

Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of July 31, 2018

Investment approach

Blackstone Alternative Multi-Strategy Fund's ("Fund") investment objective is to seek capital appreciation. The Fund seeks this objective by allocating its assets among a variety of non-traditional or "alternative" investment strategies. Blackstone allocates the Fund's assets among investment sub-advisers with experience managing alternative investment strategies and among Investment Funds and also manages a portion of the Fund's assets directly. In pursuing the Fund's investment objective, Blackstone focuses on the preservation of capital and seeks to maintain an investment portfolio with, on average, lower volatility relative to the broader equity markets.

Fund highlights

Fund assets ⁶	\$6,165.28 million
Inception date	June 16, 2014
Investment advisor	Blackstone Alternative Investment Advisors, LLC
Eligible investors	US taxable & tax-exempt
Liquidity	Daily
CUSIP	09257V201

Fund terms (Share Class I)⁷

Management Fee	1.88%
Gross Expense Ratio	2.86%
Net Expense Ratio	2.20%

Portfolio managers

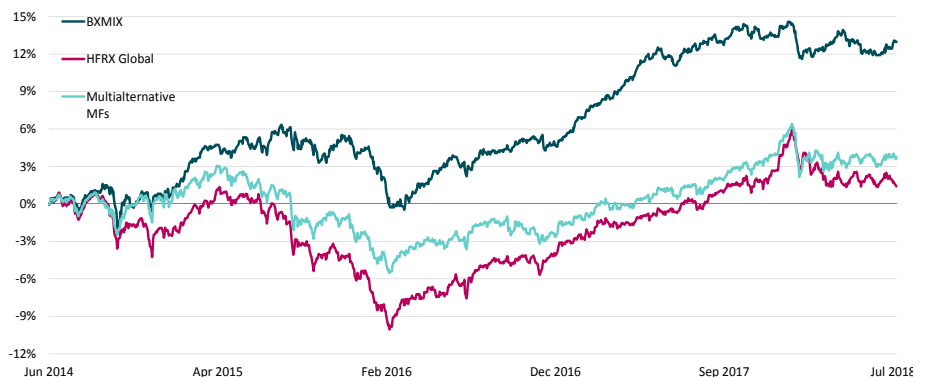
Name	Years at Blackstone
Gideon Berger	16.25 Years
Min Htoo	0.95 Year
Robert Jordan	6.99 Years
David Mehenny	7.76 Years
Ian Morris	8.25 Years
Alberto Santulin	15.25 Years
Stephen Sullens	17.17 Years

Fund net performance^{1,2,3}

	As of 06/30/2018				As of 07/31/2018				Inception to Date Statistics			
	June-18	YTD	1 Yr	ITD	July-18	YTD	1 Yr	ITD	St Dev.	Beta ⁽⁴⁾	Alpha ⁽⁵⁾	Sharpe
BXMIX	(0.09%)	(1.30%)	0.67%	2.83%	0.94%	(0.37%)	0.68%	3.00%	3.16%	-	-	0.77
MSCI World TR Index	(0.01%)	0.76%	11.70%	7.48%	3.15%	3.93%	12.49%	8.12%	10.99%	0.17	1.57%	0.69
Barclays Gbl Agg Index	(0.44%)	(1.46%)	1.36%	0.30%	(0.17%)	(1.62%)	(0.48%)	0.25%	4.95%	(0.10)	3.06%	(0.06)
HFRX Global Hedge Fund Index	(0.19%)	(0.85%)	2.47%	0.46%	(0.15%)	(1.00%)	1.38%	0.42%	3.54%	0.55	2.75%	(0.04)

1. Performance is presented through July 31, 2018. Net performance is net of the Gross Expense Ratio less waived expenses. Performance data quoted represents past performance and does not guarantee future results. All ITD statistics above are calculated using daily performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance data quoted. Additional information and performance data current to the most recent month-end is available at www.bxmix.com.

Alternative strategies cumulative net performance^{1,2}



2. None of the indices presented are benchmarks or targets for the Fund. Indices are unmanaged and investors cannot invest in an index. Please see end of document for additional disclosures regarding indices presented.

3. Inception to Date (ITD) statistics are as of BXMIX's inception on June 16, 2014 through the most recent month end.

4. Measures beta of BXMIX to the respective index.

5. Measures alpha of BXMIX to the respective index.

6. As of July 31, 2018.

7. Gross expense ratio represents the expense ratio applicable to investors. Net expense ratio represents the Specified Expenses as of March 31, 2018. "Specified Expenses" is defined to include all expenses incurred in the business of the Fund with the exception of: (i) distribution or servicing fees, (ii) acquired fund fees and expenses, (iii) brokerage and trading costs, (iv) interest payments (including any interest expenses, commitment fees, or other expenses related to any line of credit of the Fund), (v) taxes, (vi) dividends and interest on short positions, and (vii) extraordinary expenses (in each case, as determined in the sole discretion of the Adviser). Please see the Fund's Prospectus at www.bxmix.com.

