

BlackRock[®]

Navigating the new market regime with managed accounts

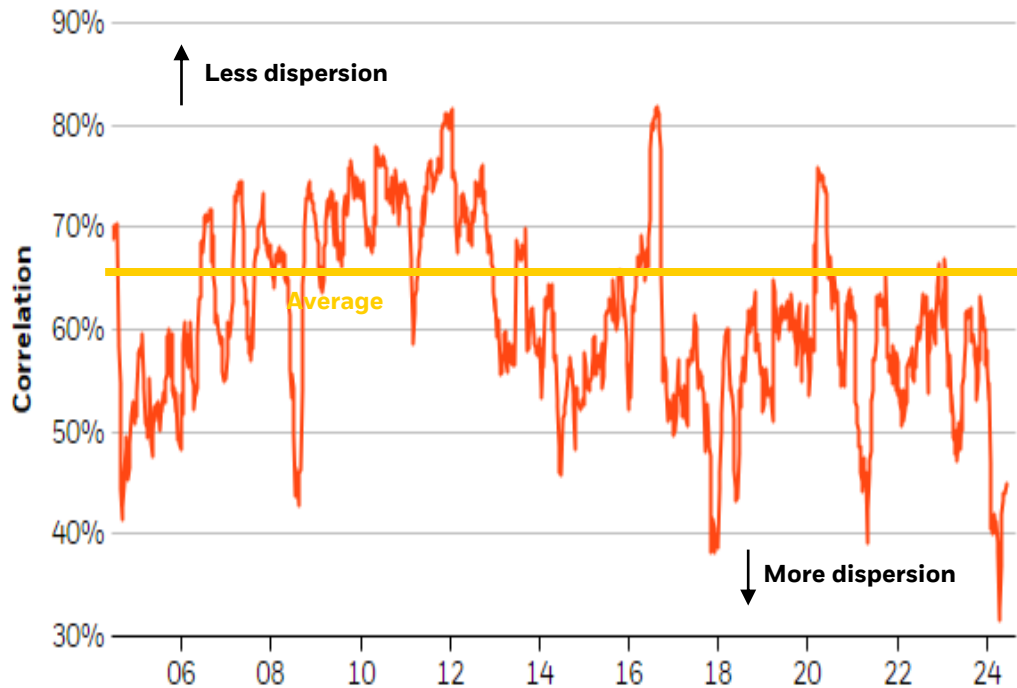
July 2024

BlackRock Multi-Asset Strategies & Solutions

We are in a structurally different world now

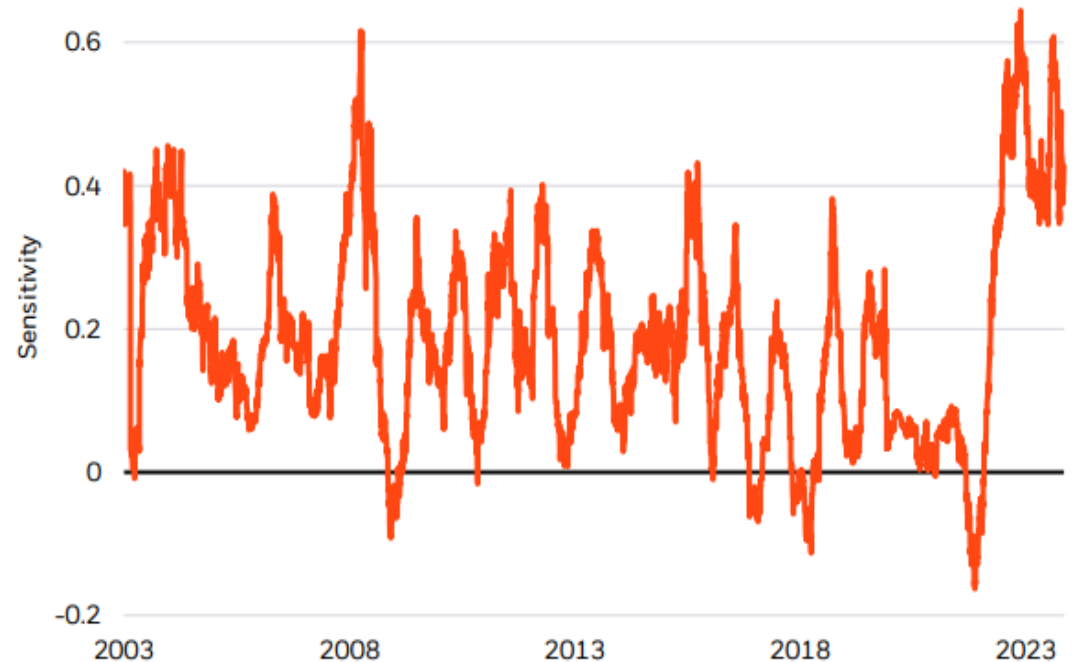
Heightened macro uncertainty across growth, inflation and policy is driving increased dispersion in markets

