Performance: The fund underperformed its reference benchmark in August as equity markets advanced.

▲ Contributors: Selection and overweight to communication services. Underweight to developed market government bonds and exposure to high yield credit.

▼ Detractors: Tactical management of fund’s overall beta; selection in consumer discretionary, health care, and industrials. Exposure to cash equivalents.

Positioning: Overweight equities with a near-term quality cyclical bias balanced by long-term positioning in secular growth. Underweight rates and overweight credit sectors, with a reliance on cash and derivatives as hedges.

▲ Increased: Communication services and consumer discretionary stocks. Securitized debt and bank loans.

▼ Decreased: Materials, utilities, and financials stocks; emerging Market debt, and cash equivalents.

The fund has historically outperformed global stocks with less volatility

Source: BlackRock, Bloomberg. Based on a hypothetical investment of $10,000 in the fund and FTSE World Index made first month post inception (2/3/89). Volatility is represented by annualized standard deviation. Standard deviation for the fund: 9.73% and global stocks: 15.20%.

A history of competitive performance and limited drawdowns

<table>
<thead>
<tr>
<th>3-year returns (cumulative)</th>
<th>BlackRock Global Allocation Fund</th>
<th>Global bonds</th>
<th>Balanced portfolio</th>
<th>U.S. Stocks</th>
<th>Global Stocks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best</td>
<td>87.1%</td>
<td>53.5%</td>
<td>64.6%</td>
<td>134.3%</td>
<td>95.1%</td>
</tr>
<tr>
<td>Average</td>
<td>32.5%</td>
<td>18.0%</td>
<td>23.3%</td>
<td>38.8%</td>
<td>28.7%</td>
</tr>
<tr>
<td>Worst</td>
<td>-6.5%</td>
<td>-9.6%</td>
<td>-24.3%</td>
<td>-40.9%</td>
<td>-43.4%</td>
</tr>
</tbody>
</table>

# of negative 3-year periods (out of 355)

|                            | 6 | 32 | 38 | 59 | 66 |

Source: BlackRock, Bloomberg, Morningstar. Cumulative 3-year returns from first month after fund inception (2/3/89). Asset classes represented by FTSE World Gov’t Bond Index, S&P 500 Index, FTSE World Index. Balanced portfolio is 60% Morningstar World Large Stock category and 40% Morningstar World Bond category, rebalanced quarterly. All data as of 8/31/21. Fund data based on Institutional shares, which may not be available to all investors; other share classes will vary. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index.

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. All returns assume reinvestment of dividends and capital gains. Current performance may be lower or higher than that shown. For current month-end returns visit www.blackrock.com.

Morningstar has awarded the fund’s Institutional share class a Silver medal. (Last rating 4/6/21.)

The overall Morningstar rating of 5 stars pertains to the fund’s Institutional shares, rated against 418 funds in the World Allocation category as of 8/31/21. Ratings are based on a risk-adjusted total return and a weighted average of performance figures associated with 3-, 5- and 10-year Morningstar rating metrics. Ratings are determined monthly and subject to change.

September 2021 | Commentary
Flexibility in practice: adapting as markets change

Post-tech bubble: Increased U.S. equity exposure due to attractive valuations and a recovering global economy.

Credit crisis: Added to convertible bonds during the global credit crisis as limited liquidity across the asset class due to distressed selling led to attractive prices.

Rick Rieder assumed leadership (April 2019): Decreased exposure to cash following policy pivot among global central banks, and added to U.S. equities, Treasuries and investment grade credit.

As of 8/31

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Percentage</th>
<th>Over/under</th>
<th>Historical range</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. equities</td>
<td>40.5%</td>
<td>▲</td>
<td>15 - 45%</td>
</tr>
<tr>
<td>Developed equities ex-U.S.</td>
<td>20.6%</td>
<td>▼</td>
<td>10 - 35%</td>
</tr>
<tr>
<td>Emerging market equities</td>
<td>6.8%</td>
<td>▲</td>
<td>0 - 15%</td>
</tr>
<tr>
<td>Commodity-related</td>
<td>0.3%</td>
<td>▲</td>
<td>0 - 5%</td>
</tr>
<tr>
<td>Treasuries, agencies &amp; munis</td>
<td>0.3%</td>
<td>▼</td>
<td>0 - 25%</td>
</tr>
<tr>
<td>U.S. TIPS</td>
<td>--</td>
<td>--</td>
<td>0 - 15%</td>
</tr>
</tbody>
</table>

Prior to 2015, the fund’s exposure was based on market value and adjusted for the economic value of futures and swaps. From 2015, the fund’s exposure is 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. Commodity-related is comprised of precious metals ETFs. Prior to 2006, commodity-related exposure was included in equities. Prior to October 2019, exposure to securitized debt was included within fixed income. Historical ranges represent actual exposures, not minimum or maximum prospectus limits. Subject to change. Over/under indications are relative to the fund’s reference benchmark, which is 36% S&P 500 Index, 24% FTSE World (ex-U.S.) Index, 24% ICE BofAML Current 5-Year U.S. Treasury Index and 16% FTSE Non-U.S. Dollar World Government Bond Index.

