

## BlackRock Commodities Income Investment Trust plc July 2014 Factsheet

### Performance (as at 31.07.2014)

Sterling:	1 M %	3 M %	6 M %	1 Y %	3 Y %	5 Y %
Net Asset Value	-0.4	2.9	12.7	6.8	-10.9	36.8
Share Price	0.1	2.4	14.7	8.1	-10.4	35.4

Sources: Datastream, BlackRock

### Annual Performance to the Last Quarter End

	30/06/13	30/06/12	30/06/11	30/06/10	30/06/09
	30/06/14	30/06/13	30/06/12	30/06/11	30/06/10
	%	%	%	%	%
Net Asset Value Performance	13.7	-3.4	-20.5	39.0	22.3
Share Price Performance	16.6	-6.6	-19.7	37.4	22.6

Performance statistics sources: BlackRock, Datastream and Standard & Poor's Micropal. Performance figures are calculated on a mid market basis in sterling terms with income reinvested on the ex-dividend date.

- Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.
- The latest performance data can be found on the BlackRock Investment Management (UK) Limited website at [www.blackrock.co.uk/brci](http://www.blackrock.co.uk/brci).

The performance of the Company's portfolio, or Net Asset Value ("NAV") performance, is not the same as share price performance and shareholders may not realise returns which are the same as NAV performance.

### Ten Largest Equity Investments (in alphabetical order as at 31.07.2014)

Company	Region of Risk
BHP Billiton	Global
BP	Global
Canadian Oil Sands	Global
Chevron	Global
ConocoPhillips	USA
Eni	Europe
ExxonMobil	Global
Freeport McMoran Copper & Gold	Asia
Royal Dutch Shell	Global
Statoil	Europe

## Company Objective

To achieve an annual dividend target and, over the long term, capital growth by investing primarily in securities of companies operating in the mining and energy sectors.

## Key Risk Factors

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed.

Overseas investments will be affected by currency exchange rate fluctuations.

The Company invests in economies and markets which may be less developed. Compared to more established economies, the value of investments may be subject to greater volatility due to increased uncertainty as to how these markets operate.

BlackRock Commodities Income Investment Trust plc invests in mining shares which typically experience above average volatility when compared to other investments. Trends which occur within the general equity market may not be mirrored by mining securities.

The Company may from time to time utilise gearing. Gearing works by magnifying the company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

The Company employs an active options overlay strategy utilising predominantly covered call options. Any use of derivatives for efficient portfolio management and options for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the Company's direct investments

## NMPI Status

The Company currently conducts its affairs so that its securities can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The securities are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

## Comments from the Fund Managers

### Olivia Markham and Tom Holl

- The month of July saw significant divergence in performance across the mining and energy sectors, with the mining sector +6.2% (Euromoney Global Mining Index), versus the energy sector -4.0% (MSCI World Energy Index), resulting in a total return for the portfolio of -0.4% (with dividends reinvested). At the end of July the Company's shares were trading at a 2.2% premium to their NAV, with a 5.2% dividend yield.
- In the mining sector, base metals continued to perform well, buoyed by Chinese Government stimulus and the Chinese Manufacturing PMI reaching an 18-month high (as measured by the HSBC China Manufacturing PMI). Zinc and aluminium rose by 7.4% and 6.6% respectively during the month. Both metals continued to see meaningful inventory erosion, with aluminium experiencing the largest inventory declines since mid-1995. The outlook for zinc prices looks positive with future supply challenged by a number of mine closures over the coming years. The portfolio primarily derives its zinc exposure via its holding in Glencore. The iron ore price, which has waned over the first half of the year owing to a surge in supply, recovered slightly in July, rising by 1.9%, helped by early signs of a restocking cycle by steel mills.
- Despite a number of supportive circumstances, the Brent oil price declined by 5.5% to US\$105/bbl, with energy equities seeing some profit taking following a strong first half of the year. America's GDP recovered impressively in the second quarter of 2014. The economy grew at an annual rate of 4% compared with a 2.1% contraction in the first quarter of the year. Corporate spending was particularly strong and some 288,000 jobs were added to the economy in June. These data releases, combined with strong PMI data from China, reinforce our positive medium term view on the energy sector.
- Following the tragic shooting down of a Malaysia Airlines jet, the European Union and the United States have imposed new sanctions on Russia. The new sanctions make it harder for Europeans and Americans to invest in Russian state-owned banks, and prohibit the export of technology to its oil and defence industries. Near term oil production is unlikely to be significantly affected but the restricted access to technology combined with what could be a more difficult financing environment could well impact future production capacity. The portfolio holding in BP, which owns a 20% stake in Rosneft, detracted from performance during the month.
- Performance of the precious metals was weaker during the month with gold, silver and platinum prices declining by 2.3%, 0.9% and 0.5% respectively. Gold experienced some moderate 'safe haven' interest, on the back of increasing geo-political tension in the Israel-Gaza Strip conflict and the civilian plane tragedy in Ukraine. However, this was outweighed by robust US economic data, strong US dollar performance and the peak of the 'summer lull' for gold trading.

