



Interim report

BlackRock European Dynamic Fund

For the six months ended 31 August 2019

Contents

General Information	2
About the Fund	3
Fund Managers	3
Significant Events	3
Risk and Reward Profile	4
Investment Report	5
Performance Record	9
Portfolio Statement	10
Statement of Total Return	13
Statement of Change in Net Assets Attributable to Unitholders	13
Balance Sheet	14
Notes to Financial Statements	15
Supplementary Information	16

General Information

Manager & Registrar

BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL

Member of The Investment Association and authorised and regulated by the Financial Conduct Authority ("FCA").

Directors of the Manager

G D Bamping* C L Carter (resigned 17 May 2019) M B Cook W I Cullen* R A R Hayes A M Lawrence L E Watkins (resigned 1 March 2019) M T Zemek*

Trustee & Custodian

The Bank of New York Mellon (International) Limited
One Canada Square, London E14 5AL

Authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority.

Investment Manager

BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA.

Securities Lending Agent

BlackRock Advisors (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA

Auditor

Ernst & Young LLP
25 Churchill Place, Canary Wharf, London E14 5EY

BlackRock's proxy voting agent is ISS (Institutional Shareholder Services).

This Report relates to the packaged products of and is issued by:

BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL
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For your protection, telephone calls are usually recorded.

* Non-executive Director.

About the Fund

BlackRock European Dynamic Fund (the "Fund") is a UCITS scheme under the COLL Sourcebook. The Fund was established on 14 August 2000 as Merrill Lynch European Dynamic Fund. The Fund changed its investment objective on 1 October 2006. The Fund adopted its present name with effect from 28 April 2008. The Fund's FCA product reference number is 191288.

Fund Managers

As at 31 August 2019, the Fund Managers of the Fund are Alister Hibbert and Giles Rothbarth.

Significant Events

Changes in the Directors of the Manager

L E Watkins resigned as a Director effective 1 March 2019. C L Carter resigned as a Director effective 17 May 2019.

Risk and Reward Profile

Unit Class	Lower risk Typically lower rewards				Higher risk Typically higher rewards		
	←──						

- The risk indicator was calculated incorporating historical or simulated historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest category does not mean risk free.
- The use of derivatives will impact the value of the Fund and may expose the Fund to a higher degree of risk. Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains, resulting in greater fluctuations in the value of the Fund. The impact to the Fund can be greater where derivatives are used in an extensive or complex way.

For more information on this, please see the Fund's Key Investor Information Documents ("KIIDs"), which are available at www.blackrock.com.

Investment Report

for the period ended 31 August 2019

Investment Objective

The aim of the Fund is to provide a return on your investment (generated through an increase in the value of the assets held by the Fund) (gross of fees) over the long term (5 or more consecutive years beginning at the point of investment), by investing in companies incorporated or listed in Europe excluding the UK.

Comparator benchmark	Investment management approach
FTSE World Europe ex UK Index	Active

Performance Summary

The following table compares the realised Fund performance against the performance of the relevant performance measure during the financial period ended 31 August 2019.

The returns disclosed are the performance returns for the primary unit class for the Fund, net of fees, which has been selected as a representative unit class. The primary unit class represents the class of unit which is the highest charging unit class, free of any commissions or rebates, and is freely available. Performance returns for any other unit class can be made available on request.

	Fund return %	Comparator benchmark %
Class D Accumulation Units	16.54	12.24

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and the return of your initial investment amount cannot be guaranteed. Changes in exchange rates may cause the value of an investment to fluctuate. Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

Global Economic Overview

Global equities, as represented by the MSCI All Country World Index ("ACWI"), posted a return of 2.73% for the six months ended 31 August 2019. During the reporting period, stocks oscillated between rising prices and low volatility to periodic bouts of declining prices and elevated volatility. Hopes that the decade-long U.S. economic expansion would continue ultimately drove equities higher, as the chief uncertainties—strained trade relations in many parts of the world and slowing economic growth—were quelled by the resumption of U.S./China trade talks and signs of accommodative monetary policy from the world's most influential central banks. Intermittent volatility meant developed markets led emerging markets for the reporting period as investors sought out less risky assets. For example, the MSCI Europe ex-UK returned approximately 12%, as expectations of further stimulus by the European Central Bank ("ECB") buoyed equity performance in Continental Europe.

