classified as Level 2 in the fair value hierarchy. 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.

Participatory notes (P-Notes) are generally valued based upon the value of a related underlying security that trades actively in the market and are classified as Level 2 in the fair value hierarchy.

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 OTC 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.

Bank loans traded in the OTC market are generally valued at prices provided by approved independent pricing vendors. The pricing vendors utilize broker/dealer quotations and provide prices based on the average of such quotations. Bank loans valued using such vendor prices are generally classified as Level 2 in the fair value hierarchy.

OTC 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 generally 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 unobservable inputs are used when determining such valuations, the securities will be classified as Level 3 in the fair value hierarchy.

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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 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, (the Core Fund), a portfolio of the Prudential Investment Portfolios 2, registered under the Investment Company Act of 1940, as amended, and managed by PI. As of March 30, 2016, the Core Fund was repositioned as the Prudential Core Ultra Short Bond Fund.

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 19, 2016

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 19, 2016

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

Date April 19, 2016

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