

ETP LANDSCAPE

MONTHLY SNAPSHOT | MAY 2014

BLACKROCK®

The opinions expressed are as of May 31st, 2014
and may change as subsequent conditions vary.

FOR MEDIA ONLY. NOT FOR PUBLIC DISTRIBUTION

What's Inside

BlackRock ETP Research

For inquiries, contact
ETPresearch@BlackRock.com

Global Overview	3
YTD Overview	5
Reference Schedules	
Flows by Listing Region	6
ETP and Mutual Fund Monthly Equity Flows	7
ETP and Mutual Fund Monthly Fixed Income Flows	8
Largest 2014 YTD Fund Inflows and Outflows	9
ETP Flows by Exposure	10

GLOBAL ETP FLOWS REACH \$20.8bn IN MAY DRIVEN BY FIXED INCOME AND EUROPEAN EQUITY¹

- ▶ May global ETP flows were marked by demand for fixed income and non-US equity as interest rates fell further and investors continued to search for relative value outside the US
- ▶ Global fixed income inflows of \$14.1bn were paced by longer duration US Treasuries and investment grade corporate funds and also extended to categories offering enhanced income such as high yield and emerging markets debt
- ▶ Fixed income ETP flows are on track for a record year as assets have doubled since 2010, passing the \$400bn milestone
- ▶ Overall equity ETP inflows of \$6.9bn moderated from March and April
 - European equities gathered \$4.6bn helped by expectations for ECB stimulus and are on pace for their best year since 2009
 - Emerging markets took in \$2.7bn as the MSCI EM index continued its rebound
 - US equity outflows totaled (\$5.1bn) as ongoing momentum for large cap value, energy and real estate was offset by small cap redemptions

About the ETP Landscape: Monthly Snapshot Report

This report provides a summary of global ETP assets under management and asset flows for the most recent month-end period.

Subscribe

To receive the ETP Landscape series of reports, please subscribe via our website at:

www.blackrockinternational.com/etflsubscribe

Global Overview

Highlights (US\$):^{1,2}

Global ETPs flows reached \$20.8bn in May, with a shift toward fixed income as investors simultaneously sought out high quality/lower risk exposures and continued to reach for higher yields.

Fixed income ETPs brought in \$14.1bn overall. The high quality/lower risk categories contributed \$10.9bn and included **longer duration U.S. Treasuries, European government bonds, investment grade corporate debt** and **broad developed market** fixed income. The reach for yield benefitted **high yield corporate, emerging markets debt** and **municipal bond** ETPs, which gathered a combined \$2.8bn.

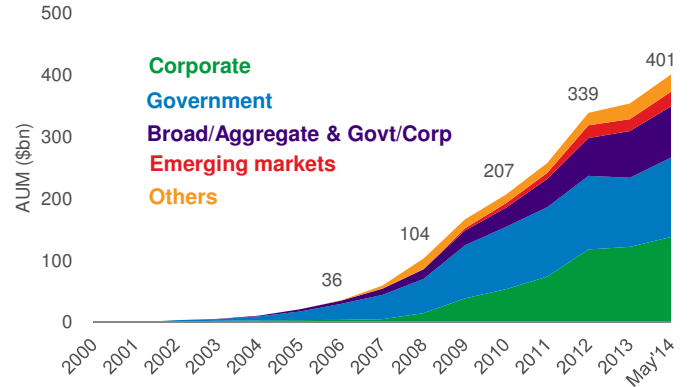
Although interest rates are expected to rise gradually this year and in 2015 as the economy improves, they remained surprisingly low in May. The 10-year Treasury yield has now dropped below 2.5%, down from 3.0% to start the year.³ This pullback in rates has helped put YTD fixed income flows of \$40.5bn on pace to surpass the record \$70.0bn haul of 2012.

Global fixed income ETP assets have now passed the \$400bn milestone, growing 28% annually to nearly quadruple since the end of 2008. Annual flows during this period have averaged nearly \$50bn.

Global fixed income ETPs continue to grow faster than the overall industry, propelled by the secular trend of rising ETP penetration of the broader fixed income market as well as the accommodative monetary policy of the post-crisis years.

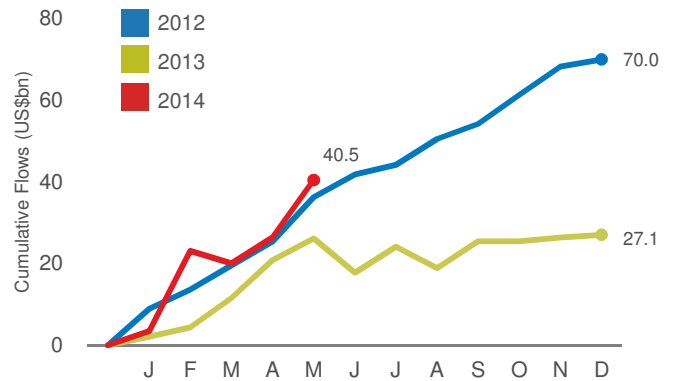
GLOBAL FIXED INCOME ETP AUM¹

May 2014 AUM: \$401.3bn



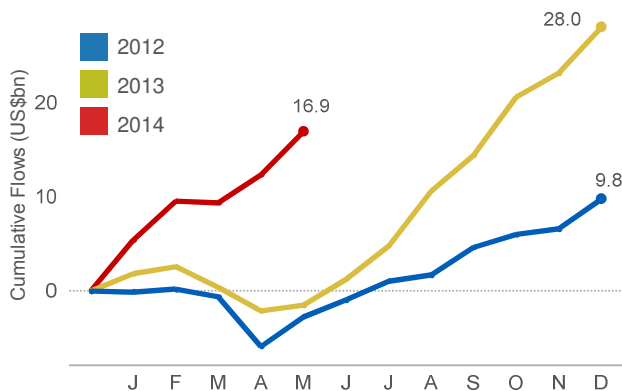
GLOBAL FIXED INCOME ETP CUMULATIVE FLOWS¹