Sub-adviser allocations¹

MANAGER	STRATEGY	SUB-STRATEGY	CURRENT ALLOCATION
HealthCor	Equity Hedge	Equity Long Short	27%
Cerebellum ⁽¹⁾	Equity Hedge	Equity Market Neutral	
Endeavour	Equity Hedge	Equity Market Neutral	
Two Sigma Advisers	Equity Hedge	Equity Market Neutral	
Bayview	Relative Value	Fixed Income - Asset Backed	17%
Cerberus ⁽¹⁾	Relative Value	Fixed Income - Asset Backed	
Good Hill	Relative Value	Fixed Income - Asset Backed	
Sorin	Relative Value	Fixed Income - Asset Backed	
Waterfall ⁽¹⁾	Relative Value	Fixed Income - Asset Backed	
Caspian	Event Driven	Distressed/Restructuring	12%
Boussard & Gavaudan	Event Driven	Multi-Strategy	
Magnetar ⁽³⁾	Event Driven	Risk Arbitrage	
Nephila ⁽¹⁾	Event Driven	Reinsurance	
Emso	Macro	Discretionary Thematic	45%
H2O	Macro	Discretionary Thematic	
NWI ⁽³⁾	Macro	Discretionary Thematic	
GSA	Macro	Systematic Diversified	
IPM	Macro	Systematic Diversified	
D.E. Shaw	Multi-Strategy	N/A	
BAIA-Direct ⁽²⁾	Multi-Strategy	N/A	

The list of sub-advisers and target allocations above is subject to change.

Please check the prospectus for the most up-to-date list of sub-advisers. Sub-strategy allocations exclude exposures to Fund level cash, hedging and expenses and are adjusted pro-rata to equal 100%. Subadviser allocations do not represent investment exposure. For details of investment exposure, including leverage, please see the Monthly Exposure Report and Commentary, which is available at www.bxmixon.com.

1. Sub-adviser is not currently managing any Fund assets. Allocations may change at any time without notice.

2. BAIA manages a portion of the Fund's assets directly. Such investments include allocations to BAIA's systematic risk premia trading strategy and funds managed by Glenview Capital Management LLC, and may include other opportunistic trades in the future. BAIA's fees on directly managed assets are not reduced by a payment to a sub-adviser.

3. Blackstone and its affiliates have financial interests in asset managers. Any allocation by Blackstone to a subsidiary or other affiliate benefits The Blackstone Group L.P. and any redemption or reduction of such allocation would be detrimental to The Blackstone Group L.P., creating potential conflicts of interest in allocation decisions. For a discussion of this and other conflicts, please see the Additional Disclosure section at the end of this document.

Monthly net performance⁴

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	-	-	-	-	-	0.50%	(0.40%)	0.90%	0.30%	(0.59%)	0.30%	(0.19%)	0.80%
2015	0.70%	1.88%	0.97%	(0.39%)	1.26%	(1.15%)	1.93%	(1.04%)	(0.67%)	0.29%	0.48%	(0.71%)	3.55%
2016	(2.17%)	(2.22%)	1.45%	1.32%	0.90%	(0.50%)	1.10%	(0.00%)	0.89%	0.00%	(0.20%)	0.85%	1.35%
2017	1.67%	0.77%	0.96%	1.52%	1.12%	(1.01%)	0.93%	0.92%	(0.09%)	0.92%	(0.64%)	(0.05%)	7.20%
2018	0.28%	(1.30%)	0.38%	0.94%	(1.49%)	(0.09%)	0.94%						(0.37%)

4. Performance is presented through July 31, 2018. Net performance is net of the Gross Expense Ratio less waived expenses. Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance data quoted. Additional information and performance data current to the most recent month-end is available at www.bxmixon.com. BXMIX launched on June 16, 2014 and thus performance for June 2014 is limited to June 16 through June 30.

All investors should consider the investment objectives, risks, charges and expenses of BXMIX, Class I carefully before investing. The prospectus and the summary prospectus contain this and other information about BXMIX and are available on BXMIX's website at www.bxmixon.com. All investors are urged to carefully read the prospectus and the summary prospectus in its entirety before investing.

Glossary of Terms

Beta: A measure of the volatility, or systemic risk, of a security or a portfolio in comparison to the market as a whole. **Volatility/Standard Deviation:** A measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is calculated as the square root of variance. **Sharpe Ratio:** A ratio to measure risk-adjusted performance. The Sharpe ratio is calculated by subtracting the risk-free rate – such as that of the 90 day T-Bill – from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been. **Alpha:** A risk-adjusted performance measure that represents the average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return.

