



INST: **BMSIX** • A: **BMSAX** • C: **BMSCX**

# Credit Strategies Income Fund



**Overall Morningstar Rating®**

Institutional

Rated against 292 Multisector Bond Funds, as of 12/31/18. 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.<sup>1</sup>

Give credit to  
your bond portfolio

1

A bond solution  
built for income

2

Uncovering credit  
opportunities

3

Pursuing consistent,  
high income

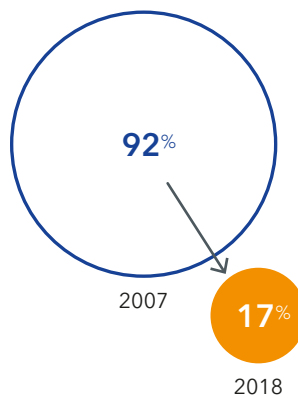
## Navigating a low-rate world

In today's historically low yield environment, every dollar of income counts. But with increased risks, it's harder than ever to navigate the income landscape.

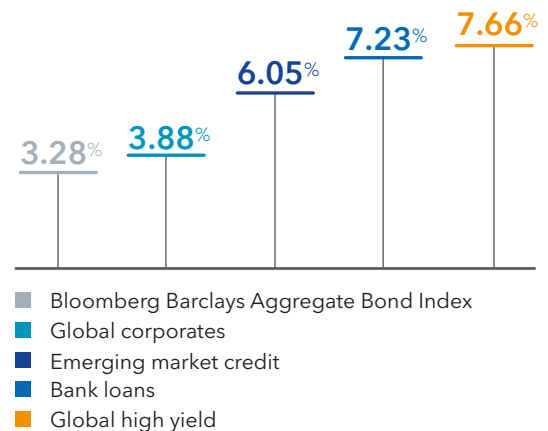
- **Look to higher yielding bonds** to help boost overall portfolio income and returns
- **Complement your core bonds:** A strategic allocation to credit sectors offers diversification benefits and higher return potential based on the risk/reward benefits of the asset class
- **Deep credit expertise is critical:** Seeking the best opportunities across the credit spectrum will be essential

## Find income opportunities in credit

Fixed income assets  
yielding over 4%\*



Core bond yields vs. credit sectors yields†



\* Source: BlackRock Investment Institute, Barclays and Thomson Reuters, December 31, 2018. † Barclays Live, S&P/LSTA as of 12/31/18. Past performance does not guarantee future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index. See back page for additional information.<sup>2</sup>

## BlackRock Credit Strategies Income Fund

The fund is a dynamic fixed income strategy seeking to invest in the best credit opportunities in search of high and steady income.

# 1

## A Bond Solution Built for Income

### What is credit?

A hybrid asset class that sits between traditional fixed income and equities (i.e. high yield, bank loans, investment-grade bonds)

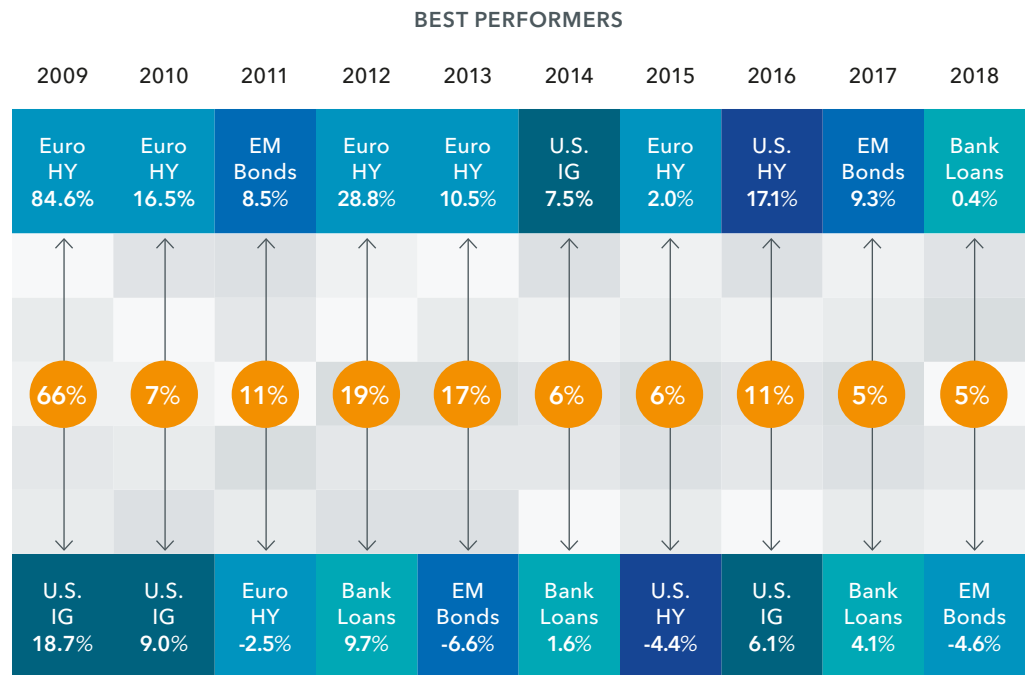
With yields near historic lows, credit-sensitive sectors within the bond market offer investors attractive risk/reward opportunities. The fund takes a flexible approach to traditional income by investing across the credit spectrum and seeks to deliver a high and consistent level of income. With an expanded investable universe, **the fund is designed to capture a diversified set of income opportunities across geographies, credit asset classes and instruments.**

