

# Strategic Income Opportunities Fund

INST: BSIIX • A: BASIX • C: BSICX

★★★★ Morningstar Overall (INST)

## Yields are more attractive, but challenges remain in fixed income

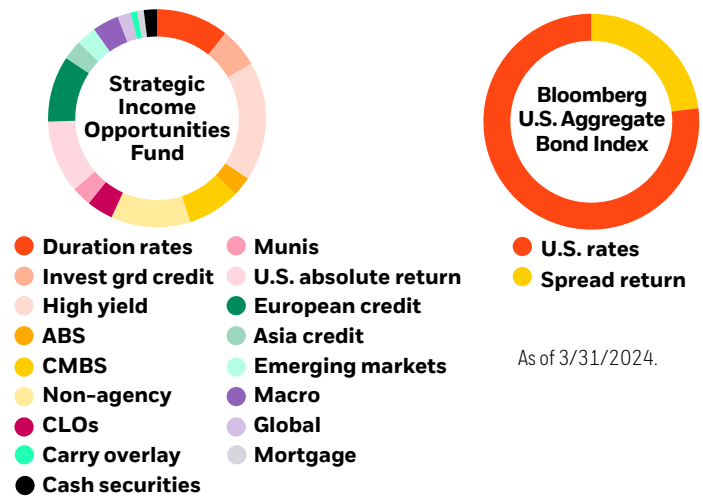
Elevated inflation, tighter monetary policy and slowing growth may lead to more persistent volatility. A flexible and active approach remains key to navigating such an environment.

### About the fund:

- Flexible alpha
- Diversified risk
- Risk-aware process

## Diversified sources of return

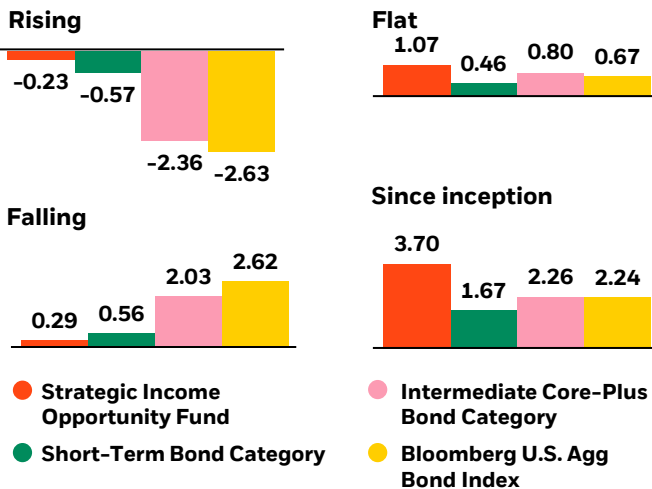
The fund takes a risk-first approach, leveraging BlackRock's leading fixed income platform to diversify across bond markets and trading strategies.<sup>1</sup>



## Seeks stability

The fund actively manages duration and has delivered positive returns in all rate environments in comparison to traditional core bond strategies.

### Average return during different rate periods<sup>2</sup>



## Strong performance

BSIIX has had strong performance compared to Morningstar Nontraditional and Intermediate Core-Plus Bond category averages.\*

	BlackRock Strategic Income Opportunities Fund (BSIIX)	Morningstar Nontraditional Bond Category Average	Morningstar Intermediate Core-Plus Bond Category Average
Return (since strategy inception)	3.70%	2.19%	2.74%
Volatility (since strategy inception)	3.53%	3.40%	4.34%
Sharpe ratio (since strategy inception)	0.74	0.33	0.38

BSIIX 30-day SEC yield (subsidized/unsubsidized)<sup>†</sup> 5.25%/5.24%

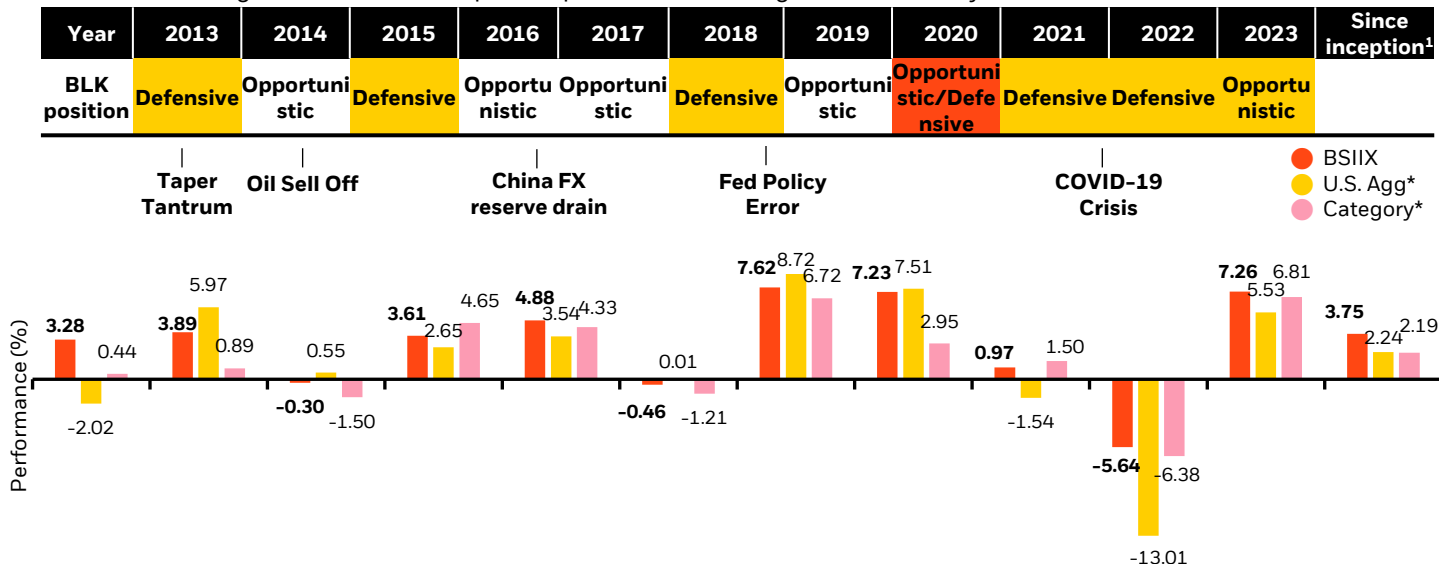
Standardized performance as of 3/31/2024 for BSIIX/Nontraditional Bond Category/Intermediate Core-Plus Bond Category is as follows: 1yr 6.49%/6.95%/2.91%, 5yr 3.05%/2.36%/ 0.75%, 10yr 2.74%/2.21%/1.67%.