Important Risks

An investment in BXMIX, Class I should be considered a speculative investment that entails substantial risks; you may lose part or all of your investment or your investment may not perform as well as other investments. BXMIX's investments involve special risks including, but not limited to, loss of all or a significant portion of the investment due to leveraging, short-selling, or other speculative practices, lack of liquidity and volatility of returns. The following is a summary description of certain additional principal risks of investing in BXMIX: **Allocation Risk** – Blackstone's judgment about the attractiveness, value or market trends affecting a particular asset class, investment style, sub-adviser or security may be incorrect and this may have a negative impact upon performance. **Derivatives Risk** – the use of derivatives involves the risk that their value may not move as expected relative to the value of the relevant underlying assets, rates, or indices. Derivatives can be subject to counterparty credit risk and may entail investment exposure greater than their notional amount. **Distressed Securities Risk**

- investments in securities of business enterprises involved in workouts, liquidations, reorganizations, bankruptcies and similar situations involve a high degree of risk of loss since there is typically substantial uncertainty concerning the outcome of such situations. **Event-Driven Trading Risk** – involves the risk that the specific event identified may not occur as anticipated and that this may have a negative impact upon the market price of the securities involved. **Foreign Investments/ Emerging Markets Risk** - involves special risks caused by foreign political, social and economic factors, including exposure to currency fluctuations, less liquidity, less developed and less efficient trading markets, political instability and less developed legal and auditing standards. **High Portfolio Turnover Risk** - active trading of securities can increase transaction costs (thus lowering performance) and taxable distributions. **Model and Technology Risk** – involves the risk that model-based strategies, data gathering systems, order execution and trade allocation systems and risk management systems may not be successful on an ongoing basis or could contain errors, omissions, imperfections or malfunctions. **Multi-Manager Risk** - managers may make investment decisions which conflict with each other and as a result, the Fund could incur transaction costs without accomplishing any net investment result. **Leverage Risk** – borrowing money or engaging in transactions that create investment leverage can produce volatility and may exaggerate changes in the net asset value of Fund shares.

The following information has not been provided in a fiduciary capacity under ERISA, and it is not intended to be, and should not be considered as, impartial investment advice. If you are an individual retirement investor, contact your financial advisor or other fiduciary unrelated to BAIA about whether any given investment idea, strategy, product or service described herein may be appropriate for your circumstances.

Prepared by Blackstone Advisory Partners L.P., a member of FINRA and an affiliate of Blackstone Alternative Investment Advisors LLC, the investment adviser of the Fund.

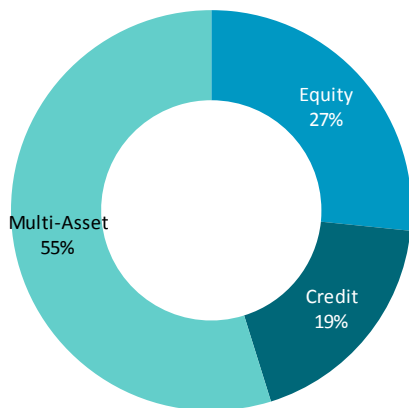
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As of July 31, 2018

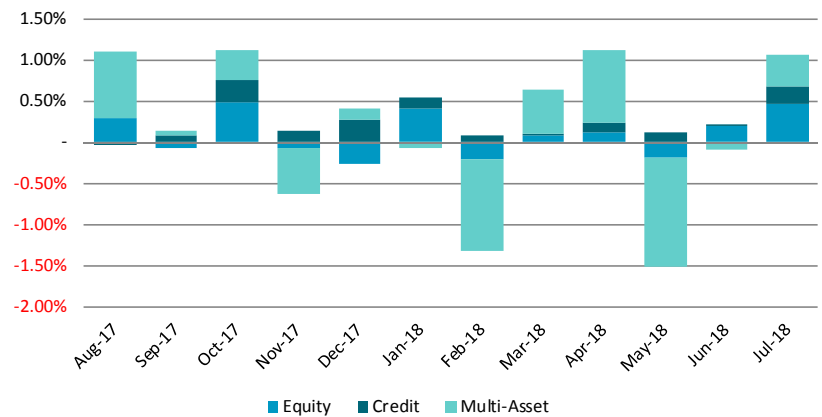
Performance summary^{1,2,3}

Sub-Strategy Performance	Allocation at 7/31/2018	MTD		QTD		YTD		Trailing 12 Months		ITD Cumulative Performance	
		Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution
Equity	26.63%	1.48%	0.47%	1.48%	0.47%	2.86%	0.91%	4.26%	1.31%	29.08%	9.96%
Credit	18.55%	0.97%	0.22%	0.97%	0.22%	3.23%	0.71%	6.73%	1.48%	28.26%	8.18%
Multi-Asset	54.82%	0.58%	0.37%	0.58%	0.37%	-1.31%	-0.81%	0.06%	-0.04%	12.31%	4.53%
Cash & Other			-0.12%		-0.12%		-1.18%		-2.06%		-9.69%
Net Return			0.94%		0.94%		-0.37%		0.68%		12.98%

