

FIRST TRUST HIGH INCOME LONG/SHORT FUND
Form N-Q
March 29, 2018

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

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT
INVESTMENT COMPANY**

Investment Company Act file number 811-22442

First Trust High Income Long/Short Fund
(Exact name of registrant as specified in charter)

120 East Liberty Drive, Suite 400
Wheaton, IL 60187
(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive, Suite 400
Wheaton, IL 60187
(Name and address of agent for service)

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

Date of fiscal year end: October 31

Date of reporting period: January 31, 2018

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (“OMB”) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB

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has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

The Schedule(s) of Investments is attached herewith.

First Trust High Income Long/Short Fund (FSD)**Portfolio of Investments**

January 31, 2018 (Unaudited)

| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
|--|---|---------------|-----------------|--------------|
| CORPORATE BONDS AND NOTES 86.5% | | | | |
| Automotive 3.9% | | | | |
| \$ 4,025,000 | Dana, Inc. (a) | 5.50% | 12/15/24 | \$ 4,216,187 |
| 4,360,000 | Gates Global LLC/Gates Global Co. (a) (b) | 6.00% | 07/15/22 | 4,453,086 |
| 1,275,000 | Goodyear Tire & Rubber (The) Co. | 5.00% | 05/31/26 | 1,295,719 |
| 3,300,000 | Goodyear Tire & Rubber (The) Co. | 4.88% | 03/15/27 | 3,304,125 |
| 3,144,000 | Navistar International Corp. (b) | 6.63% | 11/01/25 | 3,294,283 |
| 1,970,000 | Tenneco, Inc. | 5.00% | 07/15/26 | 1,992,163 |
| 2,535,000 | ZF North America Capital, Inc. (b) | 4.75% | 04/29/25 | 2,620,556 |
| | | | | 21,176,119 |
| Banking 1.6% | | | | |
| 6,165,000 | Ally Financial, Inc. (a) | 8.00% | 11/01/31 | 7,891,200 |
| 612,000 | Ally Financial, Inc. (a) | 8.00% | 11/01/31 | 780,300 |
| | | | | 8,671,500 |
| Basic Industry 10.7% | | | | |
| 650,000 | AK Steel Corp. | 7.63% | 10/01/21 | 677,625 |
| 1,000,000 | AK Steel Corp. | 7.50% | 07/15/23 | 1,082,500 |
| 2,100,000 | AK Steel Corp. | 6.38% | 10/15/25 | 2,084,250 |
| 725,000 | Aleris International, Inc. | 7.88% | 11/01/20 | 727,972 |
| 2,425,000 | Beazer Homes USA, Inc. | 8.75% | 03/15/22 | 2,655,375 |
| 4,600,000 | CalAtlantic Group, Inc. | 8.38% | 05/15/18 | 4,689,700 |
| 500,000 | CalAtlantic Group, Inc. | 5.88% | 11/15/24 | 546,875 |
| 800,000 | Cleveland-Cliffs, Inc. | 4.88% | 04/01/21 | 776,000 |
| 1,800,000 | Cleveland-Cliffs, Inc. (a) (b) | 5.75% | 03/01/25 | 1,768,500 |
| 2,720,000 | Core & Main L.P. (b) | 6.13% | 08/15/25 | 2,754,000 |
| 1,000,000 | Freeport-McMoRan, Inc. | 3.55% | 03/01/22 | 995,000 |
| 3,680,000 | Freeport-McMoRan, Inc. | 3.88% | 03/15/23 | 3,675,400 |
| 960,000 | Freeport-McMoRan, Inc. | 4.55% | 11/14/24 | 980,400 |

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| | | | | |
|-----------|---|-------|----------|------------|
| 1,695,000 | Jeld-Wen, Inc. (b) | 4.88% | 12/15/27 | 1,701,356 |
| 2,979,000 | KB Home | 7.50% | 09/15/22 | 3,399,784 |
| 1,100,000 | Koppers, Inc. (a) (b) | 6.00% | 02/15/25 | 1,163,250 |
| 3,180,000 | Meritage Homes Corp. | 6.00% | 06/01/25 | 3,442,350 |
| 1,000,000 | Novelis Corp. (b) | 6.25% | 08/15/24 | 1,050,000 |
| 2,862,000 | Novelis Corp. (b) | 5.88% | 09/30/26 | 2,956,704 |
| 2,045,000 | Olin Corp. | 5.13% | 09/15/27 | 2,131,912 |
| 1,760,000 | PQ Corp. (a) (b) | 6.75% | 11/15/22 | 1,887,600 |
| 565,000 | PQ Corp. (b) | 5.75% | 12/15/25 | 583,363 |
| 4,570,000 | PulteGroup, Inc. (a) | 7.88% | 06/15/32 | 5,701,075 |
| | Shea Homes L.P./Shea Homes Funding Corp. | | | |
| 2,025,000 | (a) (b) | 6.13% | 04/01/25 | 2,113,594 |
| 4,250,000 | Standard Industries, Inc. (a) (b) | 5.00% | 02/15/27 | 4,324,375 |
| | TRI Pointe Group, Inc./TRI Pointe Homes, Inc. | | | |
| 3,765,000 | (a) | 5.88% | 06/15/24 | 4,007,089 |
| | | | | 57,876,049 |

Capital Goods 7.3%

| | | | | |
|-----------|--|-------|----------|-----------|
| 3,045,000 | Ball Corp. | 4.00% | 11/15/23 | 3,064,031 |
| 2,675,000 | Berry Global, Inc. (b) | 4.50% | 02/15/26 | 2,674,198 |
| 4,100,000 | BWAY Holding Co. (a) (b) | 5.50% | 04/15/24 | 4,258,875 |
| | Crown Americas LLC/Crown Americas Capital | | | |
| 3,500,000 | Corp. IV | 4.50% | 01/15/23 | 3,587,500 |
| 4,645,000 | KLX, Inc. (b) | 5.88% | 12/01/22 | 4,854,025 |
| 1,350,000 | Orbital ATK, Inc. | 5.50% | 10/01/23 | 1,424,250 |
| 2,840,000 | Owens-Brockway Glass Container, Inc. (a) (b) | 5.00% | 01/15/22 | 2,974,900 |
| 5,700,000 | Reynolds Group Issuer, Inc./Reynolds Group | | | |
| | Issuer LLC/Reynolds Group Issuer LU (a) (b) | 5.13% | 07/15/23 | 5,860,455 |
| 3,725,000 | Sealed Air Corp. (b) | 5.50% | 09/15/25 | 4,023,000 |
| 3,770,000 | Terex Corp. (b) | 5.63% | 02/01/25 | 3,873,675 |

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)

Portfolio of Investments (Continued)

