BLACKROCK GLOBAL FUNDS GLOBAL ALLOCATION FUND

Sub-fund of Luxembourg domiciled Sicav - Part 1
Fund owner: BlackRock Investment Managers
Fund manager/adviser: BlackRock Investment Managers

Named portfolio manager/adviser(s): Dennis Stattman (since launch), Dan Chamby (since February 2011), Aldo Roldan (since February 2011)
Peer group: asset allocation global neutral in USD

Location: Princeton
Launch date: January 1997
Fund size (January 2011): US$14.6bn
Contact group: +352 342 0101 or www.blackrock.com

Further information on S&P's fund coverage can be found at www.FundsInsights.com

STANDARD & POOR'S

STANDARD & POOR'S AAA FUND MANAGEMENT RATING

Report date March 2011

Investment style

	Value	Blend	Growth
Large-Cap			
Mid-Cap			
Small-Cap			

Performance statistics

	Three years
Fund	2.3%
Standard & Poor's peer median	-2.3%
Fund rank	50/221

Note: returns are cumulative

Three-year risk characteristics

Maximum monthly drawdown (%)	-11.1
Volatility	14.4

Calendar year decile ranks

Decile ranking in discrete annual periods. First decile shown as rank 10, second decile as rank nine, with tenth decile as rank one.

 All statistical data on this report has been run to 31 December 2010 on NAV to NAV basis, with gross income reinvested, in USD.

Please see page three for required research analyst certification disclosure.

Standard & Poor's opinion (February 2011)

This fund continues to be managed by the highly experienced Dennis Stattman who has been responsible for this portfolio since it was originally launched in 1993. He has a longstanding and successful working relationship with Dan Chamby and Aldo Roldan, both of whom contribute to the tactical positioning of the fund.

This core of three managers has been stable over time, but there have been additions to the wider team over recent years and this has accelerated over the past 12 months with a number of new additions. The team has effectively grown in size to allow all aspects of investment, monitoring, administration and product promotion to be dealt with within this asset allocation team.

Senior hires have been made, including Kevin McKenna, who joined as COO and Mike Trudel, who works as a global strategist and has responsibility for communicating views to the outside world. Both are experienced individuals and it is hoped that they will be able to reduce the workload of portfolio management team, allowing them to continue to concentrate on investment decisions.

There have also been additions to the investment team responsible for the day-to-day stock selection in the portfolio. These hires have included experienced investors and aim to improve in-team investment capabilities and knowledge.

Performance from the fund relative to peers has remained strong and we take comfort from the stability in the key decision-makers. As a result, the fund retains its S&P AAA rating.

Fund manager & team

Dennis Stattman heads the 38-strong global allocation team in Princeton, New Jersey. The average experience across the senior investment team is over 22 years. Overall responsibility for the process rests with Stattman (asset allocation and overall strategy), Dan Chamby (asset allocation and overall strategy) and Aldo Roldan (asset allocation and overall strategy). Kevin McKenna is the co-COO.

Dennis Stattman - portfolio manager - commerce (Virginia University), MBA (Chicago University), was director of research for Meridian Management Company and investment officer for the World Bank, managing US equities, before joining MLIM (now BlackRock) in 1989.

Dan Chamby - portfolio manager - graduate (Duquesne University), MBA (Wharton Business School), worked at Mellon Bank from 1982, before joining the team in September 1993.

Aldo Roldan - portfolio manager - PhD (Wharton School of Business), joined BlackRock from Merrill Lynch, having previously worked for Santander and JPMorgan Chase. Before this, he founded the emerging markets research group at Chase Econometrics.

Management style

Dennis Stattman runs the fund to provide returns comparable to equities funds, but with much less risk. He aims to outperform a composite benchmark of 36% S&P 500, 24% FTSE World ex US, 24% BofA ML Five-Year US Treasury Notes and 16% Citigroup World Government Bond non-USD index. He is also keen to avoid permanent capital loss, and this typically leads to significant deviations from a neutral position. Equities historically ranged from 30% to 66%.

