Global Allocation Fund

BlackRock

INST: MALOX • A: MDLOX • C: MCLOX • K: MKLOX

★★★★ Morningstar Overall Rating™ (Inst) Gold

Performance: The fund underperformed its benchmark due to stock selection in select sectors. More broadly, global equities rallied on lower-than-expected inflation and better-than-expected GDP. Bond performance was mixed.

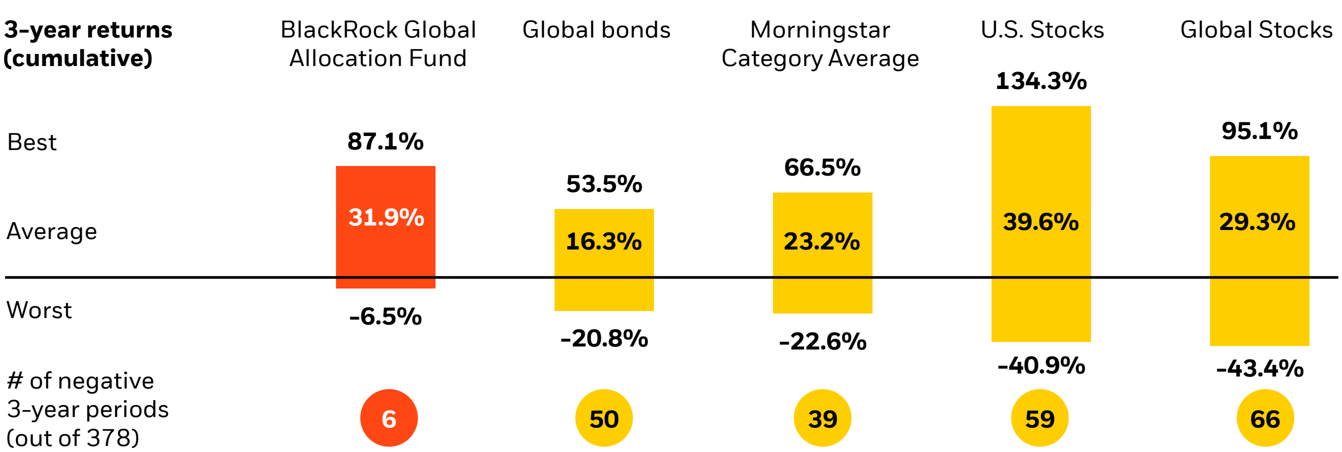
- ▲ **Contributors:** Selection in consumer staples. Underweight U.S. duration & Japanese government bonds.
- ▼ **Detractors:** Selection in information technology, industrials, financials, and healthcare.

Positioning: Overweight equities, with an emphasis on quality and stable growth. Underweight to duration, overweight credit, and securitized assets. Cash, derivatives, & gold as additional risk mitigants.

- ▲ **Increased:** Equities, notably via consumer discretionary, financials, and energy. Cash.
- ▼ **Decreased:** Agency mortgages and investment grade credit.

A history of competitive performance and limited downside

By maintaining a long-term objective of capital appreciation, with a mindful eye on downside volatility, the Fund has aimed to provide a smoother investment experience by generating competitive returns with fewer and shallower drawdowns compared to equities. **A risk aware mandate can make a big difference to the overall client experience.**