Correlation of world equity markets



Source: LSEG Datastream and MSCI, chart by BlackRock Investment Institute. Jun 12, 2024
Notes: The line shows the average correlation of the 60-day performance of the MSCI World Index with that of the indexes of all individual countries in the MSCI World Index. A decrease in correlation means there is more dispersion of returns between the equity markets of different countries within the MSCI World. RO-191915

Sensitivity of US 10Y yield to economic surprises



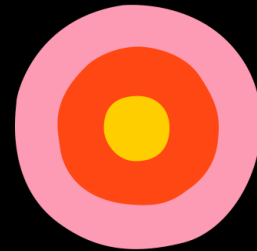
Source: BlackRock Investment Institute, with data from LSEG Datastream, March 2024. Notes: The chart shows how sensitive the U.S. 10-year Treasury yield is to economic surprises. This is calculated by using regression analysis to estimate the relationship between U.S. 10-year Treasury yields and the Citi Economics Surprise Index over a rolling six-month window. The sensitivity is measured by how closely movements of the U.S. 10-year Treasury yield align with fluctuations in the Citi Economics Surprise Index, relative to how much the Surprise index itself varies. This analysis is only an estimate of the relationship between the 10-year Treasury yield and economic surprises. Past performance is no guarantee of future results.

The new regime calls for an evolution of investment strategies

Guiding principles for more consistent client outcomes



Be nimble and adapt
to changing market
conditions



Be selective
using highly targeted
building blocks

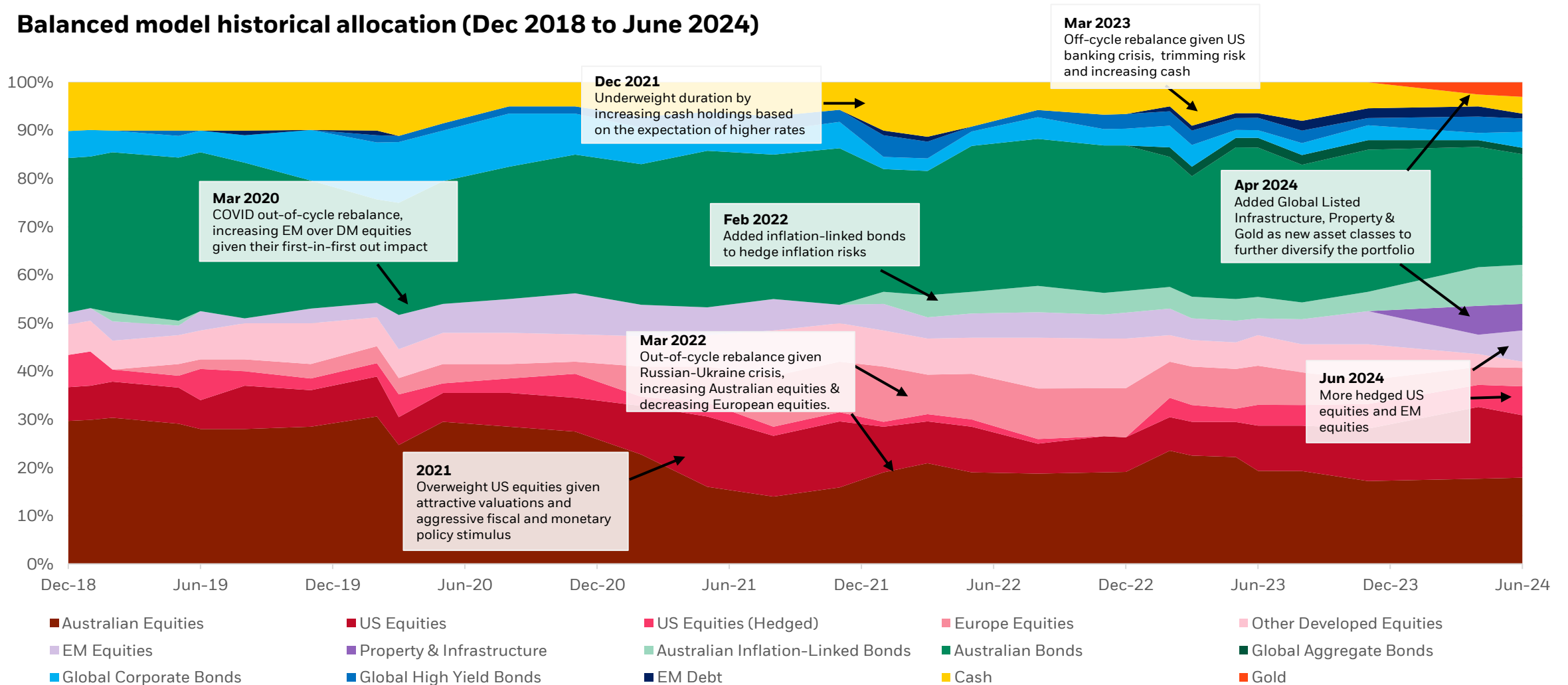


Be creative
in diversifying your
diversifiers

Source: BlackRock, July 2024. For illustrative purposes only. Subject to change.

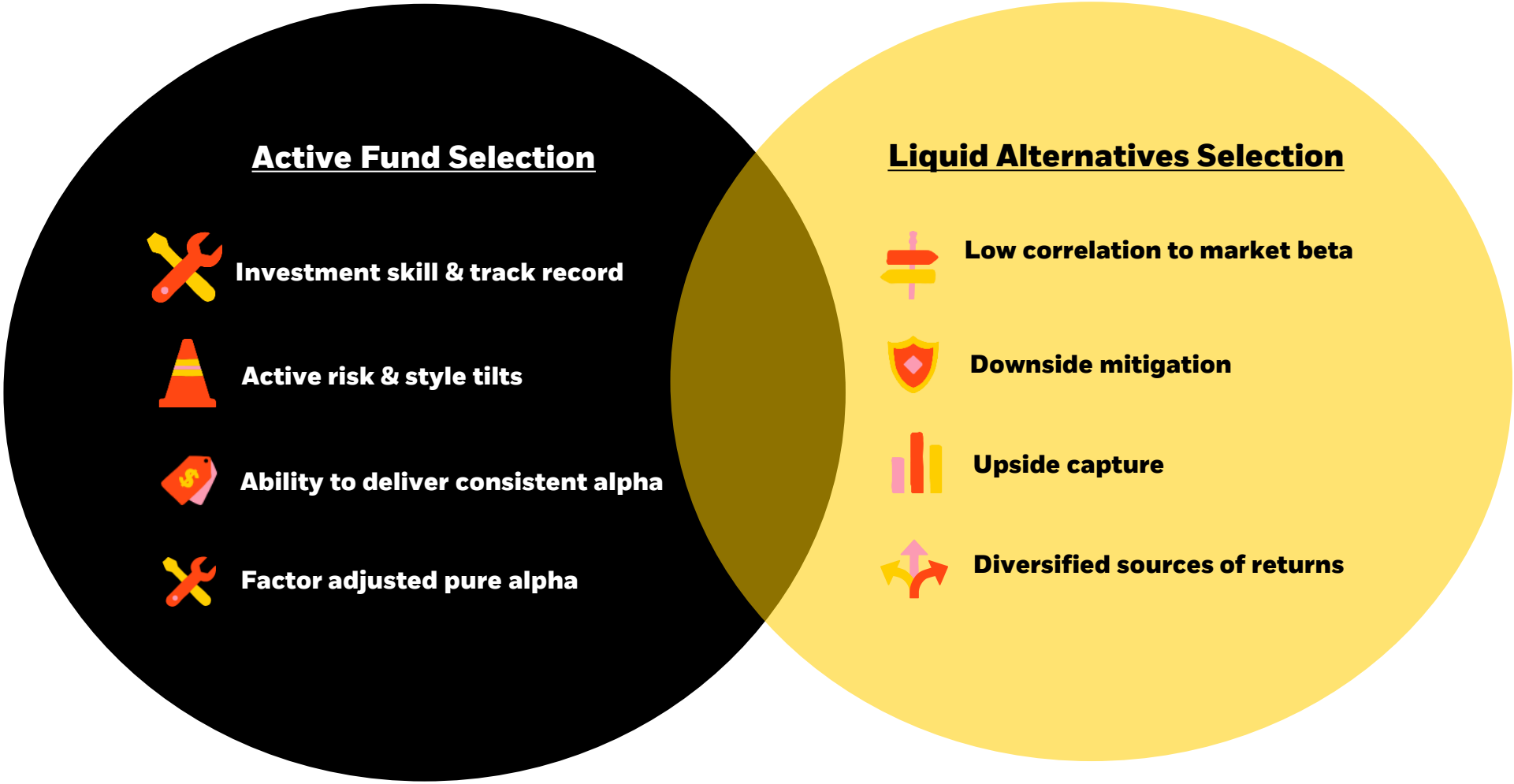
Be nimble and adapt to different market environments

