

Project Report

ON

A STUDY ON FUNDAMENTAL ANALYSIS OF

BLACKROCK COMPANY

Submitted to

G. S. College of Commerce & Economics, Nagpur

Affiliated to

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

In partial fulfillment for the award of the degree of

Bachelor of Business Administration

Submitted by

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Under the Guidance of

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G.S. College Of Commerce & Economics, Nagpur

Academic Year 2022 – 23



G.S. College Of Commerce & Economics , Nagpur

Academic Year 2022 – 23



CERTIFICATE

This is to certify that Umar Siddiquee has submitted the project report titled a study on Fundamental analysis of BlackRock Company towards partial fulfillment of BACHELOR OF BUSINESS ADMINISTRATION degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he/she has ingeniously completed his/her project as prescribed by BBA Department (Autonomous) G.S COLLEGE OF COMMERCE AND ECONOMICS NAGPUR, Rashtrasant Tukdoji Maharaj Nagpur University, Nagpur.

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Place:

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Academic Year 2022 – 23



DECLARATION

I here-by declare that the project with title “**A STUDY ON FUNDAMENTAL ANALYSIS OF BLACKROCK COMPANY** ” has been completed by me in partial fulfillment of BACHELOR OF BUSINESS ADMINISTRATION degree examination as prescribed by RashtrasantTukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Umar.F.Siddiquee

Place:Nagpur

Date:

G.S. College Of Commerce & Economics , Nagpur

Academic Year 2022 – 23



ACKNOWLEDGEMENT

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to DR. S.S KATHALEY, Principal, G.S. College of Commerce & Economics, Nagpur.

I am extremely thankful to my Project Guide Prof. Leena Kapse for her guideline throughout the project. I tender my sincere regards to Co-ordinator, Dr. AFSAR SIR for giving me outstanding guidance, enthusiastic suggestions and invaluable encouragement which helped me in the completion of the project.

I will fail in my duty if I do not thank the Non-Teaching staff of the college for their Co-operation.

I would like to thank all those who helped me in making this project complete and successful.

Umar.F.Siddiquee

Place:

Date:-

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CHAPTER-1
INTRODUCTION

Introduction to BlackRockcompany

BlackRock is the world's largest asset manager guiding individuals, financial professionals and institutions in building better financial futures.

BlackRock is a global asset manager. We help investors build better financial futures. As a fiduciary to investors and a leading provider of financial technology, our clients turn to us for the solutions they need when planning for their most important goals. Our founding mission was to establish a firm that thinks differently about managing investment risks to best serve our clients, and this is still at our core today. We challenge businesses to reach higher standards. We use technology to think beyond what's possible. We provide investment solutions for every need. We aim to simplify a complex world. We help chart paths towards financial health. We are BlackRock, and we are invested in your financial well-being

Mission: BlackRock's mission is to create a better financial future for our clients. As we pursue this mission, our guide is our BlackRock culture and principles - that is, our shared understanding of who we are, what we stand for and how we will conduct ourselves each and every day.

BlackRock is a global asset manager and technology provider. Our purpose is to help more and more people experience financial well-being. We help millions of people invest to build savings that serve them throughout their lives. We make investing easier and more affordable. We advance sustainable investing because our conviction is it delivers better outcomes for investors. We contribute to a more resilient economy that benefits more people. Together with our clients, we're contributing to a more equitable and resilient world – today and for generations to come. That's why, we're asking bigger questions – of ourselves, our industry, and the world at large. Questions that challenge convention and give rise to new thinking. Because the bigger questions we ask, the bigger actions we can take. Follow us for global insights shaping the economy, innovative thinking around the path to net zero and more information on culture and careers at BlackRock.

BlackRock, Inc. is an American multi-national investment company based in New York City. Founded in 1988, initially as a risk management and fixed income institutional asset manager, BlackRock is the world's largest asset manager, with US\$10 trillion in assets under management as of January 2022. BlackRock operates globally with 70 offices in 30 countries, and clients in 100 countries. Along with Vanguard and State Street, BlackRock is considered to be one of the Big Three index fund managers that dominate America.

BlackRock has sought to position itself as an industry leader in environmental, social and corporate governance (ESG). The company has faced criticism for worsening climate change, its close ties with the Federal Reserve System during the COVID-19 pandemic, anticompetitive behavior, and its unprecedented investments in China.

HISTORY

BlackRock was founded in 1988 by Larry Fink, Robert S. Kapito, Susan Wagner, Barbara Novick, Ben Golub, Hugh Frater, Ralph Schlosstein, and Keith Anderson to provide institutional clients with asset management services from a risk management perspective. Fink, Kapito, Golub and Novick had worked together at First Boston, where Fink and his team were pioneers in the mortgage-backed securities market in the United States. During Fink's tenure, he had lost \$90 million as head of First Boston. That experience was the motivation to develop what he and the others considered to be excellent risk management and fiduciary practices. Initially, Fink sought funding (for initial operating capital) from Pete Peterson of The Blackstone Group who believed in Fink's vision of a firm devoted to risk management. Peterson called it Blackstone Financial Management. In exchange for a 50 percent stake in the bond business, initially Blackstone gave Fink and his team a \$5 million credit line. Within months, the business had turned profitable, and by 1989 the group's assets had quadrupled to \$2.7 billion. The percent of the stake owned by Blackstone also fell to 40%, compared to Fink's staff.

BlackRock began in 1988 with eight people in a single room who shared a determination to put clients' needs and interests first. Our founders believed they could manage assets in a way that was better for their clients – by utilizing their passion for understanding and managing risk. This is the way the firm continues to be managed today.

Given the changing wealth management landscape, BlackRock focuses on providing portfolio construction expertise to financial advisors by leveraging our diverse platform and portfolio construction technology. Aladdin Wealth, which benefits from the same data and risk capabilities used by our own investment teams, is sold to our first wealth management client.

BlackRock further focuses its role in the retirement crisis, launching BlackRock Retirement Solutions Group. With two thirds of the assets we manage related to retirement, this new initiative was formed to explore innovative solutions to the most pressing retirement challenges.

In 2017, BlackRock further increases our commitment to Investment Stewardship, emphasizing the importance of purpose to long-term profitability. Through this work and the overall dedication to Investment Stewardship over the past seven years, we go beyond proxy voting to engage with companies to drive long-term, sustainable financial performance and ultimately the value of our clients' assets.

In 2019, BlackRock acquires eFront, the world's leading provider of end-to-end alternative investment management software and solutions, to accelerate our ambition to make alternatives less alternative and enable a whole portfolio approach. The acquisition establishes a new standard for investment and risk management technology, enabling investors to seamlessly manage portfolios across public and private asset classes on a single platform.



OWNERSHIP AND TRANSPARENCY

BlackRock invests the funds of its clients (for example, the owners of iShares ETF units) in numerous publicly traded companies, some of which compete with each other. Because of the size of BlackRock's funds, the company frequently appears among the top shareholders of these companies, such as technology companies Apple (BlackRock is listed as owning 6.34%) and Microsoft (6.77%), and financial services firms Wells Fargo (4.30%) and JPMorgan Chase (4.41%). BlackRock states these shares are ultimately owned by the company's clients, not by BlackRock itself – a view shared by multiple independent academics – but acknowledges it can exercise shareholder votes on behalf of these clients, in many cases without client input.

This concentration of ownership has nonetheless raised concerns of possible anticompetitive behavior. A 2014 study titled "Anticompetitive Effects of Common Ownership" analyzed the effects of this type of common ownership on airline ticket prices. The study found that "Prices go up and quantity goes down when the airlines competing on a given route are more commonly owned by the same set of investors." The authors note that this price increase does not necessarily imply conscious collusion among the common owners, but could perhaps be that these firms are now "too lazy to compete" with themselves.