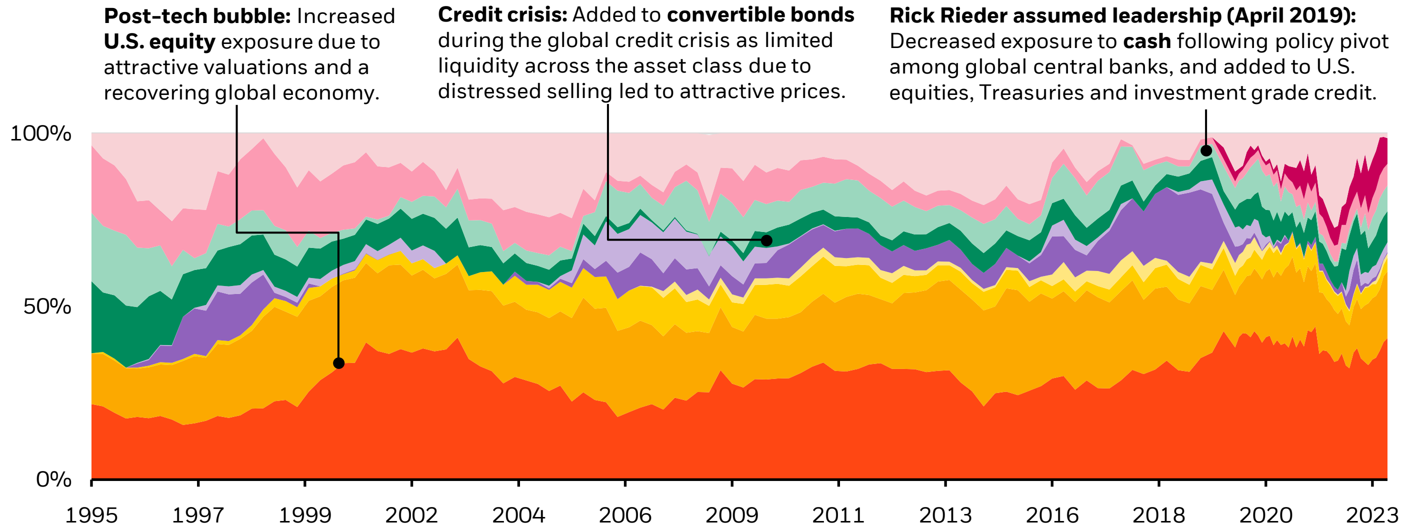


Source: Bloomberg, Morningstar. Data reflects a time series of rolling 3-year cumulative returns based on calendar month-ends. Date range represents the life of the fund (Institutional share class inception (2/28/89) through the recent quarter-end) and is applied across all categories. The best 3-year return represents the highest 3-year return within the time series for each category. The average 3-year return represents the average 3-year return over the time series for each category. The worst 3-year return represents the lowest 3-year return with the time series for each category. The number of negative of periods represents the total number of periods where the 3-year return was <0.00% for each category. Asset classes represented by FTSE World Gov't Bond Index, S&P 500 Index, FTSE World Index. Morningstar category by the Global Allocation Funds average. All data as of 07/31/23. **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 Gold medal. (Last rating 05/01/23.)[1]
The overall Morningstar rating of 4 stars pertains to the fund's Institutional shares, rated against 376 funds in the Global Allocation category as of 07/31/23. 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.[2]
BlackRock provides compensation in connection with obtaining or using third-party ratings and rankings.

Flexibility in practice: adapting as markets change

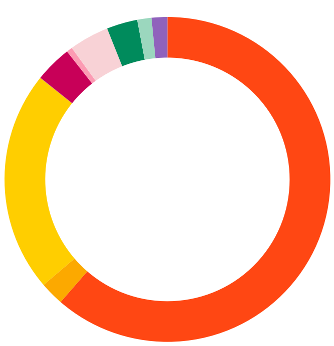


	As of 07/31	Over/ under	Historical range		As of 07/31	Over/ under	Historical range
U.S. equities	**40.9%**	▲	15 - 45%	U.S. credit	**8.9%**	▲	0 - 25%
Developed equities ex-U.S.	**19.3%**	▼	10 - 35%	Non-U.S. sovereign debt	**7.4%**	▼	0 - 25%
Emerging market equities	**4.0%**	▼	0 - 15%	Non-U.S. credit	**6.3%**	▲	0 - 25%
Commodity-related	**1.2%**	▲	0 - 5%	Securitized debt	**7.4%**	▲	0 - 12%
Treasuries, agencies & munis	**0.5%**	▼	0 - 25%	Cash equivalents	**1.5%**	▲	0 - 30%
U.S. TIPS	**2.8%**	▲	0 - 15%				

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

% of Net assets

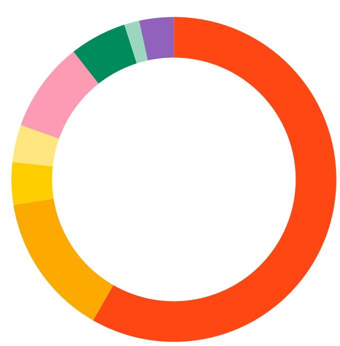


61%	United States
2%	Canada
22%	Developed Europe
0%	Emerging Europe
4%	Japan
1%	Asia Pacific ex-Japan
4%	Emerging Asia
3%	Latin America
1%	Africa / Middle East
2%	Cash equivalents

Largest change this month:
United States ▼ from 62% to 61% of assets.

