



## ANNUAL SHORT REPORT

BLACKROCK CONTINENTAL EUROPEAN EQUITY  
TRACKER FUND

**BLACKROCK®**

For the period from 1 February 2013  
to 28 February 2014

# BlackRock Continental European Equity Tracker Fund

## Changes in accounting and income allocation dates

As communicated in a letter to investors dated 28 May 2013, the Manager has changed the Fund's annual and interim accounting dates to the last day of February and 31 August respectively in order to consolidate the publication of annual and interim reports. This annual short report covers the extended reporting period from 1 February 2013 to 28 February 2014. The period from 1 February 2013 to 31 August 2013 was commented on in the interim report to 31 August 2013. Additionally, the Fund's income allocation dates have changed. For further information, please refer to the most recent Prospectus.

## Summary of Performance over the Period

The BlackRock Continental European Equity Tracker Fund met its objective of closely tracking the FTSE World Europe ex UK Index over the period from 1 February 2013 to 28 February 2014 with a gain of 15.4%\*, while its benchmark rose by 16.5%.

## Fund Manager's Commentary

The dominant themes over the period were the support that the major central banks across the globe continued to provide to their economies and improvements in the health of those economies. Developed world equity markets performed strongly as a result.

In the US, the Federal Reserve (Fed) pumped money into the domestic economy via its 'quantitative easing' programme but was able, after much speculation, to begin reducing its spending in December. In the UK, the Bank of England maintained its own programme of measures designed to help the economy and also introduced a policy called 'forward guidance' aimed at providing clarity on the future direction of interest rates. Elsewhere, the European Central Bank was clear in its determination to provide financial support and protect the euro. Meanwhile in Japan, the authorities launched a major package of policies designed to boost growth.

Despite weak economic growth and high unemployment, European equities performed well, spurred on by some signs of recovery, solid company results and the support from central banks. In September, Angela Merkel was re-elected as German Chancellor and the Fed delayed plans to reduce the amount of money it was injecting into the US economy, which helped to push the European market higher. Inflation stabilised at 0.8% in early 2014, but worries remained about how far it might fall. That being said, European equity markets finished the review period on a positive note.

The Fund is currently structured to closely track the FTSE World Europe ex UK Index. The portfolio remains positioned so that its risk characteristics are similar to those of the FTSE World Europe ex UK Index.

## March 2014

\* Performance figures quoted are based on bid-to-bid dealing prices (the price at which units are sold) and are not the same as the net asset value reported in the financial statements which is at close of business. The relative performance of the Fund was impacted by the timing differential between the Fund's 12 noon valuation point and that of the index (market close). Performance is calculated net of fees and reported for the Fund's class L Accumulation Units.

## Distributions Payable

A Accumulation	The final accumulation distribution payable on 30 April 2014 is 0.3414p net per accumulation unit (31 March 2013: 0.2416p net per accumulation unit).
L Accumulation	The final accumulation distribution payable on 30 April 2014 is 0.5916p net per accumulation unit (31 March 2013: 0.4992p net per accumulation unit).
X Income	The final distribution payable on 30 April 2014 is 0.6042p net per income unit (31 March 2013: 0.5006p net per income unit).
X Accumulation	The final accumulation distribution payable on 30 April 2014 is 0.6214p net per accumulation unit (31 March 2013: 0.5116p net per accumulation unit).
D Accumulation	The final accumulation distribution payable on 30 April 2014 is 0.6156p net per accumulation unit (31 March 2013: 0.4707p net per accumulation unit).
H Accumulation <sup>‡</sup>	The final accumulation distribution payable on 30 April 2014 is 0.0000p net per accumulation unit (31 March 2013: N/A).

<sup>‡</sup> H Accumulation class commenced February 2014.