BlackRock is a shareholder in many institutional investors that own shares in BlackRock. This chain of ownership is similar to circular ownership structures which have been identified in the United Kingdom.

Global warming

As of December 2018, BlackRock was the world's largest investor in coal plant developers, holding shares worth \$11 billion among 56 coal plant developers, and BlackRock owned more oil, gas, and thermal coal

reserves than any other investor with total reserves amounting to 9.5 gigatonnes of CO2 emissions or 30 percent of total energy-related emissions from 2017. Environmental groups including the Sierra Club and Amazon Watch.

launched a campaign in September 2018 called "BlackRock's Big Problem", claiming that BlackRock is the "biggest driver of climate destruction on the planet", due in part to its refusal to divest from fossil fuel companies. On January 10, 2020, a group of climate activists rushed inside the Paris offices of BlackRock France, painting walls and floors with warnings and accusations on the responsibility of the company in the current climate and social crises.

On January 14, 2020, BlackRock CEO Larry Fink said that environmental sustainability would be a key goal for investment decisions. BlackRock announced that it would sell \$500 million worth of coal-related assets, and create funds that would avoid fossil-fuel stocks, two moves that would drastically shift the company's investment policy. Environmentalist Bill McKibben called this a "huge, if by no means final, win for activists." Nonetheless, BlackRock's support for shareholder resolutions requesting climate risk disclosure fell from 25% in 2019 to 14% in 2020 according to Morningstar Proxy Data. virtual and augmented.

INVESTMENTS IN INDIA

The firm maintains a dedicated India Fund, through which it invests in Indian start-ups like Byju's, Paytm, and Pine Labs. As of late 2021, it is lowering its investment in India while increasing investment in China.

In 2017, BlackRock expanded its presence in sustainable investing and environmental, social and corporate governance (ESG) with new staff and products both in the USA and Europe with the aim to lead the evolution of the financial sector in this regard.

BlackRock started using its weight to draw attention to environmental and diversity issues by means of official letters to CEOs and shareholder votes together with activist investors or investor networks like the Carbon Disclosure Project, which in 2017 backed a successful shareholder resolution for ExxonMobil to act on

climate change. In 2018, it asked Russell 1000 companies to improve gender diversity on their board of directors if they had fewer than two women on them.

In August 2021, a former BlackRock executive who had served as the company's first global chief investment officer for sustainable investing, said he thought the firm's ESG investing was a "dangerous placebo that harms the public interest." The former executive said that financial institutions are motivated to engage in ESG investing because ESG products have higher fees, which in turn increase company profits.

In October 2021, the Wall Street Journal editorial board wrote that BlackRock was pushing the U.S. Securities and Exchange Commission to adopt rules requiring private companies to publicly disclose their climate impact, the diversity of their boards of directors, and other metrics. The editorial board opined that "ESG mandates, which also carry substantial litigation and reputational risks, will cause many companies to shun public markets. This would hurt stock exchanges and asset managers, but most of all retail investors."

In January 2022, BlackRock founder and CEO Larry Fink defended the company's focus on E.S.G. investing, pushing back "against accusations the asset manager was using its heft and influence to support a politically correct or progressive agenda." Fink said the practice of E.S.G. "is woke." According to The New York Times, BlackRock's emphasis on E.S.G. has drawn criticism as "either bowing to anti-business interests" or being "merely marketing". According to CNBC, some conservative groups and lawmakers have accused BlackRock of "woke posturing" to hide the company's funneling of money to Chinese companies. Meanwhile, environmental activists and groups have attacked the company for failing to divest from fossil fuel companies and other large contributors to climate change.

CHAPTER-2
“COMPANY PROFILE”

About the Company



BlackRock, Inc. is an American multi-national investment company based in New York City. Founded in 1988, initially as a risk management and fixed income institutional asset manager, BlackRock is the world's largest asset manager, with US\$10 trillion in assets under management as of January 2022. BlackRock operates globally with 70 offices in 30 countries, and clients in 100 countries. Along with Vanguard and State Street, BlackRock is considered to be one of the Big Three index fund managers that dominate America.

BlackRock has sought to position itself as an industry leader in environmental, social and corporate governance (ESG). The company has faced criticism for worsening climate change, its close ties with the Federal Reserve System during the COVID-19 pandemic, anticompetitive behavior.

As of 2021, BlackRock ranked 192 on the Fortune 500 list of the largest United States corporations by revenue.

In 2020, the non-profit American Economic Liberties Project issued a report highlighting the fact that "the 'Big Three' asset management firms—BlackRock, Vanguard and State Street—manage over \$15 trillion in combined global assets under management, an amount equivalent to more than three-quarters of U.S. gross domestic product." The report called for structural reforms and better regulation of the financial markets. In

2021, BlackRock managed over \$10 trillion in assets under management, about 40% of the GDP of the United States (nominal \$25.347 trillion in 2022).

Year	Revenue (million USD)	Net income (million USD)	Total assets (million USD)	AUM (million USD)	Price per share (USD)	Employees
2005	1,191	234	1,848		62.85	2,151
2006	2,098	323	20,469		103.75	5,113
2007	4,845	993	22,561		128.69	5,952
2008	5,064	784	19,924		144.07	5,341
2009	4,700	875	178,124		136.79	8,629
2010	8,612	2,063	178,459	3,561,000	145.85	9,127
2011	9,081	2,337	179,896	3,513,000	148.27	10,100
2012	9,337	2,458	200,451	3,792,000	158.53	10,500
2013	10,180	2,932	219,873	4,325,000	238.52	11,400
2014	11,081	3,294	239,792	4,651,895	289.80	12,200
2015	11,401	3,345	225,261	4,645,412	322.68	13,000
2016	12,261	3,168	220,177	5,147,852	334.16	13,000
2017	13,600	4,952	220,217	6,288,195	414.60	13,900

2018	14,198	4,305	159,573	5,975,818	492.98	14,900
2019	14,539	4,476	168,622	7,430,000	448.22	16,200
2020	16,205	4,932	176,982	8,677,000	558.56	16,500
2021	19,169	5,901	152,648	10,010,143	913.76	18,400
2022	17,873	5,178	117,628	8,594,485	708.63	19,800

MERGERS AND ACQUISITIONS

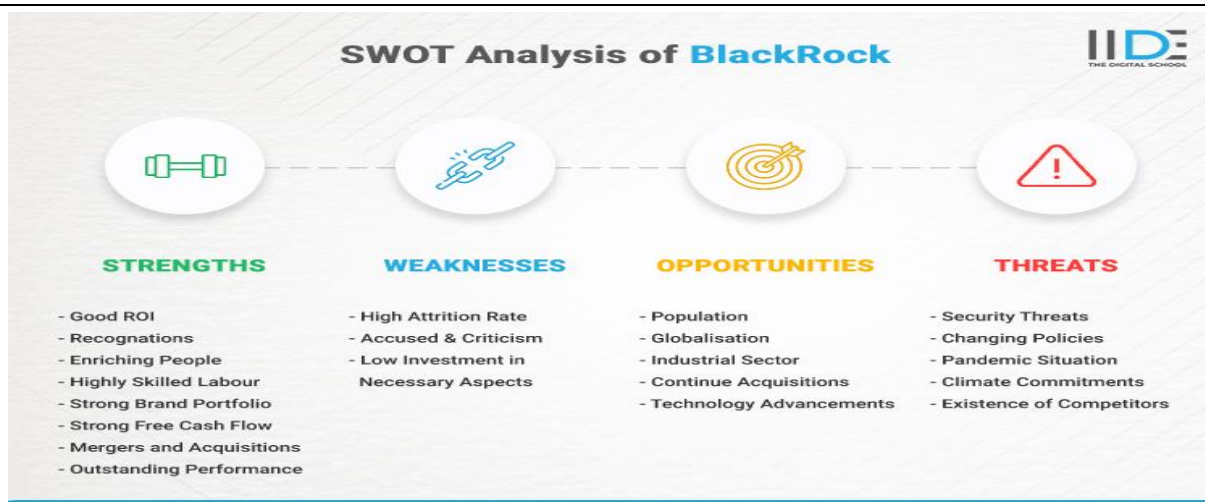
Number	Acquisition date	Company	Country	Price (USD)	Used as or integrated with	Refs.
1	February 10, 2006	Merrill Lynch Investment Management	United States	\$9.3B	Retail and international presence	[78]
2	January 12, 2009	Barclays Global Investor	United States	\$13.5B	ETF	[79]
3	January 15, 2010	Helix Financial Group LLC	United States	-	CRE	[80][81]
4	August 25, 2015	FutureAdvisor	United States	\$150M	Robo-advisory	[82][83]
5	June 9, 2017	Cachematrix	United States	-	Liquidity management	[84]
6	January 8, 2018	Tennenbaum Capital Partners	United States	-	Private credit	[85][86]
7	September 24, 2018	Asset Management Business of Citibanamex	Mexico	\$350M	Fixed income, equity, and multi-asset funds holding	[87][88]

