

This Interim Short Report for the BlackRock Overseas Corporate Bond Tracker Fund covers the six months ended 31 July 2012.

Fund Performance

The Fund met its objective of closely tracking the Barclays Capital Global Aggregate Corporate ex UK Index during the six-month period to 31 July 2012 returning 3.1%* while the benchmark returned 3.9%.

Fund Manager's Commentary

Europe once again took centre stage during the period, producing a classic 'game of two halves' for investors as the risk-on sentiment that prevailed through the first quarter evaporated as investors favoured safe haven assets during the second. Overseas corporate bonds were positive over the first quarter despite some weakness in March. European credit markets led the rally, on diminishing sovereign concerns and attractive valuations. The primary market was very active throughout the quarter prompted by the liquidity generated by the second LTRO in February. Excess returns were driven by the banking and insurance sectors in the period. Towards the end of the quarter, disappointing economic data emanating from Europe, the US and China triggered some profit taking.

Credit markets underperformed government bonds in all major markets during the second quarter of 2012, but still recorded positive returns. Renewed market volatility was driven by events in the Eurozone, particularly in Spain and Greece. Sentiment improved somewhat in June, as signs of a more co-ordinated policy response from Europe in particular gave some respite to risk assets. Flows into the corporate bond market also increased towards the end of June, buoyed by attractive valuations versus US Treasuries. Utilities were the weakest performers in the European market as the universe of investment-grade debt has a relatively high proportion of Spanish and Italian issuers compared to the financial and industrial sectors.

August 2012

* 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 L Accumulation Units.

Performance Record

Capital (Unit Prices)

	A Accumulation Units		L Accumulation Units*		X Accumulation Units [§]		D Accumulation Units^	
Calendar Year	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
2012†	115.9	104.3	110.7	104.6	105.5	99.52	109.6	106.7
2011*	112.0	97.61	106.8	97.62	N/A	N/A	N/A	N/A

† To 31 July. * Fund launched January 2011. # D Accumulation class was renamed as L Accumulation class during June 2012. § X Accumulation class commenced April 2012. ^ D Accumulation class commenced June 2012.

Income (Net Accumulations)

Calendar Year	A Accumulation Units Per Unit p	L Accumulation Units* Per Unit p	X Accumulation Units [§] Per Unit p	D Accumulation Units^ Per Unit p
2012†	2.1184	2.7546	0.6972	0.2343
2011*	1.3200	1.3942	N/A	N/A

† To 30 September. * Fund launched January 2011. # D Accumulation class was renamed as L Accumulation class during June 2012. § X Accumulation class commenced April 2012. ^ D Accumulation class commenced June 2012.

Unit Price Summary

	Unit Price as at 31 July 2012	Unit Price as at 31 January 2012
A Accumulation Units	109.5p	106.0p
L Accumulation Units*	109.8p	106.2p
X Accumulation Units [§]	104.6p	N/A
D Accumulation Units [§]	108.6p	N/A

* D Accumulation class was renamed as L Accumulation class during June 2012.
X Accumulation class commenced April 2012. § D Accumulation class commenced June 2012.

A Accumulation

The interim accumulation payable on 30 September 2012 is 1.2386p net per accumulation unit.

L Accumulation

The interim accumulation payable on 30 September 2012 is 1.3445p net per accumulation unit.

X Accumulation

The interim accumulation payable on 30 September 2012 is 0.6972p net per accumulation unit.

D Accumulation

The interim accumulation payable on 30 September 2012 is 0.2343p net per accumulation unit.

Summary of Investment Objective and Policy

The aim of the Fund is to seek to achieve a total return for investors by tracking closely the performance of the Barclays Capital Global Aggregate Corporate ex UK Index by investing in fixed income securities contained in the Index.

Risk Profile

The Fund is exposed to movements in global stock markets, currency fluctuations, interest rate changes and credit worthiness of debt issuers which may cause the value of the Fund to fall or rise.

