

Inst: **MAGR** A: **MDGR** C: **MCGR**

Commentary as of 03/31/24

- The fund posted returns of 1.46% (Institutional shares) and 1.37% (Investor A shares, without sales charge) for the first quarter of 2024.
- The fund underperformed its benchmark during the quarter, driven by security selection in the mining sector.
- The fund maintained its overweight positions in the energy and mining sectors. At quarter-end, 36.6% of the fund was invested in energy, 38.1% in mining, 23.2% in agriculture, and 1.3% was held in cash.

Contributors	Detractors
Overweight positions in sustainable packaging companies Smurfit Kappa and Packaging Corp of America were the best performers. The packaging industry is cyclical by nature and was buoyed by positive equity markets. ExxonMobil was among the largest contributors, with U.S. energy companies performing well as oil prices surprised to the upside. Not holding South Korean steel manufacturer POSCO was a positive as the company's share price performed weakly due to steel price volatility.	An off-benchmark position in Canada's Wheaton Precious Metals detracted following a downgrade to its 2024 production guidance. An overweight position in Rio Tinto was detrimental, despite decent fourth-quarter production results at the beginning of the quarter. An overweight exposure to Norsk Hydro also hampered returns, after the company released mixed first-quarter results.

Further insight

Uncertainty persists around China's commodity demand, though the government has announced incremental financial support. Commodity supply has been heavily constrained by producers' continued focus on capital discipline following years of underinvestment. This has been driven by investor pressure on companies to prioritize shareholder returns over production growth and by global decarbonization efforts disincentivizing investment in new supply. Geopolitical risk continues to create uncertainty in supply and adds a risk premium to the pricing of some commodities. Natural resource company debt levels have been cut, and mining and energy have some of the strongest balance sheets out of all sectors globally. Meanwhile, companies continue to trade on attractive valuations. While the macroeconomic backdrop is uncertain, we see strong, idiosyncratic factors supporting natural resources equity performance.

Portfolio management

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Top 10 holdings (%)

Shell Plc	7.51
ExxonMobil	5.82
BP	5.04
Freeport-Mcmoran Inc	4.55
Wheaton Precious Metals Corp	3.90
Totalenergies Se	3.76
Smurfit Kappa Group Plc	3.72
Teck Resources Ltd	3.46
Rio Tinto Plc	3.38
Bhp Group Ltd	3.36

Investment approach

Invests in a portfolio of equity securities with substantial natural resource assets.

Average annual total returns (%) as of 3/31/24

	1Q24 (not annualized)	YTD (not annualized)	1 Year	3 Year	5 Years	10 Years
Institutional	1.46	1.46	1.67	10.72	10.06	2.76
Investor A (Without Sales Charge)	1.37	1.37	1.38	10.41	9.74	2.48
Investor A (With Sales Charge)	-3.95	-3.95	-3.95	8.45	8.56	1.93
S&P Global Natural Resources Index ²	2.16	2.16	5.72	9.52	9.05	5.38

Expenses for Institutional shares: Total **0.83%**. For Investor A shares: Total **1.12%**. 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. Current performance may be lower or higher than that shown. All returns assume reinvestment of dividends and capital gains. Refer to www.blackrock.com for current month-end performance. Investment returns reflect total fund operating expenses, net of all fees, waivers and/or expense reimbursements. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index. Share classes have different sales charges, fees and other features. Returns with sales charge reflect deduction of current maximum initial sales charge of 5.25% for Investor A shares. Institutional shares have no front- or back-end load. Institutional shares have limited availability and may be purchased at various minimums. See prospectus for details.

Important Risks: The fund is actively managed and its characteristics will vary. Holdings shown should not be deemed as a recommendation to buy or sell securities. 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 political risks, currency fluctuations, illiquidity and volatility. These risks may be heightened for investments in emerging markets. Investments in natural resources industries can be affected by variations in commodities markets, weather, disease, embargoes, political and economic developments, taxes and other government regulations. 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 March 31, 2024, 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.

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1 The S&P Global Natural Resources Index includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure to agribusiness, energy, and metals & mining.

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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04/24 — Natural Resources Fund