



# The Industry-Standard Broad Bond Market Index at a Low Cost<sup>1</sup>

## Key Takeaways

- Get exposure to the industry-standard U.S. Bond Index at a low cost<sup>1</sup>
- Diversified access to over 5,000 U.S. investment-grade bonds in a single ETF
- Use at the core of a portfolio to seek stability and pursue income

## The AGG Advantage

For decades, investors have looked to bonds to provide balance to their stock portfolios. Consider the iShares Core U.S. Aggregate Bond ETF (AGG), which offers three key benefits that can help strengthen the core of your portfolio and help you invest for the long haul.

### 1. Broad Bond Access in A Single Fund

AGG provides access to 5,000+ bonds and offers exposure to 7 unique sectors as represented in the broad U.S. bond market. (Figure. 1)

### 2. The Power of Diversification

The broad bond market can provide a cushion to the ups and downs of stock investments.

### 3. Low Cost, Tax Efficient

AGG's low cost and tax-efficient track record can help you keep more of what you earn. The fund offers U.S. bond exposure for a fraction of the cost of purchasing the individual bonds.

Figure 1: Broad Bond Market Access

iShares Core U.S. Aggregate Bond ETF (AGG)		
Government	Credit	Securitized
US Treasuries 36.7%	Corporates 25.6%	Mortgage-Backed Securities (MBS) 28.3%
US Agencies 2.1%	Non-Corporate Credit 4.4%	Commercial Mortgage-Backed Securities (CMBS) 1.6%
US Municipals 0.7%		Adjusted Rate Mortgages (ARMs) 0.1%

Source: Blackrock, 3/31/17. Holdings are subject to change.

iShares Core U.S. Aggregate Bond ETF

AGG

Ticker

AGG

Expense Ratio

0.05%\*

Index

Bloomberg Barclays US Aggregate Bond Index

Holdings

6,053

Inception

9/22/2003

Distributions

Monthly

Assets Under Management

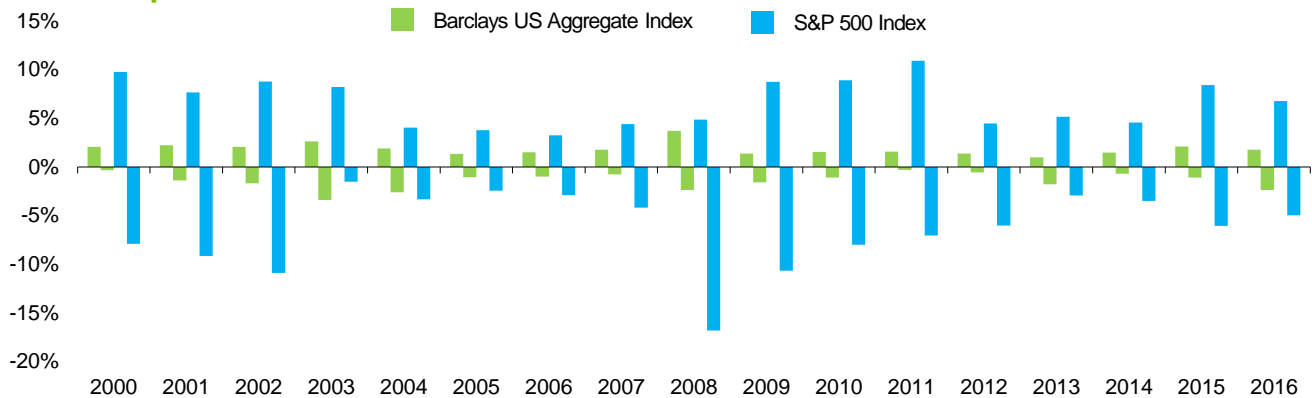
\$43.3 bn

Source: BlackRock, as of 3/31/17. Holdings are subject to change.

\*Net expense ratio shown above. The gross expense ratio for AGG: 0.06%. BlackRock Fund Advisors ("BFA"), the investment adviser to the Fund and an affiliate of BlackRock Investments, LLC, has contractually agreed to waive a portion of its management fees through June 30, 2021. Holdings are subject to change.

<sup>1</sup> BlackRock and Morningstar, as of 12/31/16. "Industry standard" claim based on \$1.06T in ETF and Mutual Fund assets benchmarked to the Bloomberg Barclays U.S. Aggregate Bond Index.

## The power of asset diversification beyond equities: to help bring stability to an investors portfolio



Source: Morningstar, as of 12/31/16. Data based on Maximum and Minimum monthly returns during the stated year.

**Index returns are for illustrative purposes only and do not represent actual iShares Fund performance. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.**

Standardized Performance (as of 3/31/17)		AGG
1 year	Fund NAV Total Return	0.36%
	Fund Market Price Total Return	0.24%
5 year	Fund NAV Total Return	2.27%
	Fund Market Price Total Return	2.25%
10 year	Fund NAV Total Return	4.14%
	Fund Market Price Total Return	4.13%
Since Inception (5/15/2000)	Fund NAV Total Return	4.05%
	Fund Market Price Total Return	4.05%

Source: BlackRock, as of 3/31/17. **The performance quoted represents past performance and does not guarantee future results.**

**Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting [www.iShares.com](http://www.iShares.com) or [www.blackrock.com](http://www.blackrock.com).** Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Market returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times.

**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 and, if available, summary prospectuses, which may be obtained by visiting [www.iShares.com](http://www.iShares.com) or [www.blackrock.com](http://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 may not protect against market risk or loss of principal.

Transactions in shares of ETFs will result in brokerage commissions and will generate tax consequences. All regulated investment companies are obliged to distribute portfolio gains to shareholders.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and its return and yield will fluctuate with market conditions.

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