

# GO LONG THE SHORT END WITH NEAR

**NEAR**

## iShares Short Maturity Bond ETF (Active)<sup>1</sup>

Expense Ratio: 0.25%  
30-Day SEC Yield: 0.64%  
Effective Duration: 0.56 years

## Key takeaways



**Reduce interest rate risk:** NEAR's shorter maturity profile may help shorten duration in a portfolio and offer some protection against rising rates.



**Generate income:** NEAR is actively managed and seeks to maximize income while maintaining a duration of one year or less.



**Diversify a traditional bond portfolio:** NEAR is a multi-sector fund that offers diversified sources of income by investing in floating rate bonds, fixed rate bonds, and securitized assets.

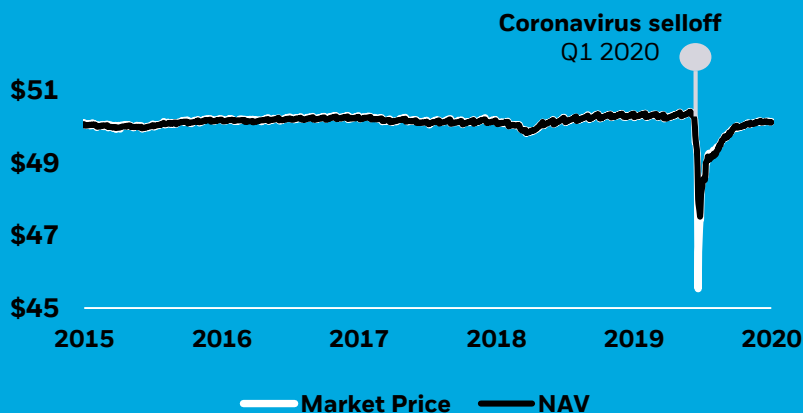
## Fund characteristics

<b>Objective</b>	<ul style="list-style-type: none"> <li>Maximize current income</li> </ul>
<b>Characteristics</b>	<ul style="list-style-type: none"> <li>Duration range is generally 1 year or less</li> </ul>
<b>Holdings</b>	<ul style="list-style-type: none"> <li>At least 80% investment grade</li> </ul>
<b>Eligible bonds</b>	<ul style="list-style-type: none"> <li>Government (Treasuries, Agencies, Supranationals)</li> <li>Corporate Bonds</li> <li>Asset Backed (MBS, CMBS, ABS)</li> <li>Municipal Bonds</li> <li>Money Market Securities</li> <li>Investment Companies</li> <li>Non-US Dollar Securities</li> <li>144a Securities, Repo</li> </ul>

## Clarity during volatility

During the unprecedented market volatility in Q1 2020, NEAR provided investors with real-time insight into the prices of the underlying market. While liquidity dried up in the underlying market for short-duration bonds, NEAR continued to provide investors with on-exchange liquidity.

## NEAR – Market Price and Net Asset Value (NAV)<sup>2</sup>

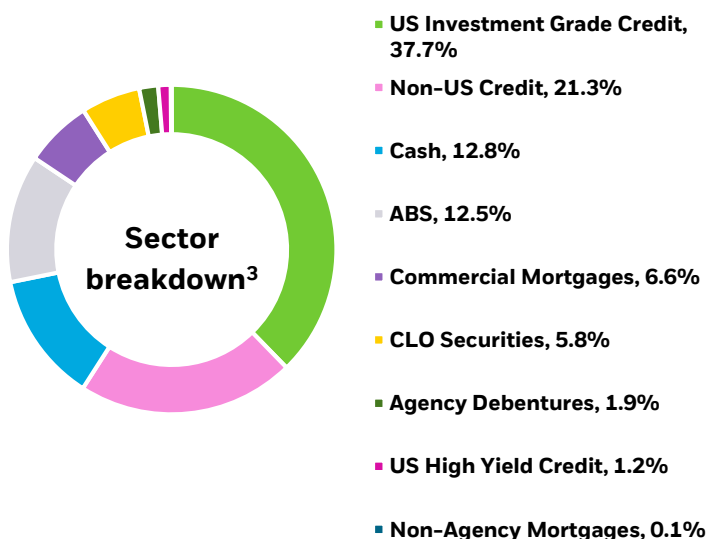


1. Source: BlackRock, as of 9/30/20. Holdings are subject to change. **Past performance does not guarantee future results. For standardized performance of this fund, please see the last page.**