In the global bond markets, low inflation, risk aversion, and demand for yield led to higher bond prices despite yields near historic lows. Long-term interest rates declined sharply due to low inflation in most developed countries, while short-term interest rates decreased due to expectations of additional stimulus by central banks. As a result, a portion of the U.S. yield curve (a graphic representation of bond yields at different maturities) inverted for the first time since 2005. Investors took this as a sign that recession could be imminent, exacerbating concerns about the economy and corporate profits.

Government bonds generally outperformed corporate bonds across the globe, as modest corporate profits and slowing growth drove demand for less volatile investments. Nevertheless, corporate bonds still posted a solid return, as European spreads—the yield premium of corporate bonds relative to government bonds—declined slightly, and demand for credit remained robust. In Europe, investor demand for the relative stability of fixed-income securities was strong despite negative short-term interest rate policy by the ECB, excess liquidity, and institutional demand for bonds, all of which led to negative yields for approximately 60% of the government bond market and for 40% of the corporate bond market. Emerging market bonds generally performed in line with other international bonds.

In the commodities market, gold prices rose more than 15% amid geopolitical tensions, as central banks and exchange-traded funds increased their gold purchases. Negative yields in the bond market also contributed to rising gold prices, as investors looked to gold as a store of value. In contrast, the price of Brent Crude oil fell approximately 10% due to slower growth and concerns about oversupply.

Looking at currencies, the U.S. dollar generally outperformed other currencies due to relatively stronger economic growth, higher interest rates, and declining inflation. Expectations that the ECB would lower interest rates and resume monetary stimulus weighed on the euro. The British pound also depreciated against the U.S. dollar, hindered by slower growth and uncertainty surrounding the U.K.'s possible departure from the European Union ("E.U."). In contrast, the Japanese yen, which tends to benefit from global economic uncertainty, advanced against the U.S. dollar. The stronger U.S. dollar generally helped the performance of international investors in U.S. securities.

In economic news, although the U.S. economy continued to grow at an annualised rate of approximately 2.5%, most developed countries experienced weak growth. Growth in Europe remained sluggish at under 1%, with quarterly contractions in Germany and the U.K., the two largest European economies. Despite rising consumer spending, economic growth in Japan was tepid, as exports declined for nine straight months. China, the world's second largest economy, saw growth slow to a pace of approximately 6%, as exports fell and industrial output hit a 17-year low. Relatively restrictive monetary policy by the U.S. Federal Reserve (the "Fed") for most of the reporting period and the ongoing trade dispute between the U.S. and China both had a cooling effect on global growth.

In response to the economic slowdown and benign inflation, central banks dramatically shifted monetary policy away from restrictive conditions toward more accommodative policies. Notably, emerging market central banks were the first to cut short-term interest rates in anticipation of a rate cut by the Fed, which lowered rates in July 2019, the first rate cut since the financial crisis in 2008. The ECB also changed its outlook by signaling a high likelihood of future rate cuts and the return of its bond purchase program, while the Bank of Japan renewed its commitment to future economic stimulus. The sea change in central bank policy raised investors' optimism that a deepening downturn could be averted, which generally helped the performance of riskier assets.

Geopolitical risks remained elevated during the reporting period, which dampened returns for riskier assets, as the trade dispute between China and the U.S. alternated between retaliatory tariffs and the resumption of trade talks. Geopolitical strains in the Middle East, including tensions between the U.S. and Iran, civil war in Yemen, drone attacks throughout the region, and an ongoing Saudi-led trade embargo of Qatar further contributed to volatility in markets. Uncertainty surrounding Brexit also dampened market sentiment, as the European Union granted the U.K. an extension to its deadline for leaving the E.U., but political turmoil related to disentangling their economies and the timing of the U.K.'s withdrawal highlighted a relatively fluid range of possible outcomes.

Fund Performance Review and Activity

Over the six-month period to 31 August 2019, the Fund's return was 16.54%, outperforming its comparator benchmark, which returned 12.24%.

Europe ex-UK markets rose over the period partially due to a reversal of a challenging Q4 2018. However, geopolitical issues dominated the headlines with trade disputes between the US and China continuing to drive global economy and markets.