2014 YTD Flows \$40.5bn



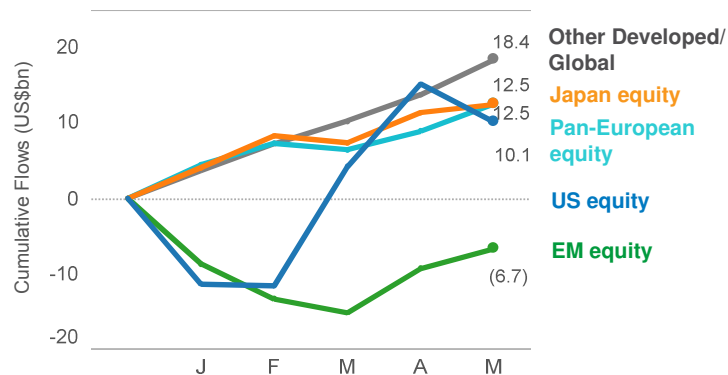
EUROPEAN EQUITY EXPOSURE CUMULATIVE ETP FLOWS

2014 YTD Flows: \$16.9bn



GLOBAL EQUITY ETP CUMULATIVE FLOWS¹

2014 YTD Flows: \$46.8bn



Global Overview (cont'd)

Highlights (US\$):^{1,2}

Overall **equity** ETP flows of \$6.9bn in May were characterized by a divergence between US and non-US funds.

European equity exposures led with \$4.6bn, including \$3.6bn for pan-European ETPs. Demand for European ETP exposures has benefitted from an improving economic outlook since the middle of last year. While the recent growth momentum has slowed, investors continue to favor Europe as the ECB has shown clear commitment to further stimulate growth and combat low inflation. Year-to-date inflows were \$16.9bn and should surpass last year's full-year total of \$28.0bn, which was the best in five years.

Emerging markets equity had a second straight month of strong flows, bringing in \$2.7bn. Asset gathering was steady throughout May with inflows on 18 out of 22 trading days. The MSCI EM USD return of 3.3% in May was the fourth positive month in a row.⁴ The index is up 2.5% YTD, not far behind the 4.1% return on the S&P 500, or the 3.7% return on the STOXX Europe 600.^{6,7}

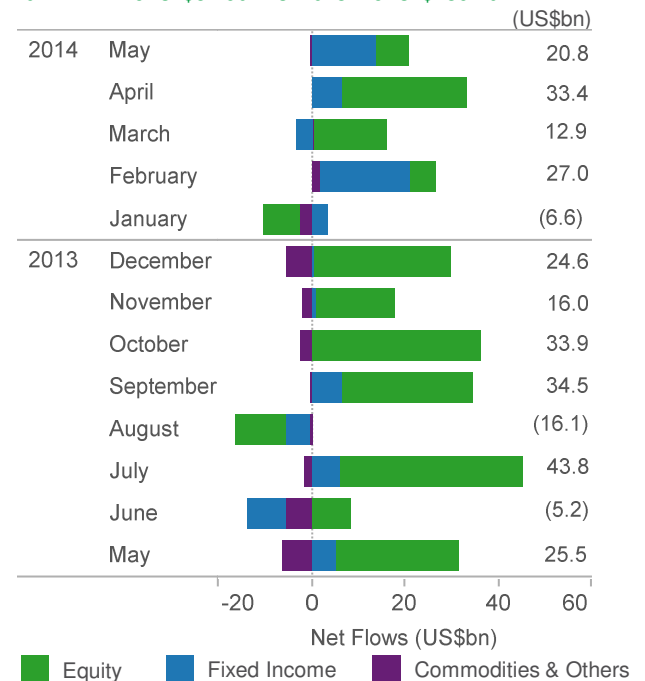
While **US equity** flows were down overall at (\$5.1bn) this month, there were three categories that maintained recent momentum. **Large cap value** gathered \$1.2bn. **Energy** and **real estate** led US equity asset gathering with \$1.8bn and \$1.6bn, respectively. The greatest outflows came from small-cap with (\$6.2bn).

MAY RESULTS AT A GLANCE¹ (US \$billions)

	May 2014	April 2014*	December 2013	May 2013
Monthly Flows	20.8	33.4	24.6	25.5
Assets	2,553	2,495	2,396	2,123
# of ETPs	5,166	5,147	5,024	4,873

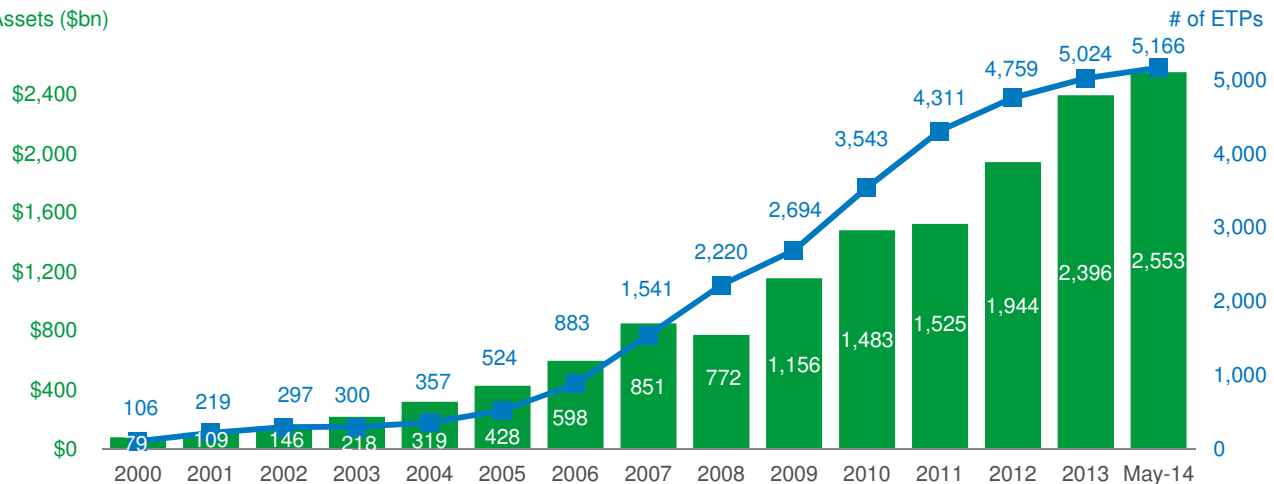
* Apr 2014 restated with delisting adjustments and additional Europe and Asia data.

