

# BlackRock Capital Allocation Term Trust (BCAT)

BlackRock®

Commentary for Fourth Quarter 2023

The views expressed reflect the opinions of the BlackRock Global Allocation Team as of 12/31/2023 and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

## BlackRock Capital Allocation Term Trust (BCAT) Quarterly Highlights

*All information is as of 12/31/2023 unless otherwise noted*

**Performance:** In general, stock and bond market indexes were positive during Q4 2023, as encouraging inflation data, coupled with indications of a cooling U.S. jobs market, helped move capital markets around the world higher. BCAT returned 5.9% on market price and 6.4% on net asset value (NAV) during the quarter. \*

**Distribution:** The distribution rate is 22% higher since inception on 9/28/2020 (from \$0.1041 to \$0.1275). BCAT has paid a monthly distribution at a 10.2% annualized rate on market price and paid a total of \$4.11 per share in distributions since inception. NAV of \$17.24 per share plus the \$4.11 cumulative distributions paid equals \$21.35 per share, as compared to the Trust's \$20 per share IPO price. \*\*

**Portfolio:** The Trust had a 56.2% weighting in equities, up from 52.2% at the end of September. This increase was in recognition of a resilient US economy, continued strength across corporate earnings and a nominal GDP environment, that while decelerating, has proven to hold up better than expected at the beginning of the year. During Q4'23, our exposure to fixed income drifted marginally lower from 48.7% to 48.5%.

**Private Investments:** BCAT continues to build its allocation to private investments (12.6% of the portfolio) and seeking meaningful exposure over the long run. \*\*\*

**Share Repurchases:** The Trust seeks to enhance shareholder value by purchasing its shares when trading at a discount to their NAV per share. BCAT has repurchased approximately \$78 million of its shares, generating approximately \$13 million in accretion to the Trust's NAV. \*\*\*\*

**Liquidity at NAV:** There will be a liquidity event at NAV for Trust shareholders, either at the Dissolution Date or in connection with an Eligible Tender Offer. BCAT's name was changed to "BlackRock Capital Allocation Term Trust" on April 5, 2023 to increase awareness of this limited term structure.<sup>1</sup>

1) BCAT has a contingent limited term structure and will offer investors a liquidity event at net asset value either at the Dissolution Date (as indicated below) or in connection an Eligible Tender Offer (as discussed below). The Trust intends to dissolve on or about September 27, 2032 (the "Dissolution Date") in accordance with its Agreement and Declaration of Trust, provided that the Board of Trustees of the Trust (the "Board") may vote to extend the Dissolution Date: (i) once for up to one year, and (ii) once for up to an additional six months, to a date up to and including eighteen months after the initial Dissolution Date (which date shall then become the Dissolution Date). Each holder of common shares would be paid a pro rata portion of the Trust's net assets upon dissolution of the Trust. The Board may also vote to cause the Trust to conduct a tender offer, as of a date within twelve months preceding the Dissolution Date (as may be extended as described above), to all common shareholders to purchase 100% of the then outstanding common shares of the Trust at a price equal to the NAV per common share on the expiration date of the tender offer (an "Eligible Tender Offer"). The Trust must have at least \$200 million of aggregate net assets immediately following the completion of an Eligible Tender Offer to ensure the continued viability of the Trust. Following the completion of an Eligible Tender Offer, the Board may vote to eliminate the Dissolution Date without shareholder approval and provide for the Trust's perpetual existence. If an Eligible Tender Offer would result in the Trust having aggregate net assets below \$200 million, the Eligible Tender Offer will be canceled, and the Trust will dissolve on its Dissolution Date. **The Trust is not a so called "target date" or "life cycle" fund whose asset allocation becomes more conservative over time as its target date, often associated with retirement, approaches. In addition, the Trust is not a "target term" fund and thus does not seek to return its initial public offering price per common share upon dissolution.**

\* See page 5 for the performance table. Source: BlackRock as of 12/31/2023. Returns are shown net of advisory fees paid by the Trust and net of the Trust's operating fees and expenses. As of the Trust's shareholder report dated 12/31/2022, the Trust's gross expense ratio is 1.58%. Investors who purchase shares of the Trust through an investment adviser or other financial professional may separately pay a fee to that service provider. **Past performance is not indicative of future results.** The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted, and numbers may reflect small variances due to rounding.