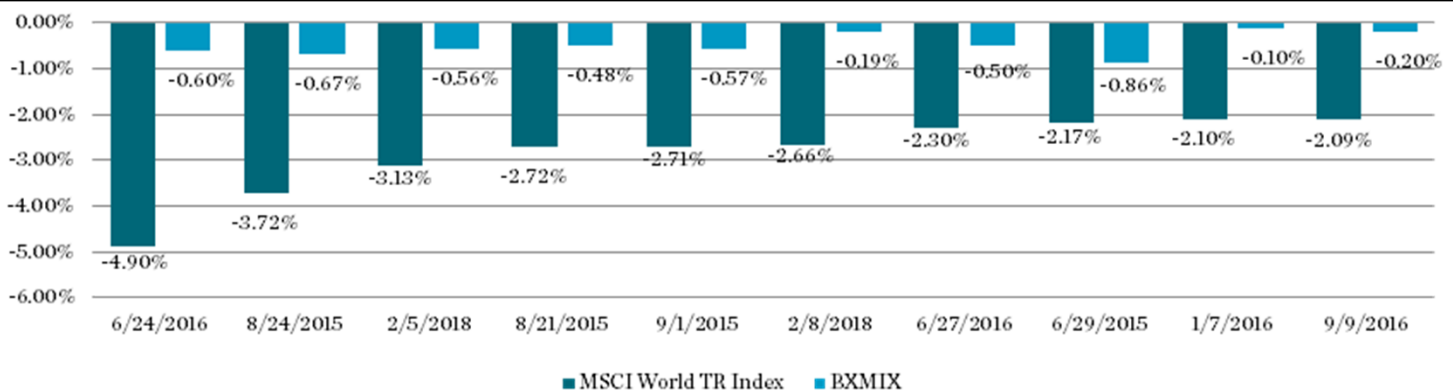
Sub-strategy summary³



Trailing 12 month sub-strategy attribution^{1,3}



BXMIX performance on worst 10 trading days for MSCI World since inception⁴

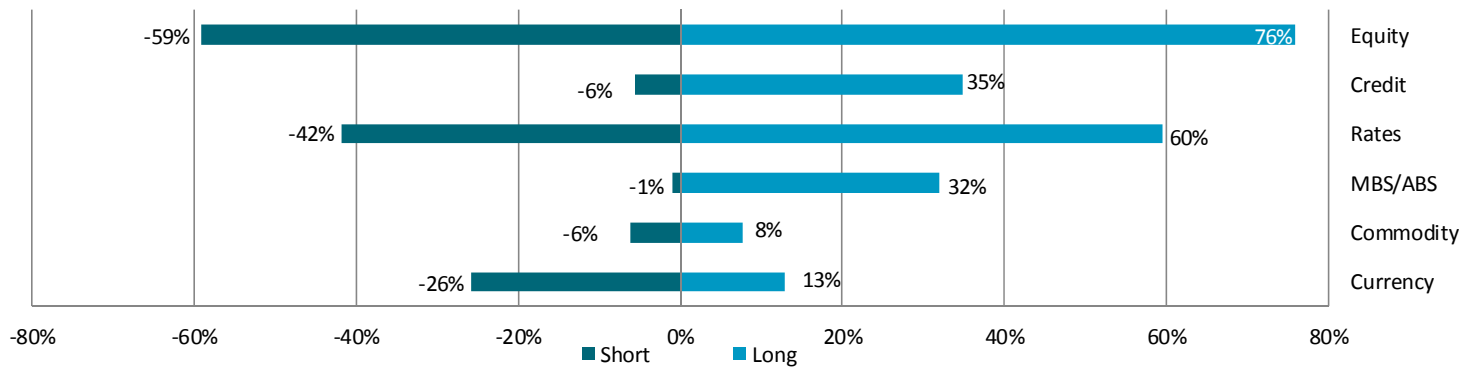


Because of the broadly diversified and low beta nature of the portfolio, BXMIX is not expected to participate in the full upside of broader equity markets. From 06/16/14 to 6/30/18, on the ten best MSCI World TR trading days, the average daily returns for the MSCI World TR and BXMIX were 2.12% and 0.41% respectively. The MSCI World TR is not a benchmark or target for the Fund. Please see important Disclosure Information at the end of this presentation.

Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Strategy attribution is presented on a gross basis as Blackstone fees are applied at the Fund level and not at the strategy level. ITD net return is cumulative not annualized. Information about BXMIX, including current month-end performance, is available on BXMIX's website at www.bxmix.com or by calling 855-890-7725. Data is from June 16, 2014 to July 31, 2018.

- Sub-strategy performance is shown gross of all fees and expenses. Performance is estimated and unaudited.
 - Equity is comprised of Equity Long/Short, Equity Market Neutral; Credit is comprised of Fixed Income – Asset Backed, Fixed Income – Corporate, Distressed/Restructuring; Multi-Asset is comprised of Discretionary Thematic, Systematic Diversified, Risk Arbitrage, Multi-Strategy
 - Sub-strategy allocations exclude exposures to Fund level cash, hedging and expenses and are adjusted pro-rata to equal 100%.
 - Indices are provided for illustrative purposes only. They have not been selected to represent appropriate benchmarks for the Fund, but rather are disclosed to allow for comparison of the Fund's performance to that of well-known and widely recognized indices. Indices are unmanaged and investors cannot invest in indices. Please see important Disclosure Information at the end of this presentation.
- The definitions and disclosures appearing at the end of this document are an integral part of this presentation and should be read in their entirety for a complete understanding of the information contained herein.

Asset class exposure¹



Geographic exposure¹

	Long	Short	Net
US/Canada	129.96%	68.88%	61.08%
Core Europe	60.14%	48.38%	11.76%
Peripheral Europe	3.46%	1.05%	2.41%
Lat. Am./Caribbean	6.84%	1.14%	5.70%
Middle East/Africa	2.60%	2.55%	0.05%
Japan	6.06%	4.01%	2.05%
Asia general	9.86%	8.59%	1.28%
China/HK/Taiwan	3.83%	4.87%	-1.04%
Total	222.76%	139.48%	83.29%

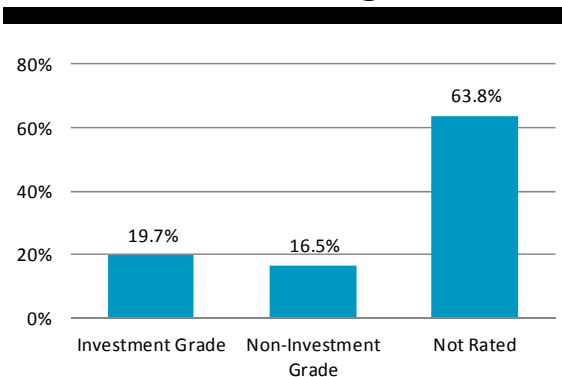
Currency exposure¹

Region	Long	Short	Net
Asia general	2.27%	1.45%	0.82%
China/HK/Taiwan	0.00%	0.26%	-0.26%
Core Europe	6.34%	18.36%	-12.02%
Japan	2.07%	2.26%	-0.19%
Latin America	0.05%	0.44%	-0.39%
Middle East/Africa	0.00%	1.16%	-1.16%
Peripheral Europe	0.09%	0.32%	-0.23%
US/Canada	2.06%	1.51%	0.55%
Total	12.88%	25.77%	-12.89%

Equity exposure – sector breakdown¹

	Long	Short	Net
Energy	1.75%	2.81%	-1.07%
Materials	1.53%	1.20%	0.33%
Industrials	4.55%	1.98%	2.57%
Consumer Discretionary	6.23%	6.29%	-0.05%
Consumer Staples	2.74%	1.89%	0.85%
Health Care	12.74%	5.74%	7.00%
Financials	8.73%	6.60%	2.12%
Real Estate	0.91%	1.49%	-0.58%
Information Technology	8.77%	6.94%	1.83%
Telecommunication Services	1.18%	0.89%	0.30%
Utilities	1.34%	0.55%	0.79%
Index**	22.02%	22.69%	-0.67%
Unclassified***	3.46%	0.00%	3.46%
Total	75.95%	59.08%	16.87%

Fixed income ratings^{1,2}



1. In the case of non-interest rate instruments, exposure data represents the delta adjusted market value. In the case of interest rate products, exposure data is represented by the 10-year equivalent instrument. Positions of unknown type (if any) are excluded from exposure data. The Fund does not guarantee the accuracy of such data.

2. Positions of unknown type (if any) are excluded from exposure data. Data is obtained from StateStreet, the administrator for the Fund. The Fund does not guarantee the accuracy of such data. Using the higher Standard & Poor's ("S&P's") and/or Moody's Investor Service ("Moody's") ratings. Investment grade is a rating of a bond that has a relatively low risk of default. Investment grade are bonds rated above BBB- for S&P and Baa3 for Moody's. Non-investment grade is below Investment grade to D.