The Fund's relative outperformance was driven by strong stock selection while sector allocation was also positive. The Fund's long-standing underweight allocation to both financials, in particular the banks sector, and oil & gas was positive for performance over the six-months period ending 31 August 2019.

While we appreciate there are headwinds facing economies, we believe the European market (ex-UK) is reasonably positioned supported by a resilient consumer and seeing ongoing economic strength driving upgrades for some of our large holdings. Within this context, two of the largest investments, the portfolio's exposure to the luxury as well as the aerospace markets have been successful over the last six months. LVMH aided returns as the brand proved its strength and resilience of its franchise with double digit organic revenue growth recorded in the last two quarters. The Fund's exposure to engine maker Safran was also helpful given positive fundamentals and strong demand for airplanes and robust aftermarket sales.

During the period the following positions were the largest contributors to and detractors from the Fund's return relative to its respective benchmark:

Largest Contributors		Largest Detractors	
Stock	Effect on Fund return	Stock	Effect on Fund return
Lonza	+0.85%	Nestle	-1.07%
Ferrari	+0.73%	Hexagon	-0.54%
DVS	+0.64%	Deutsche Wohnen	-0.50%
LVMH	+0.51%	KBC	-0.38%
SAP	+0.48%	Novartis	-0.36%

Within industrials, the Fund also benefitted from a position in freight forwarder, DSV, which underwent its largest acquisition in the history of the group, becoming the number two player in the market globally. With its superior IT platform and strong management team, we believe DSV will continue to take market share and monetise this better than its competition.

Stock selection was also strong within consumer goods with a holding in Ferrari contributing to returns. The Italian luxury car manufacturer benefits from best-in-class pricing power and highly profitable super-car limited editions and has strong control over its volumes.

Elsewhere, the healthcare sector also contributed with a position in biotech company, Lonza, performing strongly. The business benefits from having developed into one of the largest beneficiaries of big pharma outsourcing, specifically in the production of drugs.

Given our fairly positive view on markets, we did not own some of the index's large defensive assets such as Nestle or Novartis which detracted from returns as these stocks saw strong performance over the last six months.

Investment Report continued

The following table details the significant portfolio weightings at 31 August 2019 and 28 February 2019:

31 August 2019		28 February 2019	
Country	Weighting	Country	Weighting
France	30.0%	France	30.1%
Germany	18.9%	Switzerland	17.2%
Switzerland	15.7%	Germany	16.5%
Denmark	9.7%	Denmark	10.0%
Italy	7.9%	Italy	5.6%

Performance Record

Net Asset Value

At 31 August 2019	Units in Issue	Net Asset Value £000's	Net Asset Value per Unit p
A Income	1,257,850	7,367	585.7
A Accumulation	33,783,766	209,534	620.2
D Income	14,335,637	84,314	588.1
D Accumulation	35,638,844	235,188	659.9
FA Income	5,034,666	8,766	174.1
FA Income Hedged	8,474	12	136.8
FA Accumulation	103,129,822	182,605	177.1
FA Accumulation Hedged	10,396	15	143.3
FD Income	924,683,349	1,622,836	175.5
FD Income Hedged	19,335,796	25,613	132.5
FD Accumulation	570,972,507	1,056,493	185.0
FD Accumulation Hedged	25,857,126	35,884	138.8
FX Accumulation	14,858,806	24,031	161.7
FX Accumulation Hedged	1,000	1	147.2

Distributions Payable for the period to 31 August 2019

Any income available will be distributed annually on 30 April.

Operating Charges

Unit Class	1.3.2019 to 31.8.2019	1.3.2018 to 28.2.2019
A Income	1.67%	1.68%
A Accumulation	1.67%	1.67%
D Income	0.92%	0.93%
D Accumulation	0.92%	0.93%
FA Income	1.67%	1.67%
FA Income Hedged	1.68%	1.68%
FA Accumulation	1.67%	1.67%
FA Accumulation Hedged	1.67%	1.67%
FD Income	0.92%	0.92%
FD Income Hedged	0.93%	0.92%
FD Accumulation	0.92%	0.92%
FD Accumulation Hedged	0.93%	0.92%
FX Accumulation	0.02%	0.02%
FX Accumulation Hedged	0.02%	0.02%

Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

Portfolio Statement (unaudited)

at 31 August 2019

Holding or Nominal Value Investment	Market Value £000's	% of Total Net Assets
EQUITIES – 99.06%; 28.2.2019 99.13%		
Belgium – 1.06%; 28.2.2019 2.11%		
780,004 KBC ^o	37,113	1.06
Denmark – 9.75%; 28.2.2019 10.09%		
828,175 Danske Bank ^o	8,969	0.26
1,696,954 DSV	138,381	3.96
4,508,698 Novo Nordisk	193,022	5.53
	340,372	9.75
Finland – 1.16%; 28.2.2019 1.88%		
1,574,174 Neste	40,682	1.16
France – 27.81%; 28.2.2019 27.74%		
1,246,045 Airbus	141,224	4.04
451,813 Eiffage ^o	38,501	1.10
789,688 Ingenico ^o	64,395	1.84
614,820 LVMH Moët Hennessy Louis Vuitton ^o	201,475	5.77
613,646 Pernod Ricard ^o	96,300	2.76
600,336 Remy Cointreau ^o	74,533	2.13
1,460,789 Safran	174,293	4.99
157,219 Teleperformance ^o	28,163	0.81
621,152 Thales ^o	59,032	1.69
1,038,653 Vinci ^o	93,450	2.68
	971,366	27.81
Germany – 15.39%; 28.2.2019 14.68%		
277,119 adidas ^o	67,607	1.94
1,695,530 Deutsche Wohnen	49,460	1.42
253,160 MTU Aero Engines ^o	56,657	1.62
809,069 Puma ^o	50,370	1.44
2,724,825 RWE ^o	63,593	1.82
2,143,428 SAP	209,711	6.00
306,459 Wirecard	40,126	1.15
	537,524	15.39
Ireland – 1.38%; 28.2.2019 2.09%		
1,282,799 Kingspan	48,185	1.38
Italy – 7.92%; 28.2.2019 5.51%		
245,968 DiaSorin ^o	23,954	0.69
987,446 Ferrari ^o	127,862	3.66
6,525,484 FincoBank Banca Finco	55,336	1.58
2,253,783 Moncler ^o	69,474	1.99
	276,626	7.92
Netherlands – 5.89%; 28.2.2019 3.75%		
748,975 ASML	136,805	3.92

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets	
1,962,573	ING Groep ^o	15,434	0.44	
1,874,759	QIAGEN ^o	53,315	1.53	
		205,554	5.89	
Spain – 4.05%; 28.2.2019 5.01%				
1,633,303	Amadeus IT	100,045	2.86	
1,593,624	Grifols ^o	41,487	1.19	
		141,532	4.05	
Sweden – 3.30%; 28.2.2019 2.24%				
1,905,325	Assa Abloy ^o	32,640	0.93	
2,279,373	Hexagon ^o	82,715	2.37	
		115,355	3.30	
Switzerland – 17.97%; 28.2.2019 19.88%				
465,690	Lonza ^o	135,147	3.87	
825,209	Nestle	76,015	2.18	
68,814	Partners	45,811	1.31	
459,481	Roche	103,164	2.95	
1,254,590	Sika ^o	147,948	4.24	
5,312,095	STMicroelectronics ^o	77,407	2.22	
65,165	Straumann ^o	41,943	1.20	
		627,435	17.97	
United Kingdom – 3.38%; 28.2.2019 4.15%				
449,946	Linde	69,329	1.98	
98,169	The Hut class 'B' Shares ¹	47,298	1.35	
3,430	The Hut class 'D' Shares ¹	1,653	0.05	
		118,280	3.38	
COLLECTIVE INVESTMENT SCHEMES – 0.65; 28.2.2019 0.00%				
Short-term Money Market Funds – 0.65%; 28.2.2019 0.00%				
225,731	Institutional Cash Series plc - Institutional Sterling Liquidity Environmentally Aware Fund [†]	22,574	0.65	
		Underlying Exposure – Derivatives £000's		
DERIVATIVES – (0.01%); 28.2.2019 0.04%				
Forward Currency Contracts – (0.01%); 28.2.2019 0.04%				
DKK 19,625,547	Danish krone vs UK sterling	2,380	(49)	0.00
€108,198,802	Euro vs UK sterling	98,033	(1,729)	(0.04)
SEK 12,073,594	Swedish krona vs UK sterling	1,011	(27)	0.00
CHF 3,716,645	Swiss franc vs UK sterling	3,086	(68)	0.00
£14,441,159	UK sterling vs Danish krone	14,315	128	0.00
£158,445,596	UK sterling vs Euro	157,382	1,063	0.03