\*\* See page 6 for further information. Distribution rate is calculated by annualizing the Trust's latest declared regular distribution on 12/20/2023 and dividing that number by the Trust's market price as of 12/31/2023. The distribution rate is calculated net of expenses. BCAT's estimated source of distributions paid during the current fiscal year to date is 26% net income and 74% return of capital as of 12/31/2023. The amounts and sources of distributions reported are only estimates and are not provided for tax reporting purposes. **Past performance does not guarantee or indicate future results.**

\*\*\* There are no assurances this level will be achieved.

\*\*\*\* Share repurchase data is provided by BlackRock as of 12/31/2023 and reflects share repurchases since the Trust's inception. The amount and timing of any repurchases under the Trust's Repurchase Program will be determined at the discretion of the Trust's management. There is no assurance that the Trust will repurchase shares in any particular amounts. The Trust's repurchase activity will be disclosed in its shareholder report for the relevant fiscal period. Any repurchases made under the Trust's Repurchase Program will be made on a national securities exchange at the prevailing market price, subject to exchange requirements and certain volume and timing limitations and other regulations under federal securities laws.

## A unique approach to capture alpha and high income

- The BlackRock Capital Allocation Term Trust (BCAT) (the “Trust”) is a closed-end fund (“CEF”) that has an unconstrained approach with the ability to invest in public and private markets across different asset classes.
- BCAT is led by Rick Rieder, BlackRock, Inc.’s CIO for Global Fixed Income and Head of Global Allocation Investments, along with several senior members of the Global Allocation Team, including portfolio managers Russ Koesterich and David Clayton.

### Market commentary <sup>1</sup>

- Stocks and bonds rallied sharply during Q4’23, as encouraging inflation data, coupled with indications of a cooling U.S. jobs market, sent global markets significantly higher. While many economies in the developed world are experiencing differing degrees of deceleration, the U.S. economy appears to be approaching what many economists would describe as a “soft landing” – i.e., a slowdown in economic growth that does not result in an outright economic contraction.
- Whereas in early 2023, many economists had forecast that the lagged impact of the Federal Reserve’s historic interest rate increases would cause the U.S. economy to fall into recession by early 2024, the consensus view changed considerably in Q4’23 as inflation showed substantial signs of slowing (particularly goods inflation) but other U.S. economic data, including November productivity and retail sales, continued to exhibit material underlying strength.
- Taken together, investors gleaned that the Federal Reserve has likely finished its 20-month rate hiking cycle and that the current Fed Funds rate of 5.25%-5.50% (a 22-year high) has peaked. Subsequent to the December FOMC (Federal Open Market Committee) meeting, Fed officials released projections of at least three rate cuts in 2024, which further acted to support both stock and bond prices, right up until the final few trading days of 2023.
- Global stocks, as measured by the MSCI World Index, rallied +11.4% in Q4’23, building on gains made throughout much of the year. What was probably most notable about the equity market’s behavior during the

quarter was the broadening out of returns beyond a small handful of large-cap U.S. Technology and Consumer Discretionary stocks, to include a much more diversified basket of securities. For example, U.S. small-caps, as measured by the Russell 2000 Index, enjoyed gains in excess of +14.0% in Q4 2023, after trailing their large-cap peers throughout most of 2023.

- In addition, a number of non-U.S. markets, including across Europe and in Japan, also posted positive returns during Q4 2023. One non-U.S. market which continued to struggle during the quarter, however, was China, as housing concerns weigh on consumer sentiment and Chinese regulators unexpectedly announced restrictive new rules for online gaming companies.
- Global bonds, meanwhile, enjoyed one of their best quarters in history, as the Bloomberg Global Aggregate Bond Index returned +8.1% during Q4 2023. While the apparent end to the Fed’s historic hiking cycle boosted bonds across the yield curve, long-duration bonds enjoyed some of the largest price gains. As noted in the table below, non-U.S. sovereign bonds outperformed the U.S. as the dollar weakened in Q4 2023. In corporate credit, both investment grade and high yield bonds performed well during the quarter, as the expectation of interest rate cuts and an absence of any sign of pending U.S. recession, provided bond investors favorable macro news.
- As noted, global stocks generally rallied during Q4 2023 as investors started to anticipate a reversal in U.S. monetary policy away from tightening and toward easing. Global Technology stocks were the strongest performing sector during Q4 2023. However, we also saw a broadening of participation across multiple areas of the global stock market. This includes rate-sensitive sectors, such as Real Estate and Financials, which had generally underperformed the broader market throughout 2023. Even economically sensitive sectors, such as Industrials and Materials outperformed the broader equity market during the quarter, despite most economists remaining firmly in the camp that U.S. GDP will slow in 2024 from levels experienced in 2023.