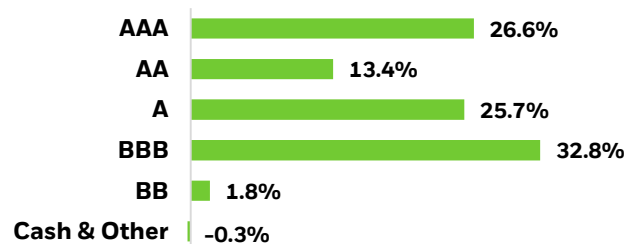
2. Source: BlackRock as of 9/30/20.

# Our investment strategy

The iShares Short Maturity Bond ETF's investment objective is to maximize income, while generally limiting the portfolio duration to less than one year. NEAR's portfolio management team invests across a broad range of fixed and floating rate bonds. The fund employs a disciplined credit research process focused on a thorough analysis of an underlying issuer's creditworthiness and valuation.



## Credit quality breakdown<sup>4</sup>



Weighted average life of underlying bonds <sup>5</sup>	NEAR
<1 Year	48.62%
1-2 Years	36.26%
2-3 Years	8.03%
3-5 Years	6.79%
>= 5 Years	0.59%

3, 4 and 5. Source: BlackRock, as of 9/30/20.

Credit quality ratings on underlying securities of the fund are received from S&P, Moody's and Fitch and converted to the equivalent S&P major rating category. This breakdown is provided by BlackRock and takes the median rating of the three agencies when all three agencies rate a security, the lower of the two ratings if only two agencies rate a security, and one rating if that is all that is provided. Unrated securities do not necessarily indicate low quality. Below investment-grade is represented by a rating of BB and below. Ratings and portfolio credit quality may change over time.

Fees as of Current Prospectus. All Other Data as of 9/30/20	Fund Inception Date	Gross Expense Ratio	30-Day SEC Yield	1-Year Returns		5-Year Returns		Since Inception	
				NAV	Mkt Price	NAV	Mkt Price	NAV	Mkt Price
iShares Short Maturity Bond ETF	9/25/2013	0.25%	0.64%	1.62%	1.60%	1.85%	1.83%	1.56%	1.55%

Source: BlackRock, 9/30/20. NEAR inception 9/25/13. **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 or redeemed, 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 for iShares Funds may be obtained by calling toll-free 1-800-iShares (1-800-474-2737) or by visiting [www.iShares.com](http://www.iShares.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, the summary prospectus, 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. The iShares Short Maturity Bond ETF will invest in privately issued securities that have not been registered under the Securities Act of 1933 and as a result are subject to legal restrictions on resale. Privately issued securities are not traded on established markets and may be illiquid, difficult to value and subject to wide fluctuations in value. Delay or difficulty in selling such securities may result in a loss to the iShares Short Maturity Bond ETF. The fund may invest in asset-backed ("ABS") and mortgage-backed securities ("MBS") which are subject to credit, prepayment and extension risk, and react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly reduce the value of certain ABS and MBS.

The Fund is an actively managed ETF that does not seek to replicate the performance of a specified index. The Fund may have a higher degree of portfolio turnover than funds that seek to replicate the performance of an index. Active funds typically charge higher fees than index-linked products due to increased trading and research expenses that may be incurred. Diversification may not protect against market risk or loss of principal. Effective duration is a measure of the Fund's price sensitivity to changes in yields or interest rates; however investors should be aware that effective duration is not an exact measurement and may not reliably predict a particular security's price sensitivity to changes in yield or interest rates. Prepared by BlackRock Investments, LLC.

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