

BLACKROCK LIQUIDITY FUNDS

## TempFund (Instl Shares)

[www.blackrock.com/cash](http://www.blackrock.com/cash)

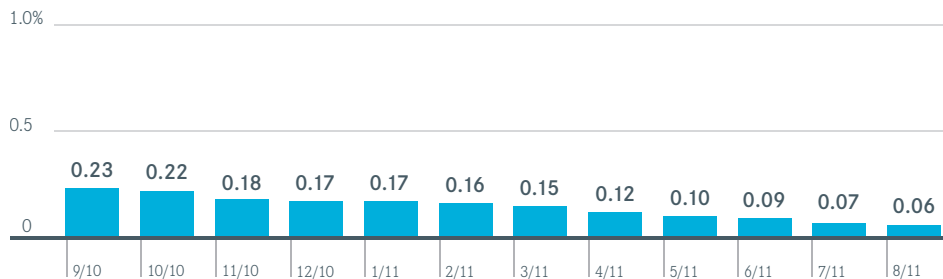
### Investment Objective

The fund seeks as high a level of current income as is consistent with liquidity and stability of principal.

### Investment Strategy

The portfolio primarily invests in first-tier securities, which may include domestic and foreign corporate obligations, domestic bank obligations, securities issued or guaranteed by the US government or its agencies, and fully collateralized repurchase agreements.

### Performance (30-day Yield %)\*, 1



7-day SEC yield as of 8/31/11 was 0.07%.<sup>2</sup>

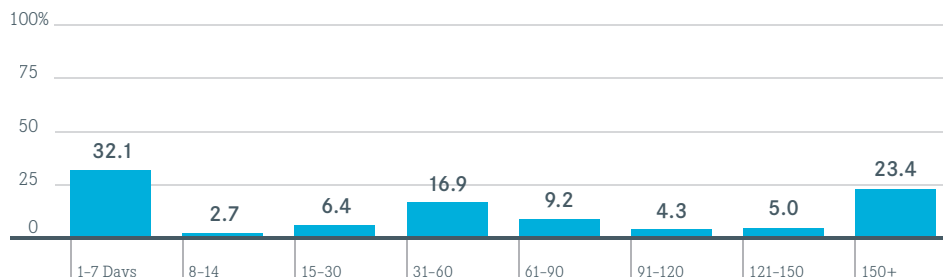
\* Sources: BlackRock, Inc. and BNY Mellon.

### % Net Total Return<sup>3</sup> (Period Ending 6/30/11)

1 Year	3 Years	5 Years	10 Years
0.17	0.67	2.31	2.26

Although the fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the fund. Performance data represents past performance and does not guarantee future results. Yields will vary. Current performance may be lower or higher than the performance data quoted. Please call 800-768-2836 or log on to [www.blackrock.com/cash](http://www.blackrock.com/cash) to obtain performance data current to the most recent month-end.

### % Maturity Distribution

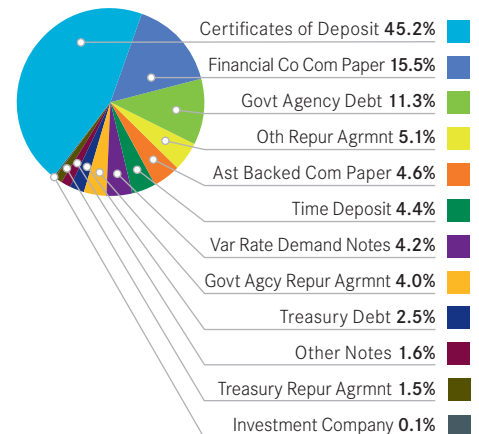


### Fund Facts

<b>Symbol</b>	TMPXX
<b>Size</b>	\$47.0 billion
<b>Inception</b>	October 10, 1973
<b>Minimum Investment</b>	\$3 million
<b>Trading Deadline</b>	5:30 p.m. (ET)
<b>Weighted Average Maturity (WAM)<sup>4</sup></b>	37 days
<b>Weighted Average Life (WAL)<sup>4</sup></b>	92 days
<b>NAIC<sup>†</sup> Approved</b>	Yes
<b>Standard and Poor's</b>	AAAm
<b>Moody's</b>	Aaa-mf
<b>Expense Ratio<sup>6</sup></b>	0.18%
<b>CUSIP #</b>	09248U619
<b>Portfolio #</b>	24

† National Association of Insurance Commissioners.

### Asset Allocation<sup>†</sup>



† Does not reflect other receivables and payables.