*Comprised of index futures, options on index futures, ETFs, and ETF options

**Do not have a GICS sector assigned

July Market Commentary

On July 27th, the U.S. Bureau of Economic Analysis released its estimate of second quarter GDP growth for the United States. The Bureau's estimate of 4.1% is the highest reading since 2014, marking a meaningful divergence from the rate exhibited over the course of the current economic expansion. In fact, from Q3 2009 through Q1 2018, GDP growth has averaged only a meager 2.3%¹. The recent uptick in growth has sparked a debate about whether its driving forces, namely consumer and business spending, are sustainable. While the durability of growth in the world's largest economy remains to be seen, such strong near-term readings may offer investors compelling investment opportunities along with a number of threats to portfolios.

If this GDP figure represents an inflection point for the current expansion, investors may be forced to reacquaint themselves with two potentially disruptive forces which have been largely absent to date: higher interest rates and higher inflation. In recent months, we have spent considerable time discussing the potentially adverse impact of rising rates on fixed income portfolios. As rates increase, the value of fixed income portfolios may decline as buyers are attracted to higher yielding investments. As we have also mentioned, interest rates are influenced by the Federal Reserve's ("Fed") Federal Funds rate, which the Fed will increase or decrease depending on their interpretation of the strength of the economy. A strong GDP reading generally supports higher interest rates, and one can reasonably expect the Fed to continue to raise rates, as is widely anticipated by markets.

Also supportive of higher interest rates are higher levels of inflation. While the Fed attempts to support stable economic growth, it also attempts to support stable inflationary levels. Inflation that is interpreted to be too low will warrant accommodative Fed policies (as seen throughout this recovery) and inflation that is too high will warrant restrictive Fed policies. Given how anemic inflation has been dating back to the Global Financial Crisis, runaway inflation has not been a concern. Notably, the opposite has largely been true, and the Fed has concentrated on deploying its resources to support stronger inflation. After years of accommodative efforts, it looks as though inflation is finally beginning to take root. On July 12th, the United States Bureau of Labor Statistics released its summary of the Consumer Price Index, a widely observed reading of U.S. inflation which measures the change in daily prices paid by consumers for goods and services. The report cited an increase in inflation of 2.9% year-over-year, the highest such reading since February 2012². Of course, this does not begin to approach the 5%+ readings from mid-2008 or the IMF's projected 1,000,000% inflation in Venezuela this year³, but it is notable nonetheless, and investors and the Fed alike have begun to take a closer look.

To illustrate this point, the following chart compares the number of inflation mentions in July 2018's Summary of Commentary on Current Economic Conditions, more commonly known as the Beige Book, against those of July Beige Books in the previous five years. As you will see, the previous five years' releases averaged six inflation mentions, whereas the Fed mentioned inflation 15 times in this year's July edition⁴.

¹ Source: U.S. Bureau of Economic Analysis.

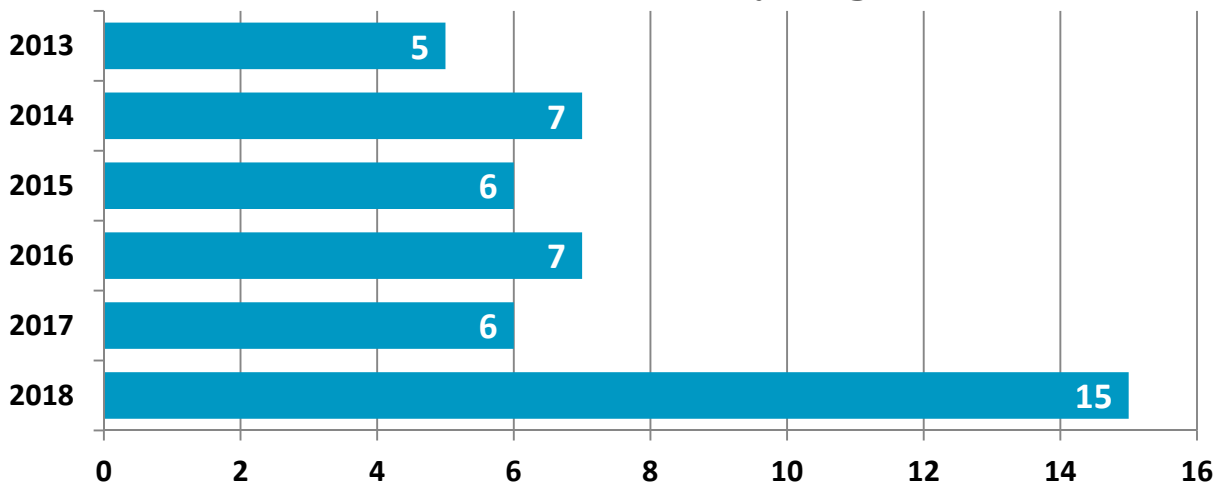
² Source: U.S. Bureau of Labor Statistics.