Institutional shares are not available to all investors. Performance, fees and rankings for other share classes could be higher or lower. \*Data based on the Institutional shares of the BlackRock Strategic Income Opportunities Fund. Data table source: Morningstar. Data is from 3/01/10-3/31/2024. †Yield is based on 30-Day SEC Yield (subsidized & unsubsidized for the fund; subsidized for the category averages as unsubsidized is unavailable) as of 3/31/2024.

Rated against 278 Nontraditional Bond Funds as of 3/31/2024, based on risk-adjusted total return. Ratings are determined monthly and subject to change.

## Flexibility for changing markets<sup>3</sup>

BSIIX has a strong track record of competitive performance through a full market cycle.



The Morningstar Rating™ for funds, or “star rating”, is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The Institutional share class of the fund was rated against the following numbers of U.S.- domiciled Nontraditional bond funds over the following time periods: 278, 250 and 161 in the last 3, 5 and 10 years, respectively. The fund received a Morningstar Rating of 3, 4 and 4 stars for the 3-, 5- and 10-year periods, respectively. Other classes may have different performance characteristics.

**1** Source: Morningstar as of 3/31/2024. Data is since March 2010 when Rick Rieder was named PM of the fund and the investment strategy changed. Subject to change. Diversification does not ensure a profit or protect against loss. **2** Source: Morningstar as of 3/31/2024. Based on institutional shares of the fund. Data is from March 2010 (when Rick Rieder was named PM of the fund and the investment strategy changed to 3/31/2024. Performance is category, fund or index average in given time frames. Rising, Flat and Falling rate periods are calculated using a proprietary methodology that chooses periods based on specific parameters BlackRock deems sufficient to categorize periods as rising, flat and falling. Rising Rates: Counts period if <= 60 day period with at least a 40 bp increase in 10-year treasury from start date to end date. Flat Rates: Ending date rate must be within +/- 2 bps of start date rate, period must be at least 30 days and no more than 90 days (business days), variance of rate in the periods must be +/- 15 bps from start date rate on each date over the period (ensures minimal volatility over the period as a whole). Falling Rates: Counts period if <=60 day period with at least a 40 bp decline in 10-year treasury rate from start date to end date. **3** Source: Morningstar Direct as of 3/31/2024. Performance for the Institutional Share class shown. \*Since inception refers to strategy inception in March 2010. <sup>4</sup>U.S. Agg refers to Bloomberg U.S. Aggregate Index; Category refers to Morningstar Nontraditional Category. Performance data quoted represents past performance and does not guarantee future results.

BlackRock provides compensation in connection with obtaining or using third-party ratings and rankings.

**Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. All returns assume reinvestment of all dividend and capital gain distributions. Refer to blackrock.com for current month end performance. Investment returns reflect total fund operating expenses, net of all fees, waivers, and/or expense reimbursement. Expenses stated as of the fund’s most recent prospectus: Institutional Shares Total/Net, Including Investment Related expenses are 0.71%/0.71% and have contractual waivers with an end date of 06/30/2024 terminable upon 90 days’ notice.**

**Please consider the investment objectives, risks, charges and expenses of the funds carefully before investing. The prospectuses and, if available, the summary prospectuses contain this and other information about the funds and are available, along with information on other BlackRock funds, by calling 800-882-0052 or at www.blackrock.com. The prospectuses and, if available, the summary prospectuses should be read carefully before investing.**

**Important risks of the fund: Investing involves risk, including possible loss of principal. Mutual funds are actively managed and their characteristics will vary. Bond values fluctuate in price so the value of your investment can go down depending on market conditions. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Principal of mortgage- or asset-backed securities normally may be prepaid at any time, reducing the yield and market value of those securities. Obligations of U.S. gov’t agencies are supported by varying degrees of credit but generally are not backed by the full faith and credit of the U.S. gov’t. The fund may use derivatives to hedge its investments or to seek to enhance returns. International investing involves special risks including, but not limited to currency fluctuations, illiquidity and volatility. These risks may be heightened for investments in emerging markets. Non-investment-grade debt securities (high yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities.**

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