Balanced model historical allocation (Dec 2018 to June 2024)



Source: BlackRock. As of latest rebalance on 14 June 2024.

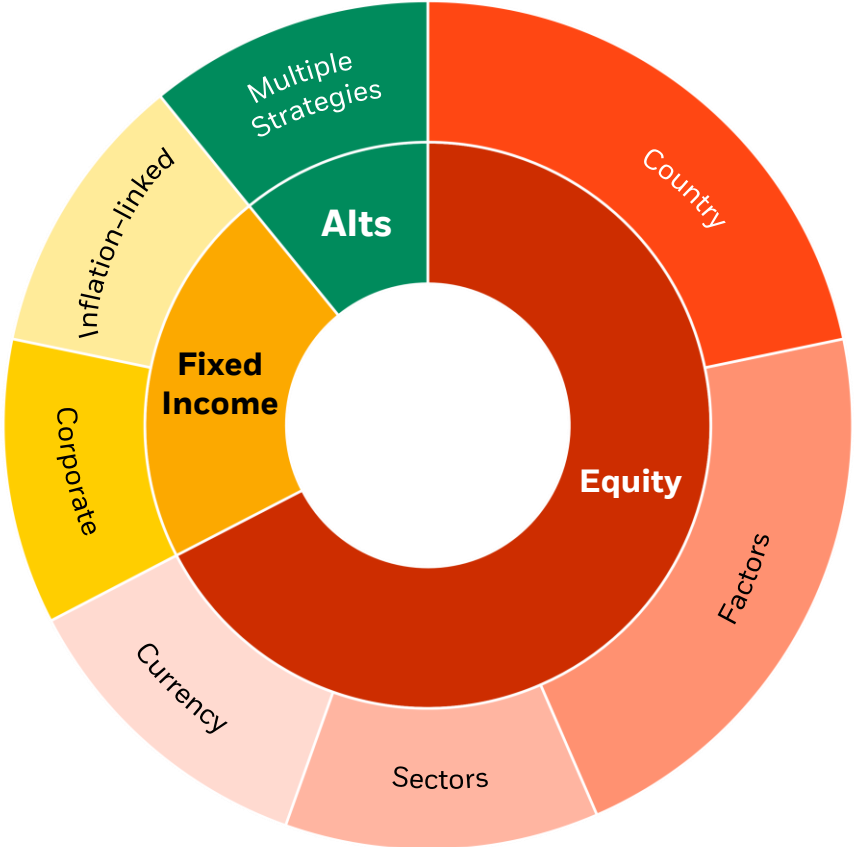
Higher dispersion makes it ripe for active management