Source: Datastream (quoted in US dollars unless otherwise stated).

#### Fund Information (as at 31.07.2014)

Net Asset Value (capital only)	111.63p
Net Asset Value (cum income)*	112.47p
Share Price	115.00p
Premium to NAV (cum income)	2.2%
Net Yield	5.2%
Net Gearing (cum income)	6.3%
Total assets ^^	£120.4m
Ordinary shares in issue:	101,458,000
Gearing range (as a % of net assets):	0-20%
Ongoing charges**	1.4%

\* includes net revenue of 0.84p.

^^ includes current year revenue.

\*\* calculated as a percentage of average net assets and using expenses, excluding any interest costs and excluding taxation for the year ended 30 November 2013.

#### Country Analysis (as at 31.07.2014)

#### % of Total Assets

Global	34.2
Canada	21.0
USA	14.4
Europe	10.0
Latin America	8.7
Asia	4.5
Africa	4.0
Australia	2.1
China	1.9
Net Current liabilities	(0.8)
<b>TOTAL</b>	<b>100.0</b>

#### Sector Analysis (as at 31.07.2014)

#### % of Total Assets

Integrated Oil	34.2
Diversified	17.4
Exploration & Production	11.3
Copper	8.5
Gold	5.1
Oil Sands	5.0
Oil Services	3.6
Iron Ore	3.4
Coal	3.3
Distribution	2.9
Nickel	2.3
Silver	1.8
Uranium	0.8
Diamonds	0.5
Platinum	0.4
Fertilizers	0.3
Net Current liabilities	(0.8)
<b>TOTAL</b>	<b>100.0</b>

Reference to the names of each company in this communication is merely for explaining the investment strategy, and should not be construed as investment advice or investment recommendation of those companies.

**BLACKROCK**

## Key Company Details

### Fund Characteristics:

Launch Date	13 December 2005
Dealing Currencies	Sterling
AIC Sector	Sector Specialist: Commodities and Natural Resources
Benchmark	n/a
Traded	London Stock Exchange

### Fund Codes:

ISIN	GB00B0N8MF98
Sedol	B0N8MF9
Bloomberg	BRCI:LN
Reuters	BRCI.L
Ticker	BRCI/LON

## Financial Calendar

Year end	30 November
Results announced	July (half yearly) January (final)
AGM	March
Dividends paid	April/July/October and January (quarterly)

## Management

Alternative Investment Fund Manager (with effect from 2 July 2014)	BlackRock Fund Managers Limited
--	---------------------------------

Fund Managers	Olivia Markham Tom Holl
---------------	----------------------------

Savings Plan and stocks and shares ISA	Available via BlackRock. Please see the Investment Trust brochure and Key Features document for more information.
---	---

- ▶ BlackRock Commodities Income Investment Trust plc will not invest more than 15% of its gross assets in other listed investment trusts.
- ▶ BlackRock Commodities Income Investment Trust plc is traded on the London Stock Exchange and dealing may only be through a member of the Exchange.

**BlackRock has not considered the suitability of this investment against your individual needs and risk tolerance. To ensure you understand whether this product is suitable, please read the Key Features document and the current Annual and Half Yearly Financial Reports which provide more information about the risk profile of the investment.**

**If after reading this factsheet you have any questions or would like any additional information, please contact your financial adviser or speak to our Investor Services Team.**

The purpose of this factsheet is to provide summary information concerning the Company and does not constitute a recommendation to buy or sell its shares. If you are in any doubt as to the suitability of any of our funds for your investment needs, please contact your Financial Adviser.

Issued by BlackRock Investment Management (UK) Limited (authorised and regulated by the Financial Conduct Authority). Registered office: 12 Throgmorton Avenue, London, EC2N 2DL. Registered in England No. 2020394. Tel: 020 7743 3000. For your protection, telephone calls are usually recorded. BlackRock is a trading name of BlackRock Investment Management (UK) Limited. © 2014 BlackRock, Inc. All Rights reserved. BLACKROCK, BLACKROCK SOLUTIONS, iSHARES, SO WHAT DO I DO WITH MY MONEY, INVESTING FOR A NEW WORLD, and BUILT FOR THESE TIMES are registered and unregistered trademarks of BlackRock, Inc. or its subsidiaries in the United States and elsewhere. All other trademarks are those of their respective owners.

## Gearing

- ▶ Investment companies can borrow to purchase additional investments. This is called 'gearing'. It allows investment companies to take advantage of a long-term view on a sector or to take advantage of a favourable situation or a particularly attractive stock without having to sell existing investments.
- ▶ Gearing works by magnifying the company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

## Contact us

Broker Services Team:	08457 405405
Investor Services Team:	0800 445522
Website:	<a href="http://www.blackrock.co.uk/brci">www.blackrock.co.uk/brci</a>

# BLACKROCK