In 2000, BlackRock launched BlackRock Solutions, the analytics and risk management division of BlackRock, Inc. The division grew from the Aladdin System (which is the enterprise investment system), Green Package (which is the Risk Reporting Service) PAG (portfolio analytics) and AnSer (which is the interactive analytics).

BlackRock Solutions (BRS) serves two roles within BlackRock. First, BlackRock Solutions is the in-house investment analytics and “process engineering” department for BlackRock which works with their portfolio management teams, risk and quantitative analysis, business operations and every other part of the firm that touches the investment process. Second, BlackRock Solutions (BRS) and the three primary divisions are services that are offered to institutional clients. As of 2013, the platform had nearly 2,000 employees.

BlackRock differentiates itself from other asset managers by claiming its risk management is not separate. Risk management is the foundation and cornerstone of the firm's entire platform. Aladdin keeps track of 30,000 investment portfolios, including BlackRock's own along with those of competitors, banks, pension funds, and insurers. According to The Economist, as at December 2013, the platform monitors almost 7 percent of the world's \$225 trillion of financial assets.

BlackRock Solutions was retained by the U. S. Treasury Department in May 2009[27] to manage (i.e. analyze, unwind, and price) the toxic mortgage assets that were owned by Bear Stearns, AIG, Inc., Freddie Mac, Morgan Stanley, and other financial firms that were affected in the 2008 financial crisis.



SWOT ANALYSIS

STRENGTHS OF BLACKROCK

Strengths are the activities that a company possesses. This helps in contributing to the company's success. The strengths of BlackRock can be analysed as follows:

- **Enriching People:** One of the strengths of BlackRock is that the company is on the mission to provide the best financial advisory services. They are helping their clients navigate financial transformation with the net zero transition. Their purpose is their people and their financial well-being.
- **Mergers and Acquisitions:** A track record of successfully integrating additional companies through mergers and acquisitions including SSRM Holdings, the fund-of-funds business of Quellos Capital Management etc. and many more.
- **Strong Free Cash Flow:** There is a strong free cash flow that puts resources into the hands of the company to expand into new projects.
- **Good ROI:** It is relatively successful in new projects and provides a high return on capital expenditures through the creation of new revenue streams.
- **Strong Brand Portfolio:** Over the years BlackRock has invested in building a strong brand portfolio. This brand portfolio can be very useful if an organisation wants to expand into new product categories.
- **Outstanding Performance in New Markets:** BlackRock has accumulated experience to enter new markets and achieve success. The expansion has helped organisations create new revenue streams and diversify business cycle risks in the markets in which they operate.
- **Highly Skilled Labour:** Highly skilled workforce through successful education and training programs. By investing enormous resources in the training and development of BlackRock employees, they not only create highly qualified employees but also motivate them to achieve more.
- **Recognitions:** BlackRock is one of the admired companies in the Fortune list of the world's 50 Most Admired Companies 2013. Also, the company is the world's biggest asset manager larger than the world's largest bank.

WEAKNESSES OF BLACKROCK

Strategy is all about choices and weaknesses are areas where companies can improve through SWOT analysis and leverage their competitive advantage and strategic positioning.

- **Accused & Criticism:** BlackRock has faced criticism for [worsening climate change](#), its close ties with the Federal Reserve System during the COVID-19 pandemic, anti competitive behaviour, and its unprecedented investments in China.
- **Low Investment in Necessary Aspects:** With its large presence in the globe, BlackRock is found to have a lesser investment in necessary infrastructure. It has rather invested in the fossil fuel industry.
- **High Attrition Rate:** BlackRock has a high attrition rate compared to other organisations. The bank has to spend more compared to its competitors on the training and development of its employees .

OPPORTUNITIES FOR BLACKROCK

Opportunities are external factors that are in favour of the company and the firm can use it to its advantage to grow

- **Technology Advancements:** Bloom in technology has been the greatest boon to mankind and the organisation as a whole. With technology advancement and adaptation to it, BlackRock can provide a wide range of services to every nook and corner of the world.
- **Globalisation:** Globalisation has proved to be the best opportunity for BlackRock as they can serve their worldwide customers easily with their products and services.
- **Industrial Sector:** Every country is transitioning into an industrialised sector. Hence, there is great potential for future customers that it can serve.
- **Population:** In recent years, the number of people has been expanding around the world. As the number of people increases demand also increases. This allows BlackRock to gain potential future customers.
- **Continue Acquisitions:** The bank is known for its number of mergers and acquisitions including acquisitions of SSRM Holdings, the fund-of-funds business of Quellos Capital Management. etc. BlackRock is strong in this area and it should continue to do so.

THREATS TO BLACKROCK

External factors that might affect the bank are known as threats. These issues should be taken into consideration as soon as possible to prevent causing damage to the firm. The threats to BlackRock are as follows:

- **Existence of Competitors:** The existence of big competitors such as J.P. Morgan, Chase, Bank of America etc have been threats to BlackRock. Clients may get attracted to the investment management services by other competitors.
- **Pandemic Situation:** Pandemic situations as Covid-19, financial losses suffered by organisations and individuals are threats to investment management corporations like BlackRock. It slows down the saving, investing and repayment of loans.
- **Security Threats:** If the financial institution faces any security difficulties at any moment, it can be a great threat to the company. After such situations, regaining client confidence and ensuring them would be challenging for the company.

CHAPTER-3
“LITERATURE REVIEW”

1. - Brett, US Wealth Advisory Sales Manager

- “The digital capabilities we are using on the US Wealth Advisory team at BlackRock are enabling us to have richer dialogues and build deeper connections with more financial advisors than we’ve ever been able to reach before. We use Advisor Center to help advisors build sophisticated portfolios that they can easily explain to their individual clients. Our tools are powered by Aladdin analytics, enabling financial advisors to make better informed investment decisions and providing individuals with more access to institutional-quality risk managed portfolios. And we’re creating a digital ecosystem that makes it easy for advisors to engage with whom they want at BlackRock, from specialists on model portfolios to factors, when they want. BlackRock is invested in the success of financial advisors because by helping more advisors build better portfolios, we are helping more end-investors build better futures

2. - Abigail, Aladdin Product Engineer

- “Aladdin is the foundation of BlackRock. As an engineer, I work to ensure Aladdin is constantly evolving with the technology landscape and fulfilling its mission of making investment information more transparent and actionable.
- Many clients are looking to do more with Aladdin, including building their own applications and trading strategies on top of our platform using APIs. I’m building tools to help us better understand how clients are using APIs and to inform our API product roadmap, so we can enable our clients to do more.
- Because BlackRock is also a user of Aladdin, our priorities are always aligned with those of our clients. We are bringing together the best ideas and ensuring that in the face of a rapidly changing landscape, Aladdin stays best-in-class and satisfies the needs of investors for years to come.”