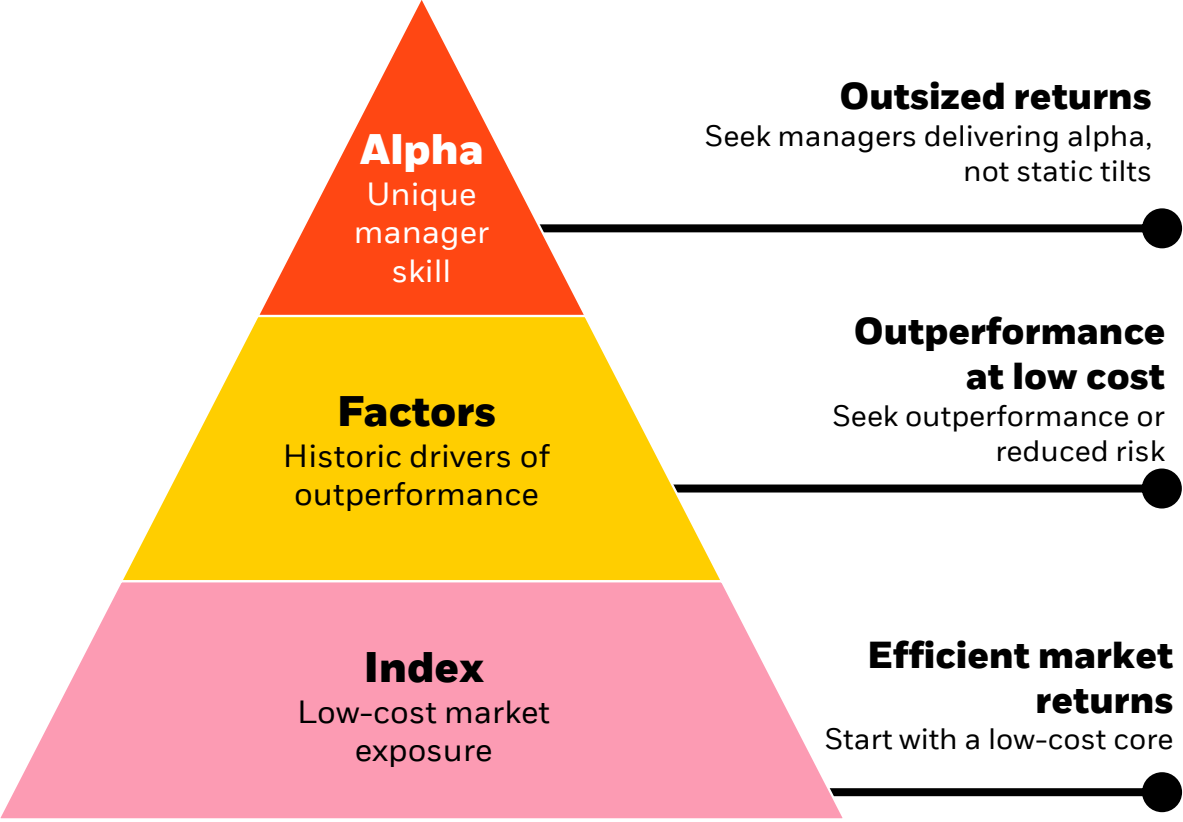
Source: BlackRock. As of July 2024.

Be targeted and think beyond broad asset classes

Express granular views within asset classes



Be intentional with exposures



For illustrative purposes only. Subject to change. Source: BlackRock, May 2024.

Consider alternatives for further diversification

Alternative asset classes

Asset classes other than the traditional stocks, bonds, or cash, often illiquid.

