




DIVERSIFY SOURCES OF INCOME WITH PREFERRED AND HYBRID SECURITIES



iShares Preferred and Income Securities ETF¹
Expense Ratio: 0.46%
30-Day SEC Yield: 6.41%

Key takeaways

-  **Seek income** – Preferred and hybrid securities may offer higher income than other asset classes (see figure below)
-  **Access** – Exposure to this specific tier of the capital structure
-  **Diversification** – Preferred securities have offered low correlations to traditional core bonds and may provide attractive diversification benefits within a broad portfolio.²

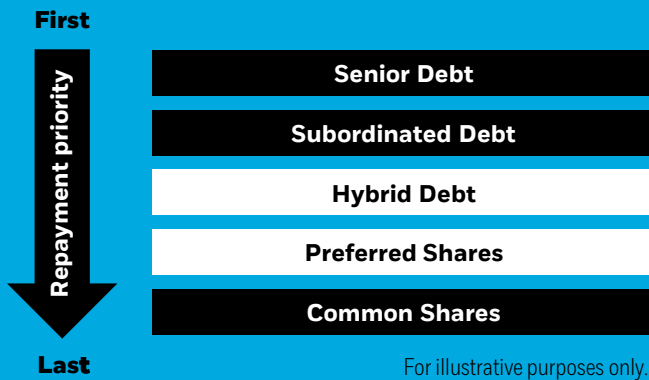
What are preferred and hybrid securities?

Preferred and hybrid securities have features that combine elements of both stocks and bonds to offer income and upside potential.

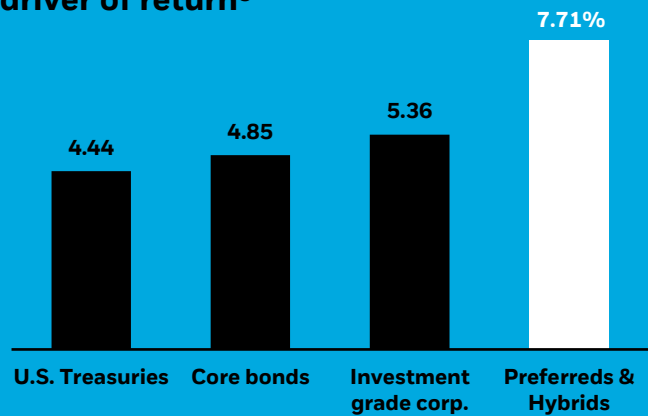
- **Like bonds:** Generally pay fixed or floating dividends, similar to bond coupons, and precede common stock in a company’s capital structure.
- **Like stocks:** Have the potential for capital appreciation or loss.

While preferred and hybrid securities might have call features, many issuers are using them for capital treatment and may choose not to call these securities when interest rates fall.

How preferreds and hybrids stack up in the capital structure



Income is an important driver of return³



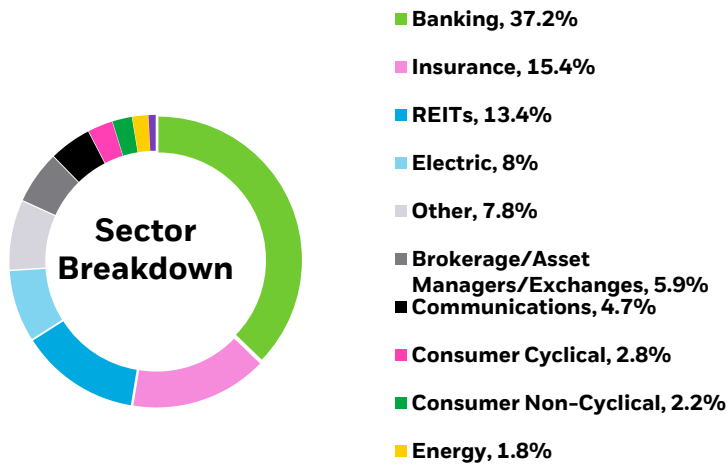
Past performance does not guarantee future results. For standardized performance, see the next page. **1** Source: BlackRock as of 3/31/2024. **2** Source: Bloomberg as of 3/31/2024. Diversification measured using 3-year correlation between ICE Exchange-Listed Preferred & Hybrid Securities Index and Bloomberg U.S. Aggregate Bond Index (+0.75). **3** Source: Bloomberg as of 3/31/2024. Yield shown is nominal yield. U.S. Treasuries represented by ICE U.S. Treasury Core Bond Index, Core Bonds represented by the Bloomberg U.S. Aggregate Bond Index, Investment Grade Corp represented by the ICE BofAML U.S. Corporate Master Index, and Preferreds & Hybrids represented by the ICE Exchange-Listed Preferred & Hybrid Securities Index. **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. Index performance does not represent actual iShares Fund performance.**

How do preferred and hybrid securities fit into a portfolio?

Preferreds and hybrids can be utilized in both fixed income and multi-asset portfolios as a diversifier.

Seek income – Preferreds and hybrids can provide higher income than investment grade bonds. These securities can add income potential to the overall portfolio.

Potential portfolio diversification – Preferred securities have demonstrated low correlations to traditional core bonds and can potentially provide attractive diversification benefits within a broad portfolio.²



Coupon type	% of fund
Fixed	74.3%
Floating	28.0%
Other	-2.3%
Total	100%

Chart and Table Source: BlackRock as of 3/31/2024. Sectors based on Barclays Sectors Level 3. Allocations are subject to change. ² Source: Bloomberg as of 3/31/2024. Diversification measured using 3-year correlation between ICE Exchange-Listed Preferred & Hybrid Securities Index and Bloomberg U.S. Aggregate Bond Index (+0.75%).

Standardized performance

Fees as of current prospectus. All other data as of 3/31/2024	Fund inception date	Expense ratio	30-day SEC yield	1-year returns		5-year returns		10-year returns		Since inception	
				NAV	Mkt price	NAV	Mkt price	NAV	Mkt price	NAV	Mkt price
iShares Preferred and Income Securities ETF	03/26/2007	0.46%	6.41%	10.14%	10.28%	3.01%	3.02%	3.77%	3.79%	3.76%	3.77%

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, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.iShares.com or www.BlackRock.com.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Any applicable brokerage commissions will reduce returns. Beginning August 10, 2020, market price returns for BlackRock and iShares ETFs are calculated using the closing price and account for distributions from the fund. Prior to August 10, 2020, market price returns for BlackRock and iShares ETFs were calculated using the midpoint price and accounted for distributions from the fund. The midpoint is the average of the bid/ask prices at 4:00 PM ET (when NAV is normally determined for most ETFs). The returns shown do not represent the returns you would receive if you traded shares at other times.

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 and, if available, summary prospectuses, which may be obtained by visiting www.iShares.com or www.BlackRock.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal.

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