GLOBAL 13-MONTH ROLLING FLOWS¹ 2014 YTD Flows: \$87.6bn vs. 2013 Flows: \$236.1bn



Global ETP Assets & Number of ETPs by Year¹

Assets (\$bn)



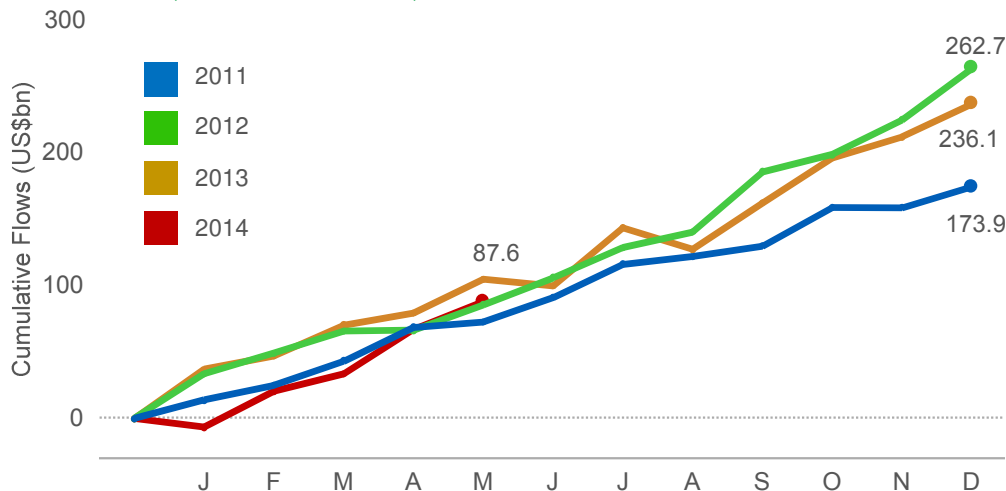
2014 Year-To-Date Overview

GLOBAL ETP 2014 YTD FLOWS BY EXPOSURE¹

(US\$bn)			YTD 2014	YTD 2013	Annual 2013
Fixed Income	Total		40.5	26.2	27.1
Developed Markets Equity	North America Equity	Total	10.1	63.1	148.3
	Other Developed/ Global Equity	Asia Pacific Equity	11.3	25.3	38.0
		Europe Equity	16.9	(1.5)	28.0
		Global/Global ex-US	15.1	17.2	44.1
		Total	43.4	41.0	110.1
	Total		53.5	104.1	258.4
Emerging Markets Equity	Total	(6.7)	(3.8)	(10.3)	
Commodities	Total	(0.3)	(24.5)	(42.9)	
Others	Total	0.7	2.7	3.8	
Global ETP Total			87.6	104.6	236.1

