



## ANNUAL SHORT REPORT

BLACKROCK US OPPORTUNITIES FUND

**BLACKROCK®**

For the period from 11 October 2012  
to 28 February 2014

# BlackRock US Opportunities 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 11 October 2012 to 28 February 2014. The period from 11 October 2012 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 US Opportunities Fund rose by 41.1%\* over the period from 11 October 2012 to 28 February 2014, outperforming its benchmark, the S&P US Mid Small Cap Index, which was up by 40.2%. Over the six months to 28 February 2014, the Fund was up by 11.7%\*, outperforming the benchmark, which rose by 9.2%.

## Fund Managers' Commentary

Following the US presidential elections and fiscal cliff saga at the end of 2012, economic indicators generally improved. Volatility returned in May and June last year amid speculation as to the timing and effects of any US Federal Reserve move to reduce its spending in support of its economy. However, markets then normalised and confidence rebounded. Monetary policy remained accommodative, employment and manufacturing numbers surprised on the upside and the senate reached a budget deal, pushing equities to all-time highs. Markets were shakier at the start of 2014 but subsequently recovered.

Stock selection within the financials sector was the biggest contributor to relative performance, with returns from regional banks particularly strong. A continued recovery in US corporate bonds and a pick-up in commercial loans was to the benefit of holdings such as Western Alliance and BankUnited. Additionally, the position in Wisdom Tree Investments within the asset management & custody banks sub-industry added value, as the company enjoyed increasingly diversified inflows into its ETF (exchange traded fund) product range.

Similarly, over the last six months, the Fund's exposure to financials has been the biggest source of outperformance. Kennedy-Wilson, a real estate services company, was the primary contributor, after it benefited from an improving US housing market.

Activity over the period included taking profits in financials and reducing exposure to utilities. We increased exposure to the healthcare and information technology sectors.

The US fiscal situation appears less difficult, albeit still unresolved, while the employment landscape shows some improvement. The economies of US, EU and Japan are set to expand simultaneously for the first time since 2010, driven primarily by reduced macro risks, better containment of the Euro-area debt crisis and improving global trends.

## 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. Performance is calculated net of fees and reported for the Fund's class A Accumulation Units.

## Distributions Payable

A Income	The unit class recorded a net revenue shortfall for the period to 28 February 2014. Accordingly no distribution was payable (10 December 2012: Nil).
A Accumulation	The unit class recorded a net revenue shortfall for the period to 28 February 2014. Accordingly no accumulation distribution was payable (10 December 2012: Nil).
D Income	The unit class recorded a net revenue shortfall for the period to 28 February 2014. Accordingly no distribution was payable (10 December 2012: N/A).
D Accumulation	The unit class recorded a net revenue shortfall for the period to 28 February 2014. Accordingly no accumulation distribution was payable (10 December 2012: N/A).

# Performance Record

## Capital (Unit Prices)

Calendar Year	A Income Units		A Accumulation Units		D Income Units <sup>#</sup>		D 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
2014*	648.5	577.8	656.6	585.0	631.7	590.7	640.0	598.5
2013	625.9	443.3	633.7	448.8	608.8	449.7	616.8	455.4
2012	487.7	414.1	493.8	419.3	448.1	426.3	453.7	431.7
2011	517.6	363.3	524.1	367.8	N/A	N/A	N/A	N/A
2010	498.9	350.0	505.2	354.3	N/A	N/A	N/A	N/A
2009	394.2	243.3	399.2	246.4	N/A	N/A	N/A	N/A

\* To 28 February. <sup>#</sup> D Income and D Accumulation classes commenced October 2012.

## Income (Net Distributions/Net Accumulations)

Calendar Year	A Income Units Per Unit p	A Accumulation Units Per Unit p	D Income Units <sup>#</sup> Per Unit p	D Accumulation Units <sup>#</sup> Per Unit p
2014*	0.0000	0.0000	0.0000	0.0000
2013	0.0000	0.0000	0.4322	1.0040
2012	0.0000	0.0000	N/A	N/A
2011	0.0000	0.0000	N/A	N/A
2010	0.0000	0.0000	N/A	N/A
2009	0.0000	0.0000	N/A	N/A

\* To 30 April. <sup>#</sup> D Income and D Accumulation classes commenced October 2012.