3. - Nikhil, Institutional Client Relationship Manager

- I have confidence, going into every client conversation, that we at BlackRock can provide a solution. We aren't pigeonholed to a specific asset class, investment style or region when constructing portfolios. And as clients' needs and priorities change, we're able to pivot with them. We can move across the risk/return spectrum—from index strategies to customized alternative solutions—add sustainability considerations, or act as the outsourced chief investment officer, managing the full scope of investment needs
- Everyone at BlackRock is working toward the same goal every day: to help clients achieve their goals. Because we're all committed to one mission, I'm able to harness all the resources across BlackRock to build better portfolios with my clients.”

CHAPTER-4
“RESEARCH METHODOLOGY”

Research means search for facts in order to find answers to certain question or to find solution to certain problem. It is often referred to as “Scientific Inquiry” or “Scientific Investigation” into a specific problem or situation;

There are two types of data;

- 1.Primary data
- 2.Secondary data

Primary data:No primary data has been used in the study.

Secondary data:The secondary data are those which are collected by web-based, publication in the newspapers, Magazines and information available in the Internet. Various tools and techniques have been used to depict the data using graph and pie charts.

NEED OF THE STUDY

- 1.This study will help in determining company's fair value and also helps to decide whether it's undervalued or overvalued.
- 2.This fundamental analyst would help to purchase the stock if the current market price is below its intrinsic value and would sell the stock when the market price goes far above the intrinsic value hence fundamental analysis is important in stock picking.
- 3.It will help to scan the industry and the economy thus forecasting the future price movements of the securities. The fundamental analyst attempts to predict the future stock price based on certain parameter.
- 4.It's help more and more people experience financial well being in pursuit of our purpose, a focus on long term sustainability is embedded across our business. Blackrock manage assess on behalf of diverse clients around the world.

Objectives of study

1. To study the fundamental analysis of the black rock company from the year 2017-2022year.
2. To study the trends of market from 2017-2022 year.
3. To study the various financial statements of black rock company.
4. This study will help in determining company's fair value and also helps to decide whether it's undervalued or overvalued.

Future Aspects

The metaverse might sound futuristic, but the investment opportunities are here and now, according to Reid Menge, Co-Portfolio Manager of the BlackRock Technology Opportunities Fund. He discusses avenues to enter this next great digital frontier and its rich investment potential.

Technology stocks have suffered a difficult stretch amid investor concerns about how higher interest rates might impact these companies' long-term cash flows. While rate fears may continue to drive volatility in technology shares, we are confident in the long-term value available across the sector. One area capturing attention: the metaverse.

1. A revolution in the making.

Interest is piquing for good reason. The metaverse is an immersive virtual world built on established gaming, virtual reality (VR) and augmented reality (AR) elements. At this juncture, it is much like the internet of the early 1990s or the smartphone of the early 2000s: We expect it is going to be big, and very likely change people's daily lives. But we don't yet know exactly how, or how big the shift will be.

What we do know: Work and play will be affected. Virtual meetings will take on new life, but users also can be transported to the golf course as the home favorite tees off, or onto the stage as a rock band plays live to millions around the world.

2. Seizing the moment

Virtual worlds have existed for decades, so why is mass adoption finally becoming a reality? We see three key reasons:

Next-generation hardware and increased computing power make it possible.

The COVID-19 crisis accelerated a shift to digital lives. People are more comfortable working, shopping and socializing at home.

Crypto currencies could allow transactions to take place seamlessly and globally in the metaverse.

Those who already spend time in virtual spaces are using old technology where the screen is the limiting factor. VR headsets and AR glasses, along with powerful 5G mobile networks, will take this to the next level.

We could see a breakthrough in AR glasses — a version light and smart enough to be worn every day — as soon as 2023. VR headsets will modernize as well but are less likely to be the “game changer” given they are not as easily worn on the move.

3. Timely investing ideas

The metaverse may not be mainstream until later this decade, but investment opportunities are available now.

Internet companies are gearing up. They want to provide both the platform and the hardware, avoiding the type of missed opportunity realized years before when smartphone manufacturers were allowed to control the hardware and the operating software. The big hardware companies are also racing to provide the next-generation technology.

Where to look for prospective metaverse investment gains? We see the most immediate opportunity in those companies that can supply the big internet, software and smartphone companies with the ingredients they need to develop glasses and headsets. Producing AR glasses that are wearable, fashionable and metaverse-functional will require a new generation of chips, batteries and lenses.

Once the hardware exists, we look to the services that can be accessed by the new devices, and the software that will shape the metaverse. We also like companies poised to play a key role in “building” the metaverse, designing and creating virtual worlds.

4. Perspective on the big picture

Admittedly, market volatility may continue to distract many investors from the long-term potential embedded in the innovative tech companies that are shaping and powering the future. But we view tech as the fabric upon which today’s economy is built. Secular growth trends, such as digitalization of industries and an ever-growing reliance on data analytics, are multi-year transformations we expect to persist — irrespective of moves in interest rates. The metaverse is just one reminder of the vast opportunity driving long-term return for investors across the technology universe.

HYPOTHESIS OF THE STUDY

- Null Hypothesis H₀- There is no direct relationship between fundamentals analysis and company fair value.
- Alternative hypothesis H₁- There is a direct relationship between fundamentals analysis and company fair value.

Strategy of Blackrock company

1. Trading & Liquidity Strategies

At BlackRock, we believe that we can help deliver successful outcomes for institutional investors by combining the lessons we learned from the recent past with new approaches to investment management.

With more than 30 specialists in Asia ex-Japan dedicated to Trading & Liquidity Strategies, we seek to be a trusted partner for our clients, providing them with global markets insights and state-of-the art risk analytics. As a leading global asset manager with relationships with key players throughout global markets, BlackRock has one of the world's deepest pools of liquidity. This strengthens our ability to help clients minimise market impact, implement cash management strategies and unlock the full potential of their portfolios through our three lines of business:

- Transition Management
- Cash Management
- Securities Lending

1. Transition Management

BlackRock through its transition management team has been helping clients shift allocations and implement new investment strategies since 1995. Our goal is to manage transitions cost-effectively and with minimal disruption to portfolios.

BlackRock has a dedicated a team for transition management services in Asia ex-Japan, and our services include comprehensive fiduciary transition management, advisory services and interim asset management.

2. Cash Management

Over multiple interest rate cycles and varying market conditions, BlackRock has managed cash portfolios for corporations, banks, foundations, insurance companies and public funds. As a leader in this asset class, BlackRock has global liquidity assets across multiple currencies. With one of the most experienced teams in the industry, our firm is able to offer clients an investment approach that has been tested through time and a variety of solutions designed to meet the needs of today's cash investor.

3. Securities Lending

BlackRock Securities Lending offers investors the opportunity to unlock the full potential of their portfolios. Is it possible to seek both risk controls and attractive returns? We think so, and market data shows that we consistently achieve solid results for our securities lending clients.

Our coordinated investment management approach enables us to develop tools that help traders and portfolio managers optimize performance and extract premiums around corporate actions and index changes. Our fiduciary responsibility to our clients guides every aspect of our program, and has helped us to deliver positive lending income for all funds that have participated in the program since its inception in 1981.