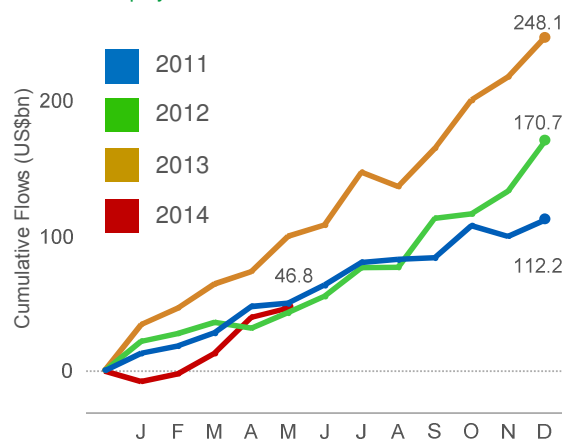
GLOBAL ETP CUMULATIVE FLOWS¹

2014 YTD Flows \$87.6bn vs. 2013 Flows: \$236.1bn



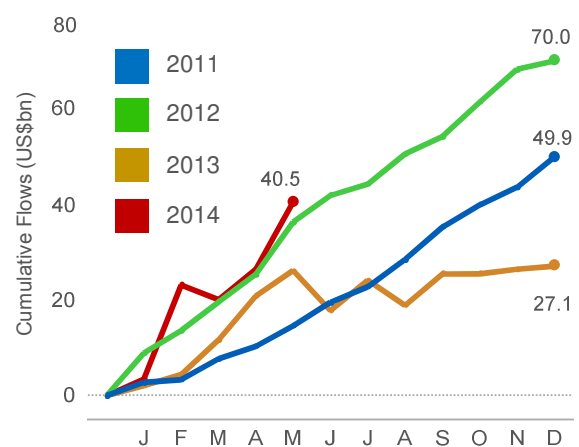
CUMULATIVE EQUITY ETP FLOWS¹

2014 YTD Equity Flows: \$46.8bn



CUMULATIVE FIXED INCOME ETP FLOWS¹

2014 YTD Fixed Income Flows: \$40.5bn

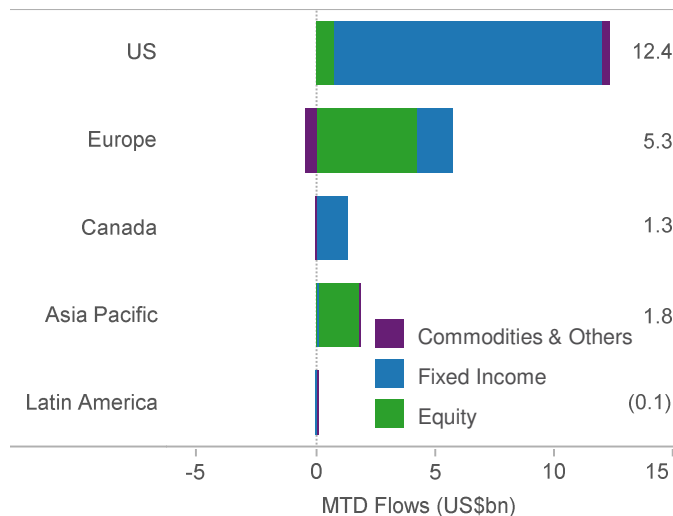


Flows By Listing Region

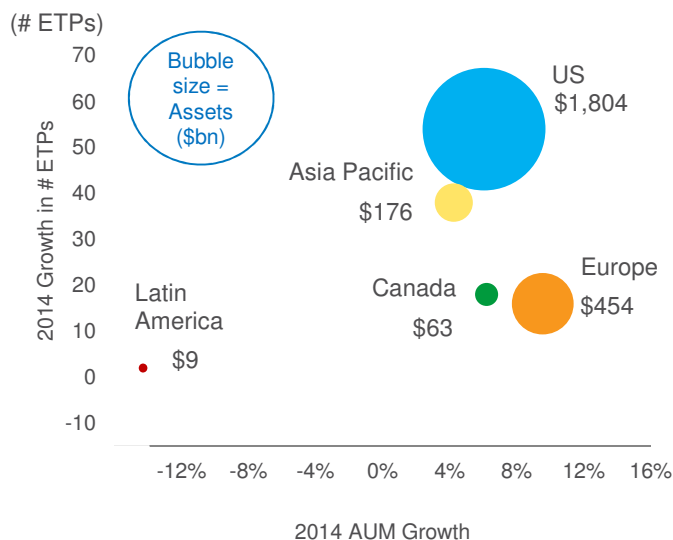
Highlights (US\$):¹

- ▶ Europe-listed ETPs gathered \$5.3bn in May, the eleventh consecutive month with positive flows. Year-to-date, Europe listed ETPs have gathered \$25.8bn, surpassing 2013 regional total inflows at \$19.4bn
- ▶ Year-to-date, US listed ETPs contributed \$47.8bn, or 55% of all global ETP inflows
- ▶ Year-to-date, Asia Pacific listed ETPs have gathered \$13.2bn, or 15% of global ETP inflows

MAY FLOWS BY LISTING REGION¹



ASSET GROWTH RATES AND # OF ETPs¹



LISTING REGION VIEW¹

By Listing Region	Net Flows		May 2014 Assets	% Asset Market Share	Number of Products
	May 2014	YTD 2014			
US	12.4	47.8	1,803.7	70.6	1,590
Europe	5.3	25.8	454.3	17.8	2,183
Canada	1.3	2.4	63.3	2.5	309
Latin America	(0.1)	(1.6)	9.5	0.4	40
Asia Pacific	1.8	13.2	175.9	6.9	670
Middle East and Africa	Not available	Not available	46.5	1.8	374
Global ETP Total	20.8	87.6	2,553.2	100.0	5,166

ETP and Mutual Fund Equity Flows

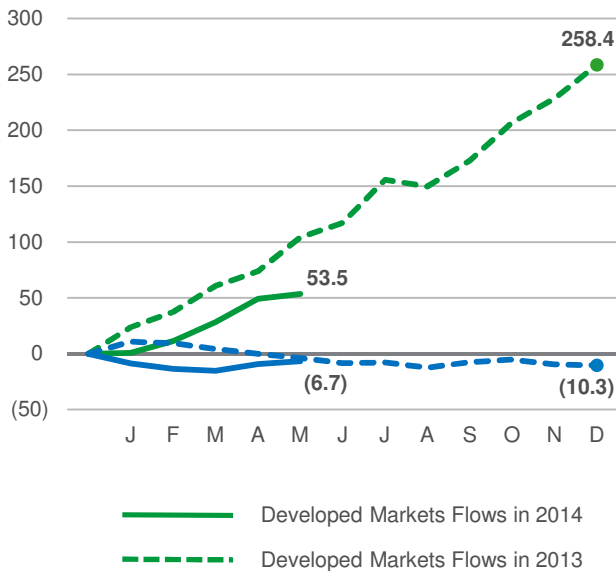
Highlights (US\$):^{1,5}

► **Developed markets equity mutual fund** inflows were \$92.6bn year-to-date, nearly double developed markets equity ETPs inflows of \$53.5bn. This represents a reversal of last year's trend when ETP inflows outpaced mutual funds.

► **Emerging markets equity mutual fund** outflows were (\$26.9bn) year-to-date, three times greater than EM equity ETP outflows of (\$6.7bn). EM ETPs have had inflows recently to reverse some of the redemptions from earlier in the year. This has not yet materialized for mutual funds although the outflows have ceased.

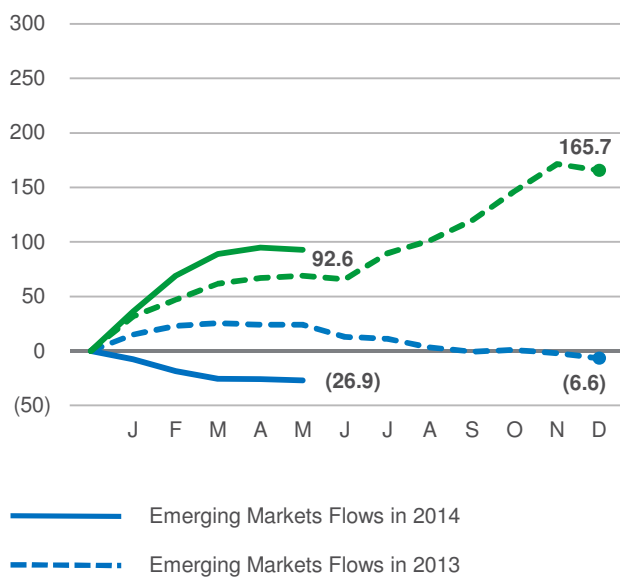
GLOBAL EQUITY ETP FLOWS^{1,5}

2014 YTD Flows \$46.8bn vs. 2013 Flows \$248.1bn



GLOBAL EQUITY MUTUAL FUND FLOWS^{1,5}

2014 YTD Flows \$65.8bn vs. 2013 Flows \$159.1bn



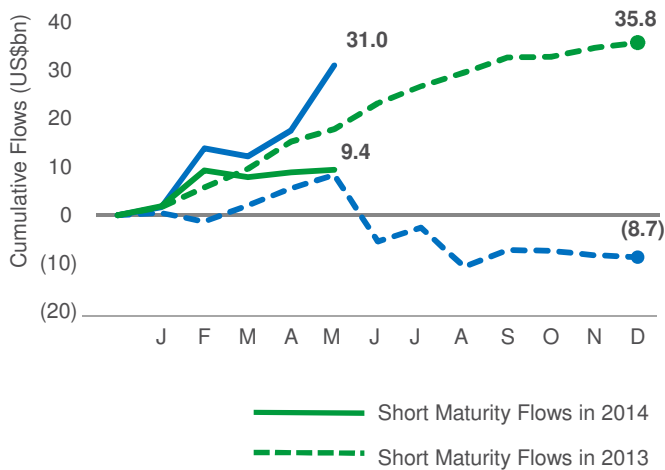
ETP and Mutual Fund Flows - Fixed Income and Money Market

