

BLACKROCK GLOBAL MULTI-ASSET INCOME FUND (AUST)

BLACKROCK®

FUND UPDATE

30 April 2024

Investment Performance (%)

	1 Mth	3 Mths	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	Since Incep
Distribution (D Class) ¹ (Net of Fees)	0.25	0.75	1.00	3.33	6.83	9.88	18.42	41.91
Growth (D Class) ¹ (Net of Fees)	-1.87	-0.45	-0.45	2.01	-4.80	-13.52	-8.28	-9.11
BlackRock Global Multi-Asset Income Fund (Aust) (D Class) ¹ (Net of Fees)	-1.62	0.30	0.55	5.33	1.01	-1.23	1.95	3.39
BlackRock Global Multi-Asset Income Fund (Aust) ² (Gross of Fees)*	-1.55	0.48	0.80	6.12	1.77	-0.49	2.72	4.09

¹ Fund inception: 29/10/2015. ² Fund inception: 17/08/2015.

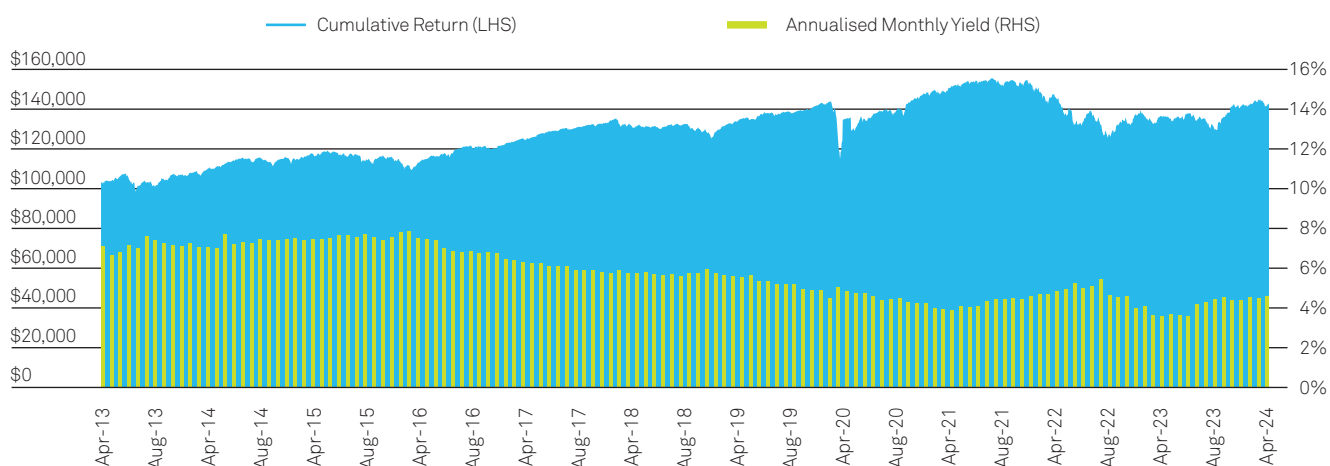
* Gross returns are calculated before fees and taxes and assume reinvestment of distributions. Gross returns are provided for products offered to wholesale clients only who may be subject to differential fees. Please refer to the Fund's product disclosure statement for more information. Net performance is calculated on exit-to-exit price basis, e.g. net of ongoing fees, performance fees and expenses.

About the Fund

The BlackRock Global Multi Asset Income Fund (Aust) follows a flexible asset allocation approach that seeks attractive income while attempting to smooth out returns and minimise loss of capital. The fund invests globally in the best income opportunities – across geographies and asset classes, whilst balancing the trade-off between yield and risk. The Fund makes use of derivatives for the purposes of efficient portfolio management including the generation of additional income for the Fund. The Fund aims to deliver consistent income in the form of monthly distributions.

The Fund may be suitable for investors who are looking to diversify their Australian sourced income. For example equity investors looking for similar yields as Australian franked equities but wanting lower risk. The Fund can be used as a standalone diversified income solution or can be blended with other sources of income to reduce risk and help maintain investor capital.