Geographic allocation

- 54% United States
- 21% Developed Europe
- 10% Emerging Asia
- 8% Cash equivalents
- 6% Other Asia
- 4% Latin America
- 4% Africa/Middle East
- 3% Other
- 2% Japan
- 2% Latin America
- 1% Asia Pacific ex-Japan
- 1% Other

Largest change this month:
United States▲ from 51% to 54% of assets.

Currency allocation

- 68% U.S. dollar
- 14% Euro
- 8% Japanese yen
- 6% British pound sterling
- 4% Other Asian currencies
- 2% Other European currencies
- 1% Africa/Middle East
- 1% Other

Largest change this month:
U.S. Dollar▲ from 65% to 68% of assets.

All data as of 8/31/21.
Our view on the market and portfolio positioning

Equities continue to grind higher driven by stellar earnings. And while multiples have been mostly flat year-to-date, valuations remain supported by low and stable rates. Put differently, the steady rally in equities is linked to a quieter bond market. This is a contrast from earlier this year when the considerable uncertainty surrounding both inflation and the Fed’s new reaction function cause bonds and equities to start co-moving to a degree not seen in two decades. In addition, bond market volatility was quickly leaking into stock markets.

More recently bond market volatility has ebbed, in the process benefiting equity markets. The recent moderation is consistent with the post-pandemic normalization. While the 2020 average is obviously skewed by last spring’s panic, even during the back half of 2020 the Chicago Board Options Exchange’s CBOE Volatility Index (VIX), a popular measure of the stock market’s expectation of volatility based on S&P 500 index options, averaged around 25. Year-to-date, the VIX has averaged slightly under 20, in-line with the long-term norm.

The one big question that remains is whether bond markets will continue to remain subdued. This matters as the direction of bond market volatility has been a key driver of equity market volatility. More muted bond volatility has several implications for equity positioning: most importantly: low and steady rates has historically provided a supportive backdrop for stocks.

Within the Global Allocation Fund, we continue to believe that equities offer investors the best risk-reward opportunities relative to other major asset classes. Despite risks posed by the delta variant of the coronavirus our long-term conviction in equities is driven by three key reasons: accommodative monetary conditions, strong U.S. economic growth (fueled by households) and robust U.S. corporate profits. From a sector perspective, we continue to emphasize quality stocks in cyclical segments of the market, with a focus on companies that are economically sensitive and generate above average profitability. This exposure is balanced with a strategic allocation towards secular growth, particularly within consumer discretionary, technology, and healthcare. We have reduced exposure to US and European banks recent months, as rates have historically been a leading indicator for banks. Within derivatives, we increased positive convexity to the portfolio via long call index options. These positions provide the fund additional upside exposure with limited downside (premium paid). Within fixed income, we are significantly underweight developed market government bonds and duration. Our preference is to keep most of the exposure in less duration sensitive assets (sensitivity to interest rate movements), such as high yield, bank loans, securitized assets, and emerging market debt. In-line with the fund’s risk aware mandate, we look to balance exposure to risk assets with portfolio hedges, expressed through an increasing reliance on cash and derivatives given diminished efficacy of traditional hedges such as duration and gold in the current environment.

Russ Koesterich shares the team’s outlook on the markets.

One of the world’s most well-resourced investment teams

Rick Rieder, Portfolio Manager, 33 years of experience

Russ Koesterich, CFA, JD, Portfolio Manager, 26 years of experience

David Clayton, CFA, JD, Portfolio Manager, 27 years of experience

Kate Moore, Head of Thematic Strategy, 22 years of experience

Backed by a roster of experienced and dedicated analysts
Average annual total returns (%) as of 8/31/21

<table>
<thead>
<tr>
<th></th>
<th>1 Month (not annualized)</th>
<th>YTD (not annualized)</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>Since inception²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional</td>
<td>1.05</td>
<td>7.68</td>
<td>18.74</td>
<td>12.26</td>
<td>10.14</td>
<td>7.57</td>
<td>9.97</td>
</tr>
<tr>
<td>Investor A (Without Sales Charge)³</td>
<td>1.06</td>
<td>7.51</td>
<td>18.44</td>
<td>11.95</td>
<td>9.83</td>
<td>7.28</td>
<td>9.68</td>
</tr>
<tr>
<td>Investor A (With Sales Charge)⁴</td>
<td>-4.25</td>
<td>1.87</td>
<td>12.22</td>
<td>9.96</td>
<td>8.66</td>
<td>6.70</td>
<td>9.50</td>
</tr>
<tr>
<td>FTSE World Index⁵</td>
<td>2.46</td>
<td>17.53</td>
<td>30.58</td>
<td>15.23</td>
<td>15.13</td>
<td>12.18</td>
<td>-</td>
</tr>
<tr>
<td>Morningstar World Allocation Avg.</td>
<td>1.04</td>
<td>9.85</td>
<td>18.90</td>
<td>7.82</td>
<td>7.67</td>
<td>6.56</td>
<td>-</td>
</tr>
<tr>
<td>Reference Benchmark⁶</td>
<td>1.32</td>
<td>9.25</td>
<td>17.14</td>
<td>11.04</td>
<td>9.97</td>
<td>8.34</td>
<td>-</td>
</tr>
</tbody>
</table>