Highlights (US\$):^{1,5}

- ▶ **Fixed income ETPs** gathered \$40.5bn year-to-date, driven by US Treasury and investment grade corporate bond funds. **Short maturity** funds have gathered \$9.4bn, but in a change from last year they have been outpaced by \$31.0bn for all other maturities.
- ▶ **Short maturity fixed income mutual funds** gathered \$15.5bn so far this year, half the total from all other maturities.
- ▶ **Money market mutual funds** experienced inflows during May. Year-to-date redemptions still total (\$106.6bn), with a trend similar to 2013. Money market ETP trends are not shown below as assets are minimal. Flows are included with those of fixed income funds.

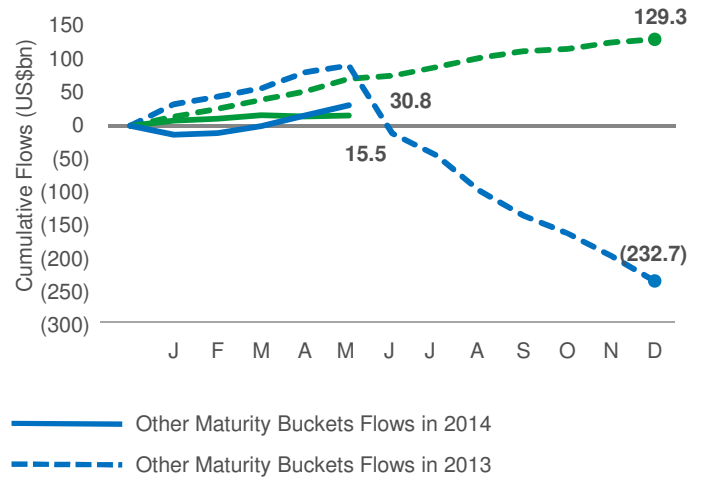
GLOBAL FIXED INCOME ETP FLOWS^{1,2,5}

2014 YTD Flows \$40.5bn vs. 2013 Flows \$27.1bn



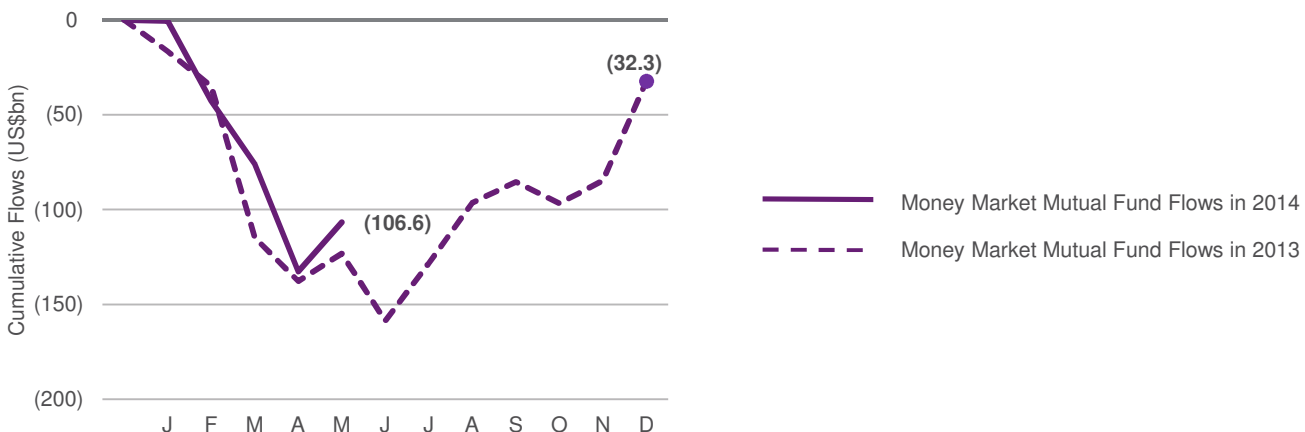
GLOBAL FIXED INCOME MUTUAL FUND FLOWS^{1,2,5}

2014 YTD Flows \$46.3bn vs. 2013 Flows (\$103.3bn)



MONEY MARKET MUTUAL FUND FLOWS^{1,5}

2014 YTD Flows (\$106.6bn) vs. 2013 Flows (\$32.3bn)



Largest Year-To-Date Fund Inflows and Outflows

ETPs as of May 2014 (US\$m) ¹	Bloomberg Ticker	2014 YTD Inflows	May-14 Assets
iShares Barclays 7-10 Year Treasury Bond	IEF US	5,964	9,835
Vanguard FTSE Developed Markets ETF	VEA US	3,306	22,911
Daiwa ETF TOPIX	1305 JP	3,108	11,017
Vanguard European	VGK US	2,998	17,303
Vanguard S&P 500	VOO US	2,942	18,674
iShares MSCI EMU	EZU US	2,784	11,681
Vanguard REIT	VNQ US	2,725	23,052
Energy Select SPDR	XLE US	2,629	11,360
Vanguard Total Stock Market	VTI US	2,504	43,252
NIKKEI 225 ETF	1321 JP	2,216	18,697
Grand Total		31,178	187,781

ETPs as of May 2014 (US\$m) ¹	Bloomberg Ticker	2014 YTD Outflows	May-14 Assets
SPDR S&P 500	SPY US	(20,603)	160,160
iShares Russell 2000	IWM US	(4,098)	23,216
PowerShares QQQ	QQQ US	(3,369)	43,383
Vanguard FTSE Emerging Markets	VWO US	(2,879)	45,022
iShares MSCI Emerging Markets	EEM US	(2,692)	37,989
iShares Core S&P Mid-Cap	IJH US	(2,523)	20,732
Consumer Discretionary Select SPDR	XLY US	(2,159)	5,159
iShares iBoxx \$ High Yield Corporate Bond	HYG US	(1,714)	13,666
Market Vectors Agribusiness	MOO US	(1,588)	3,041
iShares NAFTRAC	NAFTRAC MM	(1,490)	5,255
Grand Total		(43,116)	357,624