Market Index Returns *					
Stocks	4Q’23 (%)	YTD 2023 (%)	Bonds	4Q’23 (%)	YTD 2023 (%)
U.S. Large Cap	11.7	26.3	U.S. 10-Year Treasuries	6.6	2.8
U.S. Small Cap	14.0	16.9	U.S. Municipals	7.3	6.2
Global	11.4	23.8	U.S. Investment Grade	7.9	8.4
Europe	11.4	20.4	U.S. High Yield	7.1	13.5
China	-1.6	-3.9	U.S. Aggregate	6.8	5.5
Japan	8.4	20.0	International Sovereign	9.9	5.8
Emerging Market Stocks	7.8	10.1	Emerging Market Sovereign	9.7	10.8

\* Source: Bloomberg as of 12/31/2023. The above illustrates the YTD returns of the following indexes in USD through 12/31/2023. U.S. large cap stocks represented by the S&P 500 Index, U.S. small cap stocks by the Russell 2000 Index, Global stocks represented by the MSCI World Net Total Return Index, European stocks by the MSCI Europe Index, Chinese stocks by the Shanghai Composite Index, Japanese stocks by the MSCI Japan Index, emerging market stocks by the MSCI Emerging Markets Index, U.S. Treasuries by the ICE BofA/ML 10-Year Treasury Index, U.S. municipal bonds by the S&P National AMT-Free Municipal Bond Total Return Index, investment grade bonds by the ICE BofA/ML U.S. Corporate Index, U.S. high yield bonds by the ICE BofA/ML U.S. High Yield Index, U.S. Aggregate by the Bloomberg U.S. Aggregate Bond Index, international bonds by the FTSE Non-USD World Gov’t Bond Index, EM bonds by the JPM EMBI Global Core Index. <sup>†</sup> Index performance is for illustrative purposes only. Index performance does not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

1) Source: Bloomberg and BlackRock as of 12/31/2023

## Changes over the quarter

### Equity Positioning

- As of 12/31/2023, the Trust had a 56.2% weighting in equities, up from 52.2% at the end of September. This increase was in recognition of a resilient US economy, continued strength across corporate earnings and a nominal GDP environment, that while decelerating, has proven to hold up better than expected at the beginning of the year.
- From a sector perspective, the largest change that occurred during Q4'23 was a +1.6% increase in Technology exposure, bringing the sector weighting to ~10.9%. The increase was largely driven by market movement as the Trust trimmed exposure within the sector via reductions in a number of leading enterprise resource planning software providers. While software continues to be a larger theme in the Trust, over the course of the quarter we pared back positioning.
- Exposure to the Financials sector increased by 1.1% bringing the total exposure to 8.3%, the second largest sector allocation in the Trust. During the quarter, additions were made to several money center banks. The Federal Reserve appears to be near the end of its rate hiking cycle, which impacts the risks associated with a higher interest environment. The Trust also continued to add to a number of European banks given attractive valuations and a U.S. auto insurer that could benefit from declines in car repair costs.
- Exposure to the industrials sector rose by 0.5% to 7.2%. While much of the increase was driven by market appreciation, we did add exposure via a leading provider of lithium-ion batteries for electric vehicles and energy storage systems as well as a water analytics and treatment solutions provider.

### Fixed Income Positioning

- During Q4'23, our exposure to fixed income drifted marginally lower from 48.7% to 48.5%. Within fixed income, credit was reduced from 20.6 to 19.9%, primarily driven by reductions in below investment grade bonds. We trimmed exposure to securitized assets from 14.7% to 14% and rotated a portion of the exposure to agency RMBS (residential mortgage-backed securities) increasing the asset class from 9.0% to 9.3%.
- We continue to be selective across the securitized asset complex. Within CMBS (Commercial Mortgage-Backed Securities), we favor multi-family buildings as well as select industrial properties. In addition, as of 12/31/2023, we hold a meaningful allocation to CLOs (~6%), focused on the top of the capital structure.
- Over Q4 2023 the Trust increased exposure to interest rate derivatives from -0.34% to 0.81%. This was done to extend the portfolio's duration by shifting the exposure from the front end to the middle of the curve as the team believes short term rates may have less potential upside.