### Investment approach

A traditional income portfolio that pursues attractive and steady income from credit sectors within the fixed income market

### Flexibility is critical to capture the best opportunities

Calendar year returns by credit asset classes



**WORST PERFORMERS**

As of 12/31/2018. Source: Bloomberg Barclays, Bloomberg and J.P. Morgan. U.S. High Yield = Bloomberg Barclays US HY 2% Issuer Cap. Bank Loans = S&P/LSTA Leveraged Loan. U.S. Investment Grade = Bloomberg Barclays US Corp IG. European High Yield = Bloomberg Barclays Pan-European High Yield USD Hedged. Emerging Market = JP Morgan EMBI Global. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index. **Past performance is no guarantee of future results.**

# 2

## Uncovering Credit Opportunities

### Our credit capabilities

200+

Global credit professionals

\$97B

In credit AUM

\$14.9T

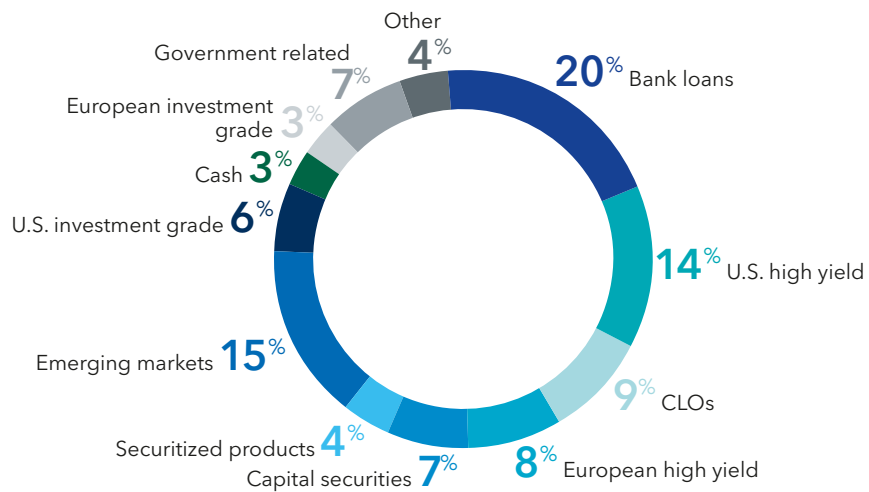
Opportunity set across 9 different credit sectors

Source: BlackRock as of 12/31/18. Credit AUM as of 11/30/18. AUM captures dedicated AUM and credit AUM across other platforms.

With deep expertise in local markets around the world and across every sub-sector, BlackRock has deep insight and access to the credit markets. The team uses a research-driven investment process, seeking the best credit opportunities in the bond markets while leveraging BlackRock's risk management capabilities. These unique insights help the fund **tactically navigate the credit landscape to adapt to a wide range of market challenges while seeking to provide a consistent level of income.**

### A flexible approach targeting consistent income

Current portfolio allocation



Source: BlackRock. As of 12/31/18.



“ Where we are in the credit cycle matters as much as the securities you own. Our expertise and pursuit of the best ideas in the credit markets has helped deliver consistent results. ”

**James Keenan, CFA**

Chief Investment Officer and Global Co-Head of Credit

# 3

## Pursuing consistent, high income

### Seeking an attractive, steady income

30-day SEC yield\*

**5.11%**

(Inst. share)

**4.92%**

(Inst. share unsubsidized)

As of 12/31/18.

### Duration

**3.09 years**

As of 12/31/18.

### Morningstar category

**Multisector Bond**

Our expertise and keen understanding of the opportunities and risks in the market have helped us deliver investment results across our suite of credit solutions. By taking a flexible approach to investing in the best credit opportunities, the fund targets a **high and consistent level of income while seeking to maximize long-term capital appreciation.**

### Our credit expertise has helped deliver consistent results Morningstar rankings

#### BlackRock Credit Strategies Income Fund

First quartile over the 5 year:  
Institutional shares

104/326 1 year	101/292 3 year	44/218 5 year
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PERCENTILE RANKING

36%

33%

22%

#### BlackRock High Yield Bond Fund

First quartile over the 5 and 10 year:  
Institutional shares

329/695 1 year	174/604 3 year	82/507 5 year	21/329 10 year
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PERCENTILE RANKING

53%

32%

19%

9%

#### BlackRock Floating Rate Income Fund

Institutional shares

135/241 1 year	131/213 3 year	54/196 5 year
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PERCENTILE RANKING

58%

54%

27%

As of 12/31/18. Morningstar categories: BLK Credit Strategies Income, Multisector Bond; BLK High Yield Bond, High Yield; BLK Floating Rate Income, Bank Loan. Rankings based on total return excluding sales charges, independently calculated and not combined to create an overall ranking.