January 31, 2018 (Unaudited)

| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
|--|-------------------------|---------------|-----------------|--------------|
| CORPORATE BONDS AND NOTES (Continued) | | | | |
| Capital Goods (Continued) | | | | |
| \$ 2,925,000 | Triumph Group, Inc. (a) | 4.88% | 04/01/21 | \$ 2,888,437 |

39,483,346

| Consumer Goods 5.5% | | | | |
|----------------------------|---------------------------------------|-------|----------|-----------|
| 4,895,000 | B&G Foods, Inc. | 5.25% | 04/01/25 | 4,913,356 |
| 3,245,000 | Cott Holdings, Inc. (b) | 5.50% | 04/01/25 | 3,313,956 |
| 1,920,000 | First Quality Finance Co., Inc. (b) | 5.00% | 07/01/25 | 1,939,200 |
| 3,640,000 | Kronos Acquisition Holdings, Inc. (b) | 9.00% | 08/15/23 | 3,585,400 |
| 1,915,000 | Lamb Weston Holdings, Inc. (b) | 4.63% | 11/01/24 | 1,953,300 |
| 2,000,000 | Pilgrim s Pride Corp. (b) | 5.75% | 03/15/25 | 2,025,000 |
| 1,765,000 | Post Holdings, Inc. (b) | 5.50% | 03/01/25 | 1,822,363 |
| 3,610,000 | Post Holdings, Inc. (b) | 5.00% | 08/15/26 | 3,533,288 |
| 3,910,000 | Spectrum Brands, Inc. | 5.75% | 07/15/25 | 4,134,825 |
| 2,040,000 | US Foods, Inc. (b) | 5.88% | 06/15/24 | 2,136,900 |

29,357,588

| Energy 7.1% | | | | |
|--------------------|--|-------|----------|-----------|
| 5,100,000 | AmeriGas Partners L.P./AmeriGas Finance Corp. (a) | 5.88% | 08/20/26 | 5,304,000 |
| 1,875,000 | Andeavor Logistics L.P./Tesoro Logistics Finance Corp. (a) | 5.25% | 01/15/25 | 1,969,125 |
| 2,426,000 | California Resources Corp. (b) | 8.00% | 12/15/22 | 2,046,937 |
| 2,060,000 | Carrizo Oil & Gas, Inc. | 6.25% | 04/15/23 | 2,137,250 |
| 1,320,000 | Continental Resources, Inc. | 5.00% | 09/15/22 | 1,339,800 |
| 2,720,000 | Crestwood Midstream Partners L.P./Crestwood Midstream Finance Corp. | 6.25% | 04/01/23 | 2,849,200 |
| 1,955,000 | Hilcorp Energy I L.P./ Hilcorp Finance Co. (b) | 5.00% | 12/01/24 | 1,974,550 |
| 965,000 | PDC Energy, Inc. (b) | 5.75% | 05/15/26 | 983,094 |
| 2,405,000 | QEP Resources, Inc. | 5.63% | 03/01/26 | 2,462,119 |
| 2,245,000 | Sanchez Energy Corp. (a) | 6.13% | 01/15/23 | 1,969,988 |
| 2,020,000 | SM Energy Co. | 5.63% | 06/01/25 | 2,009,900 |
| 1,800,000 | Suburban Propane Partners L.P./Suburban Energy Finance Corp. | 5.75% | 03/01/25 | 1,782,000 |
| 1,975,000 | Suburban Propane Partners L.P./Suburban Energy Finance Corp. | 5.88% | 03/01/27 | 1,945,375 |
| 4,000,000 | Targa Resources Partners L.P./Targa Resources Partners Finance Corp. (b) | 5.00% | 01/15/28 | 3,975,000 |
| 1,520,000 | Ultra Resources, Inc. (b) | 7.13% | 04/15/25 | 1,521,900 |
| 1,380,000 | Whiting Petroleum Corp. | 5.75% | 03/15/21 | 1,431,750 |
| 2,560,000 | Whiting Petroleum Corp. (b) | 6.63% | 01/15/26 | 2,624,000 |

38,325,988

| Financial Services 3.8% | | | | |
|--------------------------------|--|-------|----------|-----------|
| 6,855,000 | Icahn Enterprises L.P./Icahn Enterprises Finance Corp. (a) | 6.00% | 08/01/20 | 7,020,034 |
| 2,885,000 | MSCI, Inc. (b) | 5.75% | 08/15/25 | 3,072,525 |
| 3,640,000 | OneMain Financial Holdings LLC (a) (b) | 7.25% | 12/15/21 | 3,769,675 |

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| | | | | |
|------------------------|--|-------|----------|------------|
| 1,395,000 | Springleaf Finance Corp. (a) | 6.00% | 06/01/20 | 1,449,056 |
| 4,555,000 | Springleaf Finance Corp. (a) | 7.75% | 10/01/21 | 5,044,663 |
| | | | | 20,355,953 |
| Healthcare 6.0% | | | | |
| 3,825,000 | Catalent Pharma Solutions, Inc. (b) | 4.88% | 01/15/26 | 3,834,562 |
| 1,580,000 | CHS/Community Health Systems, Inc. | 6.88% | 02/01/22 | 1,131,675 |
| 3,400,000 | Greatbatch Ltd. (b) | 9.13% | 11/01/23 | 3,706,714 |
| 3,910,000 | Hologic, Inc. (a) (b) | 5.25% | 07/15/22 | 4,061,024 |
| 2,905,000 | Hologic, Inc. (b) | 4.38% | 10/15/25 | 2,912,263 |
| 2,670,000 | inVentiv Group Holdings, Inc./inVentiv Health, Inc./inVentiv Health Clinical, Inc. (b) | 7.50% | 10/01/24 | 2,910,300 |
| 3,665,000 | MPH Acquisition Holdings LLC (b) | 7.13% | 06/01/24 | 3,944,456 |

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)

Portfolio of Investments (Continued)

January 31, 2018 (Unaudited)

| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
|--|---|---------------|-----------------|------------|
| CORPORATE BONDS AND NOTES (Continued) | | | | |
| Healthcare (Continued) | | | | |
| \$ 731,000 | Quintiles IMS, Inc. (b) | 4.88% | 05/15/23 | \$ 760,240 |
| 3,000,000 | Quintiles IMS, Inc. (b) | 5.00% | 10/15/26 | 3,067,500 |
| 2,750,000 | Teleflex, Inc. | 4.63% | 11/15/27 | 2,750,000 |
| 3,245,000 | West Street Merger Sub, Inc. (b) | 6.38% | 09/01/25 | 3,293,675 |
| | | | | 32,372,409 |
| Leisure 5.0% | | | | |
| 2,500,000 | Boyd Gaming Corp. | 6.38% | 04/01/26 | 2,687,500 |
| 2,980,000 | Churchill Downs, Inc. (b) | 4.75% | 01/15/28 | 2,953,925 |
| 3,500,000 | Eldorado Resorts, Inc. | 6.00% | 04/01/25 | 3,670,625 |
| 3,400,000 | ESH Hospitality, Inc. (b) | 5.25% | 05/01/25 | 3,434,000 |
| 1,680,000 | GLP Capital L.P./GLP Financing II, Inc. (a) | 5.38% | 04/15/26 | 1,801,800 |
| 3,120,000 | Live Nation Entertainment, Inc. (b) | 4.88% | 11/01/24 | 3,190,200 |
| 4,825,000 | MGM Resorts International (a) | 6.75% | 10/01/20 | 5,198,938 |
| 3,410,000 | Scientific Games International, Inc. | 10.00% | 12/01/22 | 3,751,000 |
| | | | | 26,687,988 |