Currency allocation

% of Net assets



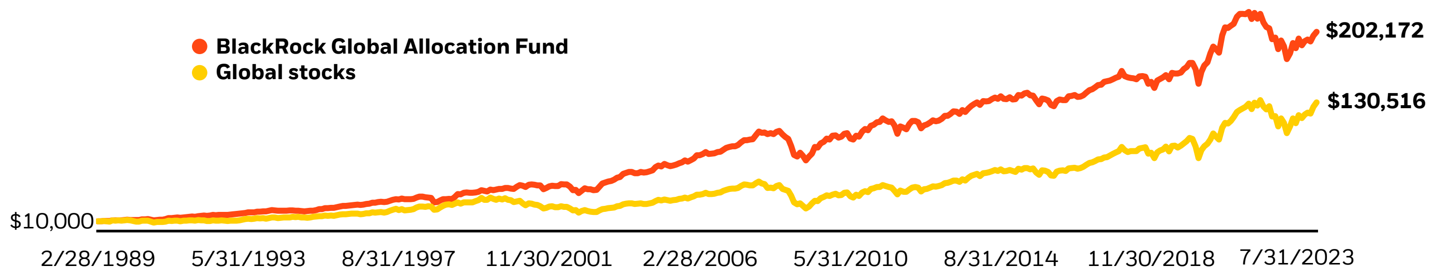
58%	U.S. dollar
14%	Euro
4%	British pound sterling
4%	Other Europe
9%	Japanese yen
6%	Other Asia
2%	Latin America
3%	Rest of the world

Largest change this month:
Other Asia ▲ from 4% to 6% of assets.

All data as of 07/31/23.

Designed to seek a better outcome

The Fund's mission is to provide a core holding, suitable for a broad range of clients and deliver a competitive rate of return with less volatility than a global stock portfolio over a full market cycle. Since its inception in 1989, **the fund has outperformed global stocks with one-third 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: 9.96% and global stocks: 15.41%.

Our view on the market and portfolio positioning

Following last year's weakness, technology and growth stocks are back on top. Aside from a brief wobble in February, growth has outperformed every other investment style year-to-date. But while growth continues to advance, since early June there has been a subtle shift in market leadership. Technology is now narrowly underperforming with the top performing sectors being mostly cyclical.

The shift in leadership has occurred against a backdrop of both higher interest rates and an improving economic outlook. In this environment, investors may want to consider cyclical expressions, i.e., companies that stand to benefit from economic resilience. Another potential approach would be to combine two themes – cyclicals with a growth bias – and maintain a tilt towards reasonably valued growth names, otherwise known as growth-at-a-reasonable-price (GARP).

Part of the reason for the relative slip in growth's performance is valuation. The style's outperformance has largely been driven by multiple expansion YTD. In other words, tech and tech-related names have appreciated on higher valuations. That said, outside of tech, most other sectors are trading below their long-term median valuation. One advantage of the GARP tilt is that it provides broader exposure to different, cheaper parts of the market.

Outside of valuation, GARP offers the potential for exposure to names geared to economic resiliency. As the economy improves – a Bloomberg survey of economists saw 2023 consensus U.S. gross domestic product (GDP) rise from 0.3% in January to the most recent print of 1.5% – cyclical exposure is likely to be rewarded. As a proxy, the S&P 500 GARP Index evidences a higher weighting to cyclical industries such as energy, chemicals, transport, and home builders. These are all parts of the market which could benefit from improving economic prospects.