## Unit Price Summary

	Unit Price as at 28 February 2014	Unit Price as at 10 October 2012
A Income Units	612.7p	434.0p
A Accumulation Units	620.3p	439.4p
D Income Units <sup>#</sup>	626.8p	N/A
D Accumulation Units <sup>#</sup>	635.0p	N/A

<sup>#</sup> D Income and D Accumulation classes commenced October 2012.

# Fund Information

## Summary of Investment Objective and Policy

The BlackRock US Opportunities Fund (the “Fund”) aims to achieve long-term capital growth for investors. The Fund invests primarily in shares of medium and smaller companies incorporated or listed in the United States. The Fund may also invest in collective investment schemes.

## Risk Profile

The Fund is exposed to movements in US stock markets and currency fluctuations which may cause the value of the Fund to fall or rise. It also invests in smaller companies which can be more unpredictable and more difficult to buy and sell.

## Fund Facts

Fund Managers	Thomas P. Callan, Ian Jamieson & Nigel Hart
Establishment Date	29 September 1972
Benchmark	S&P US Mid Small Cap Index
Assets Under Management	£77,016,407
Income Allocation Date	30 April
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	11.10.2012 to 28.2.2014†	11.10.2011 to 10.10.2012
A Income	1.68%	1.69%
A Accumulation	1.68%	1.69%
D Income#	0.93%	N/A
D Accumulation#	0.93%	N/A

† Ongoing charges figures are based on annualised expenses for the period ended 28 February 2014. # D Income and D Accumulation classes commenced October 2012.

## Risk and Reward Profile

	Lower risk Typically lower rewards							Higher risk Typically higher rewards	
	←							→	
A Income	1	2	3	4	5	6	7		
A Accumulation	1	2	3	4	5	6	7		
D Income	1	2	3	4	5	6	7		
D 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

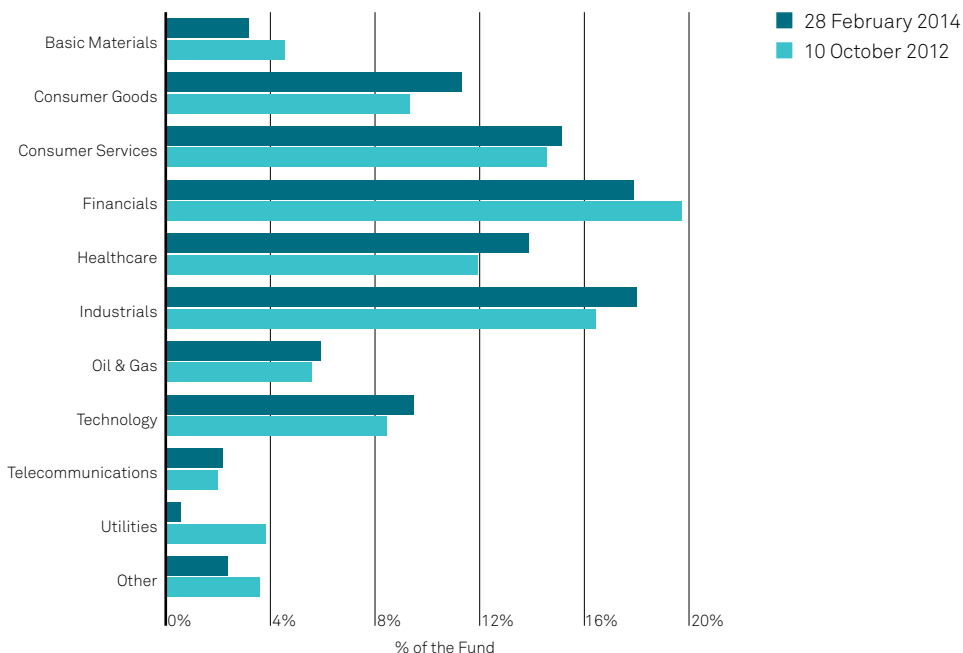
## Five Largest Investments at 28 February 2014

	% of Fund Value
Acuity Brands	2.13
Kennedy-Wilson	1.89
BankUnited	1.53
SBA Communications	1.50
Splunk	1.36

## Five Largest Investments at 10 October 2012

	% of Fund Value
Snap-On	1.57
Ingersoll-Rand	1.55
SBA Communications	1.39
Liberty Global class 'A' shares	1.21
United Rentals	1.21

## Classification of Investments



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**

0800 44 55 22

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