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Media 4.3%

| | | | | |
|-----------|--|-------|----------|------------|
| 2,000,000 | Clear Channel Worldwide Holdings, Inc., Series B | 7.63% | 03/15/20 | 1,992,500 |
| 2,841,000 | Clear Channel Worldwide Holdings, Inc., Series B | 6.50% | 11/15/22 | 2,938,929 |
| 1,250,000 | CSC Holdings LLC (a) (b) | 6.63% | 10/15/25 | 1,340,625 |
| 2,325,000 | CSC Holdings LLC (b) | 5.50% | 04/15/27 | 2,359,875 |
| 5,830,000 | Dish DBS Corp. (a) | 6.75% | 06/01/21 | 6,121,500 |
| 3,665,000 | iHeartCommunications, Inc. | 9.00% | 03/01/21 | 2,712,100 |
| 2,115,000 | Lamar Media Corp. | 5.75% | 02/01/26 | 2,239,256 |
| 3,150,000 | Sirius XM Radio, Inc. (b) | 5.38% | 07/15/26 | 3,232,688 |
| | | | | 22,937,473 |

Retail 3.1%

| | | | | |
|-----------|---|-------|----------|------------|
| 3,270,000 | Dollar Tree, Inc. | 5.75% | 03/01/23 | 3,423,281 |
| 5,445,000 | Hanesbrands, Inc. (a) (b) | 4.63% | 05/15/24 | 5,540,288 |
| 1,320,000 | KFC Holding Co./Pizza Hut Holdings LLC/Taco Bell of America LLC (a) (b) | 5.00% | 06/01/24 | 1,339,800 |
| 3,300,000 | KFC Holding Co./Pizza Hut Holdings LLC/Taco Bell of America LLC (b) | 5.25% | 06/01/26 | 3,374,250 |
| 2,975,000 | Murphy Oil USA, Inc. (a) | 6.00% | 08/15/23 | 3,094,000 |
| | | | | 16,771,619 |

Services 8.6%

| | | | | |
|-----------|---|-------|----------|-----------|
| 4,000,000 | Advanced Disposal Services, Inc. (b) | 5.63% | 11/15/24 | 4,140,000 |
| 1,500,000 | Aramark Services, Inc. (b) | 5.00% | 02/01/28 | 1,533,750 |
| 2,125,000 | CoreCivic, Inc. (a) | 5.00% | 10/15/22 | 2,220,625 |
| 1,090,000 | GEO (The) Group, Inc. (a) | 5.88% | 10/15/24 | 1,125,425 |
| 2,385,000 | GEO (The) Group, Inc. (a) | 6.00% | 04/15/26 | 2,444,625 |
| 1,440,000 | H&E Equipment Services, Inc. (b) | 5.63% | 09/01/25 | 1,497,600 |
| 2,654,000 | Herc Rentals, Inc. (b) | 7.50% | 06/01/22 | 2,863,002 |
| 958,000 | Herc Rentals, Inc. (b) | 7.75% | 06/01/24 | 1,054,998 |
| 730,000 | Iron Mountain, Inc. | 5.75% | 08/15/24 | 735,475 |
| 4,199,000 | Iron Mountain, Inc. (b) | 4.88% | 09/15/27 | 4,036,289 |
| 1,845,000 | Iron Mountain, Inc. (b) | 5.25% | 03/15/28 | 1,803,488 |
| 4,615,000 | KAR Auction Services, Inc. (a) (b) | 5.13% | 06/01/25 | 4,684,225 |
| 3,055,000 | ServiceMaster (The) Co. LLC (a) (b) | 5.13% | 11/15/24 | 3,070,275 |
| 3,650,000 | Tempo Acquisition LLC/Tempo Acquisition Finance Corp. (b) | 6.75% | 06/01/25 | 3,732,125 |
| 1,400,000 | United Rentals North America, Inc. (a) | 5.50% | 07/15/25 | 1,482,250 |
| 2,900,000 | United Rentals North America, Inc. (a) | 5.88% | 09/15/26 | 3,117,500 |

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)

Portfolio of Investments (Continued)

January 31, 2018 (Unaudited)

| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
|--|--|---------------|-----------------|--------------|
| CORPORATE BONDS AND NOTES (Continued) | | | | |
| Services (Continued) | | | | |
| \$ 2,250,000 | United Rentals North America, Inc. | 4.88% | 01/15/28 | \$ 2,252,812 |
| 2,310,000 | Waste Pro USA, Inc. (b) | 5.50% | 02/15/26 | 2,361,975 |
| 1,975,000 | Wrangler Buyer Corp. (b) | 6.00% | 10/01/25 | 2,049,062 |
| | | | | 46,205,501 |
| Technology & Electronics 6.8% | | | | |
| 2,595,000 | CDK Global, Inc. (b) | 4.88% | 06/01/27 | 2,606,963 |
| 590,000 | CDW LLC/CDW Finance Corp. | 5.50% | 12/01/24 | 639,781 |
| 145,000 | CDW LLC/CDW Finance Corp. | 5.00% | 09/01/25 | 148,081 |
| 3,700,000 | CommScope Technologies LLC (a) (b) | 5.00% | 03/15/27 | 3,695,375 |
| 2,800,000 | CommScope, Inc. (b) | 5.00% | 06/15/21 | 2,863,000 |
| 4,166,000 | Dell International LLC/EMC Corp. (a) (b) | 8.35% | 07/15/46 | 5,484,495 |
| 4,030,000 | First Data Corp. (b) | 7.00% | 12/01/23 | 4,254,189 |
| 2,038,000 | First Data Corp. (b) | 5.00% | 01/15/24 | 2,099,140 |
| 2,870,000 | Match Group, Inc. (a) | 6.38% | 06/01/24 | 3,113,950 |
| 4,015,000 | NCR Corp. | 6.38% | 12/15/23 | 4,225,787 |
| 3,019,000 | PTC, Inc. | 6.00% | 05/15/24 | 3,207,688 |
| 3,825,000 | Qorvo, Inc. (a) | 7.00% | 12/01/25 | 4,150,125 |
| | | | | 36,488,574 |
| Telecommunications 9.0% | | | | |
| 4,260,000 | CenturyLink, Inc., Series P | 7.60% | 09/15/39 | 3,764,775 |
| 4,420,000 | CyrusOne L.P./CyrusOne Finance Corp. | 5.38% | 03/15/27 | 4,607,850 |
| 3,025,000 | Equinix, Inc. (a) | 5.88% | 01/15/26 | 3,221,625 |
| 2,500,000 | Equinix, Inc. | 5.38% | 05/15/27 | 2,631,250 |
| 400,000 | Frontier Communications Corp. | 6.25% | 09/15/21 | 329,500 |
| 2,990,000 | Frontier Communications Corp. (a) | 11.00% | 09/15/25 | 2,350,887 |
| 1,956,000 | Hughes Satellite Systems Corp. | 5.25% | 08/01/26 | 1,982,895 |
| 3,070,000 | Level 3 Financing, Inc. | 5.38% | 01/15/24 | 3,062,325 |
| 2,900,000 | Level 3 Financing, Inc. | 5.25% | 03/15/26 | 2,852,875 |
| 1,850,000 | Qualitytech L.P./QTS Finance Corp. (b) | 4.75% | 11/15/25 | 1,873,125 |
| 6,930,000 | Sprint Capital Corp. | 8.75% | 03/15/32 | 8,212,050 |
| 570,000 | Sprint Communications, Inc. (a) | 9.25% | 04/15/22 | 689,700 |
| 6,295,000 | T-Mobile USA, Inc. | 6.00% | 03/01/23 | 6,604,399 |
| 2,925,000 | T-Mobile USA, Inc. | 6.00% | 04/15/24 | 3,116,851 |
| 3,375,000 | Zayo Group LLC/Zayo Capital, Inc. (b) | 5.75% | 01/15/27 | 3,438,450 |
| | | | | 48,738,557 |

| Transportation 3.2% | | | | |
|----------------------------|---|-------|----------|------------|
| 2,000,000 | American Airlines Group, Inc. | 6.13% | 06/01/18 | 2,024,200 |
| 146,917 | Continental Airlines 2003-ERJ1 Pass Through Trust | 7.88% | 07/02/18 | 150,590 |
| 1,063,819 | Continental Airlines 2005-ERJ1 Pass Through Trust (a) | 9.80% | 04/01/21 | 1,143,925 |
| 2,000,000 | United Continental Holdings, Inc. | 6.00% | 12/01/20 | 2,145,000 |
| 5,324,121 | US Airways 2000-3C Pass Through Trust | 8.39% | 03/01/22 | 5,843,223 |
| 5,775,000 | XPO Logistics, Inc. (a) (b) | 6.50% | 06/15/22 | 6,033,431 |
| | | | | 17,340,369 |

| Utility 0.6% | | | | |
|--|---------------|-------|----------|-------------|
| 3,420,000 | Calpine Corp. | 5.75% | 01/15/25 | 3,249,000 |
| Total Corporate Bonds and Notes | | | | 466,038,033 |
| (Cost \$452,486,544) | | | | |

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)**Portfolio of Investments (Continued)**

January 31, 2018 (Unaudited)

| Principal Value (Local Currency) | Description | Stated Coupon | Stated Maturity | Value (US Dollars) |
|--|--|---------------|-----------------|--------------------|
| FOREIGN CORPORATE BONDS AND NOTES 23.9% | | | | |
| Automotive 0.1% | | | | |
| 650,000 | Dana Financing Luxembourg Sarl (USD) (b) | 5.75% | 04/15/25 | \$ 684,125 |
| Banking 0.7% | | | | |
| 1,320,000 | Barclays PLC (USD) | 4.84% | 05/09/28 | 1,354,801 |
| 2,400,000 | Royal Bank of Scotland Group PLC (USD) | 5.13% | 05/28/24 | 2,511,051 |
| | | | | 3,865,852 |
| Basic Industry 7.0% | | | | |
| 7,652,000 | ArcelorMittal (USD) (a) | 7.50% | 10/15/39 | 9,909,340 |
| 1,700,000 | Cemex SAB de CV (USD) (b) | 7.75% | 04/16/26 | 1,929,500 |
| 2,345,000 | FMG Resources (August 2006) Pty Ltd. (USD) (b) | 9.75% | 03/01/22 | 2,588,997 |

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| | | | | |
|-----------|--|-------|----------|------------|
| 3,340,000 | FMG Resources (August 2006) Pty Ltd. (USD) (b) | 5.13% | 05/15/24 | 3,394,275 |
| 1,900,000 | James Hardie International Finance DAC (USD) (b) | 5.00% | 01/15/28 | 1,928,500 |
| 2,825,000 | MMC Norilsk Nickel OJSC via MMC Finance DAC (USD) (b) | 6.63% | 10/14/22 | 3,154,537 |
| 1,625,000 | SPCM S.A. (USD) (b) | 4.88% | 09/15/25 | 1,633,125 |
| 4,200,000 | Stora Enso OYJ (USD) (a) (b) | 7.25% | 04/15/36 | 5,229,000 |
| 2,505,000 | Teck Resources Ltd. (USD) | 6.00% | 08/15/40 | 2,796,206 |
| 1,795,000 | Teck Resources Ltd. (USD) | 6.25% | 07/15/41 | 2,088,931 |
| 2,975,000 | Trinseo Materials Operating SCA/Trinseo Materials Finance, Inc. (USD) (b) | 5.38% | 09/01/25 | 3,055,920 |
| | | | | 37,708,331 |
| | Capital Goods 1.9% | | | |
| 5,100,000 | Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc. (USD) (a) (b) | 7.25% | 05/15/24 | 5,500,095 |
| | Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc. (USD) (b) | 6.00% | 02/15/25 | 553,725 |
| 890,000 | Bombardier, Inc. (USD) (b) | 6.00% | 10/15/22 | 894,450 |
| 3,288,000 | Bombardier, Inc. (USD) (b) | 6.13% | 01/15/23 | 3,337,320 |
| | | | | 10,285,590 |
| | Consumer Goods 0.6% | | | |
| 2,925,000 | Minerva Luxembourg S.A. (USD) (b) | 6.50% | 09/20/26 | 2,957,029 |
| | Energy 2.4% | | | |
| 2,350,000 | Gazprom OAO Via Gaz Capital S.A. (USD) (a) (b) | 8.63% | 04/28/34 | 3,252,517 |
| 4,350,000 | Petrobras Global Finance B.V. (USD) (a) | 6.88% | 01/20/40 | 4,488,156 |
| 2,120,000 | Petrobras Global Finance B.V. (USD) | 7.25% | 03/17/44 | 2,258,860 |
| 3,350,000 | Weatherford International Ltd. (USD) | 4.50% | 04/15/22 | 3,182,500 |
| | | | | 13,182,033 |
| | Healthcare 2.8% | | | |
| 2,275,000 | Endo Dac./Endo Finance LLC/Endo Finco, Inc. (USD) (a) (b) | 6.00% | 02/01/25 | 1,721,902 |
| 3,625,000 | Valeant Pharmaceuticals International, Inc. (USD) (a) (b) | 7.50% | 07/15/21 | 3,647,656 |
| 5,319,000 | Valeant Pharmaceuticals International, Inc. (USD) (a) (b) | 5.88% | 05/15/23 | 4,818,748 |
| 3,724,000 | Valeant Pharmaceuticals International, Inc. (USD) (a) (b) | 6.13% | 04/15/25 | 3,347,690 |
| 1,320,000 | Valeant Pharmaceuticals International, Inc. (USD) (b) | 9.00% | 12/15/25 | 1,359,191 |