# Performance Record

## Capital (Unit Prices)

Calendar Year	A Accumulation Units <sup>~</sup>		L Accumulation Units <sup>#</sup>		X Income Units <sup>*</sup>		X Accumulation Units <sup>±</sup>		D Accumulation Units <sup>π</sup>		H Accumulation Units <sup>‡</sup>	
	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p
2014*	180.6	161.4	174.0	163.3	138.8	130.5	142.9	134.1	169.5	159.0	106.0	99.84
2013	179.4	137.9	172.8	139.1	137.8	114.0	141.8	114.0	168.3	135.4	N/A	N/A
2012	144.6	108.8	138.9	109.5	113.7	100.8	113.8	89.62	135.3	109.7	N/A	N/A
2011	159.3	104.7	152.1	105.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2010	147.8	121.9	140.8	113.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	136.4	78.80	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\* To 28 February. ~ A Accumulation class commenced September 2010. # D Accumulation class was renamed as L Accumulation class during June 2012. ± X Income class commenced August 2012. ± X Accumulation class commenced January 2012.

π D Accumulation class commenced June 2012. ‡ H Accumulation class commenced February 2014.

## Income (Net Distributions/Net Accumulations)

Calendar Year	A Accumulation Units <sup>~</sup> Per Unit p	L Accumulation Units <sup>#</sup> Per Unit p	X Income Units <sup>*</sup> Per Unit p	X Accumulation Units <sup>±</sup> Per Unit p	D Accumulation Units <sup>π</sup> Per Unit p	H Accumulation Units <sup>‡</sup> Per Unit p
2014*	0.3414	0.5916	0.6042	0.6214	0.6156	0.0000
2013	3.4450	4.0283	3.5243	3.5483	3.9461	N/A
2012	3.4730	3.9046	N/A	2.7885	0.2007	N/A
2011	3.5618	4.0169	N/A	N/A	N/A	N/A
2010	N/A	3.2587	N/A	N/A	N/A	N/A
2009	N/A	3.1328	N/A	N/A	N/A	N/A

\* To 30 April. ~ A Accumulation class commenced September 2010. # D Accumulation class was renamed as L Accumulation class during June 2012. ± X Income class commenced August 2012. ± X Accumulation class commenced January 2012.

π D Accumulation class commenced June 2012. ‡ H Accumulation class commenced February 2014.

## Unit Price Summary

	Unit Price as at 28 February 2014	Unit Price as at 31 January 2013
A Accumulation Units	171.3p	147.9p
L Accumulation Units	173.3p	149.1p
X Income Units	137.9p	121.7p
X Accumulation Units	142.4p	122.2p
D Accumulation Units	168.8p	145.1p
H Accumulation Units <sup>‡</sup>	101.0p	N/A

‡ H Accumulation class commenced February 2014.

# Fund Information

## Summary of Investment Objective and Policy

The BlackRock Continental European Equity Tracker Fund (the “Fund”) seeks to achieve capital growth by tracking closely the performance of the FTSE World Europe ex UK Index by investing in companies in the Index.

## Risk Profile

The Fund is exposed to movements in European stock markets and currency fluctuations which may cause the value of the Fund to fall or rise.

## Fund Facts

Fund Manager	Nimish Patel
Establishment Date	21 June 2005
Benchmark	FTSE World Europe ex UK Index
Assets Under Management	£1,990,694,048
Income Allocation Dates	30 April & 31 October
Accounting Dates	Last day of February & 31 August

## Ongoing Charges

The ongoing charges figures are based on expenses for the relevant period. These figures may vary from year to year.

Unit Class	1.2.2013 to 28.2.2014†	1.2.2012 to 31.1.2013
A Accumulation	0.52%	0.59%
L Accumulation	0.22%	0.24%
X Income	0.02%	0.04%≠*
X Accumulation	0.02%	0.04%
D Accumulation	0.17%	0.19%π*
H Accumulation÷	0.12%	N/A

† Ongoing charges figures are based on annualised expenses for the period ended 28 February 2014. ≠ X Income class commenced August 2012. π D Accumulation class commenced June 2012. \* Ongoing charges figures are based on annualised expenses for the period ended 31 January 2013. ÷ H Accumulation class commenced February 2014.