³ Source: "Outlook for the Americas: A Tougher Recovery," IMF Blog, July 2018.

⁴ Source: U.S. Federal Reserve, Blackstone.

Opinions expressed reflect the current opinions of BAIA as of the date of this material only. Past performance may not be a reliable guide to future performance. The value of BXMIX shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The Fund may shift allocations among sub-advisers, strategies and sub-strategies at any time. Certain of the information provided herein has been obtained from or derived from the Fund's sub-advisers. BAIA does not guarantee the accuracy or completeness of such information.

"Inflation" Mentions in July Beige Book



Taken together, an improved GDP reading in the second quarter and higher inflation in June depict a strengthening economy, a bullish signal for investors in risk assets. That said, faster growth carries implications regarding how quickly the Fed will increase interest rates and how quickly inflation will increase. The impact that such factors can have on portfolio values and purchasing power are important to understand and evaluate. Given these factors, investors should consider conducting a thorough investigation of their fixed income portfolios' duration, a measure of interest rate sensitivity, and quantify the impact that higher prices on everyday items could have on their income needs.

Review of July Fund Performance

The investment objective of the Blackstone Alternative Multi-Strategy Fund (the "Fund") is to seek capital appreciation. The Fund aims to achieve its objective by allocating assets among a variety of investment sub-advisers, each with experience managing non-traditional or "alternative" investment strategies and by managing assets directly (via BAIA⁵). In July, the Fund's Class I share class returned 0.94%⁶ net of fees and expenses versus 3.72% and 3.15% for the S&P 500 and MSCI World indices, respectively and versus -0.17% for the Barclays Global Aggregate Bond Index⁷.

Equity Strategies

None of the indices presented are benchmarks or targets for the Fund. Please see important Disclosure Information at the end of this presentation.

⁵ BAIA manages a portion of the Fund's assets directly. Such investments presently include allocations to BAIA's systematic risk premia trading strategy and funds managed by Glenview Capital Management LLC, and may include other opportunistic trades in the future. BAIA's fees on directly managed assets are not reduced by a payment to a sub-adviser.

⁶ Performance is shown net of the Gross Expense Ratio less waived expenses for Class I shares. Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance data above. Information is estimated and unaudited. For a summary of Fund performance of other share classes, please refer to the Fund's website: www.bxmix.com.

⁷ Indices are provided for illustrative purposes only. They have not been selected to represent appropriate benchmarks for the Fund, but rather are disclosed to allow for comparison of the Fund's performance to that of well-known and widely recognized indices. The indices may include holdings that are substantially different than investments held by the Fund and do not reflect the strategy of the Fund. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that may differ from the Fund. The indices do not reflect the deduction of fees or expenses. In the case of equity indices, performance of the indices reflects the reinvestment of dividends. Indices are unmanaged and investors cannot invest in indices.

Equity strategies (+1.48%)⁸ contributed positive performance in July. As mentioned in previous editions of our commentary, we have reduced the Fund's equity beta and have sought to employ the Fund's equity exposure within sectors we believe are undergoing meaningful change. To that end, the Fund's exposure to health care was accretive in July. Long exposure to healthcare names drove performance as companies exhibited strong Q2 earnings. The portfolio was also helped by its tilt to value securities within health care as the performance of value securities relative to growth securities has improved. Similar to health care, the Fund's exposure to the financials industry also contributed to gains as performance divergence among companies within the sector allowed Equity Market Neutral Strategies to identify relative value opportunities. Short exposure to a community bank added to gains on the Fund's thesis that the stock price was inflated due to a rumored acquisition. Management's focus on this transaction as an exit strategy caused the bank to grow too quickly. Ultimately, the bank was acquired below the market price in an all-stock transaction, and the short thesis was accretive.

Conversely, long exposure to a commercial bank detracted from performance resulting from lower announced growth and a decline in the company's taxi medallion loan portfolio. Additionally, short exposure to a traditional thrift dragged on performance as the company posted good results in the second quarter.

Credit Strategies

Credit strategies (+0.97%)⁸ contributed positive performance for the month. As has been the case in previous months, a big driver of strong credit performance was the Fund's allocation to Credit Risk Transfer bonds. As these securities continue to season they have become more attractive to the market, causing spreads to tighten as prices appreciate. Additionally, the Fund's exposure to CMBX, an index which tracks commercial mortgage-backed securities, was a contributor on the month as spreads across certain series in the portfolio tightened.

These gains were tempered by the Fund's long exposure to a pre-Financial Crisis legacy CMBX index that widened in July. This index is lightly traded and the Fund views this widening as a potential opportunity to add exposure.