1) See page 4 for more details. Represents the largest equity and fixed income investment made during the quarter. The information provided is not a prediction of future performance or any assurance that comparable investment opportunities will be available at the time of investment. It is non-representative of all underlying investments made by the investment team and it should not be assumed that the investment team will invest in comparable investments, or that any future investments made by investment team will be successful. To the extent that these investments prove to be profitable, it should not be assumed that the investment team's other investments will be profitable or will be as profitable.

2) Diversification does not assure a profit and may not protect against loss of principal.

- The trust's exposure in emerging market (EM) debt reflects the belief that hiking cycles may be further along in emerging markets than developed markets and as hiking cycles mature globally, we believe that emerging market duration can outperform developed markets as further slowing of global growth could lead to interest rate cuts in local EM countries. Over the course of the quarter, the allocation to EM debt remained consistent at ~2.3%

### Private Investments <sup>1</sup>

- With respect to private investments, the Trust continued to establish holdings across both private equity and private debt, with an 12.6% weighting in aggregate as of December month-end.
- Our goal is to gradually build a diversified portfolio<sup>2</sup> of private investments across equity and credit, with a general (but not exclusive) focus on technological innovation. Within private equity, we typically look for companies that we believe are growing revenue and consider the expected timeline to IPO (or other exit) as part of our analysis. Within private credit, the team seeks to identify opportunities for well-established businesses, with covenanted deals, and potential yields that may help during stressful periods.
- Over the quarter, a new private equity position was added from a software provider offering an emergency first response data platform. By enabling significantly reduced emergency response times, the company can potentially generate positive health and safety outcomes for those in need and increased efficiency for emergency responders.
- Two new private credit positions were added also added. The first is a private Canadian real estate developer, strategically engaged in the acquisition, repositioning and future development of residential, hospitality/leisure and mixed-use assets across a Tier 1 (more established real estate) market. The second private credit position added was a company comprised of leading commercial HVACR (Heating, Ventilation, Air Conditioning, and Refrigeration) and plumbing businesses built through a series of acquisitions with operations across the Midwest, Southeast, Southwest, and Northeast regions.

### Leverage

- As of period end there was no financial (or borrowing) leverage employed in the Trust, consistent with the prior quarter, given the higher rate environment, and as a result, elevated cost of employing leverage. When deploying leverage, the team will use a combination of repurchase agreements and a credit facility which may provide additional flexibility.
- BCAT may also engage in transactions that can give rise to economic leverage, notably the use of derivatives.

### Option Activity

- The team used options as an additional source of income throughout the period. As of 12/31/2023, the team sold options on approximately 7.0% of the fundamental equity positions.

