

# BlackRock Managed Index Portfolios

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## BLACKROCK®

We are pleased to announce the launch of a new suite of three risk-rated, multi-asset, actively managed funds of ETFs; the **BlackRock Managed Index Portfolios**. The portfolios are titled **Defensive, Moderate and Growth** and are available in GBP and USD. The key differentiator with these portfolios is that rather than investing in relatively expensive actively managed funds, they invest directly in index funds and ETFs. This means that with an Annual Management Fee of 1% the total Ongoing Charge Fees (OCF) for these portfolios are typically less than 1.2% pa.<sup>▲</sup>

### Why risk-rated funds?

Risk-rated funds enable customers to clearly understand whether the underlying investments match their appetite for risk.

### Why multi-asset funds?

Many independent academic studies, and one key piece in particular, identify that the largest determinant of portfolio performance is asset class selection (94%) rather than market timing (2%) or stock selection (4%).\* In order to ensure best performance these BlackRock portfolios are actively managed to ensure they hold an appropriate mix of bonds, equities, property, cash and non-traditional assets such as commodities.

Typical OCF  
of less than **1.2%**<sup>▲</sup>

The world's largest asset manager,  
funds under management of  
**USD6.3 trillion**<sup>\*\*</sup>

### Why use index funds?

By investing in passive or index funds, BlackRock is able to focus on driving performance by allocating funds to the right asset classes at the right time. As well as being highly liquid, the underlying index funds are much less expensive for investors, when compared with actively managed funds. Consequently the total charges incurred by these portfolios are lower, ensuring that more of the investment return is passed on to the investor.

### Why BlackRock?

BlackRock is the world's largest asset manager with assets under management of **USD6.3 trillion**<sup>\*\*</sup> and the biggest provider of indexed or passive funds. BlackRock originally launched these portfolios in 2015, which means they have a real track record and have amassed funds under management in these portfolios in excess of **USD980 million**.<sup>\*\*</sup> The portfolios are actively managed by a team of over 350 multi-asset specialists, entrusted with over **USD426 billion** in client assets, invested in multi-asset strategies.<sup>\*\*</sup>

#### Source

\* Brinson, Hood and Beebower – 1995

\*\* BlackRock 30 June 2018

<sup>▲</sup>Excludes FPIL 1.2% p.a. mirror fund charge.

## Who should invest in these funds?

The BlackRock Managed Index Portfolios are appropriate for almost any investor who is looking to accept a degree of risk with their investment. The portfolios can be used on a standalone basis, where the investor's asset allocation is aligned to a specific risk profile and constantly rebalanced to reflect it, or as the foundation for a more complex and bespoke investment solution that invests in other funds alongside these portfolios.

### How do I find out more?

Individual fact sheets for these portfolios and our full fund range can be found in the Fund Centre on our website:

[www.fpinternational.com/fund-centre/](http://www.fpinternational.com/fund-centre/)

Full prospectuses and further details can be found on the BlackRock website:

[www.blackrock.com/uk/intermediaries/products/featured-funds/blackrock-managed-index-portfolios](http://www.blackrock.com/uk/intermediaries/products/featured-funds/blackrock-managed-index-portfolios)

Fund code	Fund name	Morningstar Sector
L72	BlackRock Managed Index Portfolios – Defensive (GBP)	Cautious
L73	BlackRock Managed Index Portfolios – Moderate (GBP)	Moderate
L74	BlackRock Managed Index Portfolios – Growth (GBP)	Aggressive
L75	BlackRock Managed Index Portfolios – Defensive (USD)	Cautious
L76	BlackRock Managed Index Portfolios – Moderate (USD)	Moderate
L77	BlackRock Managed Index Portfolios – Growth (USD)	Aggressive

## About Friends Provident International

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Friends Provident International has over 40 years of international experience in offshore savings and investments.

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