| | | | | |
|-----------|--|-------|----------|------------|
| | | | | 14,895,187 |
| | Insurance 1.0% | | | |
| 1,800,000 | Aviva PLC (GBP) (c) | 6.13% | 11/14/36 | 3,093,337 |
| 2,220,000 | Oil Insurance Ltd., 3 Mo. LIBOR + 2.98% (USD) (b) (d) | 4.67% | (e) | 2,158,950 |
| | | | | 5,252,287 |

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)**Portfolio of Investments (Continued)**

January 31, 2018 (Unaudited)

| Principal Value (Local Currency) | Description | Stated Coupon | Stated Maturity | Value (US Dollars) |
|--|---|------------------|--------------------|-----------------------|
| FOREIGN CORPORATE BONDS AND NOTES (Continued) | | | | |
| | Leisure 1.2% | | | |
| 3,205,000 | Royal Caribbean Cruises Ltd. (USD) (a) | 7.50% | 10/15/27 | \$ 4,037,446 |
| 2,360,000 | Wynn Macau Ltd. (USD) (b) | 4.88% | 10/01/24 | 2,342,300 |
| | | | | 6,379,746 |
| | Media 1.5% | | | |
| 3,695,000 | UPCB Finance IV Ltd. (USD) (b) | 5.38% | 01/15/25 | 3,778,137 |
| 2,800,000 | Virgin Media Finance PLC (GBP) | 6.38% | 10/15/24 | 4,268,778 |
| | | | | 8,046,915 |
| | Retail 0.5% | | | |
| 2,720,000 | 1011778 BC ULC/New Red Finance, Inc. (USD) (a) (b) | 4.25% | 05/15/24 | 2,679,200 |
| | Services 1.2% | | | |
| 2,040,000 | GFL Environmental, Inc. (USD) (b) | 5.63% | 05/01/22 | 2,121,600 |
| 3,940,000 | Ritchie Bros. Auctioneers, Inc. (USD) (a) (b) | 5.38% | 01/15/25 | 4,058,200 |
| | | | | 6,179,800 |

| Technology & Electronics 1.1% | | | | |
|--|--|-------|----------|-------------|
| 2,500,000 | NXP B.V./NXP Funding LLC (USD) (b) | 4.63% | 06/01/23 | 2,613,250 |
| 3,060,000 | Sensata Technologies UK Financing Co., PLC (USD) (a) (b) | 6.25% | 02/15/26 | 3,304,800 |
| | | | | 5,918,050 |
| Telecommunications 1.9% | | | | |
| 4,280,000 | Telecom Italia Capital S.A. (USD) (a) | 7.72% | 06/04/38 | 5,594,816 |
| 4,850,000 | VEON Holdings B.V. (USD) (a) (b) | 4.95% | 06/16/24 | 4,881,525 |
| | | | | 10,476,341 |
| Total Foreign Corporate Bonds and Notes | | | | 128,510,486 |
| (Cost \$118,420,713) | | | | |

| Par Amount (Local Currency) | Description | Stated Rate | Stated Maturity | Value (US Dollars) |
|--|--|--------------------|------------------------|---------------------------|
| CAPITAL PREFERRED SECURITIES 7.7% | | | | |
| Automotive 0.8% | | | | |
| 3,935,000 | General Motors Financial Co., Inc., Series A (USD) (c) | 5.75% | (e) | 4,072,725 |
| Banking 4.0% | | | | |
| 5,155,000 | Bank of America Corp., Series DD (USD) (a) (c) | 6.30% | (e) | 5,786,488 |
| 2,475,000 | Citigroup, Inc., Series M (USD) (c) | 6.30% | (e) | 2,623,500 |
| 2,775,000 | Dresdner Funding Trust I (USD) (a) (b) | 8.15% | 06/30/31 | 3,739,313 |
| 4,370,000 | Goldman Sachs Group (The), Inc., Series P (USD) (c) | 5.00% | (e) | 4,296,234 |
| 2,400,000 | HBOS Capital Funding L.P. (GBP) (c) | 6.46% | (e) | 3,543,007 |
| 1,450,000 | RBS Capital Trust II (USD) (c) | 6.43% | (e) | 1,826,275 |
| | | | | 21,814,817 |
| Capital Goods 0.5% | | | | |
| 3,210,000 | Textron Financial Corp., 3 Mo. LIBOR + 1.74% (USD) (b) (d) | 3.15% | 02/15/42 | 2,889,000 |
| Insurance 2.4% | | | | |
| 2,700,000 | Chubb (The) Corp., 3 Mo. LIBOR + 2.25% (USD) (d) | 3.97% | 03/29/67 | 2,696,625 |
| 6,950,000 | Hartford Financial Services Group (The), Inc., 3 Mo. LIBOR + 2.13% (USD) (a) (b) (d) | 3.54% | 02/12/47 | 6,810,305 |

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)**Portfolio of Investments (Continued)**

January 31, 2018 (Unaudited)

| Par Amount (Local Currency) | Description | Stated Rate | Stated Maturity | Value (US Dollars) |
|---|---|---------------|---------------------|--------------------|
| CAPITAL PREFERRED SECURITIES (Continued) | | | | |
| Insurance (Continued) | | | | |
| 3,500,000 | Lincoln National Corp., 3 Mo. LIBOR + 2.36% (USD) (a) (d) | 3.78% | 05/17/66 | \$ 3,373,125 |
| | | | | 12,880,055 |
| | Total Capital Preferred Securities | | | 41,656,597 |
| | (Cost \$39,479,377) | | | |
| Principal Value | Description | Rate (f) | Stated Maturity (g) | Value |
| SENIOR FLOATING-RATE LOAN INTERESTS 1.1% | | | | |
| Healthcare 1.1% | | | | |
| \$ 6,089,150 | Ortho-Clinical Term Loan B3, 3 Mo. LIBOR + 3.75%, 1.00% Floor | 5.44% | 06/30/21 | 6,140,542 |
| | (Cost \$6,061,649) | | | |
| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
| MORTGAGE-BACKED SECURITIES 0.9% | | | | |
| Collateralized Mortgage Obligations 0.2% | | | | |
| 17,624 | Morgan Stanley Mortgage Loan Trust Series 2007-6XS, Class 2A1S, 1 Mo. LIBOR + 0.11% (d) | 1.66% | 02/25/47 | 17,672 |
| 1,295,994 | Wells Fargo Mortgage Backed Securities Series 2006-AR7 Trust, Class 2A4 (h) | 3.34% | 05/25/36 | 1,321,489 |
| | | | | 1,339,161 |
| Commercial Mortgage-Backed Securities 0.7% | | | | |
| 31,990 | | 1.61% | 10/25/36 | 32,042 |