Top-down strategy identifies an attractive risk/return trade-off across asset classes, countries and market capitalisations. Fundamental research evaluates the relative attractiveness of securities within global sectors, based on expected risk/return profiles. Stattman and team investigate opportunities across a company's total capital structure, using a combination of balance-sheet analysis and valuation metrics. Security selection and weightings are based on a combination of discount to intrinsic value and contribution to risk.

The portfolio is highly diversified and positions built gradually. Options, futures and forwards are used for risk hedging.

Cash is actively managed and currently viewed as part of the fixed income exposure.

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Portfolio & performance analysis (January 2011)

Over the last 12 months the fund has seen an increased allocation to equities at the expense of both fixed income and the cash position. Slightly increased equity allocations have been seen to Japan and the US, where blue chip stocks offering modest valuations and dividends, have been favoured.

The equity portfolio remains significantly overweight emerging markets and the materials sector, with some direct exposure to commodities also held through ETFs. The consumer sectors and financials are the largest underweights.

Within fixed income, the exposure to convertibles has been reduced, with the team selling into the strong market as valuations increased. There has also been an increased weighting to unrated securities, reflecting the expertise of new additions to the team. Although the fixed income portion of the benchmark is 100% government debt, the fund holds significantly less in this area at just over 55%.

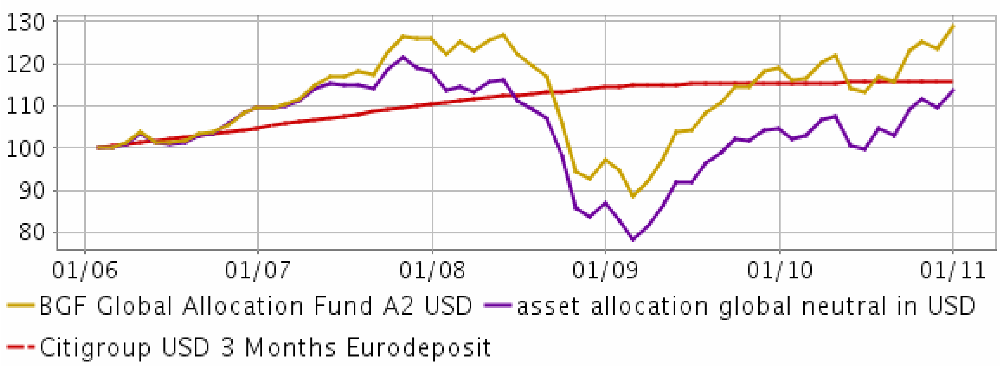
The number of holdings at review stood at 836, although this number is partly inflated by positions where the team holds different equity lines and options positions in the same company.

In 2010, returns were above the peer group median but lagged the custom benchmark. The primary reasons for the underperformance versus benchmark were the allocation to cash, a lack of Japan government bonds (which were strong in dollar terms) and the underweight to consumer discretionary names in the equity space.

Performance in 2009 was strong and the fund was nearly back to its pre-crisis levels. The bias towards convertibles and emerging markets worked well. In 2008, the fund benefited from having little in corporates and convertibles and by reducing the equities exposure through a number of put options. However, the exposure to emerging markets did not provide the expected insulation from a crisis that originated in the West.

The manager has built a strong track record with this fund and has produced negative returns in only three calendar years since inception.