4. Fixed Income Strategies

BlackRock's active fixed income strategies stretch across a range of investment styles and segments of the fixed income universe, including emerging markets debt, corporate credit, sovereign bonds and loans. Our portfolios employ an investment process which is research driven and blends disciplined portfolio construction with regular risk and performance review.

Our professionals identify unrecognized value in the fixed income markets through rigorous proprietary fundamental research that balances bottom-up research analysis with top-down investment themes. The investment decisions are made based on issuer and security selection, sector rotation, duration and yield curve strategies and currency strategies. In Asia, BlackRock has expertise to offer clients access to the full range of opportunities in the regional debt securities through its Singapore-based active fixed income team.

CHAPTER-5
“DATA COLLECTION
&
INTERPRETATION

Data Collection

Data collection is the process of gathering information from various sources to inform decision-making, analysis, and research. In the context of finance, data collection refers to the methods and tools used to collect information about company financial statements, competitors, market trends, and other relevant factors that impact financial strategies.

The data used in the research project (secondary data) gather from various websites available on internet. According to the strategy, implementation, investment, advisory, and risk management etc done by the BlackRock original Website. Before taking data it is compared among other Competitors companies.

2017

- Record \$367 billion of full year total net inflows reflects continued strength of diversified business model
- \$103 billion of fourth quarter net inflows, positive across active, index and iShares® and cash management
- 12% full year revenue growth driven by growth in base fees, performance fees, and technology and risk management revenue
- 15% increase in full year operating income (13% as adjusted) reflects operating margin expansion
- 59% increase in full year diluted EPS reflects net tax benefit from Tax Cuts and Jobs Act (17% as adjusted)
- Returned \$2.8 billion to shareholders in 2017
- Board of Directors approves 15% increase in quarterly cash dividend to \$2.88 per share

2018

- 2018 Compared with 2017 Revenue increased \$598 million, or 4%, from 2017, driven by growth in base fees and technology services revenue, partially offset by lower performance fees.
- Investment advisory, administration fees and securities lending revenue of \$11,553 million in 2018 increased \$685 million from \$10,868 million in 2017 reflecting the impact of organic growth and AUM acquired in the TCP and Citibanamex transactions on average AUM, partially offset by lower markets and previously announced pricing changes to select investment products. Securities lending revenue of \$627 million in 2018 compared with \$597 million in 2017.

- Investment advisory performance fees were \$412 million in 2018 compared with \$594 million in 2017, primarily reflecting lower revenue from liquid alternative and longonly products.
- Technology services revenue of \$785 million for 2018 increased \$128 million from \$657 million in 2017 reflecting higher revenue for institutional Aladdin, Aladdin Wealth and digital wealth and distribution technologies.
- Direct fund expense increased \$103 million from 2017, reflecting higher iShares ETFs average AUM.
- Restructuring expense of \$60 million, primarily comprised of severance and accelerated amortization expense of previously granted deferred compensation awards, was recorded in 2018 in connection with an initiative to modify the size and shape of the workforce.

2019

- Revenue increased \$341 million, or 2%, from 2018, primarily driven by higher base fees and 24% growth in technology services revenue
- Investment advisory, administration fees and securities lending revenue of \$11,777 million in 2019 increased \$224 million from \$11,553 million in 2018, reflecting the positive impact of market beta and foreign exchange movements, organic growth and acquisitions, partially offset by the negative impact of strategic price changes to certain products. Securities lending revenue of \$617 million in 2019 compared with \$627 million in 2018.
- Investment advisory performance fees of \$450 million in 2019 increased \$38 million from \$412 million in 2018, primarily reflecting higher revenue from illiquid and liquid alternative products, partially offset by lower revenue from long-only equity products.
- Technology services revenue of \$974 million for 2019 increased \$189 million from \$785 million in 2018, primarily reflecting the impact of the eFront Transaction and higher revenue from Aladdin.
- Employee compensation and benefits expense increased \$150 million, or 3%, to \$4,470 million in 2019 from \$4,320 million in 2018, primarily reflecting higher headcount, higher performance fees and higher deferred compensation expense. Employees at December 31, 2019 totaled approximately 16,200 compared with approximately 14,900 at December 31, 2018.
- General and administration expense increased \$120 million from 2018, reflecting higher technology expense, higher product launch costs, the impact of the eFront Transaction and the impact of foreign exchange re-measurement expense.

2020

- GAAP. Operating income of \$5,695 million increased \$144 million and operating margin of 35.1% decreased 310 bps from 2019. Operating income and operating margin reflected higher base fees, performance fees and technology services revenue, which were more than offset by higher expense, including the impact of \$589 million related to the Charitable Contribution, higher compensation and benefits expense, and higher product launch costs in 2020.
- Product launch costs in 2020 included \$87 million and \$83 million associated with the close of the \$2.3 billion BlackRock Health Sciences Trust II and the \$2 billion BlackRock Capital Allocation Trust, respectively. Product launch costs for 2019 included \$61 million associated with the close of the \$1.4 billion BlackRock Science and Technology Trust II
- Nonoperating income (expense), less net income (loss) attributable to noncontrolling interests (“NCI”), increased \$289 million from 2019 driven by the impact of a pre-tax gain of approximately \$240 million in connection with a recapitalization of iCapital Network, Inc. (“iCapital”) and \$122 million pre-tax gain related to the Charitable Contribution, partially offset by lower mark-to-market gains on unhedged seed capital investments and lower interest income.
- Income tax expense for 2020 included a discrete tax benefit of \$241 million recognized in connection with the Charitable Contribution, partially offset by a noncash net expense of approximately \$79 million associated with the revaluation of certain deferred income tax assets and liabilities
- Operating income, as adjusted, includes non-GAAP expense adjustments. In 2020, the Charitable Contribution expense of \$589 million has been excluded from operating income, as adjusted, due to its nonrecurring nature.

2021

- GAAP. Operating income of \$7,450 million increased \$1,755 million and operating margin of 38.5% increased 340 bps from 2020. Increases in operating income and operating margin reflected the impact of \$589 million related to the previously reported charitable contribution of BlackRock’s remaining 20% stake in PennyMac Financial Services, Inc. (the “Charitable Contribution”) during 2020.
- Operating income and operating margin also reflected higher base fees and technology services revenue, partially offset by higher expense, including higher compensation and benefits expense, and higher product launch costs in 2021.
- Product launch costs in 2021 included \$178 million associated with the March 2021 close of the \$4.9 billion BlackRock Innovation and Growth Trust and \$99 million primarily associated with the September 2021 close of the BlackRock ESG Capital Allocation Trust.

- Product launch costs in 2020 included \$87 million and \$83 million associated with the close of the \$2.3 billion BlackRock Health Sciences Trust II and the \$2 billion BlackRock Capital Allocation Trust, respectively. Operating income and operating margin also reflected \$28 million of noncash occupancy expense related to the lease of office space for the Company's future headquarters located at 50 Hudson Yards in New York
- Nonoperating income (expense) less net income (loss) attributable to NCI decreased \$56 million from 2020, reflecting the impact of a pre-tax gain of approximately \$240 million in connection with a recapitalization
- iCapital and \$122 million pre-tax gain related to the Charitable Contribution during 2020, partially offset by the impact of non-cash gains related to iCapital and Scalable Capital and higher net unrealized gains on the Company's private equity co-investment portfolio during 2021
- Income tax expense for 2021 reflected a \$126 million noncash net expense related to the revaluation of certain deferred tax assets and liabilities, as a result of legislation enacted in the UK increasing its corporate tax rate and state and local income tax changes. Income tax expense for 2021 also reflected \$43 million of discrete tax benefits related to stock-based compensation awards
- Income tax expense for 2020 included a discrete tax benefit of \$241 million recognized in connection with the Charitable Contribution, partially offset by a noncash net expense of approximately \$79 million associated with the revaluation of certain deferred income tax assets and liabilities related to the legislation enacted in the UK increasing its corporate tax rate and state and local income tax changes.