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| | | | | |
|--|---|-----------|-------|--------------|
| | Carrington Mortgage Loan Trust Series 2006-NC4, Class A5, 1 Mo. LIBOR + 0.06% (d) | | | |
| | Securitized Asset Backed Receivables LLC Trust Series 2006-FR4, Class A2A, 1 Mo. LIBOR + 0.08% (d) | 7,877,017 | 1.63% | 08/25/36 |
| | | | | 3,490,852 |
| | | | | 3,522,894 |
| | Total Mortgage-Backed Securities | | | 4,862,055 |
| | (Cost \$6,309,710) | | | |
| | ASSET-BACKED SECURITIES 0.1% | | | |
| | Keycorp Student Loan Trust, Series 2000-A, Class A2, 3 Mo. LIBOR + 0.32% (d) | 616,607 | 1.64% | 05/25/29 |
| | | | | 613,689 |
| | (Cost \$578,700) | | | |
| | Total Investments 120.2% | | | 647,821,402 |
| | (Cost \$623,336,693) (i) | | | |
| | U.S. GOVERNMENT BONDS SOLD SHORT (17.7)% | | | |
| | (101,950,000) United States Treasury Note | | 1.38% | 09/30/23 |
| | | | | (95,466,662) |
| | (Proceeds \$98,822,755) | | | |
| | CORPORATE BONDS SOLD SHORT (1.8)% | | | |
| | Energy (0.9)% | | | |
| | (2,400,000) Noble Energy, Inc. | | 4.15% | 12/15/21 |
| | (2,100,000) Noble Energy, Inc. | | 3.90% | 11/15/24 |
| | | | | (2,490,539) |
| | | | | (2,149,966) |
| | | | | (4,640,505) |

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)

Portfolio of Investments (Continued)

January 31, 2018 (Unaudited)

| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
|-----------------|---|---------------|-----------------|----------------|
| | CORPORATE BONDS SOLD SHORT (Continued) | | | |
| | Media (0.9)% | | | |
| \$ (5,145,000) | Netflix, Inc. | 4.38% | 11/15/26 | \$ (5,053,368) |

Total Corporate Bonds Sold Short (9,693,873)

(Proceeds \$9,150,271)

| | | | | |
|---|--------------------|--|-------|----------------------|
| FOREIGN CORPORATE BONDS SOLD SHORT (1.2)% | | | | |
| Media (1.2)% | | | | |
| (6,500,000) | SFR Group S.A. (b) | | 7.38% | 05/01/26 (6,426,875) |
| (Proceeds \$6,511,046) | | | | |
| Total Investments Sold Short (20.7)% (111,587,410) | | | | |
| (Proceeds \$114,484,072) | | | | |
| Outstanding Loan (3.7)% (19,845,562) | | | | |
| Net Other Assets and Liabilities 4.2% 22,351,777 | | | | |
| Net Assets 100.0% \$ 538,740,207 | | | | |

Forward Foreign Currency Contracts

| Settlement | | | Amount | | Amount | Purchase | Sale | Unrealized |
|------------|--------------|-----|------------|-----|-----------|--------------|--------------|----------------|
| Date | Counterparty | | Purchased | | Sold | Value as of | Value as of | Appreciation/ |
| | | | | | | 1/31/2018 | 1/31/2018 | (Depreciation) |
| 05/02/18 | JPM | USD | 11,251,118 | GBP | 7,860,000 | \$11,251,118 | \$11,200,188 | \$50,930 |

Counterparty Abbreviations

JPM JPMorgan Chase

See Note 2D Forward Foreign Currency Contracts in the Notes to Portfolio of Investments.

- This security or a portion of this security is segregated as collateral for investments sold short.
- This security, sold within the terms of a private placement memorandum, is exempt from registration upon resale under Rule 144A under the Securities Act of 1933, and may be resold in transactions exempt from registration, normally to qualified institutional buyers. Pursuant to procedures adopted by the Fund's Board of Trustees, this security has been determined to be liquid by MacKay Shields LLC, the Fund's sub-advisor. Although market instability can result in periods of increased overall market illiquidity, liquidity for each security is determined based on security specific factors and assumptions, which require subjective judgment. At January 31, 2018, securities noted as such amounted to \$316,263,107 of total investments and \$(6,426,875) of total investments sold short, or 58.7% and (1.2)% of net assets, respectively.
- Fixed-to-floating or fixed-to-variable rate security. The interest rate shown reflects the fixed rate in effect at January 31, 2018. At a predetermined date, the fixed rate will change to a floating rate or a variable rate.
- Floating or variable rate security.
- Perpetual maturity.
- Senior Floating-Rate Loan Interests (Senior Loans) in which the Fund invests pay interest at rates which are periodically predetermined by reference to a base lending rate plus a premium. These base lending rates are generally (i) the lending rate offered by one or more major European banks, such as the London Interbank Offered Rate (LIBOR), (ii) the prime rate offered by one or more United States banks or (iii) the certificate of deposit rate. Certain Senior Loans are subject to a LIBOR floor that establishes a minimum LIBOR rate.

- (g) Senior Loans generally are subject to mandatory and/or optional prepayment. As a result, the actual remaining maturity of Senior Loans may be substantially less than the stated maturities shown.
- (h) Collateral Strip Rate security. Interest is based on the weighted net interest rate of the investments underlying collateral. The interest rate resets periodically.
- (i) Aggregate cost for financial reporting purposes approximates the aggregate cost for federal income tax purposes. As of January 31, 2018, the aggregate gross unrealized appreciation for all investments in which there was an excess of value over tax cost was \$34,382,423 and the aggregate gross unrealized depreciation for all investments in which there was an excess of tax cost over value was \$6,950,122. The net unrealized appreciation was \$27,432,301. The amounts presented are inclusive of investments sold short and derivative contracts.