% Average Annual Total Returns (12/31/18)	1 year	3 years	5 years	Since incept.†
BlackRock Credit Strategies Income Fund Inst. Shares	-1.08	4.34	3.16	4.66
Morningstar Multisector Bond Category Average	-1.52	3.76	2.51	—

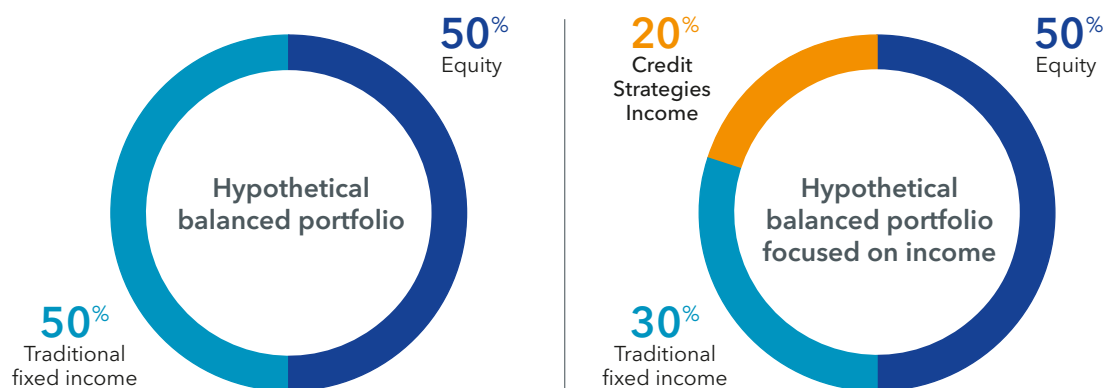
† Inception date: 2/26/10.

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](http://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 and Net, Including Investment Related are 0.91%/0.64%** and have contractual waivers with an end date of 1/31/20 terminable upon 90 days' notice. Investment dividend expense, interest expense, acquired fund fees and expenses and certain other fund expenses are included in the Net, Including Investment Related Expenses and excluded from the Net, Excluding Investment Related Expenses. **Institutional shares are not available to all investors.**

\*This yield reflects the interest earned after deducting fund 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. Institutional Shares Net, Excluding Investment related expenses is 0.62%.

# So what do I do with my money?<sup>®</sup>

The fund can help solve for many needs, including those looking for income. Below are two hypothetical portfolios: a balanced portfolio and a portfolio with exposure to the fund. With the benefit of being flexible across the credit spectrum, we believe the hypothetical portfolio focused on income has the potential to generate higher and more stable income with greater diversification.



For illustrative purposes only.

**Credit Strategies  
Income Fund**

INST: **BMSIX** • A: **BMSAX**  
C: **BMSCX**

★★★★  
Overall Morningstar Rating<sup>®</sup>  
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## This fund is for:

**Investors overweight traditional fixed income** who are seeking additional sources of yield, return and diversification

Investors seeking a strategic allocation to a **broad set of opportunities across credit**

Traditional equity investors seeking an **income boost and less volatility**

## Why BlackRock®

BlackRock helps people around the world, as well as the world's largest institutions and governments, pursue their investing goals. We offer:

- A comprehensive set of innovative solutions, including mutual funds, separately managed accounts, alternatives and iShares® ETFs
- Global market and investment insights
- Sophisticated risk and portfolio analytics

We work only for our clients, who have entrusted us with managing \$5.97 trillion\*, earning BlackRock the distinction of being trusted to manage more money than any other investment firm in the world.

## Want to know more?



\*AUM as of 12/31/18.

*Important Risks: The fund is actively managed and its 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. 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. 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. International investing involves special risks including, but not limited to political risks, currency fluctuations, illiquidity and volatility. These risks may be heightened for investments in emerging markets. 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.*

1 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 fund was rated against the following numbers of U.S.-domiciled Multisector Bond funds over the following time periods: 292 in the last 3 years and 218 in the last 5 years. With respect to these Multisector Bond funds, the fund received a Morningstar Rating of 4 and 4 stars for the 3- and 5-year periods, respectively. Other classes may have different performance characteristics. 2 Based on Yield to Worst. Sectors represented by: global high yield, Bloomberg Barclays Global High Yield Corporate; emerging market credit, Bloomberg Barclays EM USD Aggregate; global corporates, Bloomberg Barclays Global Credit - Corporate Index; bank loans, S&P LSTA Leveraged Loan.

***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.***

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