Total returns (annualized) as of 6/30/21 for Institutional shares: 1 Yr, 28.49%; 5 Yr, 10.65%; 10 Yr, 7.11%; Since Inception, 9.99%; for Investor A shares without/with maximum sales charge: 1 Yr, 28.17%/21.45%; 5 Yr, 10.34%/9.16%; 10 Yr, 6.82%/6.25%; Since Inception, 9.71%/9.52%.

Data 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. All returns assume reinvestment of dividends and capital gains. Current performance may be lower or higher than that shown. Share classes have different sales charges, fees and other features. Returns with sales charge reflect the deduction of current maximum initial sales charge of 5.25% for Investor A shares. Institutional shares have no front- or back-end load, limited availability and may be purchased at various minimums. See prospectus for details. Investment returns reflect total fund operating expenses, net of all fees, waivers and/or expense reimbursements. Expenses, as stated in the fund’s most recent prospectus, for Institutional/Investor A shares: Total, 0.88%/1.14%. Net, Including Investment-Related Expenses (dividend expense, interest expense, acquired fund fees and expenses and other fund expenses): 0.82%/1.08%. Institutional and Investor A have contractual waivers with an end date of 6/30/23, terminable upon 90 days’ notice. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index. Net Expenses, Excluding Investment Related Expenses for Institutional/Investor A shares: 0.79%/1.05%.

Important risks: The fund is actively managed and its characteristics will vary. Stock and bond values fluctuate in price so the value of your investment can go down depending on market conditions. International investing involves special risks including, but not limited to, currency fluctuations, illiquidity and volatility. These risks may be heightened for investments in emerging markets. 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. Asset allocation strategies do not assure profit and do not protect against loss. Short selling entails special risks. If the fund makes short sales in securities that increase in value, the fund will lose value. Any loss on short positions may or may not be offset by investing short-sale proceeds in other investments. 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.

The opinions expressed are those of the fund’s portfolio management team as of August 31, 2021, and may change as subsequent conditions vary. Information and opinions are derived from proprietary and nonproprietary sources deemed by BlackRock to be reliable, are not necessarily all-inclusive and are not guaranteed as to accuracy.

1 The Morningstar Analyst Rating® is not a credit or risk rating. It is an evaluation performed by Morningstar’s Manager Research Group based on five pillars: process, performance, people, parent, and price. This evaluation determines how they believe the funds are likely to perform relative to the fund's peers over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors. For active funds, an Analyst Rating of Gold, Silver, or Bronze reflects the expectation that the fund will be able to deliver positive alpha net of fees relative to the standard benchmark index assigned to the Morningstar category. The Analyst Ratings are overseen by an Analyst Rating Committee and are monitored and reevaluated at least every 14 months. For more detailed information about Morningstar’s Analyst Rating, including its methodology, please go to https://www.morningstar.com/content/dam/marketing/shared/pdfs/Research/962834.pdf. The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund; (ii) involves unknown risks and uncertainties which may cause the Manager Research Group’s expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund. 2 The Morningstar Rating™ is for funds, or ‘star rating’. It 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-end mutual funds are considered a single population for comparative purposes. It is calculated based on Morningstar’s 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. With respect to U.S.-domiciled funds in the World Allocation category, the fund received a Morningstar Rating of 5 stars for the 3-year period, rated against 4,188 funds; 5 stars for the 5-year period, rated against 361 funds; and 4 stars for the 10-year period, rated against 2,315 funds. Ratings are for Institutional share class. Other classes may have different performance characteristics. 3 Fund Inception; 2/3/89. 4 The performance information for periods prior to the inception date of the Investor A share class (10/1/94) is based on the fund’s Institutional shares, adjusted to reflect the fees and expenses applicable to the Investor A share class. See the fund’s prospectus for more details. 5 The FTSE World Index® is comprised of world equities, including the U.S. 6 The Reference Benchmark is 36% S&P 500 Index, 24% FTSE World (ex-U.S.) Index, 24% ICE BofAML Current 5-Year U.S. Treasury Index and 16% FTSE Non-U.S. Dollar World Government Bond Index. S&P 500 Index comprises large-cap equalization U.S. equities. FTSE World (ex-U.S.) Index comprises world equities, ex-U.S. ICE BofAML 5-Year U.S. Treasury Bond Index tracks the 5-Year U.S. Treasury bond. FTSE Non-U.S. Dollar World Government Bond Index tracks government bond indices, ex-U.S.

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.

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