Real Estate

Private Equity

Commodities

Private Credit

Infrastructure

Crypto Assets

Alternative strategies

Investment strategies that go beyond traditional methods. Many strategies aim to provide low correlation to directional market moves, targeted protection during selloffs, or unique sources of alpha, often highly liquid.

Equity Long / Short

Credit Long/short

Event driven

Multi-strategy

Market neutral

Global macro

Relative value/arbitrage

Fund of funds

Source: BlackRock, as of July 2024. For illustrative purposes only. Subject to change. This is not a recommendation to invest in any particular financial product.

Diagnose, deploy and control risk

Aladdin[®]

by BlackRock

Portfolio construction

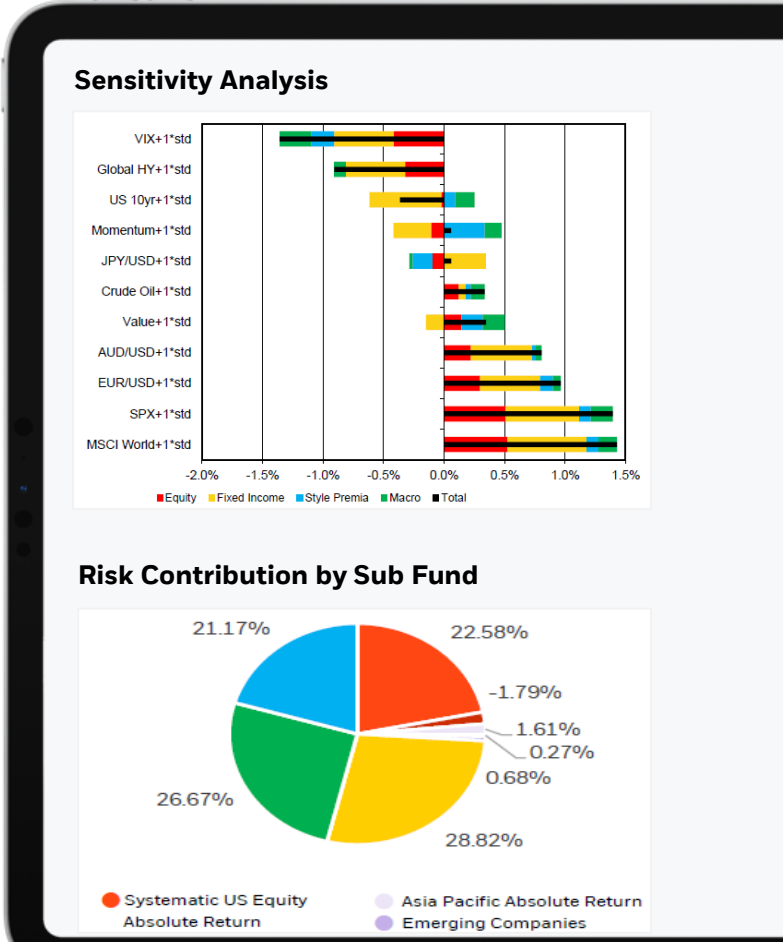
Understand today's risk

Risk factor optimisation

Monitor portfolios

Model 'What-If' scenarios

Avoid unintended risks



Source: BlackRock, February 2024. Screenshot is for illustrative purposes only. While proprietary technology platforms may help manage risk, risk cannot be eliminated.

Supporting you and your clients with the Model Evaluator Tool (MVAL)