ETP Flows by Exposure: Developed Equity

Exposure (US\$m) ¹		May 2014 Flows	2014 YTD Flows	% of 2014 YTD Flows	Assets	% of Assets	# ETPs
US Size and Style	Large Cap	(1,826)	(10,025)	(11.4)	493,430	19.3	239
	Mid Cap	(49)	(1,438)	(1.6)	86,093	3.4	49
	Small Cap	(6,220)	(4,012)	(4.6)	83,472	3.3	71
	Micro Cap	(38)	86	0.1	1,129	0.0	4
	Total Market	215	4,961	5.7	73,497	2.9	69
	Extended Market	(65)	343	0.4	4,392	0.2	2
	Preferred Stock	373	1,086	1.2	14,104	0.6	5
US Size and Style Total		(7,610)	(8,999)	(10.3)	756,117	29.6	439
US Sector	Basic Materials	290	2,023	2.3	9,936	0.4	15
	Consumer Cyclicals	43	(3,476)	(4.0)	12,407	0.5	19
	Consumer Non-cyclicals	(166)	(909)	(1.0)	9,811	0.4	13
	Energy	1,803	6,365	7.3	42,059	1.6	47
	Financials	(1,141)	1,041	1.2	33,704	1.3	40
	Health Care	(409)	3,226	3.7	30,575	1.2	31
	Industrials	706	404	0.5	16,525	0.6	19
	Real Estate	1,647	4,675	5.3	37,010	1.4	24
	Technology	(643)	1,280	1.5	28,082	1.1	29
	Telecommunications	85	347	0.4	1,442	0.1	6
	Utilities	(472)	1,040	1.2	8,657	0.3	13
	Theme	58	305	0.3	2,067	0.1	9
US Sector Total		1,801	16,320	18.6	232,275	9.1	265
US Strategy		743	2,811	3.2	77,432	3.0	68
US Total		(5,065)	10,131	11.6	1,065,823	41.7	772
Canada Equity		103	(803)	(0.9)	33,355	1.3	93
North America Regional Equity		47	778	0.9	9,299	0.4	23
North America Total		(4,915)	10,106	11.5	1,108,477	43.4	888
Pan European Size and Style	Large Cap	1,391	614	0.7	48,708	1.9	85
	Mid Cap	20	26	0.0	1,336	0.1	12
	Small Cap	(328)	964	1.1	4,578	0.2	13
	Total Market	2,265	8,922	10.2	59,683	2.3	76
Pan European Size and Style Total		3,349	10,520	12.0	114,222	4.5	184
Pan European Sector		87	1,497	1.7	16,190	0.6	150
Pan European Strategy		189	507	0.6	4,503	0.2	23
Pan European Total		3,624	12,530	14.3	134,998	5.3	359
Country	Germany	813	(575)	(0.7)	41,572	1.6	70
	U.K.	204	1,083	1.2	23,229	0.9	60
	Switzerland	(151)	596	0.7	11,763	0.5	34
	France	(60)	(94)	(0.1)	6,228	0.2	21
	Others	177	3,401	3.9	15,974	0.6	77
Europe Single Country Total		983	4,412	5.0	98,766	3.9	262
Europe Total		4,607	16,941	19.3	233,765	9.2	621
Asia-Pacific	Regional	266	(734)	(0.8)	16,824	0.7	62
	Country	944	12,056	13.8	148,959	5.8	267
Asia Pacific Total		1,209	11,322	12.9	165,783	6.5	329
Broad-Based Global /Global ex-US		3,339	15,129	17.3	224,875	8.8	459
Developed Equity Total		4,240	53,499	61.0	1,732,901	67.9	2,297

ETP Flows by Exposure: EM Equity, Fixed Income, & Commodities

Exposure (US\$m) ¹		May 2014 Flows	2014 YTD Flows	% of 2014 YTD Flows	Assets	% of Assets	# ETPs
Broad EM	Broad Emerging Markets	2,075	(4,625)	(5.3)	119,395	4.7	112
	Broad Frontier Markets	(98)	196	0.2	1,083	0.0	4
	Broad EM Total	1,977	(4,429)	(5.1)	120,478	4.7	116
Regional EM		181	(169)	(0.2)	6,872	0.3	72
EM Single Country	Brazil	(42)	(198)	(0.2)	7,444	0.3	45
	China	(243)	(18)	(0.0)	52,523	2.1	216
	India	464	1,114	1.3	7,951	0.3	54
	Russia	190	665	0.8	3,646	0.1	17
	South Korea	170	(1,959)	(2.2)	19,209	0.8	114
	Mexico	(27)	(1,318)	(1.5)	9,354	0.4	21
	Others	(18)	(374)	(0.4)	17,971	0.7	157
EM Single Country Total		494	(2,086)	(2.4)	118,098	4.6	624
Emerging Markets Equity Total		2,651	(6,685)	(7.6)	245,448	9.6	812
Equity Total		6,891	46,814	53.4	1,978,349	77.5	3,109
Fixed Income	Broad/Aggregate	839	4,206	4.8	48,907	1.9	40
	Govt/Corp	132	1,416	1.6	34,171	1.3	29
	Emerging Markets	1,011	3,491	4.0	23,472	0.9	81
	Municipal	367	1,022	1.2	13,026	0.5	38
	Government - Sovereign	143	3,649	4.2	45,187	1.8	264
	Government - US Treasury	7,230	10,276	11.7	43,893	1.7	77
	Government Total	7,372	13,926	15.9	89,080	3.5	341
	Inflation	258	188	0.2	26,145	1.0	39
	High Yield Corporate	1,391	4,158	4.7	49,021	1.9	55
	Investment Grade Corporate	2,017	9,389	10.7	89,447	3.5	143
	Money Market	144	117	0.1	4,809	0.2	19
	Mortgage	152	427	0.5	7,738	0.3	7
Others	396	2,146	2.4	15,465	0.6	34	
Fixed Income Total		14,080	40,487	46.2	401,282	15.7	826
Commodities	Broad Market	231	78	0.1	19,176	0.8	111
	Agriculture	(361)	(254)	(0.3)	5,070	0.2	189
	Energy	(215)	(139)	(0.2)	7,693	0.3	202
	Industrial Metals	(12)	265	0.3	2,115	0.1	117
	Precious Metals - Gold	(297)	(741)	(0.8)	69,557	2.7	127
	Precious Metals - Silver	37	429	0.5	12,116	0.5	67
	Precious Metals - Others	50	50	0.1	7,305	0.3	83
Precious Metals - Total		(210)	(262)	(0.3)	88,979	3.5	277
Commodities Total		(568)	(312)	(0.4)	123,033	4.8	896
Alternatives	Volatility	164	572	0.7	3,082	0.1	46
	Others	(30)	149	0.2	2,960	0.1	65
Alternatives Total		133	721	0.8	6,042	0.2	111
Asset Allocation		267	747	0.9	5,482	0.2	80
Currency		34	(811)	(0.9)	4,405	0.2	144
Israel ETP		-	-	-	34,627	1.4	-
Global ETP Total		20,838	87,646	100.0	2,553,219	100.0	5,166

