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QUARTERLY ETF LANDSCAPE REPORT FROM BLACKROCK:

**Global ETP Assets Now Total US\$1.428 Trillion,
Up 7.5% Year to Year**

**ETP Industry Attracts Net New Assets Every Month in 2011
With US\$112 Billion Year-to-Date,
Though Equity Market Declines Have Trimmed Total Industry Assets**

**ETP Usage Moves More Defensive as
3rd Quarter Markets Turn Volatile**

**Investors Seek Safe Havens:
U.S. Investors Favor Fixed Income ETPs,
European Investors Move to German Equity ETPs**

Madrid, October 14, 2011 – Global asset flows for exchange traded products (ETPs)¹ during 2011's 3rd quarter strongly reflected investor demand for defensive portfolio positioning in response to ongoing European sovereign debt and bank solvency concerns, according to the latest "ETF Landscape" report issued by the BlackRock Investment Institute.

"August and September brought high volatility to global equity and European debt markets driven by macroeconomic challenges, worsened by the unresolved European debt crisis," said Kevin Feldman, managing director at BlackRock. Investors repositioned portfolios toward more defensive asset

¹ The ETP category encompasses any portfolio exposure security that trades intra-day on an exchange, including exchange traded funds (ETFs), exchange traded commodities (ETCs), exchange traded notes (ETNs) and exchange traded instruments (ETIs).

classes and countries Feldman noted, with European investors favoring German equity ETPs and U.S. investors favoring fixed income ETPs.

“These asset flow trends provide evidence that, more and more, investors value ETPs for efficient, tactical responses to rapidly evolving market conditions,” Feldman said.

With the publication of the 3rd quarter enhanced ETF Landscape report, the BlackRock Investment Institute is providing deeper insights, analysis and commentary on the fast-growing ETP marketplace.

“Our goal as we evolve the ETF Landscape is to help investors better understand the broad spectrum of ETP applications continuing to emerge globally,” said Feldman.

ETP Industry Attracts Net New Assets Every Month in 2011

Globally, ETP assets totaled US\$1.428 trillion at the close of the 3rd quarter, down 3.7% compared with US\$1.482 trillion as of December 31, 2010 and up 7.5% compared with US\$1.328 trillion as of the close of 2010's 3rd quarter.

Despite recent market volatility, the overall ETP industry collected net new inflows for every month in 2011.

Unfavorable market and exchange rate movement trimmed US\$166 billion from ETPs year-to-date, but was favorably offset by US\$112 billion of net new inflows bringing the net decrease in assets to US\$54 billion. By way of comparison, as of August month-end, the global mutual fund industry had year to date outflows of US\$108 billion as compared to global ETP inflows of US\$106 billion².

As investors reposition their portfolios, ETPs continue to be a net beneficiary of inflows due to the broad array of asset classes that can be accessed through these products. “Some investors are looking to ETPs as transparent and liquid products to execute “risk-on” or “risk-off” strategies as well as longer-term passive portfolio holdings”, said Feldman.

In the United States: Fixed Income Favored

In the U.S., ETPs gathered US\$4.4 billion in net new assets in September driven primarily by inflows of US\$5.8 billion into fixed income ETPs reflecting the 'risk-off' trade. Equity ETPs experienced outflows for the second consecutive month, subtracting US\$1.2 billion in September and US\$2.3 billion in August.

Though most equity categories in the U.S. experienced outflows, a notable exception was broad global equity (ex-US) ETPs which had net inflows of US\$3.5 billion for the month of September, benefiting from a shift out of regional exposures in emerging markets and the United States.

² Note that these numbers are as of August 31, 2011, a delay of one month vs. other numbers in this press release. Also, net inflows quoted for global ETPs only include the United States, Europe, Canada, and Latin America.

In Europe: Investors Turn to German Equity Funds

In Europe, ETPs had net outflows of US\$688 million in September, bucking the broader global asset inflows trend. Fixed income ETPs attracted US\$694 million in net inflows while equity ETPs had outflows of US\$1.7 billion.

Within the equity category, European investors have continued to invest in German equity ETPs which overall attracted US\$654 million net inflows in September and US\$16 billion year to date, representing 61% of all net inflows into Europe ETPs for the year (of a total US\$26.7 billion).

“Europeans are favoring German equity ETPs, specifically those tracking the popular DAX³ index which tracks large German companies. This trend represents a clear flight to perceived quality and perhaps also a desire to capture income from well capitalized, dividend paying companies in that nation,” said Feldman.

This development arguably represents a shift in investor's perception of relative risk. For many investors, German equities are now viewed as both a value play and a more defensive trade within European equity markets. The historical safe haven of sovereign bonds has become marginally less attractive due to deteriorating fiscal conditions in some countries and ultra-low yields in others. Fixed income ETPs have attracted some net new flows of US\$1.4 billion year to date, but this is far less than in 2010 when this asset category attracted US\$8.3 billion in new assets.

In Asia Pacific (ex-Japan): The Growth Story Continues

ETP assets in Asia Pacific (ex-Japan) continued to grow in 2011 despite global market challenges. Overall, ETP assets have grown from US\$54.8 billion at year-end 2010 to US\$56.5 billion in September. The number of ETPs has grown from 200 at year-end to 310 in September, reflecting a 39% increase.

“Although assets remain concentrated in the top ten ETPs which house US\$33 billion AUM or 58% of all Asia Pacific (ex-Japan) ETP assets, the industry continues to offer new products to investors signifying product providers’ belief that investor appetite for more diverse ETPs will continue to grow,” said Feldman.

In Japan: A Highly Concentrated Market

ETP assets in Japan have grown from US\$32.6 billion at year-end 2010 to US\$34.4 billion in September.

ETP assets in Japan are highly concentrated in the top ten products which total US\$32 billion, or 93% of the total ETP assets. The number of ETPs available grew from 89 at year-end to 95 at the end of September.

“Japan remains one of the most concentrated markets in terms of market share for the top ten ETPs, with investors strongly favoring ETPs that track the TOPIX and NIKKEI 225 indexes,” said Feldman.

³ The DAX® Index offers exposure to the 30 largest and most traded stocks listed on the Prime Standard segment of the Frankfurt Stock Exchange.

About the ETF Landscape Report

The “ETF Landscape” reports provide a snapshot of ETP assets under management and asset flows at a combined global level and various regional levels as of the most recent month-end period. The ETP category encompasses any portfolio exposure security that trades intra-day on an exchange, including exchange traded funds (ETFs), exchange traded commodities (ETCs), exchange traded notes (ETNs) and exchange traded instruments (ETIs). ETPs are used today for a wide variety of both strategic and tactical portfolio applications including implementation of broad market strategies, tactical portfolio adjustments, portfolio completion and blending passive and active strategies.

To receive the “ETF Landscape” series of reports at no cost, please subscribe via our website at www.blackrockinternational.com/etflsubscribe.

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About The BlackRock Investment Institute

The BlackRock Investment Institute is a global platform that leverages BlackRock’s expertise in markets, asset classes and client segments to generate investment insights that seek to enhance the firm’s ability to create a better financial future for clients. Launched in 2011, the Institute hosts a series of events through the BlackRock Investment Forum that foster debate around key investment themes. The Institute’s goal is to produce a flow of information that makes BlackRock’s portfolio managers better investors and helps deliver positive investment results for our clients. BlackRock’s highly regarded ETF research is an indispensable source of objective, trusted data and analysis for our clients, the firm, and the ETF industry as a whole.

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