GBP British Pound Sterling
 LIBOR London Interbank Offered Rate
 USD United States Dollar

See Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)

Portfolio of Investments (Continued)

January 31, 2018 (Unaudited)

Valuation Inputs

A summary of the inputs used to value the Fund's investments as of January 31, 2018 is as follows (see Note 2A - Portfolio Valuation in the Notes to Portfolio of Investments):

| | ASSETS TABLE | | | |
|--------------------------------------|---------------------|----------------|--------------------|---------------------|
| | Total | Level 1 | Level 2 | Level 3 |
| | Value at | Quoted | Significant | Significant |
| | 1/31/2018 | Prices | Observable | Unobservable |
| | | | Inputs | Inputs |
| Corporate Bonds and Notes* | \$ 466,038,033 | \$ | \$ 466,038,033 | \$ |
| Foreign Corporate Bonds and Notes* | 128,510,486 | | 128,510,486 | |
| Capital Preferred Securities* | 41,656,597 | | 41,656,597 | |
| Senior Floating-Rate Loan Interests* | 6,140,542 | | 6,140,542 | |
| Mortgage-Backed Securities | 4,862,055 | | 4,862,055 | |
| Asset-Backed Securities | 613,689 | | 613,689 | |
| Total Investments | 647,821,402 | | 647,821,402 | |
| Forward Foreign Currency Contracts | 50,930 | | 50,930 | |

| | | | | |
|-------|----------------|----|----------------|----|
| Total | \$ 647,872,332 | \$ | \$ 647,872,332 | \$ |
|-------|----------------|----|----------------|----|

LIABILITIES TABLE

| | Total Value at 1/31/2018 | Level 1 Quoted Prices | Level 2 Significant Observable Inputs | Level 3 Significant Unobservable Inputs |
|-------------------------------------|--------------------------------|-----------------------------|--|--|
| U.S. Government Bonds Sold Short | \$ (95,466,662) | \$ | \$ (95,466,662) | \$ |
| Corporate Bonds Sold Short* | (9,693,873) | | (9,693,873) | |
| Foreign Corporate Bonds Sold Short* | (6,426,875) | | (6,426,875) | |
| Total | \$ (111,587,410) | \$ | \$ (111,587,410) | \$ |

* See Portfolio of Investments for industry breakout.

All transfers in and out of the Levels during the period are assumed to occur on the last day of the period at their current value. There were no transfers between Levels at January 31, 2018.

See Notes to Portfolio of Investments

Notes to Portfolio of Investments

First Trust High Income Long/Short Fund (FSD)

January 31, 2018 (Unaudited)

1. Organization

First Trust High Income Long/Short Fund (the Fund) is a diversified, closed-end management investment company organized as a Massachusetts business trust on June 18, 2010, and is registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended (the 1940 Act). The Fund trades under the ticker symbol FSD on the New York Stock Exchange (NYSE).

The Fund is considered an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification Topic 946, Financial Services-Investment Companies.

2. Valuation and Investment Practices

A. Portfolio Valuation

The net asset value (NAV) of the Common Shares of the Fund is determined daily as of the close of regular trading on the NYSE, normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. If the NYSE closes early on a valuation day, the NAV is determined as of that time. Domestic debt securities and foreign securities are priced using data reflecting the earlier closing of the principal markets for those securities. The Fund's NAV per Common Share is

calculated by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses, dividends declared but unpaid and any borrowings of the Fund), by the total number of Common Shares outstanding.

The Fund's investments are valued daily at market value or, in the absence of market value with respect to any portfolio securities, at fair value. Market value prices represent last sale or official closing prices from a national or foreign exchange (i.e., a regulated market) and are primarily obtained from third-party pricing services. Fair value prices represent any prices not considered market value prices and are either obtained from a third-party pricing service or are determined by the Pricing Committee of the Fund's investment advisor, First Trust Advisors L.P. (First Trust or the Advisor), in accordance with valuation procedures adopted by the Fund's Board of Trustees, and in accordance with provisions of the 1940 Act. Investments valued by the Advisor's Pricing Committee, if any, are footnoted as such in the footnotes to the Portfolio of Investments. The Fund's investments are valued as follows:

Corporate bonds, notes, capital preferred securities, U.S. government securities, mortgage-backed securities, asset-backed securities and other debt securities are fair valued on the basis of valuations provided by dealers who make markets in such securities or by a third-party pricing service approved by the Fund's Board of Trustees, which may use the following valuation inputs when available:

- 1) benchmark yields;
- 2) reported trades;
- 3) broker/dealer quotes;
- 4) issuer spreads;
- 5) benchmark securities;
- 6) bids and offers; and
- 7) reference data including market research publications.

Shares of open-end funds are valued at fair value which is based on NAV per share.

Securities traded in an over-the-counter market are fair valued at the mean of their most recent bid and asked price, if available, and otherwise at their closing bid price.

The Senior Floating-Rate Loan interests (Senior Loans)⁽¹⁾ held in the Fund are not listed on any securities exchange or board of trade. Senior Loans are typically bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an over-the-counter secondary market, although typically no formal market-makers exist. This market, while having grown substantially since its inception, generally has fewer trades and less liquidity than the secondary market for other types of securities. Some Senior Loans have few or no trades, or trade infrequently, and information regarding a specific Senior Loan may not be widely available or may be incomplete. Accordingly, determinations of the market value of Senior Loans may be based on infrequent and dated information. Because there is less reliable, objective data available, elements of judgment may play a greater role in valuation of Senior Loans than for other types of securities. Typically, Senior Loans are fair valued using information provided by a third-party pricing service. The third-party pricing service primarily uses over-the-counter pricing from dealer runs and broker quotes from indicative sheets to value the Senior Loans.

⁽¹⁾ The terms security and securities used throughout the Notes to Portfolio of Investments include Senior Loans.

January 31, 2018 (Unaudited)

Forward foreign currency contracts are fair valued at the current day's interpolated foreign exchange rate, as calculated using the current day's spot rate, and the thirty, sixty, ninety, and one-hundred eighty day forward rates provided by a third-party pricing service.

Fixed income and other debt securities having a remaining maturity of sixty days or less when purchased are fair valued at cost adjusted for amortization of premiums and accretion of discounts (amortized cost), provided the Advisor's Pricing Committee has determined that the use of amortized cost is an appropriate reflection of fair value given market and issuer-specific conditions existing at the time of the determination. Factors that may be considered in determining the appropriateness of the use of amortized cost include, but are not limited to, the following:

- 1) the credit conditions in the relevant market and changes thereto;
- 2) the liquidity conditions in the relevant market and changes thereto;
- 3) the interest rate conditions in the relevant market and changes thereto (such as significant changes in interest rates);
- 4) issuer-specific conditions (such as significant credit deterioration); and
- 5) any other market-based data the Advisor's Pricing Committee considers relevant. In this regard, the Advisor's Pricing Committee may use last-obtained market-based data to assist it when valuing portfolio securities using amortized cost.

