

# TAP INTO THE POTENTIAL OF ACTIVE MANAGEMENT FOR MORTGAGE-BACKED SECURITIES (MBS)

**iShares**  
by BlackRock

**MBBA**

## iShares Mortgage-Backed Securities Active ETF

**Expense Ratio:** 0.25%

**Benchmark:** Bloomberg MBS Index

### Why MBBA?



#### Access to alpha strategies within agency MBS

MBBA provides access to the agency MBS market, a core segment of the U.S. fixed income universe supported by U.S. government agencies, along with AAA- rated securitized assets.



#### Backed by deep mortgage market expertise

Managed by an experienced team of investment professionals with expertise across both agency MBS and securitized assets, including prepayment and collateral analysts, data engineers and risk managers all helping to support the team's investment process.



#### Seeking risk-adjusted returns and diversification in fixed income portfolios

Given unique underlying risk characteristics, agency MBS can offer investors diversification benefits relative to other core fixed income sectors with high degrees of quality and liquidity.

### The BlackRock advantage

BlackRock is  
the world's  
largest  
ETF provider <sup>1</sup>

**MBBA**

30+ year track  
record actively  
managing MBS  
portfolios

BlackRock's Global Fixed Income platform manages over \$119b of agency MBS on behalf of institutional and retail clients globally across various investment vehicles (e.g. mutual funds, ETFs and more).<sup>1</sup>

<sup>1</sup> Source: BlackRock as of 12/31/2025. BlackRock manages \$5.4tn in assets under management across 1,713 iShares ETF/ETP's.

# The case for agency mortgage-backed securities

Quality and liquidity	Diversification	Value
Agency MBS are backed by the U.S. government or government-sponsored entities, with trading facilitated through a deep and efficient to-be-announced (TBA) market helping to make agency MBS the most liquid spread sector in U.S. fixed income markets with daily trading volumes second only to U.S. Treasuries <sup>2</sup> .	The U.S. government guaranty limits the credit risk of agency MBS and facilitates deep market liquidity. Investors in MBS are compensated for taking prepayment risk and interest rate risk. Given these features, this asset class has demonstrated relatively low correlations with other high quality spread sectors and can serve as a solid diversifier within a portfolio.	In today's market, investors can gain exposure to agency MBS with little to no sacrifice in yield when compared to other high quality fixed income spread sectors, while potentially increasing overall portfolio quality, liquidity, and diversification.

## IMPORTANT INFORMATION

Carefully consider the Funds' investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Funds' prospectuses or, if available, the summary prospectuses which may be obtained by visiting [www.iShares.com](http://www.iShares.com) or [www.blackrock.com](http://www.blackrock.com). Read the prospectus carefully before investing.

<sup>2</sup> Source: BlackRock, Bloomberg as of 12/31/2025.

Investing involves risk, including possible loss of principal.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in the value of debt securities. Credit risk refers to the possibility that the debt issuer will not be able to make principal and interest payments.

Mortgage-backed securities ("MBS") and commercial mortgage-backed securities ("CMBS") are subject to prepayment and extension risk and therefore react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities.

Asset-backed securities are subject to credit, interest rate, call, extension, valuation and liquidity risk and are subject to the risk of default on the underlying asset or mortgage, particularly during periods of economic downturn. Small movements in interest rates may quickly and significantly reduce the value of certain ABS.

Diversification and asset allocation may not protect against market risk or loss of principal.

Actively managed funds do not seek to replicate the performance of a specified index, may have higher portfolio turnover, and may charge higher fees than index funds due to increased trading and research expenses. There is no guarantee that an active fund will meet its investment objective.

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