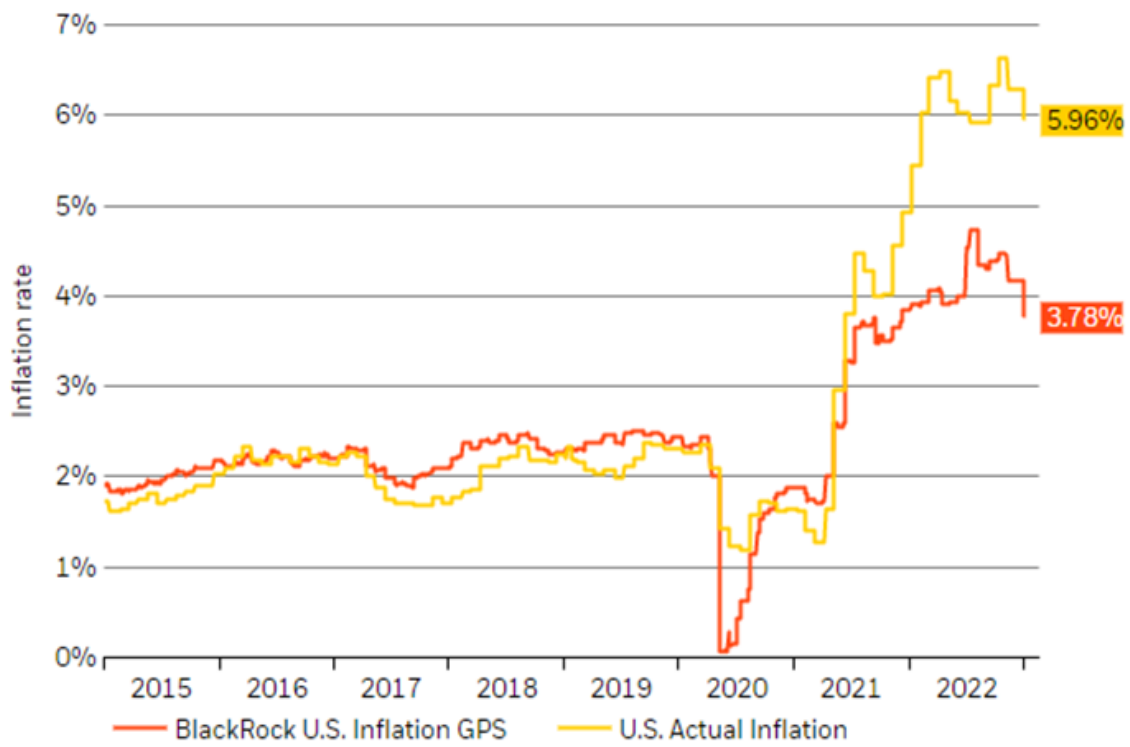
2022

- Total net inflows of \$540 billion, positive across all client types, investment styles and regions, represented organic asset growth of 6%, compared to Traditional Peers(2) who generated, on average, 2% organic asset growth; • Technology services revenue grew 12% year-over-year, reflecting continued strong client demand for Aladdin's end-to-end, cloud-based solution; and • Total revenue increased 20% from 2020 to \$19.4 billion
- Annual dividend of \$16.52 per share reflected an increase of 14% from \$14.52 in 2020; and
- \$1.2 billion of shares were repurchased during 2021.
- Operating income, as adjusted, of \$7.5 billion was up 19% from 2020; and • Our 2021 operating margin, as adjusted, reflected strong organic base fee growth and market beta, partially offset by higher expenses, including compensation.
- Robust organic growth across our entire business and higher non-operating income, partially offset by a higher tax rate in 2021, drove a 16% increase in earnings per share.

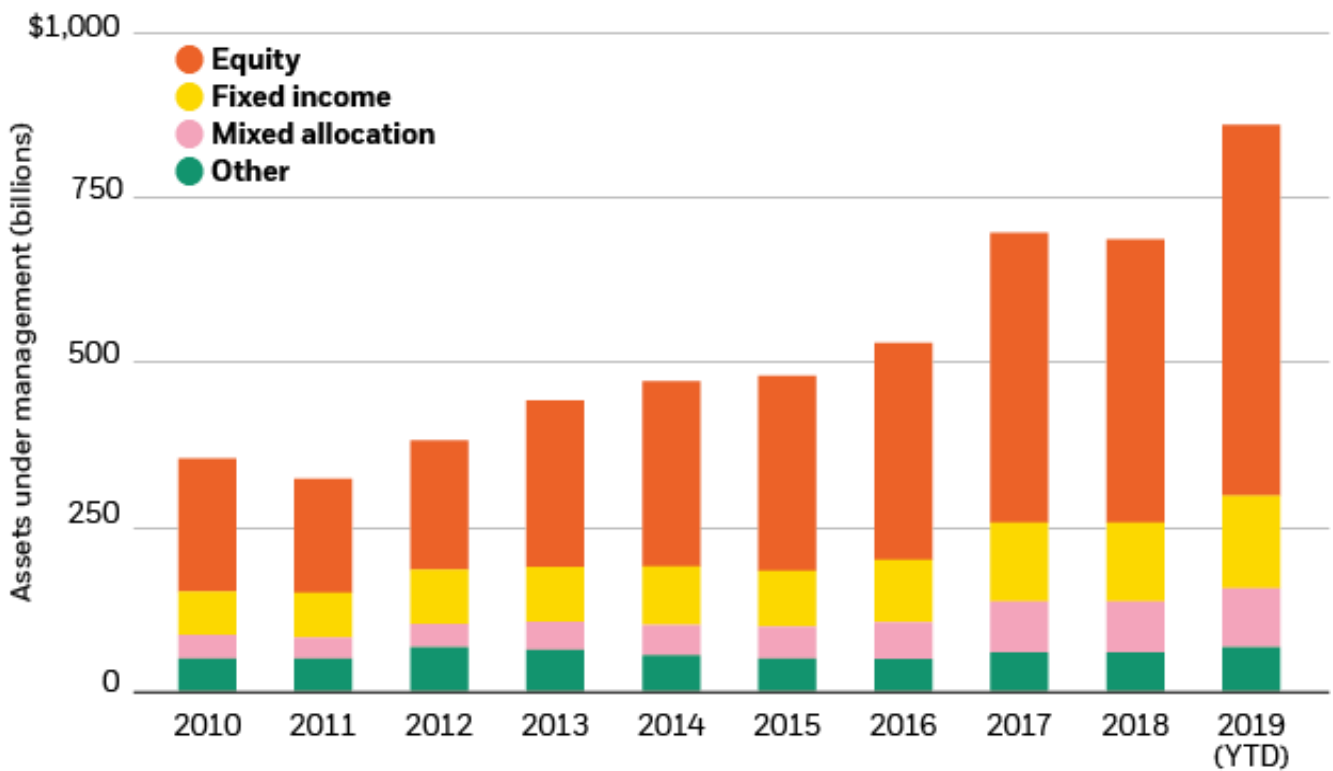
- BlackRock's 2021 results demonstrated the broad-based strength of our business. We generated a record \$540 billion of total net inflows for the full year, representing 6% organic asset growth and 11% organic base fee growth. Strong growth across our entire business drove record financial results. BlackRock grew revenue by 20%, operating income, as adjusted, by 19% and EPS, as adjusted, by 16% year-over-year, and expanded our margin and returned approximately \$3.7 billion to shareholders