## Risk and Reward Profile

	Higher risk Typically higher rewards						
	Lower risk Typically lower rewards						
A Accumulation	1	2	3	4	5	6	7
L Accumulation	1	2	3	4	5	6	7
X Income	1	2	3	4	5	6	7
X Accumulation	1	2	3	4	5	6	7
D Accumulation	1	2	3	4	5	6	7
H Accumulation	1	2	3	4	5	6	7

The risk indicator was calculated incorporating historical or simulated historical data and may not be a reliable indication of the future risk profile of each unit class. The risk category shown is not guaranteed and may change over time. The lowest category does not mean risk free. For more information on this, please see the Fund’s Key Investor Information Documents (KIIDs), which are available at [www.blackrock.com](http://www.blackrock.com). During the period, the risk indicator of each unit class changed from level 7 to 6 due to a decline in market volatility.

# Portfolio Information

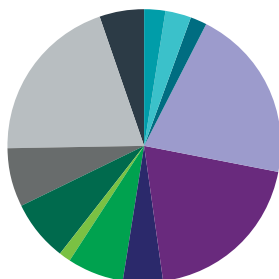
## Five Largest Investments at 28 February 2014

	% of Fund Value
Nestlé	3.84
Roche	3.41
Novartis	3.06
Total	2.06
Sanofi	1.86

## Five Largest Investments at 31 January 2013

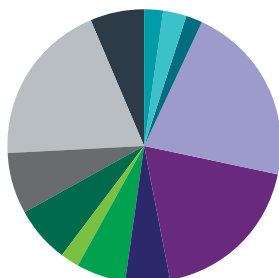
	% of Fund Value
Nestlé	4.07
Novartis	3.16
Roche	2.79
Sanofi	2.27
Total	2.19

## Geographical Spread of Investments – 28 February 2014



Belgium 2.55%	Netherlands 6.43%
Denmark 3.11%	Norway 1.62%
Finland 1.93%	Spain 7.16%
France 20.36%	Sweden 7.08%
Germany 19.71%	Switzerland 19.82%
Italy 4.98%	Other 5.25%

## Geographical Spread of Investments – 31 January 2013



Belgium 2.32%	Netherlands 5.79%
Denmark 2.92%	Norway 2.10%
Finland 1.72%	Spain 6.70%
France 21.52%	Sweden 7.20%
Germany 18.61%	Switzerland 19.45%
Italy 5.40%	Other 6.27%

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. Changes in exchange rates may cause the value of an investment to fluctuate. For up-to-date prices and performance, please visit our website **blackrock.co.uk**.

Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

### **Report and Accounts**

This report is to inform unitholders on the activities of the Fund during the reporting period, and the results of those activities at the end of the reporting period. For more information please contact the Manager. Copies of the Full Reports are available free of charge upon request from the BlackRock Investor Services Team on **0800 44 55 22**.

You can obtain further information on this Fund by contacting your Financial Adviser. Alternatively, for more details on this and other BlackRock® Funds, including up to date prices and performance, please contact BlackRock Investor Services on 0800 44 55 22 or visit [blackrock.co.uk](https://blackrock.co.uk). For your protection, telephone calls are usually recorded. This Report relates to the packaged products of, and is issued by, the Manager and Registrar: BlackRock Fund Managers Limited, 12 Throgmorton Avenue, London EC2N 2DL. Authorised and regulated by the Financial Conduct Authority. Registered in England No. 1102517. Trustee: BNY Mellon Trust & Depositary (UK) Limited, 160 Queen Victoria Street, London EC4V 4LA. Authorised and regulated by the Financial Conduct Authority. Auditor: Ernst & Young LLP, 1 More London Place, London SE1 2AF.

### **For more information**

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