Multi-Asset Strategies

Multi-Asset strategies (+0.58%)⁸ were accretive to Fund performance in July. In our May and June commentary we mentioned emerging markets as a detractor from Fund performance. July largely saw a reversal in the negative sentiment across emerging markets as price action stabilized and the Fund's exposure provided significant positive contributions. Long positioning in sovereign government bonds rallied as the market viewed the restructuring of Greece's European Union debt favorably. Systematic risk premia strategies added to strong performance as Equity Operating Profit Yield (which favors companies with stronger operating margins) and Equity Carry (which favors higher yielding securities) allocations generated gains. These gains were partially offset by allocations to Equity Value (which favors securities with cheaper valuations) and Commodity Carry (which favors higher yielding commodities) signals.

The Fund suffered losses within the Event Driven Strategies allocation. This detraction was driven by exposure to the European telecom sector amidst negative investor sentiment following the confirmation of a potential fourth service provider entrant in Belgium. The Fund's S&P 500 hedges (which are used with the aim of neutralizing the equity beta of the portfolio) detracted during July as the index ended the month over 3.5% higher.

⁸ Sub-strategy performance is shown gross of all fees and expenses. Performance is estimated and unaudited.

Important Disclosure information

All investors should consider the investment objectives, risks, charges and expenses of BXMIX carefully before investing. The prospectus and, if available, the summary prospectus contain this and other information about BXMIX and are available on BXMIX's website at www.bxmixon.com. All investors are urged to carefully read the prospectus and, if available, the summary prospectus in its entirety before investing. Additional information regarding BXMIX is available upon request.

Opinions expressed reflect the current opinions of BAAM as of the date of the report only.

Important Disclosures Regarding Exposure

Exposure data presented herein does not consider the impact of delta on option positions (unless noted otherwise). Instead, exposures represent the market value of each underlying instrument. Positions of unknown type (if any) are excluded from exposure data.

There is no attempt in this report to differentiate between or adjust for shorter versus longer duration rates trades. Instead, they are shown only by market value of exposure. Given that exposure data is based on fund holdings, it excludes unsettled trades. Position level data is obtained from State Street Bank and Trust Company, the administrator for BXMIX. Blackstone does not guarantee the accuracy of such data.

Glossary of Terms:

Gross Exposure: Reflects the aggregate of long and short investment positions in relation to the net asset value. For example, if BXMIX has 60% long exposure and 50% short exposure to a particular asset class, then BXMIX has 110% gross exposure to that asset class. The gross exposure is one indication of the level of leverage in a portfolio. **Net Exposure:** This is the difference between long and short investment positions in relation to the net asset value. For example, if BXMIX has 60% long exposure and 50% short exposure to a particular asset class, then BXMIX is 10% net exposure to that asset class. **Long:** A long position occurs when an individual owns securities. **Short:** Short selling a security not actually owned at the time of sale. Short positions can also generate returns when the price of a security declines. **DV01:** A bond valuation calculation showing the dollar value of a one basis point change in interest rates or yield. **Alpha:** A risk-adjusted performance measure that represents the average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return.

Glossary of Indices

Market indices obtained through Bloomberg. **Barclays Global Bond Index:** provides a broad-based measure of the global investment grade fixed-rate debt markets. It is comprised of the U.S. Aggregate, Pan-European Aggregate, and the Asian-Pacific Aggregate Indexes. **HFRX Global Hedge Fund Index:** HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry. The methodology is based on defined and predetermined rules and objective criteria to select and rebalance components to maximize representation of the Hedge Fund Universe. **MSCI World Index:** a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. The MSCI World is maintained by Morgan Stanley Capital International, and is comprised of stocks from 23 developed markets in the world. **Morningstar Multialternative Category Average:** Represents the average performance of mutual funds categorized as "multialternative" funds by Morningstar, Inc. These funds use a combination of alternative strategies such as taking long and short positions in equity and debt, trading futures, or using convertible arbitrage, among others. Funds in this category have a majority of their assets exposed to alternative strategies and include both funds with static allocations to alternative strategies and funds tactically allocating among alternative strategies and asset classes. **The Standard & Poor's 500 Index** - S&P 500 is a market-capitalization-weighted index of the 500 largest U.S. publicly traded companies by market value.

Indices are unmanaged and investors cannot invest in an index. Indices are provided for illustrative purposes only. They have not been selected to represent appropriate benchmarks for BXMIX, but rather are disclosed to allow for comparison of BXMIX's performance to that of well-known and widely recognized indices. The indices may include holdings that are substantially different than investments held by BXMIX and do not reflect the strategy of the Fund. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that may differ from BXMIX. The indices do not reflect the deduction of fees or expenses. In the case of equity indices, performance of the indices reflects the reinvestment of dividends.