Endnotes

The ETP (or exchange traded product) category encompasses any portfolio exposure security that trades intra-day on an exchange. The data for this report are captured from a number of sources by BlackRock including provider websites, fund prospectuses, provider press releases, provider surveys, Bloomberg, the National Stock Exchange, Strategic Insight Simfund, Wind, and the Bank of Israel. All amounts are reported in US dollars. Flows are derived using daily net asset values and shares outstanding using the most recent data we can capture at month-end. For products with cross-listings, we attribute net flows and assets to the primary listings. For Middle East and Africa, net flows data is not available. Assets are derived using shares outstanding and prices at the end of each month (or the closest date available). Where price is not available, we use an approximation. For ETPs listed in Israel, product level detail is not available. Product level information is aggregated by provider, asset class, exposure, region listed and replication method to produce the various analyses in the report.

1. Data is as of May 29, 2014 for Europe and May 30, 2014 for the US, Canada, Latin America, Israel, and some Asia ETPs. Some Asia ETP data is as of April 30, 2014. Global ETP flows and assets are sourced using shares outstanding and net asset values from Bloomberg for the US, Canada, Europe, Latin America and some ETPs in Asia. Middle East ETP assets are sourced from the Bank of Israel. ETP flows and assets in China are sourced from Wind. Inflows for years prior to 2010 are sourced from Strategic Insights Simfund. Asset classifications are assigned by the BlackRock based on product definitions from provider websites and product prospectuses. Other static product information is obtained from provider websites, product prospectuses, provider press releases, and provider surveys. Market returns are sourced from Bloomberg.
2. We classify maturity buckets of a Fixed Income ETP if the fund invests at least 70% of its assets in the corresponding maturity/exposure range: Short maturity includes: underlying security maturities < 3 years and floating rate where the fund holds floating rate securities and/or bank loans. Intermediate includes: 3 years < underlying security maturities < 10 years. The "other" category includes Long-Term: underlying security maturities > 10 years; Broad Maturities: The fund invests in more than two maturity buckets without emphasizing one; Selected Maturities: The fund holds securities with multiple selected range of maturity buckets, i.e. barbell strategy which focuses on the specific short-term and long-term buckets with even weights; and Fixed Maturity: The fund itself has a target maturity date and arranged holdings correspondingly.
3. Source: Bloomberg (US Generic Government 10 Year Yield)
4. Source: MSCI (MSCI EM index returns in US dollars)
5. Mutual fund data is sourced from EPFR (excluding ETFs). 2013 and Jan-Apr 2014 data is sourced from EPFR monthly data. May 2014 data is sourced from EPFR weekly data for the four weeks ended May 28, 2014.
6. Source: Bloomberg (SPX index returns in US dollars)
7. Source: Bloomberg (SXXP Index returns in US dollars)

Index returns are for illustrative purposes only and do not represent actual Fund performance. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

ABOUT BLACKROCK

BlackRock is a leader in investment management, risk management and advisory services for institutional and retail clients worldwide. At December 31, 2013, BlackRock's AUM was \$4.324 trillion. BlackRock helps clients meet their goals and overcome challenges with a range of products that include separate accounts, mutual funds, iShares® (exchange-traded funds), and other pooled investment vehicles. BlackRock also offers risk management, advisory and enterprise investment system services to a broad base of institutional investors through BlackRock Solutions®. Headquartered in New York City, as of December 31, 2013, the firm had approximately 11,400 employees in more than 30 countries and a major presence in key global markets, including North and South America, Europe, Asia, Australia and the Middle East and Africa. For additional information, please visit the Company's website at www.blackrock.com.

Disclaimer

REGULATORY INFORMATION

BlackRock Advisors (UK) Limited is authorised and regulated by the Financial Conduct Authority ('FCA'), having its registered office at 12 Throgmorton Avenue, London, EC2N 2DL, England, Tel +44 (0)20 7743 3000.

This document has been provided by BlackRock in a private and confidential manner to professional and or institutional investors (as such term is defined according to applicable regulations in the relevant jurisdiction) only upon express request.

This document is solely for informational and educational purposes only and represents an assessment of the market environment at a specific time and is not intended to be relied upon by the reader as research, a forecast of future events or a guarantee of future results.

This publication does not provide financial, investment or tax advice or information relating to the securities of any particular fund or other issuer. The information and opinions included in this publication are based on publicly available information, are subject to change and should not be relied upon for any purpose other than general information and education. This publication has been prepared without regard to the individual financial circumstances and objectives of those who receive it and the types of securities discussed in this publication may not be suitable for all investors.

The information included in this document has been taken from trade and other sources considered to be reliable. This document is published in good faith but no representation or warranty, express or implied, is made by BlackRock or by any person as to its accuracy or completeness and it should not be relied on as such. BlackRock or any of its directors, officers, employees or agents shall have no liability for any loss or damage arising out of the use or reliance on the material provided including without limitation, any loss of profit or any other damage, direct or consequential. Any opinions expressed in this document reflect our analysis at this date and are subject to change.