# Private investments in BCAT: <sup>1</sup>

## Private Equity

Investment Quarter	Company Name	Industry	Current Value (\$m) ***	Current Phase
Q4 2020	Bytedance	Software & Services	\$6.5	Private
Q4 2020	Byju (Think & Learn)	Consumer Services	\$0.5	Private
Q4 2020	JumpCloud	Software & Services	\$2.9	Private
Q4 2020	Sprott	Financial Services	\$4.1	Private
Q1 2021	Crown PropTech	Financial Services	\$0.0	Private
Q1 2021	Mythic AI	Semiconductors & Semiconductor Equipment	\$0.0	Private
Q1 2021	GM Cruise	Automobiles & Components	\$0.9	Private
Q1 2021	Deep Instinct	Software & Services	\$1.9	Private
Q1 2021	Databricks	Software & Services	\$3.1	Private
Q1 2021	Epic Games	Software & Services	\$1.7	Private
Q1 2021	Volocopter	Transportation	\$2.9	Private
Q1 2021	Rotor Acquisition	Capital Goods	\$0.0	Private
Q1 2021	DAVIDSON KEMPNER	Financial Services	\$4.1	Private
Q2 2021	eXo Imaging, Inc.	Health Care Equipment & Services	\$0.7	Private
Q2 2021	LuxCo SPV	Financial Services	\$4.5	Private
Q2 2021	PSI Quantum	Semiconductors & Semiconductor Equipment	\$1.0	Private
Q2 2021	Relativity Space	Automobiles & Components	\$0.7	Private
Q2 2021	Snorkel AI	Software & Services	\$0.1	Private
Q2 2021	SambaNova	Software & Services	\$0.8	Private
Q2 2021	10x Future Technologies	Software & Services	\$1.9	Private
Q3 2021	CARESINTAX INC	Health Care Equipment & Services	\$1.2	Private
Q3 2021	JumpCloud	Software & Services	\$0.2	Private
Q3 2021	Breeze	Financial Services	\$1.2	Private
Q3 2021	Noodle	Software & Services	\$0.9	Private
Q3 2021	Ursa Major	Capital Goods	\$0.9	Private
Q3 2021	DREAM FINDERS HOMES INC **	Household Durables	\$9.7	Private
Q4 2021	Fanatics	Consumer Discretionary Distribution & Retail	\$9.3	Private
Q4 2021	Mountain	Software & Services	\$0.7	Private
Q4 2021	SaltPay	Software & Services	\$0.5	Private
Q4 2021	Verge	Pharmaceuticals, Biotechnology & Life Sciences	\$2.0	Private
Q1 2022	Lessen Inc.	Consumer Durables & Apparel	\$3.0	Private
Q1 2022	VOLTA - SERIES C	Automobiles & Components	\$0.0	Private
Q1 2022	Clarify Health **	Software	\$2.5	Private
Q2 2022	FLYR	Software & Services	\$1.3	Private
Q2 2022	AIVEN	Software & Services	\$3.1	Private
Q3 2022	Source Global	Commercial and Professional Services	\$0.2	Private
Q3 2022	Deep Instinct	IT Services	\$1.8	Private
Q4 2022	Ursa Major	Capital Goods	\$0.1	Private
Q1 2023	Snorkel AI	Software & Services	\$0.4	Private
Q2 2023	Caresyntax	Health Care Equipment & Services	\$0.1	Private
Q2 2023	CXApp Inc.	Software & Services	\$0.0	Private
Q3 2023	Formentera Partners Fund II LP	Energy	\$2.5	Private
Q3 2023	Formentera Partners Fund II LP	Energy	\$1.7	Private
Q3 2023	SpaceX	Capital Goods	\$1.7	Private
Q3 2023	SpaceX	Capital Goods	\$1.8	Private
Q3 2023	HAWKEYE	Financial Services	\$3.8	Private
Q3 2023	Verge Genomics	Pharmaceuticals, Biotechnology & Life Sciences	\$0.3	Private
Q4 2023	Company A*	Software & Services	\$2.5	Private

## Private Credit

Investment Quarter	Company Name	Industry	Current Value (\$m) ***	Current Phase
Q4 2020 – Q4 2023	BCAT Total Private Credit	Multiple	141.3	Private

Shaded areas for illustrative purposes to separate time periods

### Past performance is no guarantee of future results

**1) For the Private investments shown:** These investments were selected to illustrate the Trust's private investments made since the inception of the Trust. The investments shown should not be considered a recommendation to purchase or sell a particular investment. The information above is not a prediction of future performance or any assurance that comparable investment opportunities will be available at the time of investment. It is non-representative of all underlying investments made by the investment team and it should not be assumed that the investment team will invest in comparable investments, or that any future investments made by the investment team will be successful. To the extent that these investments prove to be profitable, it should not be assumed that the investment team's other investments will be profitable or will be as profitable. **Past performance does not guarantee or indicate future results.**

\* As of 12/31/2023. For full holdings see [Shareholder Report](#). Company names are not disclosed for positions initiated in Q4 2023; these will be disclosed in the Q1 2024 commentary.

\*\* Private Preferred Equity

\*\*\* Figures are sourced from BlackRock and deemed to be accurate. Figures are unaudited.

## BCAT Portfolio/Trust Statistics as of December 31, 2023

Asset Class Breakdown	% of Net Assets <sup>5</sup>
Equity	56.2
Fixed income	48.5
Commodity-related	0.0
Cash	-4.7

Equity Sector Breakdown	% of Net Assets <sup>5</sup>
Communication Services	3.8
Consumer Discretionary	7.1
Consumer Staples	3.4
Energy	4.3
Financials	8.3
Health Care	7.5
Industrials	7.2
Information Technology	10.9
Materials	2.1
Real Estate	0.4
Utilities	1.1