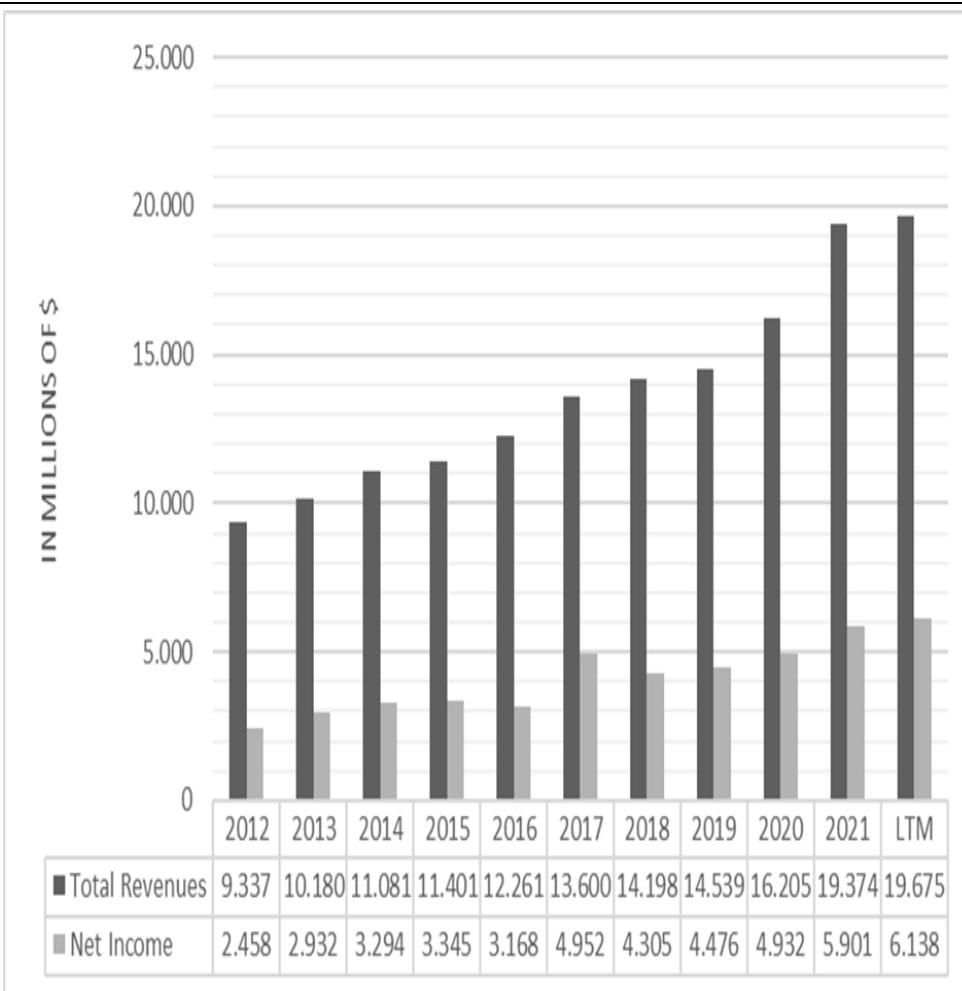
INTERPRETATION

EQUITY MARKET OUTCOME



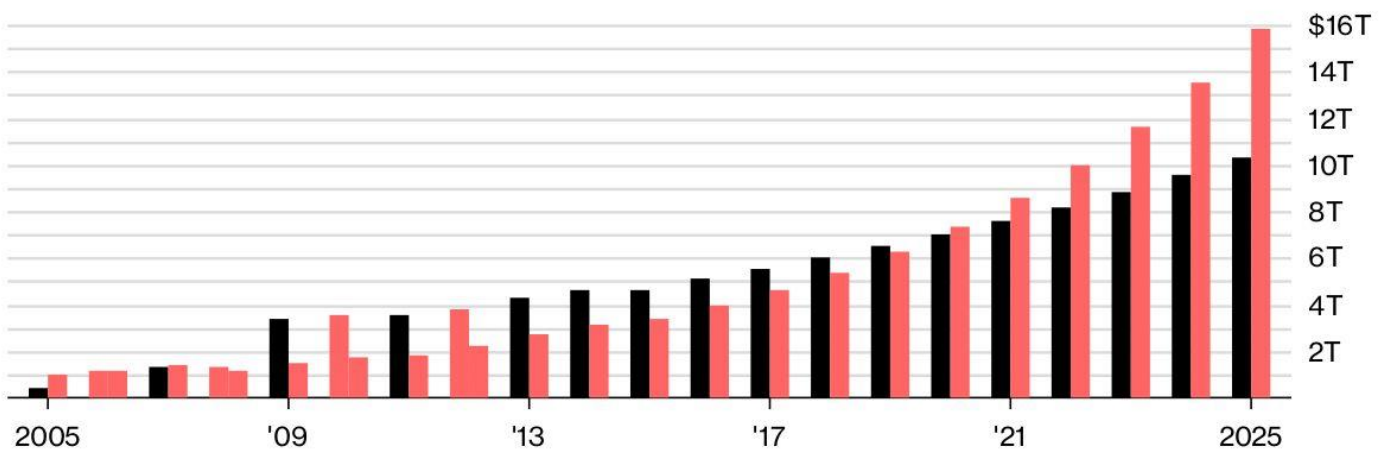
ESG FIXED INCOME





Racing to \$20 Trillion

■ BlackRock ■ Vanguard



Note: Figures reflect year-end assets under management data compiled by Bloomberg. Projections based on five-year average annual growth rate in assets from 2011 -2016.

Bloomberg

Customer Relation

- The fiduciary mindset is the bedrock of our identity. It reflects our integrity and the unbiased advice we give our clients.
- And it's what inspires us to come to work every day and help people build better futures. 24/7 support.
- In everything BlackRock Company do from the investment performance they deliver to the technology they develop – they are emotionally invested in our clients' futures.
- BlackRock Company are long-term thinkers, focused on helping people build a better tomorrow. BlackRock are deeply invested in the success of all of their stakeholders – their clients, their employees, their shareholders, and the communities where they operate – and they run their business sustainably and responsibly.
- BlackRock Company mainly invest in for their clients, advocate for sustainable and responsible business practices that drive long-term value.

Competition

- The BlackRock Company Main Competitors Are BNP Paribas, Credit Suisse, And Goldman Sachs.
- **Fidelity Investments** - BlackRock's main competitor is Fidelity Investments. Boston, Massachusetts-based Fidelity Investments was formed in 1946. Fidelity Investments is a company that works in the Investment Banking and Broking sector. In comparison to BlackRock, it employs 23,600 people.
- **Franklin Templeton** - One of BlackRock's main rivals is Franklin Templeton. In 1947, It was created in San Mateo, California as a public entity. The Investment Banking & Broking sector is where it competes. Compared to BlackRock, it has 4,300 fewer staff.
- **Carlyle's** - Carlyle is BlackRock's third-largest competitor. It was created in 1987 in Washington, D.C. It works in the Asset & Fund Management sector. It earns \$11.9 billion less than BlackRock
- BNP Paribas has the most employees (193,000). Employees at BNP Paribas earn more than most of the competitors, with an average yearly salary of \$110,415. The oldest company is State Street, founded in 1792.
- BlackRock revenue is \$19.4B. Among it's competitors, the company with the highest revenue is Morgan Stanley, \$48.2B . The company with the lowest revenue is MFS Investment Management, \$500.0M.
- BlackRock's brand is ranked 602 in the list of Global Top 1000 Brands, as rated by customers of

BlackRock. Their current market cap is \$108.30B. Morgan Stanley's brand is ranked 199 in the list of Global Top 1000 Brands, as rated by customers of Morgan Stanley.

