

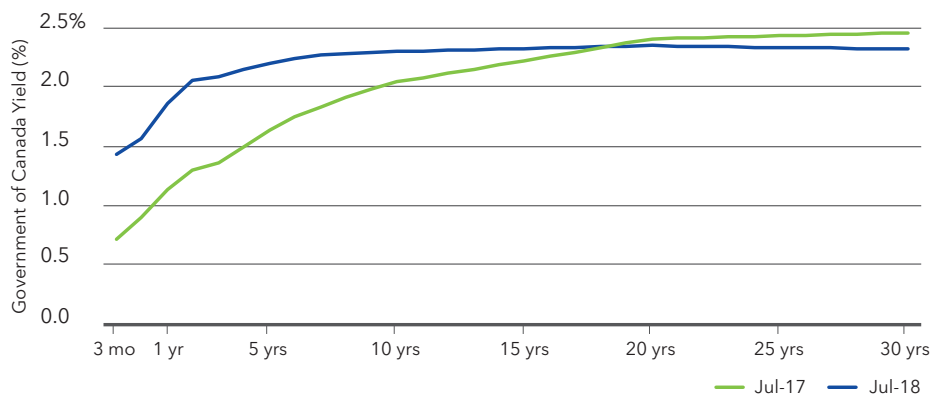


Go Long on the Short End

Capitalizing on Short Duration Opportunities in Today's Market

The continued normalization of monetary policy has driven front-end yields higher in Canadian and U.S. fixed income markets. For example, the 3-month Government of Canada bond yield has nearly doubled over the past year, rising from 0.73% in July 2017 to 1.44% today. Marking a major shift from the post-crisis era of near-zero yields on short duration assets, bond investors no longer need to take on as much duration risk to seek a more compelling level of income. We believe the short end currently offers potentially attractive income, while providing a healthy buffer against future potential yield increases.

12M Changes to the Canadian Yield Curve



Source: BlackRock, Bloomberg L.P. (Bloomberg). As of 7/31/2018.

iShares Short Duration Product Spectrum

Index - Floating Rate

XFR iShares Floating Rate Index ETF

Yield to Maturity¹: 1.80%
Duration (years)¹: 0.14

A low-cost, floating rate product comprised of 90% Canadian government bonds.

Active - Conservative Income

XSC iShares Conservative Short Term Strategic Fixed Income ETF

Yield to Maturity¹: 2.92%
Duration (years)¹: 2.17

High-quality bond fund actively managed to deliver a steady level of income while seeking to provide downside protection.

Active - Enhanced Income

XSI iShares Short Term Strategic Fixed Income ETF

Yield to Maturity¹: 3.49%
Duration (years)¹: 2.68

Short-duration bond fund actively managed to generate a consistent level of enhanced income.

Capitalizing on the Short End

iShares bond ETFs can help investors take advantage of the improved risk-return profile of short duration opportunities. From index floating rate bond exposure to actively managed products that aim to provide a consistent level of income, iShares offers an array of fixed income solutions to meet the unique investment needs of clients.

Standardized performance

As of 7/31/2018

Standardized performance (%)	Inception date	Management fee	1 year	3 years	5 years	10 years	Since inception
XFR iShares Floating Rate Index ETF	06/12/2011	0.20%	1.56%	1.04%	1.07%	-	1.24%
XSC iShares Conservative Short Term Strategic Fixed Income ETF	09/01/2015	0.40%	1.16%	-	-	-	2.17%
XSI iShares Short Term Strategic Fixed Income ETF	01/20/2015	0.50%	1.28%	1.60%	-	-	1.65%

Source: BlackRock. As of 7/31/2018

Please call or go online for more information.



1-866-iSHARES (1-866-474-2737)



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