

BlackRock Launches iShares BBB Rated Corporate Bond ETF (LQDB)

NEW YORK, May 20, 2021 – BlackRock today announced the launch of the iShares BBB Rated Corporate Bond ETF (NYSE: LQDB), continuing to expand fixed income choices for investors. The fund aims to reflect the overarching U.S. BBB corporate bond market by seeking to track the iBoxxUSD Liquid Investment Grade BBB 0+ Index.

“The number of BBB-rated U.S. corporate bonds outstanding has surged 257% since the end of 2009, and new issuance continues to be met with strong demand,” said **Steve Laipply, U.S. Head of iShares Fixed Income ETFs for BlackRock**.¹ “LQDB allows clients to access the \$4.34 trillion BBB-rated corporate bond market in an efficient, scalable and flexible way through a single ETF, providing investors access and flexibility within this sector.”²

BBB corporate bonds carry an investment-grade credit rating and sit in between higher-rated investment-grade (A- and higher) and speculative-grade rated (BB+ and lower) corporate bonds. BBB-rated firms are issuing new debt at elevated levels to take advantage of historically low interest rates over the last decade, and investors have continued to buy new BBB issuance hitting the market to pursue relatively high yields while remaining invested in investment-grade credit.

Expanding the iShares investment grade corporate bond ETF suite

LQDB is a market cap-weighted fund containing a diversified selection of BBB-rated corporate bonds, with a 3% issuer cap and a pro rata distribution of any excess weight across the remaining issuers.

The addition of LQDB brings the total number of U.S. iShares fixed income ETFs available to investors to 107, representing \$474.7 billion in assets under management (AUM). This launch increases iShares’ total suite of U.S. Corporate Bond ETFs to 27 funds and \$108 billion in AUM.³ Investors may now access a wide range of bond exposures including:

Exposures	Tickers
Broad	LQD, USIG
Short-term	SLQD, IGSB
Intermediate	IGIB
Long-term	IGLB
Credit quality specific	QLTA
Sustainable	SUSC, SUSB
Factors	IGEB

¹ Source: ICE, based on ICE BofA AAA US Corporate Index, ICE BofA AA US Corporate Index, ICE BofA Single-A US Corporate Index, ICE BofA BBB US Corporate Index indices as of 03/31/2021

² Source: ICE, based on ICE BofA AAA US Corporate Index, ICE BofA AA US Corporate Index, ICE BofA Single-A US Corporate Index, ICE BofA BBB US Corporate Index indices as of 03/31/2021

³ Source: BlackRock. As of May 14, 2021

Precision exposure at scale

The adoption of fixed income ETFs continues to grow and transform the way portfolio builders access the bond markets and manage risk. More investors are turning to fixed income ETFs not just for core bonds but also to gain precise, efficient, and scalable exposures to segments of the bond market while increasing diversification, enhancing liquidity, and lowering trading costs.

Global fixed income ETF AUM are currently \$1.6 billion and represent less than 2% of the total bond market.⁴ BlackRock expects global fixed income ETF AUM to reach \$2 trillion by 2024.⁵

About BlackRock

BlackRock's purpose is to help more and more people experience financial well-being. As a fiduciary to investors and a leading provider of financial technology, we help millions of people build savings that serve them throughout their lives by making investing easier and more affordable. For additional information on BlackRock, please visit www.blackrock.com/corporate | Twitter: [@blackrock](https://twitter.com/blackrock)

About iShares

iShares unlocks opportunity across markets to meet the evolving needs of investors. With more than twenty years of experience, a global line-up of 900+ exchange traded funds (ETFs) and \$2.81 trillion in assets under management as of March 31, 2021, iShares continues to drive progress for the financial industry. iShares funds are powered by the expert portfolio and risk management of BlackRock.

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Carefully consider the Funds' investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Funds' prospectuses or, if available, the summary prospectuses which may be obtained by visiting www.iShares.com or www.blackrock.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments.

Diversification and asset allocation may not protect against market risk or loss of principal. Buying and selling shares of ETFs may result in brokerage commissions. There can be no assurance that an active trading market for shares of an ETF will develop or be maintained.

Prepared by BlackRock Investments, LLC, member FINRA.

This information should not be relied upon as research, investment advice, or a recommendation regarding any products, strategies, or any security in particular. This

⁴ Source: BlackRock, as of 5/11/2021

⁵ Source: BlackRock, Turning Point Paper, July 2020

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