Cumulative performance



Discrete performance (calendar years)

	2006		2007		2008		2009		YTD 31/12/2010	
	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank
Fund	14.3	62/161	15.2	16/190	-22.9	73/221	22.2	120/252	8.5	90/277
Median	13.1		8.5		-24.6		21.8		7.2	

Fund benchmark: Composite
Share class screened: LU0072462426 (A)

Portfolio characteristics (1 January 2011)

No. of holdings	836
Turnover ratio (%)	N/A

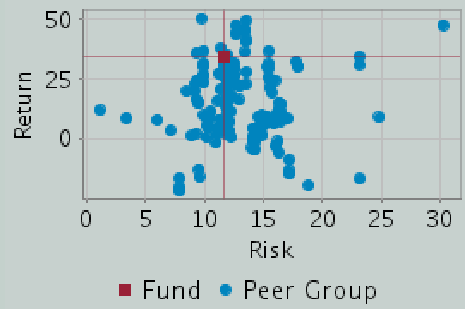
Currency breakdown

	%
CHF	2.8
EUR	6.9
GBP	4.0
JPY	7.3
USD	57.7
Others	21.3

Asset allocation breakdown

	%
Equity	59.2
North America	33.2
United Kingdom	2.3
Europe (ex UK)	4.5
Japan	6.8
Asia (ex Japan)	2.3
Global emerging markets	10.1
Fixed interest	28.4
Govts/supranational	15.6
Corporate	5.0
ABS/MBS	0.0
Convertibles	7.8
Commodities	5.6
Alternatives/others	0.0
Cash	6.8

Risk return over five years (standard deviation)



STANDARD & POOR'S

Symbols and definitions

Long-only fund ratings
AAA The fund demonstrates the highest standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.
AA The fund demonstrates very high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.
A The fund demonstrates high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

Fund-of-hedge-funds ratings
Absolute return fund ratings
Specialist fund ratings
AAA The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.
AA The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.
A The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

Ucits III flexible beta fund ratings
AAA The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.
AA The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.
A The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

All fund ratings
Not Rated (NR) Funds designated as Not Rated currently do not meet the requisite performance standards and/or the minimum qualitative criteria to achieve a fund rating.
Under Review (UR) Ratings are placed Under Review when significant management changes occur at the fund manager or fund management team level and Standard & Poor's Fund Services has not had the opportunity yet to evaluate their impact on the qualitative appraisal.
(New) Signifies where a major event has occurred for which there is no fund-specific track record available. This includes: funds recently launched, the implementation of a new investment process or mandate and may include structural changes within a fund team.
Tenure Review (TR) The fund manager/team involved in the management of the fund does not currently have the minimum 12 months' relevant investment management experience required to be eligible to be considered for a rating.
Long-term fund management rating LTFMR The fund has been rated in the A/AA/AAA fund rating band for five consecutive years or more, and continues to hold a rating.

Bond fund volatility ratings
The bond fund volatility rating is our current opinion of a fund's sensitivity to changing market conditions. Volatility ratings evaluate the fund's sensitivity to interest rate movement, credit risk, investment diversification or concentration, liquidity, leverage and other factors. For V1-V4 categories, risk is considered relative to a portfolio composed of government securities and denominated in the base currency of the fund.
V1 Bond funds that possess low sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within one to three years, and denominated in the base currency of the fund. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising the highest quality fixed income instruments with an average maturity of 12 months or less. Within this category, certain funds are designated with a plus sign (+), indicating extremely low sensitivity to changing market conditions.
V2 Bond funds that possess low to moderate sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within three to seven years, and denominated in the base currency of the fund.
V3 Bond funds that possess moderate sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within seven to 10 years, and denominated in the base currency of the fund.
V4 Bond funds that possess moderate to high sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing beyond 10 years and denominated in the base currency of the fund.
V5 Bond funds that possess high sensitivity to changing market conditions. These funds may be exposed to a variety of significant risks including high concentration risks, high leverage, and investments in complex structured and/or less liquid securities.
V6 Bond funds that possess the highest sensitivity to changing market conditions. These funds include those with highly speculative investment strategies with multiple forms of significant risks, with little or no diversification benefits.

Absolute return fund N ratings
The N rating is Standard & Poor's indication of a fund's potential capital stability in normal markets. It is a qualitative rating but is based on annualised weekly downside deviation. N1 is the most stable and N9 the least.