Fund Facts	
Fund Manager	Darren Wills
Establishment Date	28 January 2011
Benchmark	Barclays Capital Global Aggregate Corporate ex UK Index
Assets Under Management	£330,597,744
Income Allocation Dates	30 September & 31 March
Accounting Dates	31 July & 31 January

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.

Ongoing Charges

The ongoing charges figure is based on expenses for the six month period ended 31 July 2012 and has been annualised. This figure may vary from year to year.

Unit Class	31 July 2012
A Accumulation	0.48%
L Accumulation	0.23%
X Accumulation	0.03%
D Accumulation	0.17%

Portfolio Information

Risk and Reward Profile

	Lower Risk Typically lower rewards				Higher Risk Typically higher rewards		
A Accumulation	1	2	3	4	5	6	7
L Accumulation	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

- ▶ The risk indicator was calculated incorporating 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.

Five Largest Investments at 31 July 2012

	% of Fund Value
Japan Finance Organization for Municipalities 1.9% Guaranteed Notes 22/6/2018	0.87
Nederlandse Gemeenten 1.85% Guaranteed Senior European Medium Term Bonds 7/11/2016	0.75
KFW 1.35% Guaranteed Notes 20/1/2014	0.58
Deutsche Bahn Finance 1.65% Guaranteed European Medium Term Notes 1/12/2014	0.53
Province of Quebec Canada 1.6% Bonds 9/5/2013	0.50

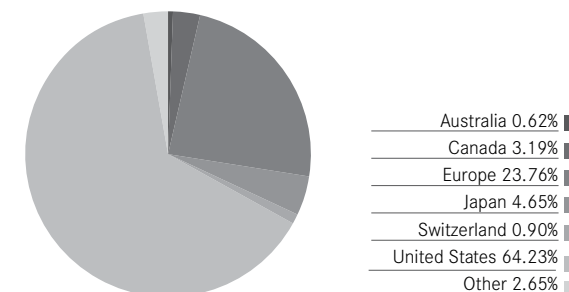
Five Largest Investments at 31 January 2012

	% of Fund Value
Rabobank Nederland 1.85% Guaranteed Senior European Medium Term Bonds 12/4/2017	0.79
Development Bank of Japan 1.4% Guaranteed Notes 20/6/2012	0.76
Japan Finance Organization for Municipalities 1.9% Guaranteed Notes 22/6/2018	0.74
KFW 1.35% Guaranteed Notes 20/1/2014	0.53
Nederlandse Gemeenten 1.85% Guaranteed Senior European Medium Term Bonds 7/11/2016	0.52

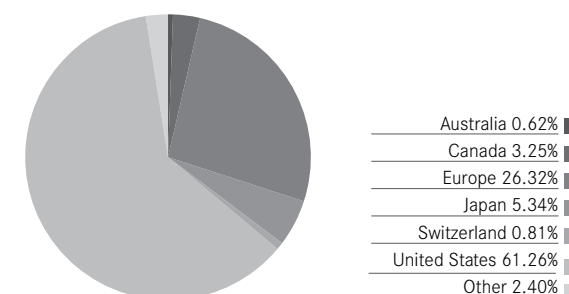
Report and Accounts

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.

Geographical Spread of Investments – 31 July 2012



Geographical Spread of Investments – 31 January 2012



Further Information

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. 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 Services Authority. Registered in England No. 1102517. Trustee*: The Royal Bank of Scotland plc, Trustee and Depositary Services, The Broadstone, 50 South Gyle Crescent, Edinburgh EH12 9UZ. BNY Mellon Trust & Depositary (UK) Limited, 160 Queen Victoria Street, London EC4V 4LA. Authorised and regulated by the Financial Services Authority. Auditor: Ernst & Young LLP, Ten George Street, Edinburgh EH2 2DZ.

* With effect from 23 July 2012, The Royal Bank of Scotland plc retired as trustee and BNY Mellon Trust and Depositary (UK) Limited was appointed as the new trustee of the Fund.

This appointment has led to a reduction in trustee fees for the Fund. Investors need take no action in relation to this change.

Contact Details

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