In this environment, we have increased the fund's equity overweight, with an emphasis on stable growth and quality companies that can generate earnings consistency and are aligned with long-term structural trends. This would include industries such as software / AI, healthcare, luxury goods and travel related. Given the resilience of the U.S. economy, we have incrementally added to select "lower-multiple" cyclicals, within industries such as autos, consumer services, refiners, and financials as many of these companies have solid near-term fundamentals and very reasonable valuations. We maintained a modest underweight to duration (1.9 years vs. benchmark duration of 2.5 years) on the view that the resilience of the US economy to higher rates thus far suggests we may be in a regime of higher equilibrium rates for the time-being and back-end rates could drift higher. As a result, rates exposure in the U.S. remains at the front and belly of the curve, along with modest overweights in Europe and Latin America. In addition, we continue to emphasize spread assets via a diversified basket of corporate credit and securitized assets. In-line with the fund's risk aware mandate, we hold exposure to an array of portfolio hedges, including quality carry via income yielding assets, derivatives, gold, and cash.

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

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

Rick Rieder, Portfolio Manager,
36 years of experience

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

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

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

Backed by a roster of experienced and dedicated analysts

USRRMH0823U/S-3075709-3/4

Average annual total returns (%) as of 07/31/23

	1 Month (not annualized)	YTD (not annualized)	1 Year	3 Year	5 Year	10 Year	Since inception[3]
Institutional	1.92	8.97	4.64	3.90	5.18	5.12	9.09
Investor A (Without Sales Charge)[4]	1.91	8.85	4.40	3.62	4.89	4.84	8.81
Investor A (With Sales Charge)[4]	-3.44	3.13	-1.08	1.79	3.77	4.28	8.64
FTSE World Index[5]	3.46	19.06	14.22	11.95	9.31	9.54	-
Morningstar Global Allocation Avg.	2.52	7.87	4.80	5.59	3.76	4.37	-
Reference Benchmark[6]	2.16	11.48	6.93	4.79	5.53	6.03	-

Annualized total returns as of 6/30/23 for Institutional shares: 1 Yr, -6.29%; 5 Yr, 4.32%; 10 Yr, 4.95%; Since Inception, 9.03%; for Investor A shares without/with maximum sales charge: 1 Yr, -6.55%/-11.46%; 5 Yr, 4.03%/2.91%; 10 Yr, 4.66%/4.10%, Since Inception 8.74%/8.57%.

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, **0.89%/1.14%**; Net, Including Investment-Related Expenses (dividend expense, interest expense, acquired fund fees and expenses and certain other fund expenses): **0.84%/1.09%**. Institutional and Investor A have contractual waivers with an end date of 6/30/24, 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: 0.81%/1.06%.*

***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 July 31, 2023, 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 Medalist Rating™ is the summary expression of Morningstar's forward-looking analysis of investment strategies using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Analysts assign three pillar ratings (People, Parent and Process) based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. For more detailed information about these ratings and methodology, please go to global.morningstar.com/managerdisclosures. The ratings are not statements of fact, nor credit or risk ratings. The rating (i) should not be used as the sole basis in evaluating an investment product, (ii) involves unknown risks which may cause expectations not to occur or to differ from what was expected, (iii) are not guaranteed to be based on complete or accurate assumptions, (iv) involve the risk that the return target will not be met due to unforeseen changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange and tax rates, and/or changes in political and social conditions, and (v) should not be considered an offer or solicitation to buy or sell the investment product. **2 MSCI World Index** is a market capitalization-weighted index that represents the performance of developed market equities; **Bloomberg U.S. Aggregate Bond Index** represents the performance of the total U.S. investment grade bond market. **2 The Morningstar Rating™** for funds, or "star rating," 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-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar 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 Global Allocation category, the fund received a Morningstar Rating of 2 stars for the 3-year period, rated against 376 funds; 4 stars for the 5-year period, rated against 347 funds; and 4 stars for the 10-year period, rated against 255 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 (10/21/94) 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-capitalization U.S. equities. FTSE World (ex-U.S.) Index comprises world equities, ex-U.S. ICE BofA ML 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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