

# Advantage Large Cap Growth Fund

# BlackRock®

Inst: **CMVIX** A: **BMCAAX** C: **BMCCX** R: **BMCRX<sup>1</sup>** K: **BMCKX**

## Commentary as of 03/31/24

- The fund posted returns of 11.35% (Institutional shares) and 11.24% (Investor A shares, without sales charge) for the first quarter of 2024.
- The fund slightly underperformed its benchmark as weakness in February offset gains in January and March. Fundamental measures detracted the most, followed by sentiment insights, while macro-related insights were muted.
- From a sector-positioning perspective, the fund remained largely neutral. However, there were slight overweight allocations to the information technology (IT) and health care sectors, and slight underweight exposures to the consumer staples and industrials sectors.

Contributors	Detractors
Macro measures helped offset the weakness observed during the quarter. Insights looking at policy rate changes and market expectations benefited from a successful overweight exposure to the materials sector. Sentiment insights looking at informed investor positioning drove successful stock selection among health care companies benefiting from developments around the new generation of weight-loss drugs. In addition, text-based insights gauging sentiment from conference calls and broker reports motivated a successful underweight exposure to the real estate sector.	Stock selection driven by fundamental and sentiment insights were the top detractors. IT positioning proved wrong-footed and was driven by quality measures looking at balance sheets, free cash flows, and expected defaults. In addition, defensive quality insights that predict sales growth from text searches detracted as these measures motivated an unsuccessful overweight allocation to the industrials sector. Finally, trending measures such as those gauging sentiment by looking at mobile app usage drove an unsuccessful underweight exposure to the consumer staples sector.

## Further insight

The market advance continued themes from last year, with strong stock returns driven by the combination of resilient data, both macro and micro, and excitement about key innovations within IT and health care. Overall, the rally ignored inflation data, which unwound expectations for an aggressive round of monetary policy easing. Despite the persistence in leadership trends, they broadened and evolved as performance simultaneously diverged across the “Magnificent Seven” U.S. technology giants. Small-cap stocks continued to lag large-cap shares, with the latter ending the quarter with the fifth consecutive month of positive returns.

## ★★★★ Morningstar Overall™

Institutional shares rated against 1,111 Large Growth Funds, as of 3/31/24, based on risk-adjusted total return. Ratings are determined monthly and subject to change. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics.<sup>1†</sup>

## Portfolio management

Raffaele Savi, Travis Cooke, Richard Mathieson

## Top 10 holdings (%)

Microsoft	13.08
Apple	9.60
Amazon.com	4.96
Alphabet	4.92
Meta Platforms Inc	4.87
Nvidia Corporation	4.81
Broadcom Inc	3.47
Eli Lilly and Company	3.38
MasterCard	2.81
Visa	1.95

## Investment approach

Invests at least 80% of its assets in equity securities or other financial instruments that are components of, or have market capitalizations similar to, the securities included in the Russell 1000 Growth® Index.

## Average annual total returns (%) as of 3/31/24

	1Q24 (not annualized)	YTD (not annualized)	1 Year	3 Year	5 Years	10 Years
<b>Institutional</b>	11.35	11.35	37.11	10.77	16.39	13.07
<b>Investor A (Without Sales Charge)</b>	11.24	11.24	36.74	10.47	16.09	12.75
<b>Investor A (With Sales Charge)</b>	5.40	5.40	29.56	8.51	14.85	12.15
<b>Russell 1000 Growth<sup>2</sup></b>	11.41	11.41	39.00	12.50	18.52	15.98

The fund's annual total returns prior to June 12, 2017 reflect a different investment strategy.

Expenses for Institutional shares: Total **0.75%**; Net, Including Investment Related Expenses (dividend expense, interest expense, acquired fund fees and expenses and certain other fund expenses) **0.62%**. For Investor A shares: Total **1.06%**; Net, Including Investment Related Expenses **0.87%**. Institutional and Investor A shares have contractual waivers with an end date of 06/30/2025 terminable upon 90 days' notice. For certain share classes, BlackRock may voluntarily agree to waive certain fees and expenses in which the adviser may discontinue at any time without notice. Expenses stated as of the fund's most recent prospectus. Data represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. All returns assume reinvestment of dividends and capital gains. Current performance may be lower or higher than that shown. Refer to [blackrock.com](http://blackrock.com) for most recent month-end performance. Investment returns reflect total fund operating expenses, net of all fees, waivers and/or expense reimbursements. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index. Share classes have different sales charges, fees and other features. Returns with sales charge reflect deduction of current maximum initial sales charge of 5.25% for Investor A shares. Institutional shares have no front- or back-end load. Institutional shares have limited availability and may be purchased at various minimums. See prospectus for details. Net Expenses Excluding Investment Related Expenses for Institutional shares: **0.62%**; for Investor A shares: **0.87%**.

**Important Risks:** The fund is actively managed and its characteristics will vary. Holdings shown should not be deemed as a recommendation to buy or sell securities. Stock and bond values fluctuate in price so the value of your investment can go down depending on market conditions. 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. Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities. The fund may use derivatives to hedge its investments or to seek to enhance returns. Derivatives entail risks relating to liquidity, leverage and credit that may reduce returns and increase volatility. Commodity futures exposure is achieved through investments in, but not limited to, commodity-linked notes, swap agreements, commodity options, futures and options on futures. Investing in commodity-linked derivatives and commodity-related companies may increase volatility. Price movements are outside of the fund's control and may be influenced by weather and climate conditions, livestock disease, war, terrorism, political conflicts and economic events, interest rates, currency and exchange rates, government regulation and taxation.

The opinions expressed are those of the fund's portfolio management team as of March 31, 2024, and may change as subsequent conditions vary. Information and opinions are derived from proprietary and nonproprietary sources deemed by BlackRock to be reliable, are not necessarily all-inclusive and are not guaranteed as to accuracy.

BlackRock provides compensation in connection with obtaining or using third-party ratings and rankings.

**1** Class R shares are sold to a limited group of investors, including certain retirement plans. See prospectus for details. **2** The Russell 1000 Growth Index represents performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-value ratios and higher forecasted growth values.\*\* The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The fund was rated against the following numbers of U.S.-domiciled Large Growth funds over the following time periods: 1,111 in the last 3 years, 1,037 in the last 5 years and 807 in the last 10 years. With respect to these Large Growth funds, the fund received a Morningstar Rating of 4, 4 and 3 stars for the 3-, 5- and 10-year periods, respectively. Other classes may have different performance characteristics.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. The prospectus and, if available, the summary prospectus contain this and other information about the fund and are available, along with information on other BlackRock funds, by calling 800-882-0052 or from your financial professional. The prospectus should be read carefully before investing.

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