Fixed Income Sector Breakdown	% of Net Assets <sup>5</sup>
<b>Credit</b>	<b>19.9</b>
Investment Grade	3.4
High Yield	16.5
<b>Securitized</b>	<b>14.0</b>
ABS	2.5
CMBS	2.2
CLO	5.5
RMBS	3.8
Non-Agency RMBS	0.0
<b>Agency RMBS</b>	<b>9.2</b>
<b>Emerging Market Sovereign Bonds</b>	<b>2.1</b>
US Dollar Denominated	1.3
Non-US Dollar Denominated	0.8
<b>Developed Market Sovereign Bonds</b>	<b>2.3</b>
<b>Municipals</b>	<b>0.2</b>
<b>Rate Derivatives</b>	<b>0.8</b>

Top 10 Equity Holdings	% of Net Assets <sup>5</sup>
Microsoft	2.7
Amazon	1.7
Alphabet	1.2
Mastercard	0.9
Shell Plc	0.8
JP Morgan Chase & Co.	0.8
ASML Holdings NV	0.8
Sempra	0.8
Nestle SA	0.7
Apple Inc	0.7

## Performance summary

	1-year	Since inception (9/28/20 – 12/31/23) <sup>4</sup>	Q4 2023
Total Return (NAV)	11.7%	2.3%	6.4%
Total Return (Market Price)	19.3%	-1.7%	5.9%

Source: BlackRock as of 12/31/2023. The Trust's inception was 9/28/20. Returns are shown net of advisory fees paid by the Trust and net of the Trust's operating fees and expenses. **As of the Trust's shareholder report dated 12/31/2022, the Trust's gross expense ratio is 1.46%.** Investors who purchase shares of the Trust through an investment adviser or other financial professional may separately pay a fee to that service provider. **Past performance is not indicative of future results.** The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted, and numbers may reflect small variances due to rounding. % of Net Assets represents the Trust's exposure based on the economic value of securities and is adjusted for futures, options, and swaps (except with respect to fixed income securities), and convertible bonds.

## Premium / Discount

- The net asset value (NAV) of a closed-end fund is based on the cumulative market value of the portfolio holdings, while fluctuations in supply and demand can cause a Trust's market price to dislocate from its NAV.
- When a Trust's market price is higher than its NAV, the Trust trades at a premium. Conversely, when the market price is lower than NAV, it trades at a discount.
- As of 12/31/2023 BCAT traded at a -13.3% discount.

4) Performance figures reflect annualized returns

5) % of Net Assets represents the Trust's exposure based on the economic value of securities and is adjusted for futures, options, and swaps (except with respect to fixed income securities), and convertible bonds. This is subject to change.

The Trust has adopted a managed distribution plan (the “Plan”) to support a level monthly distribution of income, capital gains and/or return of capital. **The fixed amounts distributed per share or distribution rate, as applicable, are subject to change at the discretion of each Trust’s Board of Directors/Trustees.** Under its Plan, the Trust will distribute all available net income to its shareholders, consistent with its investment objectives and as required by the Internal Revenue Code of 1986, as amended (the “Code”). If sufficient income (inclusive of net investment income and short-term capital gains) is not available on a monthly basis, the Trust will distribute long-term capital gains and/or return capital to their shareholders in order to maintain a level distribution.

The Trust’s estimated sources of the distributions paid this month and for their current fiscal year are as follows:

**Estimated Allocations as of December 20, 2023**

Trust	Distribution	Net Income	Net Realized Short-Term Gains	Net Realized Long-Term Gains	Return of Capital
BCAT <sup>1</sup>	\$0.127500	\$0.042444 (33%)	\$0 (0%)	\$0 (0%)	\$0.085056 (67%)

**Estimated Allocations for the fiscal year through December 20, 2023**

Trust	Distribution	Net Income	Net Realized Short-Term Gains	Net Realized Long-Term Gains	Return of Capital
BCAT <sup>1</sup>	\$1.506600	\$0.398705 (26%)	\$0 (0%)	\$0 (0%)	\$1.107895 (74%)

<sup>1</sup>The Trust estimates that it has distributed more than its income and net-realized capital gains in the current fiscal year; therefore, a portion of your distribution may be a return of capital. A return of capital may occur, for example, when some or all of the shareholder’s investment is paid back to the shareholder. A return of capital distribution does not necessarily reflect the Trust’s investment performance and should not be confused with ‘yield’ or ‘income’. When distributions exceed total return performance, the difference will reduce the Trust’s net asset value per share.

