

XSE

iShares Conservative Strategic Fixed Income ETF

As of 06/30/2016

iShares®
by BLACKROCK®

The fund seeks to generate income for unitholders by investing primarily in securities of one or more exchange-traded funds managed by BlackRock or an affiliate that provide exposure to Canadian and international fixed income securities, including government bonds, investment grade corporate bonds, high yield securities, emerging market debt and other types of fixed income investments, while adhering to certain portfolio constraints upon rebalancing. In seeking to generate income, XSE will, upon rebalancing, generally limit its total exposure to high yield securities to 25% of its portfolio.

KEY BENEFITS

- 1 XSE seeks higher yields and has the flexibility to invest in a range of bond maturities without any duration constraints
- 2 Seeks to keep overall portfolio risk in line with the broad Canadian bond market
- 3 Access a variety of Canadian and CAD-hedged global fixed income exposures while limiting non-investment grade credit exposure

KEY FACTS

Inception Date	01/09/2015
Benchmark	N/A
Stock Exchange	Toronto Stock Exchange
Distribution Frequency	Monthly
Listed Options	No
Eligible for Registered Plans	Yes
Program Eligibility	DRIP
Units Outstanding	400,000
Assets Under Management	\$8,186,060
Number of Holdings	7

FEES AND CHARGES

Management Fee	0.50 %
Management Fee: The annual fee payable by the fund and/or any underlying ETF(s) to BlackRock Canada and/or its affiliates for acting as trustee and/or manager of the fund/ETF(s).	

TOP HOLDINGS (%)

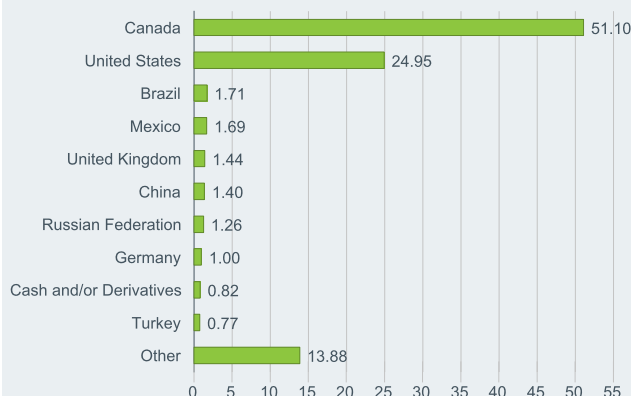
iShs CAD Hybrd Cp Bd Idx ETF (CAD)	29.49
iShares U.S. IG Corporate Bond Ind	19.33
iShs Canadian Corp Bnd Idx ETF	12.06
ISHARES 1-5 YEAR LADDERED CORPORAT	11.50
iShares U.S. High Yield Bond Index	9.92
ISHARES J.P. MORGAN \$ EMER MKTS BD	8.85
ISHARES \$ EMERGING MARKETS CORP BD	8.51
GBP CASH	0.16
CAD CASH	0.09
USD CASH	0.08
Total of Portfolio	99.99

Holdings are subject to change.

PORTFOLIO CHARACTERISTICS

Weighted Average Yield To Maturity	3.90 %
Effective Duration	5.96 yrs
Weighted Average Maturity	8.43 yrs
Distribution Yield	4.03 %
Trailing 12-month Yield	0.00 %

COUNTRY EXPOSURE (%)



TOP ISSUERS

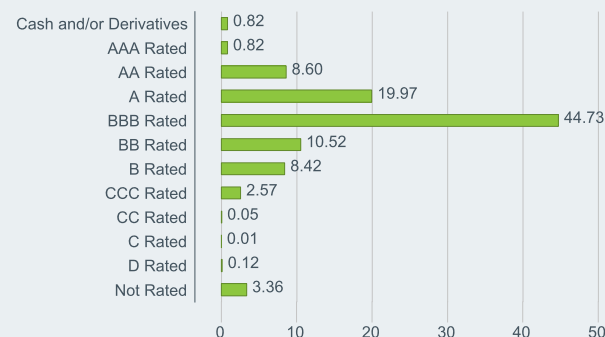
BELL TELEPHONE COMPANY OF CANADA OR BELL CANADA	2.75
TELUS CORPORATION	2.14
ROYAL BANK OF CANADA	1.81
BANK OF NOVA SCOTIA	1.73
ROGERS COMMUNICATIONS INC	1.50
BANK OF MONTREAL	1.20
TORONTO-DOMINION BANK/THE	1.13
FORD CREDIT CANADA LTD	1.05
ENBRIDGE INC	0.97
SHAW COMMUNICATIONS INC.	0.94

SECTOR EXPOSURE (%)

Banking	16.58
Communications	14.93
Energy	12.72
Consumer Cyclical	7.83
Consumer Non-Cyclical	7.52
Sovereign	7.12
Owned No Guarantee	6.44
Reits	4.09
Electric	3.42
Transportation	3.00
Other	16.33

Allocations are subject to change.

CREDIT RATINGS (%)



AGGREGATE UNDERLYING HOLDINGS

HEALTH MONTREAL COLLECTIVE LP 144A	0.39
SHAW COMMUNICATIONS INC	0.35
USD CASH	0.35
ROGERS COMMUNICATIONS INC.	0.31
ATHABASCA OIL CORP Pvt	0.31
QUEBECOR MEDIA INC 144A	0.30
SHAW COMMUNICATIONS INC.	0.27
GREAT CANADIAN GAMING CORP 144A	0.26
CIBC CAPITAL TRUST	0.25
ROGERS COMMUNICATIONS INC	0.23
	<hr/>
	3.02

Holdings are subject to change.

Want to learn more?

 www.iShares.ca

 1-866 iSHARES (1-866-474-2737)

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The above results are hypothetical and are intended for illustrative purposes only. The Hypothetical Growth of \$10,000 chart reflects a hypothetical \$10,000 investment and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses, were deducted.

Unlike an actual performance record, hypothetical results do not represent actual performance and are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk. There are frequently differences, including material differences, between hypothetical performance results and the actual results subsequently achieved by any particular fund. Since trades have not actually been executed, hypothetical results cannot account for the impact of certain market risks such as lack of liquidity. There are numerous other factors related to the markets in general or the implementation of any specific investment strategy, which cannot be fully accounted for in the preparation of hypothetical results and all of which can adversely affect actual results.

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