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Underlying Exposure – Derivatives £000's	Market Value £000's	% of Total Net Assets
£5,188,881	UK sterling vs Swedish krona	5,097	91	0.00
£22,317,466	UK sterling vs Swiss franc	22,213	102	0.00
		303,517	(489)	(0.01)

Portfolio of investments

3,482,109 99.70

CASH EQUIVALENTS

Short-term Money Market Funds - 0.00%; 28.2.2019 1.25%

Net other assets 10,550 0.30

Total net assets 3,492,659 100.00

¹ Fair valued by the Manager.

Unless otherwise stated, all securities are either listed on a recognised exchange or traded on an eligible securities market.

⁰ All or a portion of this investment represents a security on loan.

[†] Managed by a related party.

The counterparty for the forward currency contracts is Bank of New York Mellon.

Underlying exposure has been calculated according to the guidelines issued by the European Securities and Markets Authority ("ESMA") and represents the market value of an equivalent position in the assets underlying each financial derivative instrument.

Statement of Total Return (unaudited)

for the six months ended 31 August 2019

	£000's	31.8.2019 £000's	£000's	31.8.2018 £000's
Income				
Net capital gains		405,873		210,956
Revenue	47,389		41,019	
Expenses	(15,686)		(15,524)	
Interest payable and similar charges	(10)		(27)	
Net revenue before taxation	31,693		25,468	
Taxation	(4,874)		(2,916)	
Net revenue after taxation		26,819		22,552
Change in net assets attributable to unitholders from investment activities		432,692		233,508

Statement of Change in Net Assets Attributable to Unitholders (unaudited)

for the six months ended 31 August 2019

	£000's	31.8.2019 £000's	£000's	31.8.2018 £000's
Opening net assets attributable to unitholders		2,817,524		2,832,742
Amounts receivable on issue of units	712,536		508,092	
Amounts payable on cancellation of units	(470,094)		(385,776)	
		242,442		122,316
Change in net assets attributable to unitholders from investment activities		432,692		233,508
Unclaimed distributions over 6 years old		1		1
Closing net assets attributable to unitholders		3,492,659		3,188,567

The above statement shows the comparative closing net assets at 31 August 2018 whereas the current accounting period commenced 1 March 2019.

Balance Sheet (unaudited)

at 31 August 2019

	31.8.2019 £000's	28.2.2019 £000's
Assets:		
Fixed assets		
– Investment assets	3,483,982	2,794,194
Current assets		
– Debtors	24,282	14,333
– Cash and bank balances	6,951	5,690
– Cash equivalents	–	35,310
Total assets	3,515,215	2,849,527
Liabilities:		
Investment liabilities	(1,873)	(86)
Creditors		
– Distributions payable	–	(9,175)
– Other creditors	(20,683)	(22,742)
Total liabilities	(22,556)	(32,003)
Net assets attributable to unitholders	3,492,659	2,817,524

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

29 October 2019

Notes to Financial Statements (unaudited)

for the six months ended 31 August 2019

Accounting Policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (the "SORP") issued by the Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017.

The accounting policies applied are consistent with those of the financial statements for the year ended 28 February 2019 and are described in those annual financial statements.

Supplementary Information

Efficient Portfolio Management Techniques

The Manager may, on behalf of the Fund and subject to the conditions and within the limits laid down by the FCA and the Prospectus, employ techniques and instruments relating to transferable securities, including investments in Over-the-Counter Financial Derivative Instruments (OTC FDIs) provided that such techniques and instruments are used for efficient portfolio management purposes or to provide protection against exchange risk or for direct investment purposes, where applicable.