Cumulative Return and Annualised Monthly Yield



Portfolio Managers



Alex Shingler
Managing Director,
Portfolio Manager



Justin Christofel
Managing Director,
Portfolio Manager

Visit [BlackRock.com.au](https://www.blackrock.com.au) for further information, including:

- Market Insights & Commentary
- Fund Performance
- Unit Prices

Performance is for the BGF Global Multi-Asset Income Fund – Aggregate (Aud Hedged). Past performance is not a reliable indicator of future performance. Long-term performance returns show the potential volatility of returns over time.

Performance Summary

Key Contributions to Portfolio Outcome:

April was a challenging month for markets with negative returns across both equities and bonds thanks to sticky inflation and fears of more hawkish Fed policy. The fund delivered negative returns against this backdrop.

Key contributors to portfolio income this month were covered calls, high yield, and floating rate loans. Interest rate management positions, U.S. equities, and covered calls were the largest detractors from total return this month offset by currency management positions, floating rate loans, and government bonds which contributed to returns.

Main Portfolio Changes:

Although the increased volatility and recent equity selloff have added uncertainty, our more positive outlook is underpinned by a strong earnings season that has demonstrated growth remains positive, leading us to maintain our current positioning. As a continuation of our March positioning changes, we modestly added further to floating rate assets via high quality CLOs.

Positioning & Outlook:

Concerns about persistent inflation, strong growth data and an increased likelihood of a higher-for-longer interest rate environment led to a pullback in global stock and bond markets in April. The selloff broke a 5-month run of consecutive positive returns for the S&P 500, though the index has rebounded from the April lows to start off May. Meanwhile, the 10-year U.S. Treasury rose from 4.2% at the end of March to 4.7% at the end of April and the 2-year U.S. Treasury yield closed above 5%, resulting in the worst monthly returns for government bonds of 2024 thus far. High yield bonds held in relatively well given their lower duration profile but were not immune to downside either while floating rate assets like CLOs proved an effective diversifier and delivered modestly positive results.

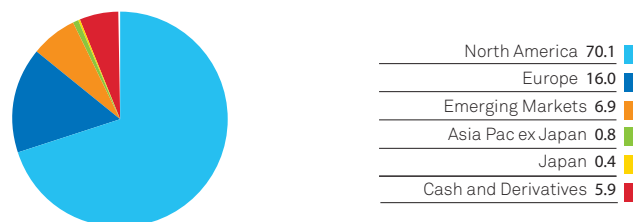
From a macro perspective, the ISM manufacturing survey, which was released at the beginning of the month, surprised many by entering expansionary territory for the first time since October 2022. Shortly thereafter, the US jobs report showed nonfarm payrolls increasing by over 300,000 in March, well above many street estimates. To add fuel to the fire, a few days later U.S. CPI also came in hot. Taken in combination, this string of strong data led to investor concerns not just about the Fed's ability to cut rates but the potential risk of an interest rate hike this year. However, Chair Powell quelled these fears at his early May press conference by underscoring the Fed's view that rate hikes are likely off the table, though cuts may not come as soon as initially anticipated. All of this rate uncertainty supports our preference for being judicious with portfolio interest rate risk and adding to floating rate assets this year.

Geopolitical tensions also climbed during the month amidst Iran and Israel trading drone and missile attacks. Oil prices were most impacted by this news with Brent crude prices peaking at \$92, though they have since come down in May. This instability resulted in the VIX reaching its highest level of the year, making it an increasingly attractive environment for covered call writing as option premiums generally rise alongside rising volatility.

Meanwhile, we saw strong corporate earnings help offset some of the pressure from higher rates and geopolitical uncertainty. Q1 earnings have thus far showed tech and Artificial Intelligence ("AI") beneficiaries keeping up their robust growth, while other sectors are also seeing recoveries. Therefore, we retain our more positive outlook on risk assets. Specifically, we maintain our preference for dividend stocks over corporate credit to generate further price return. Dividend stock valuations remain depressed relative to broader markets, whereas credit spreads are at multi-year tights making these markets less attractive from a price upside standpoint. That said, when it comes to generating income, we continue to think that corporate credit with all-in yields ranging from 5.5-8% continues to be a powerful return driver for investors.

