

As of 12/31/2023 | Class K: BFRKX | Institutional: BFRIX | **Investor A: BFRAX** | Investor C: BFRCX**Income That Keeps Up With Interest Rates**

Floating rate loans are unlike traditional fixed income, providing investors income that adjusts with interest rates.

**A Powerful Diversifier**

With a low correlation to traditional fixed income and income that can rise with rates, bank loans offer diversification and can serve as a hedge against rising rates and inflation.

**Attractive Risk-Adjusted Returns through Diverse Markets**

Over the long-term, the fund has offered attractive risk-adjusted returns with the potential for higher yield if interest rates rise.



Rated against 224 Bank Loan Funds, as of 12/31/2023 based on risk adjusted total return. Overall Ratings are determined monthly and subject to change. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics.††

**ANNUALIZED PERFORMANCE**

With Sales Charge	1 Year	3 Year	5 Year	10 Year
Investor A	9.39	4.09	4.61	3.50
Without Sales Charge	1 Year	3 Year	5 Year	10 Year
Investor A	12.20	4.97	5.14	3.76
Benchmark	13.32	5.76	5.80	4.42
Morningstar Average	12.19	4.49	4.42	3.35

**CALENDAR YEAR PERFORMANCE**

Without Sales Charge	2019	2020	2021	2022	2023	YTD	4Q2023
Investor A	8.54	2.35	3.82	-0.69	12.20	12.20	2.96
Benchmark	8.64	3.12	5.20	-0.60	13.32	13.32	2.87
Morningstar Average	7.45	1.16	4.36	-2.49	12.19	12.19	2.95

Performance data shown represents past performance which 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. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index. Returns with sales charge reflect the deduction of current maximum initial sales charge of 2.50%. The calendar year performance shown does not reflect the deduction of the sales load. If reflected, the performance would have been lower. Please see the fund prospectus for more details.

**MORNINGSTAR RANKINGS**

	1 Year	3 Year	5 Year	10 Year
Morningstar Ranking	98/237	71/224	38/215	38/177
Quartile Rank	2	2	1	1

Rankings based on total return excluding sales charges, independently calculated and not combined to create an overall ranking. For periods not shown, Morningstar does not provide rankings based on synthetic performance.

**KEY RISKS:** The fund is actively managed and its characteristics will vary. The fund may use derivatives to hedge its investments or to seek to enhance returns. Derivatives entail risks relating to liquidity, leverage and credit that may reduce returns and increase volatility. Corporate loan values fluctuate in price so your investment can go down depending on market conditions. Corporate loans may be illiquid, affecting the fund's ability to realize net asset value in the event of a liquidation of assets. The fund may invest in non-US borrowers, which involves risks including fluctuation in foreign exchange rates, political and economic developments. Corporate loans in the fund's portfolio typically are not rated or rated non-investment-grade (below Baa by Moodys or BBB by Standard & Poors). These corporate loans generally involve greater risks to principal and income.

The Fund's information prior to September 17, 2018 is the information of a predecessor fund that reorganized into the Fund on September 17, 2018. The predecessor fund had the same investment objectives, strategies and policies, portfolio management team and contractual arrangements, including the same contractual fees and expenses, as the Fund as of the date of the reorganization. As a result of the reorganization, the Fund adopted the performance and financial history of the predecessor fund. The predecessor fund's information prior to March 21, 2011 is the information of a fund that reorganized into the predecessor fund on March 21, 2011.

**KEY FACTS**

Size of Fund (Millions)	<b>\$3,786.4M</b>
Fund Launch Date	<b>07/09/2010</b>
Share Class Launch Date	<b>11/03/1989</b>
Morningstar Category	<b>Bank Loan</b>
Benchmark	<b>Morningstar LSTA Leveraged Loan Index</b>

**ANNUAL EXPENSES**

Gross Expense Ratio	<b>0.94%</b>
Net Expense Ratio	<b>0.93%</b>

The Net Expense Ratio excluding Investment Related Expenses is 0.93% Investment Related Expenses include acquired fund fees of 0.02%, and interest expense (cost of borrowing securities to seek to enhance return or reduce risk) of 0.00%, and certain other expenses, if applicable. Expenses stated as of the fund's most recent prospectus. The difference between gross and net expense ratios are due to contractual and/or voluntary waivers, if applicable. This share class has a contractual waiver with an end date of 06/30/2025 terminable upon 90 days' notice. BlackRock may agree to voluntarily waive certain fees and expenses, which the adviser may discontinue at any time without notice.