This is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any strategy in any jurisdiction.

This document has not been prepared, reviewed or distributed by any broker-dealer affiliate of BlackRock and should not be deemed a product of any such affiliate.

BlackRock has not performed any due diligence on products which are not managed by BlackRock and accordingly does not make any remark on their suitability for investment purposes. Past performance is not a guide to future performance. Income is not fixed and may fluctuate. Exposure to foreign currencies can be affected by exchange rate movements.

This document or any portion hereof may not be reprinted, sold or redistributed without authorisation from BlackRock Advisors (UK) or its affiliates (together, 'BlackRock').

This document is not, and under no circumstances is to be construed as an advertisement or any other step in the furtherance of a public offering of shares in the United States. This document is not aimed at persons who are resident in the United States or any province or territory thereof, where the companies/securities are not authorized or registered for distribution and where no prospectus has been filed with any securities commission or regulatory authority. The companies/securities may not be acquired or owned by, or acquired with the assets of, an ERISA Plan.

Disclaimer (continued)

NOTICE TO RESIDENTS IN AUSTRALIA:

Issued in Australia by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975, AFSL 230523 ("BlackRock Australia") to institutional investors only. iShares® exchange traded funds ("ETFs") that are made available in Australia are issued by BlackRock Australia, iShares, Inc. ARBN 125 632 279 and iShares Trust ARBN 125 632 411. BlackRock Australia is the local agent and intermediary for iShares ETFs that are issued by iShares, Inc. and iShares Trust. BlackRock Australia is a wholly-owned subsidiary of BlackRock, Inc. (collectively "BlackRock"). A Product Disclosure Statement ("PDS") or prospectus for each iShares ETF that is offered in Australia is available at iShares.com.au. You should read the PDS or prospectus and consider whether an iShares ETF is appropriate for you before deciding to invest. iShares securities trade on ASX at market price (not, net asset value ("NAV")). iShares securities may only be redeemed directly by persons called "Authorised Participants". This information is general in nature, and has been prepared without taking into account any individual's objectives, financial situation, or needs. You should seek independent professional legal, financial, taxation, and/or other professional advice before making an investment decision regarding the iShares funds.

FOR INVESTORS IN CANADA:

The information and opinions herein are provided for informational purposes only, are subject to change and should not be relied upon as the basis for investment decisions. Past performance is not necessarily indicative of future performance. This document is not and should not be construed as a solicitation or offering of units of any funds or other security in any jurisdiction. No part of this publication may be reproduced in any manner without prior written permission of BlackRock Asset Management Canada Limited and/or its affiliates.

FOR INVESTORS IN HONG KONG:

Some of the funds mentioned herein have not been registered with the Securities and Futures Commission for offering or distribution in Hong Kong. Accordingly, this material may not be circulated or distributed, nor may the funds be offered or sold whether directly or indirectly, to any person in Hong Kong other than to a Professional Investor as defined in the Securities and Futures Ordinance ("SFO") (Cap. 571 of the laws of Hong Kong) and any regulations there under.

NOTICE TO RESIDENTS IN INDIA:

This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to financial intermediaries only upon their request. The funds mentioned herein have not been registered with any authorities in India.

NOTICE TO RESIDENTS IN JAPAN:

This document is solely for educational purposes and does not constitute advertisement of financial services targeted at investors in Japan. This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to Qualified Institutional Investors (as defined in the Financial Instruments and Exchange Law of Japan) only upon their request.

Disclaimer (continued)

FOR INSTITUTIONAL AND PROFESSIONAL INVESTORS ONLY IN LATIN AMERICA:

In Latin America, for Institutional and Professional Investors only. This material is solely for educational purposes only and does not constitute an offer or a solicitation to sell or a solicitation of an offer to buy any shares of any securities (nor shall any such securities be offered or sold to any person) in any jurisdiction within Latin America in which an offer, solicitation, purchase or sale would be unlawful under the securities law of that jurisdiction. It is possible that all or some of the funds mentioned or referred to in this material have not been registered with the securities regulator of Brazil, Chile, Colombia, Mexico and Peru or any other securities regulator in any Latin American country, and thus, might not be publicly offered, purchased or sold within any such country. The securities regulators of such countries have not confirmed the accuracy of any information contained herein. No information discussed herein can be provided to the general public in Latin America.

NOTICE TO RESIDENTS IN SINGAPORE:

This document is provided by BlackRock (Singapore) Limited (company registration number: 200010143N) for use with institutional investors only. This document has not been registered as a prospectus with the Monetary Authority of Singapore (MAS). Some of the funds mentioned herein have not been registered with the MAS for distribution in Singapore. Accordingly, this and any other document or material in connection with the offer or sale of the Shares may not be circulated or distributed, nor may the Shares be offered or sold, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor pursuant to Section 304 of the Securities and Futures Act (SFA) or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. First sales of the Shares acquired pursuant to Section 304 of the SFA are subject to the requirements under Section 304A of the SFA.

NOTICE TO RESIDENTS IN SOUTH AFRICA:

BlackRock Investment Management (UK) Limited is registered with the South African Financial Services Board, FSP No. 43288.

NOTICE TO RESIDENTS IN THAILAND:

This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to institutional investors only upon their request. The funds mentioned herein have not been registered with any authorities in Thailand, and accordingly, this document may not be circulated or distributed, nor may the shares of these funds be offered or sold whether directly or indirectly, to any person in Thailand.

NOTICE TO RESIDENTS IN VIETNAM:

This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to institutional investors only upon their request. The funds mentioned herein have not been registered with any authorities in Vietnam, and accordingly, this document may not be circulated or distributed, nor may the shares of these funds be offered or sold whether directly or indirectly, to any person in Vietnam.

© 2014 BlackRock Advisors (UK) Limited. All rights reserved. Registered Company No. 00796793. All rights reserved. Calls may be monitored or recorded.

BLACKROCK, **BLACKROCK SOLUTIONS**, and **iSHARES**, are registered and unregistered trademarks of BlackRock, Inc. or its subsidiaries in the United States and elsewhere. All other marks are those of their respective owners.

iS-12634-0614

BLACKROCK[®]