

## BlackRock Commodities Income Investment Trust plc July 2015 Factsheet

### Performance (as at 31.07.2015)

Sterling:	1 M %	3 M %	6 M %	1 Y %	3 Y %	5 Y %
Net Asset Value	-11.7	-23.4	-17.0	-35.6	-29.9	-27.3
Share Price	-11.9	-21.0	-18.1	-35.0	-27.6	-26.3

Source: BlackRock, Datastream

### Annual Performance to the Last Quarter End

	30/06/14	30/06/13	30/06/12	30/06/11	30/06/10
	30/06/15	30/06/14	30/06/13	30/06/12	30/06/11
	%	%	%	%	%
Net Asset Value Performance	-27.37	-13.73	-3.37	-20.50	38.98
Share Price Performance	-26.10	-16.63	-6.60	-19.66	37.37

Performance statistics sources: BlackRock and Bank of New York Mellon. 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 website at [blackrock.co.uk/brci](http://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 31.07.2015)

Company	Region of Risk	% Total Assets
BHP Billiton	Global	6.2
First Quantum Minerals	Global	5.9
ExxonMobil	Global	5.8
Rio Tinto	Global	5.8
Enbridge Income Fund Trust	Canada	4.8
Royal Dutch Shell	Global	4.6
Chevron	Global	4.4
Statoil	Europe	4.0
ConocoPhillips	USA	3.9
MMC Norilsk Nickel	USA	3.4

## 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

- July was a difficult month for natural resources equities as many commodities recorded sharp price declines. For reference, the Bloomberg Commodity Index declined by -10.0% over the month. This was reflected in share prices with the energy sector (MSCI World Energy Index) falling by 5.5% and the mining sector (Euromoney Global Mining Index) declining by 13.2% during the month (all data in sterling terms).
- The mining sector underperformed the energy sector owing to its greater sensitivity to China with economic data from the country continuing to disappoint. Weak data points included China's flash PMI remaining stubbornly below 50, auto sales recording year-on-year declines and contracting domestic steel demand. Positively, property prices in China's tier 1 and 2 cities showed signs of stabilization; however this was not significant enough to allay market concerns that stimulus measures were not providing the desired level of support to the Chinese economy.
- The performance of energy equities also suffered as Brent and WTI oil prices fell by -13.8% and -20.8% respectively to finish the month at \$52/bbl and \$47/bbl, close to the lows seen in January. Oil price weakness was driven by a deteriorating macroeconomic backdrop, Saudi Arabia increasing its oil production to 10.35mbpd (11% of global production) and US production growth continuing to be relatively resilient despite a 60% fall in the number of rigs in operation. In addition, an agreement on Iran's nuclear program was reached during the month, starting the process towards lifting international sanctions, which, from 2016 is likely to increase oil supply from Iran.
- In company news, one of the largest holdings, Enbridge Income Fund, reached an agreement with Enbridge Inc to transfer its Canadian pipelines business into the Fund which is expected to see Enbridge Income Fund increase its dividend by 10% from next year. Other positive contributors to performance included Eni and Statoil who delivered good second quarter results with an ongoing cost reduction focus.
- The overweight position to copper-focused mining company First Quantum was the largest detractor from performance during the month. The company announced weaker than expected results and was negatively impacted by new electricity restrictions at its Zambian operations, as well as substantial confusion amongst investors post the company's release of technical reports without an explanatory commentary.
- In our view, some of the selling within the mining sector over the last month was indiscriminate, so we took the opportunity to add to our favoured names that we believe had been oversold. We also reduced our exposure to those companies with greater balance sheet risk who appear less resilient to a lower commodity price environment.

Source: BlackRock

#### Fund Information (as at 31.07.2015)

Net Asset Value (capital only)	66.98p
Net Asset Value (cum income)*	67.76p
Share Price	70.00p
Premium to NAV (cum income)	3.3%
Net Yield	8.6%
Gearing (cum income)	2.5%
Total assets ^^	£78.8m
Ordinary shares in issue	113,068,000
Gearing range (as a % of net assets):	0-20%
Ongoing charges**	1.5%

\*Includes net revenue of 0.78p.

^^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 2014.

#### Country Analysis (as at 31.07.2015)

	% Total Assets
Global	44.9
USA	21.1
Canada	11.6
Europe	9.2
Africa	4.1
Latin America	3.7
Australia	2.1
Asia	1.9
China	1.1
Net current assets	0.3
<b>TOTAL</b>	<b>100.0</b>

#### Sector Analysis (as at 31.07.2015)

	% Total Assets
Integrated Oil	31.4
Diversified	18.3
Exploration & Production	13.2
Copper	11.0
Gold	4.9
Distribution	4.8
Nickel	4.3
Fertilizers	2.6
Silver	2.1
Diamonds	1.9
Oil Services	1.7
Agriculture Science	1.7
Coal	1.1
Oil Sands	0.7
Net current assets	0.3
<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**

CARS: UKIT0110

## 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/February (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
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Fund Managers	Olivia Markham Tom Holl
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Savings Plan and stocks and shares NISA	Available via BlackRock. Please see the Investment Trust brochure and Key Features document for more information.
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- ▶ 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.

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## 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

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