**PORTFOLIO MANAGEMENT**

Mitchell Garfin	David Delbos
Matthew Maxwell	Carly Wilson
Abigail Parzanese	

**TOP ISSUERS (%)<sup>2</sup>**

CLOUD SOFTWARE GROUP INC	<b>1.20</b>
NAKED JUICE LLC	<b>1.09</b>
ALLIANT HOLDINGS INTERMEDIATE LLC / ALLIANT HOLDINGS CO-ISSUER	<b>1.03</b>
MH SUB I LLC	<b>0.98</b>
MEDLINE BORROWER LP	<b>0.95</b>
<b>Total of Portfolio</b>	<b>5.25</b>

## TOP SECTORS (%)<sup>2</sup>

	Fund	Benchmark	Active
Term Loans - Industrials	81.9	87.0	-5.1
Term Loans - Financials	8.1	10.8	-2.7
Cash	5.1	0.0	5.1
High Yield CDS	3.1	0.0	3.1
Equity/Equity Futures	2.2	0.0	2.2
High Yield Bonds - Industrials	1.9	0.0	1.9
Hedges/Derivatives/Synthetics	1.2	0.0	1.2
Term Loans - Utilities	0.5	2.3	-1.8
High Yield Bonds - Financials	0.2	0.0	0.2
Preferred Equity	0.1	0.0	0.1
Other	0.0	0.0	0.0
Net Derivatives	-4.0	0.0	-4.0

## PORTFOLIO CHARACTERISTICS

Effective Duration	0.21 yrs
Weighted Average Life	4.02 yrs
30-Day SEC Yield	8.21%
Unsubsidized 30-Day SEC Yield	8.20%

## CREDIT RATINGS BREAKDOWN (%)<sup>2 3</sup>

	Fund	Benchmark	Active
Cash	5.1	0.0	5.1
Derivatives	0.2	0.0	0.2
BBB Rated	3.6	4.3	-0.7
BB Rated	21.6	22.2	-0.7
B Rated	57.6	64.3	-6.7
CCC Rated	8.7	7.6	1.1
CC Rated	0.2	0.2	0.0
C Rated	0.3	0.1	0.2
D Rated	0.0	0.1	-0.1
Not Rated	0.5	1.1	-0.6
Other	2.2	0.0	2.2

## RISK STATISTICS (3 YEARS)

	Fund	Benchmark
Standard Deviation	3.99%	-
Sharpe Ratio	0.70	-

<sup>2</sup> % of net assets represents the Fund's exposure based on the economic value of securities and is adjusted for futures, options, swaps, and convertible bonds. Allocations subject to change.

<sup>3</sup> The fund itself has not been rated by an independent rating agency. Credit quality ratings on underlying securities of the fund are received from S&P, Moody's and Fitch and converted to the equivalent S&P major rating category. This breakdown is provided by BlackRock and takes the median rating of the three agencies when all three agencies rate a security the lower of the two ratings if only two agencies rate a security and one rating if that is all that is provided. Unrated securities do not necessarily indicate low quality. Below investment-grade is represented by a rating of BB and below. Ratings and portfolio credit quality may change over time.

**Effective Duration:** Measures the sensitivity of the price of a bond with embedded options to changes in interest rates, taking into account the likelihood of the bond being called, put and/or sunk prior to its final maturity date. BlackRock uses a proprietary duration model which employs certain assumptions and may differ from other fund complexes. Effective Duration is measured at the portfolio level and adjusted for leverage, hedging transactions and non-bond holdings, including derivatives. **Standard Deviation:** Standard Deviation measures the volatility of the funds returns. Higher deviation represents higher volatility. **Sharpe Ratio:** Sharpe Ratio uses a funds standard deviation and its excess return (difference between the funds return and the risk-free return of 90-day Treasury Bills) to determine reward per unit of risk. **30-day SEC Yield:** A standard calculation of yield introduced by the SEC to provide fairer comparison among funds. This yield reflects the interest earned after deducting the fund's expenses during the most recent 30-day period by the average investor in the fund.

**Unsubsidized SEC Yield:** Represents what a fund's 30-Day SEC Yield would have been had no fee waivers or expense reimbursement been in place over the period. Negative 30-Day SEC Yield results when accrued expenses of the past 30 days exceed the income collected during the past 30 days. **Weighted Average Life:** The average number of years for which each dollar of unpaid principal on a loan or mortgage remains outstanding. Once calculated, WAL tells how many years it will take to pay half of the outstanding principal.

**You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. The prospectus and, if available, the summary prospectus contain this and other information about the fund and are available, along with information on other BlackRock funds, by calling 800-882-0052 or from your financial professional. The prospectus should be read carefully before investing. Investing involves risks including possible loss of principal.**

†† 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 (excluding any applicable sales charges) 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 fund was rated against the following numbers of U.S.-domiciled Bank Loan funds over the following time periods: 224 in the last 3 years, 215 in the last 5 years and 177 in the last 10 years. With respect to these Bank Loan funds, 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.

S&P/LSTA (Loan Syndications and Trading Association) Leveraged Loan Index tracks the largest leveraged-loan-market facilities, considering market weightings, spreads and interest payments.

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OEI-BFRAX-F1223



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