In addition to the investments in OTC FDIs, the Fund may employ other techniques and instruments relating to transferable securities and money market instruments, subject to the conditions set out in the Fund's Prospectus, as amended from time to time, and the relevant ESMA Guidelines, such as repurchase/reverse repurchase transactions ("repo transactions") and securities lending.

Securities Lending

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Securities Lending Agent, BlackRock Advisors (UK) Limited, a related party to the Fund, and separately between the Securities Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of The Bank of New York Mellon (International) Limited ("the Trustee") on behalf of the Fund. Collateral received is segregated from the assets belonging to the Fund's Trustee or the Lending Agent.

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) as at 31 August 2019 and the income earned for the period ended 31 August 2019. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

Securities on loan		
% of lendable assets	% of NAV	Income earned £000's
7.51	6.96	190

The total income earned from securities lending transactions is split between the relevant Fund and the Securities Lending Agent. The Fund receives 62.5% while the Securities Lending Agent receives 37.5% of such income, with all operational costs borne out of the Securities Lending Agent's share.

Supplementary Information continued

The following table details the value of securities on loan (individually identified in the Fund's portfolio statement) and associated collateral received, analysed by counterparty as at 31 August 2019.

Counterparty	Counterparty's country of establishment	Securities Lending	
		Amount on loan	Collateral received
		£000's	£000's
Barclays Capital Securities Ltd	UK	43,065	47,889
BNP Paribas SNC	France	407	450
Citigroup Global Markets Limited	UK	24,027	25,955
Credit Suisse AG Dublin Branch	Ireland	81,421	86,155
Credit Suisse International	UK	11,467	13,816
Credit Suisse Securities (Europe) Limited	UK	329	359
Deutsche Bank AG	Germany	16,332	18,389
HSBC Bank Plc	UK	9,921	11,122
J.P. Morgan Securities Plc	UK	22,807	25,235
Merrill Lynch International	UK	3,410	3,646
Morgan Stanley & Co. International Plc	UK	19,459	20,935
Société Générale SA	France	9,802	10,861
The Bank of Nova Scotia	Canada	495	546
UBS AG	Switzerland	38	42
Total		242,980	265,400

All securities on loan have an open maturity tenor as they are recallable or terminable on a daily basis.

Supplementary Information continued

Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions and OTC FDIs, as at 31 August 2019.

Currency	Cash collateral received	Cash collateral posted	Non-cash collateral received	Non-cash collateral posted
	£000's	£000's	£000's	£000's
Securities lending transactions				
AUD	–	–	310	–
CAD	–	–	2,477	–
CHF	–	–	3,118	–
CNY	–	–	17,680	–
DKK	–	–	978	–
EUR	–	–	114,934	–
GBP	–	–	23,582	–
HKD	–	–	2,964	–
JPY	–	–	10,468	–
NOK	–	–	625	–
SEK	–	–	2,778	–
SGD	–	–	2,739	–
USD	–	–	82,747	–
Total	–	–	265,400	–

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

Supplementary Information continued

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 31 August 2019.

Collateral type and quality	Maturity Tenor						Total
	1 - 7 days	8 - 30 days	31 - 90 days	91 - 365 days	More than 365 days	Open transactions	
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Collateral received - securities lending							
Fixed income							
Investment grade	–	658	1,574	21,610	91,908	–	115,750
Equities							
Recognised equity index	–	–	–	–	–	148,775	148,775
ETFs							
Non-UCITS	–	–	–	–	–	875	875
Total	–	658	1,574	21,610	91,908	149,650	265,400

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and ETFs received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

Supplementary Information continued

As at 31 August 2019, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions as at 31 August 2019.

Issuer	Value	% of The Fund's NAV
	£000's	
Credit Suisse AG Dublin Branch	86,155	2.47
Barclays Capital Securities Ltd	47,889	1.37
Citigroup Global Markets Limited	25,955	0.74
J.P. Morgan Securities Plc	25,235	0.72
Morgan Stanley & Co. International Plc	20,935	0.60
Deutsche Bank AG	18,389	0.53
Credit Suisse International	13,816	0.40
HSBC Bank Plc	11,122	0.32
Société Générale SA	10,861	0.31
Merrill Lynch International	3,646	0.10
Other issuers	1,397	0.04
Total	265,400	7.60

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