**The amounts and sources of distributions reported are only estimates and are being provided to you pursuant to regulatory requirements and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon each Trust’s investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The Trust will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.**

**Trust Performance and Distribution Rate Information:**

Trust	Average annual total return (in relation to NAV) for the 5-year period ending on 11/30/2023	Annualized current distribution rate expressed as a percentage of NAV as of 11/30/2023	Cumulative total return (in relation to NAV) for the fiscal year through 11/30/2023	Cumulative fiscal year distributions as a percentage of NAV as of 11/30/2023
BCAT <sup>*</sup>	2.07%	9.10%	9.36%	8.20%

\* Portfolio launched within the past 5 years; the performance and distribution rate information presented for this Trust reflects data from inception to 11/30/2023.

**Shareholders should not draw any conclusions about a Trust’s investment performance from the amount of the Trust’s current distributions or from the terms of the Trust’s Plan.**

**All investments involve risk, including the possible loss of the principal amount invested.**

# About BlackRock

BlackRock's purpose is to help more and more people experience financial well-being. As a fiduciary to investors and a leading provider of financial technology, we help millions of people build savings that serve them throughout their lives by making investing easier and more affordable. For additional information on BlackRock, please visit [www.blackrock.com/corporate](http://www.blackrock.com/corporate) | Twitter: @blackrock | LinkedIn: [www.linkedin.com/company/blackrock](http://www.linkedin.com/company/blackrock).

## Important information about the Trust

This document and the information contained herein relates solely to BlackRock Capital Allocation Term Trust (BCAT). The information contained herein does not relate to, and is not relevant to, any other Trust or product sponsored or distributed by BlackRock or any of its affiliates. **This document is not an offer to sell any securities and is not a solicitation of an offer to buy any securities.**

**Carefully consider the Trust's investment objective, risk factors and charges and expenses before investing. This and other information can be found in the Trust's Prospectus and shareholder report which may be obtained by visiting the SEC Edgar database. Read the Prospectus and shareholder report carefully before investing.**

Common shares for the closed-end fund identified above are only available for purchase and sale at current market price on a stock exchange. A closed-end fund's dividend yield, market price and NAV will fluctuate with market conditions. The information for this Trust is provided for informational purposes only and does not constitute a solicitation of an offer to buy or sell Trust shares.

**Performance results reflect past performance and are no guarantee of future results. Current performance may be lower or higher than the performance data quoted. All returns assume reinvestment of all dividends. The market value and net asset value (NAV) of a Trust's shares will fluctuate with market conditions. Closed-end funds may trade at a premium to NAV but often trade at a discount.**

**Risks associated with the Trust's options strategy.** The ability of the Trust to generate current gains from options premiums and to enhance the Trust's risk-adjusted returns is partially dependent on the successful implementation of its options strategy. There are several risks associated with transactions in options on securities. For example, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events.

**Restricted and illiquid investments risk.** The Trust may invest without limitation in illiquid or less liquid investments or investments in which no secondary market is readily available or which are otherwise illiquid, including private placement securities. The Trust may not be able to readily dispose of such investments at prices that approximate those at which the Trust could sell such investments if they were more widely traded and, as a result of such illiquidity, the Trust may have to sell other investments or engage in borrowing transactions if necessary to raise cash to meet its obligations. Limited liquidity can also affect the market price of investments, thereby adversely affecting the Trust's NAV and ability to make dividend distributions. The financial markets in general, and certain segments of the mortgage-related securities markets in particular, have in recent years experienced periods of extreme secondary market supply and demand imbalance, resulting in a loss of liquidity during which market prices were suddenly and substantially below traditional measures of intrinsic value. During such periods, some investments could be sold only at arbitrary prices and with substantial losses. Periods of such market dislocation may occur again at any time. Privately issued debt securities are often of below investment grade quality, frequently are unrated and present many of the same risks as investing in below investment grade public debt securities.

There is no assurance that the Trust will achieve its investment objective. The Trust is subject to numerous risks, including investment risks discussed above. The Trust is not a complete investment program and you may lose money investing in the Trust. An investment in the Trust may not be appropriate for all investors.

The amounts and sources of distributions reported in any notices are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Trust's investment experience during the remainder of its fiscal year and may be subject to change based on tax regulations. The Trust will send a Form 1099-DIV for the calendar year that will tell how to report these distributions for federal income tax purposes.

Some BlackRock Trusts make distributions of ordinary income and capital gains at calendar year end. Those distributions temporarily cause extraordinarily high yields. There is no assurance that a Trust will repeat that yield in the future. Subsequent monthly distributions that do not include ordinary income or capital gains in the form of dividends will likely be lower.

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