Certain securities may not be able to be priced by pre-established pricing methods. Such securities may be valued by the Fund's Board of Trustees or its delegate, the Advisor's Pricing Committee, at fair value. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933, as amended) for which a third-party pricing service is unable to provide a market price; securities whose trading has been formally suspended; a security whose market or fair value price is not available from a pre-established pricing source; a security with respect to which an event has occurred that is likely to materially affect the value of the security after the market has closed but before the calculation of the Fund's NAV or make it difficult or impossible to obtain a reliable market quotation; and a security whose price, as provided by the third-party pricing service, does not reflect the security's fair value. As a general principle, the current fair value of a security would appear to be the amount which the owner might reasonably expect to receive for the security upon its current sale. When fair value prices are used, generally they will differ from market quotations or official closing prices on the applicable exchanges. A variety of factors may be considered in determining the fair value of such securities, including, but not limited to, the following:

- 1) the fundamental business data relating to the borrower/issuer;
- 2) an evaluation of the forces which influence the market in which these securities are purchased and sold;
- 3) the type, size and cost of a security;
- 4) the financial statements of the borrower/issuer;
- 5) the credit quality and cash flow of the borrower/issuer, based on the Sub-Advisor's or external analysis;
- 6) the information as to any transactions in or offers for the security;
- 7) the price and extent of public trading in similar securities (or equity securities) of the issuer/borrower, or comparable companies;
- 8) the coupon payments;
- 9) the quality, value and salability of collateral, if any, securing the security;
- 10)

the business prospects of the borrower/issuer, including any ability to obtain money or resources from a parent or affiliate and an assessment of the borrower's/issuer's management;

- 11) the prospects for the borrower's/issuer's industry, and multiples (of earnings and/or cash flows) being paid for similar businesses in that industry;
- 12) the borrower's/issuer's competitive position within the industry;
- 13) the borrower's/issuer's ability to access additional liquidity through public and/or private markets; and
- 14) other relevant factors.

The Fund is subject to fair value accounting standards that define fair value, establish the framework for measuring fair value and provide a three-level hierarchy for fair valuation based upon the inputs to the valuation as of the measurement date. The three levels of the fair value hierarchy are as follows:

Level 1 Level 1 inputs are quoted prices in active markets for identical investments. An active market is a market in which transactions for the investment occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Level 2 inputs are observable inputs, either directly or indirectly, and include the following:

- Quoted prices for similar investments in active markets.

Notes to Portfolio of Investments (Continued)

First Trust High Income Long/Short Fund (FSD)

January 31, 2018 (Unaudited)

- Quoted prices for identical or similar investments in markets that are non-active. A non-active market is a market where there are few transactions for the investment, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
- Inputs other than quoted prices that are observable for the investment (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Level 3 inputs are unobservable inputs. Unobservable inputs may reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the investment.

The inputs or methodologies used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. A summary of the inputs used to value the Fund's investments as of January 31, 2018, is included with the Fund's Portfolio of Investments.

B. Securities Transactions and Investment Income

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis.

C. Unfunded Loan Commitments

The Fund may enter into certain credit agreements, all or a portion of which may be unfunded. The Fund is obligated to fund these loan commitments at the borrower's discretion. The Fund did not have any unfunded delayed draw loan commitments as of January 31, 2018.

D. Forward Foreign Currency Contracts

The Fund is subject to foreign currency risk in the normal course of pursuing its investment objectives. Forward foreign currency contracts are agreements between two parties (Counterparties) to exchange one currency for another at a future date and at a specified price. The Fund uses forward foreign currency contracts to facilitate transactions in foreign securities and to manage the Fund's foreign currency exposure. These contracts are valued daily, and the Fund's net equity therein, representing unrealized gain or loss on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is included on the Forward Foreign Currency Contracts table in the Portfolio of Investments. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency, securities values and interest rates. Due to the risks, the Fund could incur losses in excess of the net unrealized value shown on the Forward Foreign Currency Contracts table in the Portfolio of Investments. In the event of default by the Counterparty, the Fund will provide notice to the Counterparty of the Fund's intent to convert the currency held by the Fund into the currency that the Counterparty agreed to exchange with the Fund. If a Counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Fund may experience significant delays in obtaining any recovery in a bankruptcy or other reorganization proceeding. The Fund may obtain only limited recovery or may obtain no recovery in such circumstances.

E. Foreign Currency

The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities are translated into U.S. dollars at the exchange rates prevailing at the end of the period. Purchases and sales of investments and items of income and expense are translated on the respective dates of such transactions.

F. Short Sales

Short sales are utilized for investment and risk management purposes and are transactions in which securities or other instruments (such as options, forwards, futures or other derivative contracts) are sold by the Fund, but are not currently owned in the Fund's portfolio. When the Fund engages in a short sale, the Fund must borrow the security sold short and deliver the security to the counterparty. Short selling allows the Fund to profit from a decline in a market price to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. The Fund will pay a fee or premium to borrow the securities sold short and is obligated to repay the lenders of the securities. Any dividends or interest that accrues on the securities during the period of the loan are due to the lenders. A gain, limited to the price at which the security was sold short, or a loss, unlimited in size, will be recognized upon the termination of the short sale; which is affected by the Fund purchasing the security sold short and delivering the security to the lender. Any such gain or loss may be offset, completely or in part, by the change in the value of the long portion of the Fund's portfolio. The Fund is subject to the risk that it may be unable to reacquire a security to terminate a short position except at a price substantially in excess of the last quoted price. Also, there is the risk that the counterparty to a short sale may fail to honor its contractual terms, causing a loss to the Fund.

January 31, 2018 (Unaudited)

The Fund has established an account with Pershing, LLC (Pershing) for the purpose of purchasing or borrowing securities on margin. At January 31, 2018, the Fund had \$19,845,562 in borrowings associated with investments sold short and \$111,587,410 of investments sold short as shown on the Portfolio of Investments.

3. Derivative Transactions

During the fiscal year-to-date period (November 1, 2017 through January 31, 2018), the notional values of forward foreign currency contracts opened and closed were \$26,447,916 and \$28,573,199, respectively.

Item 2. Controls and Procedures.

The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 (a) days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).

There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that have (b) materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are 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) First Trust High
Income
Long/Short Fund

By (Signature and Title)* /s/ James M. Dykas
James M. Dykas, President and Chief Executive Officer
(principal executive officer)

Date March 29, 2018

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/ James M. Dykas
James M. Dykas, President and Chief Executive Officer
(principal executive officer)

Date March 29, 2018

By (Signature and Title)* /s/ Donald P. Swade
Donald P. Swade, Treasurer, Chief Financial Officer
and Chief Accounting Officer
(principal financial officer)

Date March 29, 2018

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