Compare

Models by client objectives

Stay Informed

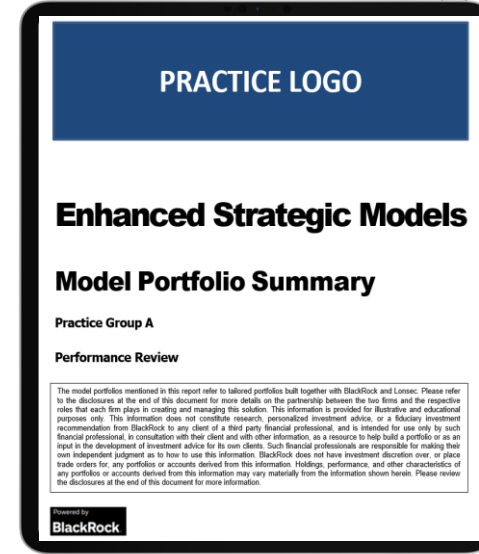
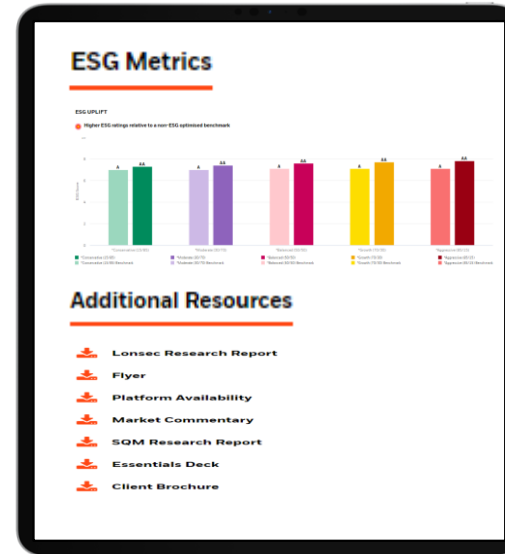
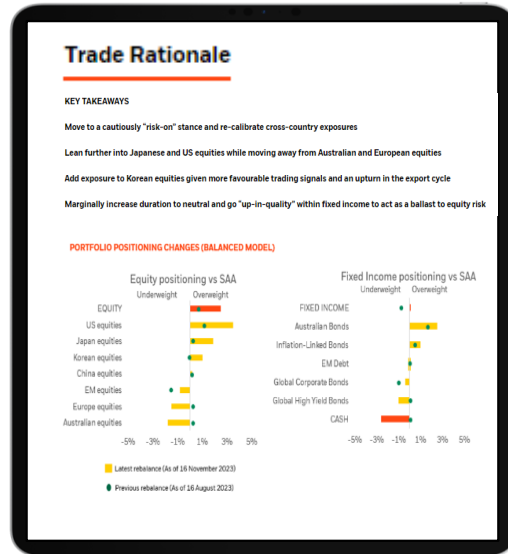
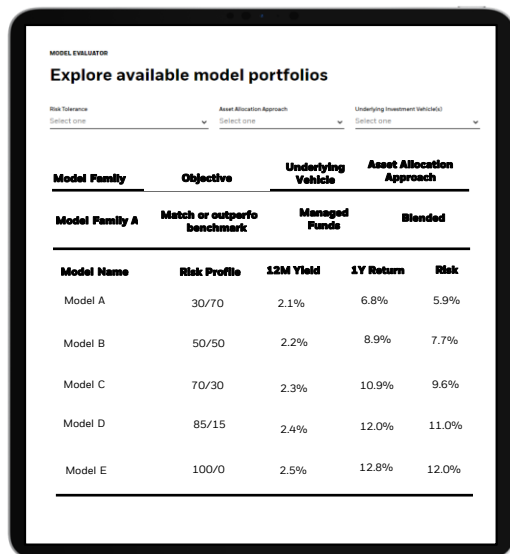
At every rebalance

Gain transparency

On metrics and resources across portfolios

White-Label

Your logo in client reports



For illustrative purposes only.

Q&A

IMPORTANT INFORMATION

PERFORMANCE DATA

Performance figures represent past performance and are not indicative of future performance. Current performance may be higher or lower than that shown. Net performance figures are calculated after fund management fees and expenses, and assume reinvestment of distributions. Unless otherwise stated, performance for periods greater than one year is annualised and performance calculated to the last business day of the month. The model performance shown is hypothetical and for illustrative purposes only. The performance does not represent the performance of an actual account or investment product and is not the result of any actual trading. Performance does not include brokerage and commissions that may be incurred in the trading of financial products within the model portfolio and actual investment outcomes may vary. The performance figures represent past performance of the model portfolios.

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