- A positive number in that column indicates Goldman Sachs Group Inc's market cap was higher than that of Blackrock Inc.

Impact on Society

Social Impact at BlackRock has two distinct pillars. The BlackRock Foundation focuses on helping people build financial security and participate in the low-carbon transition. By partnering with leading organizations, the Foundation invests in solutions that can be scaled to drive systems-level change. Our employee engagement programs focus on the role our employees play to drive local impact and address the needs in our communities. That's why we invest in the issues that matter to them and in their potential to use their skills, networks and innovative thinking to make a meaningful contribution to society.

In 2021, BlackRock made progress in its operational environmental sustainability strategy by employing energy efficiency strategies, achieving its 100% renewable electricity goal,¹ and compensating for those emissions the firm could not otherwise eliminate through the purchase of high-quality carbon credits.

BlackRock's sustainable investing team is focused on identifying drivers of long-term return associated with environmental, social, and governance (ESG) issues; integrating them throughout BlackRock's investment process; and creating solutions for our clients to help achieve sustainable investment returns.

The BlackRock Foundation's \$100M 5-year investment in Breakthrough Energy's Catalyst Program will help bring vital clean energy solutions forward – at scale – to bring the world closer to net zero and mitigate the uneven impact of climate change on communities.

BlackRock is leveraging its investment expertise and resources to spur innovation and accelerate the decarbonization solutions that will help society prosper.

“At BlackRock, we have an opportunity, a responsibility even, to make a positive difference to society.”

-Larry Fink

Founder, Chairman and CEO, BlackRock

Positive impacts:

- Global online educational platform - The Company partners with over 200 universities and organizations to create educational content.
- A leading technology and digital payment company - Through its digital payment platform and processor, the company empowers small and medium enterprises and consumers.
- Largest online commerce and payment ecosystem in Latin America - Largest in scale by volume, the company empowers e-commerce, digital and mobile payments in Latin America, which support entrepreneurship, economic growth and social mobility.
- It has a positive impact by bringing health-care innovation to many underserved populations and delivering improved health care for patients. BlackRock continue to monitor the company's practices and regularly engage with management.
- The BlackRock Social Impact team deployed the firm's \$50 million philanthropic COVID-19 contribution to support relief and recovery efforts around the world, including the expansion of testing in vulnerable countries to build long-term resiliency.
- The BlackRock Foundation collaborated with 75+ partners and committed more than \$125 million to advance sustainability and help thousands of people across the world build financial security, including giving \$100 million to Breakthrough Energy's Catalyst Program for investments focused on clean energy technologies to help the world transition to a net-zero economy. It create a positive impact on the world.

Negative impacts:

- BlackRock is also driving climate injustice around the world through its investments in companies whose operations threaten Indigenous communities on their lands through industrial activity and intimidation, abuse of Indigenous territorial rights, and displacement of communities from their ancestral homes.
- BlackRock is also the largest investor in companies tied to deforestation all around the world. While BlackRock has said that it will take steps on deforestation, it has given little indication of plans to address Indigenous rights.
- BlackRock has the power, authority, and duty to lead on a just climate transition. But with its huge fossil fuel portfolio and its insufficient actions on climate, BlackRock may be doing more than any other corporate actor to continue to prop up and drive this crisis.
- BlackRock is financing the fossil fuel industry whose operations are harming frontline communities around the world.
- BlackRock is a top investor in many gun and weapons manufacturers that sell weapons designed to kill people as efficiently as possible, with consequences that are hard to ignore.
- BlackRock's investment activity and governance practices drive business operations that directly harm Black and Indigenous communities and people of color around the world.

Limitation of Study

1. Limitation of time for Research study.
2. Not having much information of Company.
3. Their some information are which confidential in nature than cannot be availed for the purpose of study.
4. The project is not provided to much Financial strategy of company.

CHAPTER-6
“COMPANY STRUCTURE”

COMPANY STRUCTURE

Company structure refers to the organization of a company's management, employees, and departments. It is the framework that defines the roles and responsibilities of individuals within the company and how they work together to achieve the company's goals. The company structure can have a significant impact on the company's culture, decision-making processes, and overall success. A well-designed company structure can enable efficient communication, collaboration, and productivity, while a poorly designed structure can lead to inefficiencies, confusion, and reduced performance. A company's structure can vary depending on its size, industry, and goals. This structure can be hierarchical, flat, matrixed, or decentralized, among others. In this context, we will explore the company structure of BlackRock Company, to understand how its organizational structure has contributed to its success in the industry

BlackRock operates with a decentralized organizational structure that empowers its employees to make independent decisions and work collaboratively towards common goals. Here are the key components of BlackRock company structure:

- **Leadership:** BlackRock Company is led by its founder and CEO, Larry Fink, who provides the overall strategic direction and vision for the company. He is supported by a team of experienced executives and managers who oversee various aspects of the company's operations.
- **Departments:** BlackRock Company has several departments that are responsible for different aspects of the business, including content development, technology, sales and marketing, customer support, and finance.
- **Teams:** Within each department, BlackRock Company organizes its employees into smaller teams that work together to achieve specific goals. Each team is led by a manager who oversees the team's activities and ensures that they are aligned with the department's objectives.

- **Autonomy:** BlackRock encourages its employees to take ownership of their work and make independent decisions to achieve their goals. This autonomy is supported by a culture of collaboration, where employees are encouraged to work together to solve problems and achieve common goals.
- **Flat hierarchy:** BlackRock has a flat organizational hierarchy, which means that there are fewer levels of management and a shorter chain of command. This structure enables faster decision-making, greater collaboration, and more direct communication between employees and management.



CHAPTER-7
“CONCLUSION”

Conclusion

Some key conclusions about BlackRock Company are :

- BlackRock has evolved from a small startup to a global conglomerate. This market giant invests in experimenting in all areas, and as result, it owns shares and voting rights in several of Europe's largest firms, including those in energy, oil and gas, and, of course, banking
- The firm invests in the govt and central banks, issues public bonds, owns real estate, and serves as an auditor and mentor in addition to being a bondholder.
- You read that correctly. Blackrock has grown so successfully and is so trustworthy that sometimes the govt requests its assistance.
- BlackRock is one of the world's leading providers of investment, advisory and risk management solutions. We are a fiduciary to our clients. We're investing for the future on behalf of our clients, inspiring our employees, and supporting our local communities.

CHAPTER-8
“RECOMMENDATION
&
SUGGESTIONS”

Recommendation

Based on the fundamental analysis conducted, BlackRock appears to be a strong and well-managed investment management company with a leading position in the industry. The company has a strong financial performance, driven by its growing AUM and investment performance. Additionally, BlackRock has a broad product offering and global presence, which helps it maintain its market leadership position.

While the investment management industry is highly competitive and BlackRock faces challenges such as regulatory changes and the risk of losing market share to lower-cost competitors, the company's strong brand and reputation, as well as its focus on innovation and client service, should help it maintain its position in the industry.

Overall, based on the analysis, I would recommend BlackRock as a solid investment opportunity for long-term investors looking for exposure to the investment management industry. However, as with any investment, it is important to conduct further research and analysis, and consider factors such as individual risk tolerance and investment goals before making any investment decisions.

Suggestions

Some suggestions for BlackRock Company to further enhance its marketing strategy:

1. Develop a comprehensive marketing strategy to increase brand awareness.
2. Invest in digital marketing campaigns to reach a wider audience.
3. Utilize social media platforms to engage with customers and build relationships.
4. Create a loyalty program to reward customers for their loyalty.
5. Develop a customer service strategy to ensure customer satisfaction.

CHAPTER-9
“BIBLIOGRAPHY”

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