## Market Commentary

The Federal Open Market Committee (“the Committee”) voted on August 9 to maintain the target range for the federal funds rate at 0.00% to 0.25%. In a change from prior meetings, the Committee revised references to keeping the federal funds rate at low levels for an “extended period” and instead stated that “economic conditions are likely to warrant exceptionally low levels for the federal funds rate at least through mid-2013.” It should be noted that this change in language was not unanimous and three Committee officials voted against the action. The Committee will maintain its existing policy of reinvesting principal payments from its securities holdings. The Committee also downgraded its view of the economy noting that “economic growth so far this year has been considerably slower than the Committee had expected.” Additionally, the Committee has decided to extend the September meeting to two days. Furthermore, the annual economic policy symposium was held in Jackson Hole, Wyoming August 25–27. Chairman Bernanke’s keynote speech focused on the long-term prospects of the U.S. economy and fiscal policy sustainability. However, his speech did not elaborate on any new monetary policy programs including the possibility of a QE3.

Libor settings reset 3 to 7 bps higher during August with the slope of the curve, as measured from 1 month to 1 year, steepening 1 basis point to 58 bps. In overseas markets, both the Bank of England and the European Central Bank maintained their key rate at 0.50% and 1.50% respectively.

After the debt ceiling was raised in early August, Treasury bill yields flattened dramatically and investors shrugged off the S&P downgrade of the US Treasury and sought refuge from the uncertainties surrounding Europe. The first tranche of the multi-stage debt ceiling allowed virtually no room for additional bills to be issued since most of the increase was already slated to pay for deferred liabilities and the August 2011 Treasury note refundings. As a result, much of the excess cash held by investors was redeployed and drove bill levels (out to the six-month sector) either at or below 0.00% for most of the month. Additionally, the Fed’s announcement that economic conditions were likely to warrant exceptionally low levels of the federal funds target range through mid-2013 pushed the two-year sector to trade at record low yields of 0.18% to 0.22%. As a result, one-year Treasury bills rallied by 10 bps to close the month at 0.09%. Financing levels also fell during the month to average 0.05% for Treasuries and 0.09% for MBS collateral.

Short-term tax exempt yields traded in a fairly tight range with the curve ending the month with 7 bps of positive slope 1-week to 1-year. The 7-day SIFMA index averaged 19 bps, up 11 bps versus the prior month, while high quality one year note yields held steady at 25-30 bps. Finally, looking forward we expect that short-term municipal yields will be stable through the end of the third quarter while the new issuance note calendar will continue to slowly wind down.

— Contributors: Steve Lewis, John Ng, Christopher Linsky

### Important Notes

***This information must be preceded or accompanied by a prospectus. For a current prospectus of TempFund (part of the BlackRock Liquidity Funds), which contains more complete information, please [click here](#) or call 800-768-2836. Before investing, consider the investment objectives, risks, charges and expenses of the fund carefully. This and other information can be found in the fund’s prospectus. Read the prospectus carefully before you invest or send money.***

*Mutual fund shares are not deposits or obligations of, or guaranteed by, any depository institution. Shares are not insured by the FDIC, the Federal Reserve Board or any other agency, and are subject to investment risks, including the possible loss of principal amount invested.*

**1** Average annualized 30-day yields are based on net investment income and distributed gains or losses for the period shown. Past performance is no guarantee of future results. Yields will fluctuate as market conditions change.

**2** The 7-Day yield is computed in accordance with methods prescribed by the SEC. The 7-Day SEC yield excludes distributed capital gains/losses. **3** The fund’s current yield more closely reflects the current earnings of the fund than the total net return quotations. **4 Weighted Average Maturity:** Calculated by the final maturity for a security and the interest rate reset date held in the portfolio. This is a way to measure a fund’s sensitivity to potential interest rate changes. **5 Weighted Average Life:** Measurement of a fund’s sensitivity to a deteriorating credit environment; potential credit spread changes or tightening liquidity conditions. The WAL calculation is based on a security’s stated final maturity date or, when relevant, the date of the demand feature when the fund may receive payment of principal and interest. **6** Expenses are as of the most current prospectus.

*All portfolio information provided is as of August 31, 2011, unless otherwise noted, and is subject to change.*

*Ratings by S&P and Moody’s apply to the credit quality of a portfolio and are not a recommendation to buy, sell or hold securities of a fund, are subject to change, and do not remove market risks associated with investments in the fund. The following funds meet the qualification requirements set forth by the National Association of Insurance Commissioners: FedFund, Federal Trust Fund, T-Fund and Treasury Trust Fund qualify as US Direct Obligations/Full Faith and Credit Exempt. TempFund, TempCash and MuniFund qualify as Class One Bond. Such qualification is not an endorsement of the funds by the NAIC.*

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