Source: BlackRock

Regional Exposure (%)



Contributors to Yield*

	Asset Allocation %	Yield %	Contribution to Yield %
Fixed Income	26.1		28.5
HY Bonds	19.7	7.4	22.7
Investment Grade Bonds	5.4	5.9	5.0
Government	1.0	5.0	0.8
Equity	23.5		9.7
EM Equity	4.8	3.5	2.6
Global Ex-US Developed Equities	6.1	3.3	3.1
US Equities	12.6	2.0	3.9
Non Traditional Assets ex Hedges	44.7		61.7
EM Debt	2.0	7.5	2.3
Floating Rate Loans	14.9	7.2	16.7
Mortgage-Backed Securities	4.7	7.2	5.3
Preferred Stock	5.2	7.9	6.4
Covered Call Writing	12.0	14.6	27.3
Global Infrastructure	4.2	3.6	2.3
Global REITs	1.7	5.3	1.4
Cash	5.8	0.0	0.0

Source: BlackRock. * The table shows yield from underlying investment strategy. The fund receives additional yield, via the currency hedge, approximately equal to the interest rate differential between AUD and USD.

Fund Details

BlackRock Global Multi-Asset Income Fund (Aust)

APIR	BLK0009AU
Fund Size (A\$)	10 mil
Management Fee (Class D Units) ¹	0.75% p.a.
Buy/Sell Spread	N/A
Liquidity	Daily
Distribution Frequency	Monthly
Yield (Annualised) ²	3.90%
Standard Deviation ³	7.75%

Source: BlackRock

¹ The amount of this fee can be negotiated with certain "wholesale clients" or "sophisticated" or "professional" investors (as defined by the Corporations Act) in compliance with legal requirements and any applicable ASIC class orders. ² Yield is based on the past 12 monthly distributions divided by the most recent month-end fund NAV. ³ Standard deviation of monthly returns since inception, annualized.

IMPORTANT INFORMATION: Issued by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975, AFSL 230 523 (**BIMAL**). This material is not a financial product recommendation or an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction. The material provides general information only and does not take into account your individual objectives, financial situation, needs or circumstances. Before making any investment decision, you should assess whether the material is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances. BIMAL is the responsible entity and issuer of units in the Australian domiciled managed investment schemes referred to in this material. Any potential investor should consider the latest product disclosure statement, prospectus or other offer document (**Offer Documents**) before deciding whether to acquire, or continue to hold, an investment in any BlackRock fund. Offer Documents can be obtained by contacting the BIMAL Client Services Centre on 1300 366 100. In some instances Offer Documents are also available on the BIMAL website at www.blackrock.com.au. BIMAL, its officers, employees and agents believe that the information in this material and the sources on which it is based (which may be sourced from third parties) are correct as at the date of publication. While every care has been taken in the preparation of this material, no warranty of accuracy or reliability is given and no responsibility for the information is accepted by BIMAL, its officers, employees or agents. Any investment is subject to investment risk, including delays on the payment of withdrawal proceeds and the loss of income or the principal invested. While any forecasts, estimates and opinions in this material are made on a reasonable basis, actual future results and operations may differ materially from the forecasts, estimates and opinions set out in this material. No guarantee as to the repayment of capital or the performance of any product or rate of return referred to in this material is made by BIMAL or any entity in the BlackRock group of companies. No part of this material may be reproduced or distributed in any manner without the prior written permission of BIMAL. © 2024 BlackRock, Inc. All Rights reserved. BLACKROCK, BLACKROCK SOLUTIONS, iSHARES and the stylised i logo are registered and unregistered trademarks of BlackRock, Inc. or its subsidiaries in the United States and elsewhere. All other trademarks are those of their respective owners.

BLACKROCK[®]