Blackstone Alternative Multi-Strategy Fund (BXMIX)

Blackstone

As of May 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]	$6,135.31 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

Morningstar Rating

★★★★

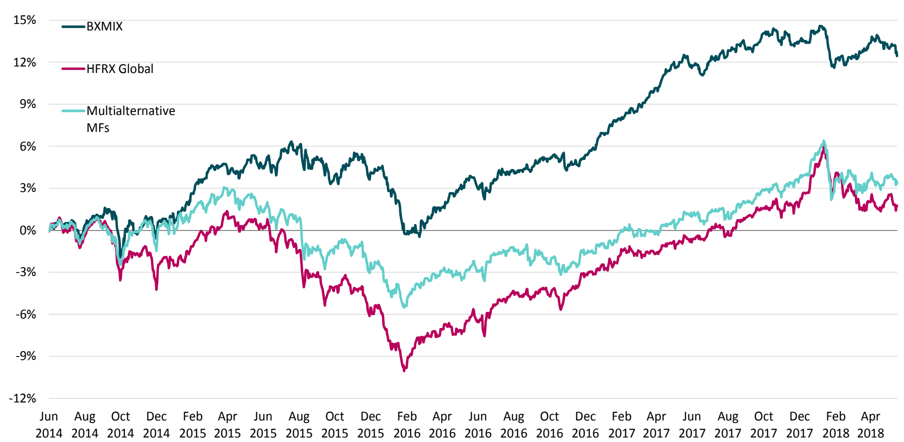
BXMIX: Four-Star Overall Morningstar Rating, out of 288 multialternative funds based on risk-adjusted returns as of 5/31/18.

Fund net performance[1,2,3]

	3/31/2018			As of 05/31/2018				ITD Statistics			
	YTD	1 Yr	ITD	May-18	YTD	1 Yr	ITD	St. Dev.	Beta[4]	Alpha[5]	Sharpe
BXMIX	(0.65%)	2.97%	3.20%	(1.49%)	(1.21%)	(0.26%)	2.91%	3.19%	-	-	0.75
HFRX Global	(1.02%)	3.20%	0.43%	0.20%	(0.73%)	2.82%	0.50%	3.57%	0.55	2.62%	(0.00)
Barclays Glbl Agg	1.36%	6.97%	1.12%	(0.76%)	(1.02%)	1.72%	0.42%	5.03%	(0.10)	2.99%	(0.02)
MSCI World	(1.15%)	14.20%	7.43%	0.72%	0.77%	12.18%	7.63%	11.11%	0.17	1.55%	0.64

1. Performance is presented through May 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 May 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 allocations[1]

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	44%
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.bxmix.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 presently include allocations to BAIA's systematic risk premia trading strategy, a short-only fundamental equity strategy (advised by Gracian Capital on a non-discretionary basis), 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 performance[4]

	Jan	Feb	Mar	Apr	May	June	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%)	-	-	-	-	-	-	-	**(1.21%)**

4. Performance is presented through May 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.bxmix.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.bxmix.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 contains 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.

Blackstone

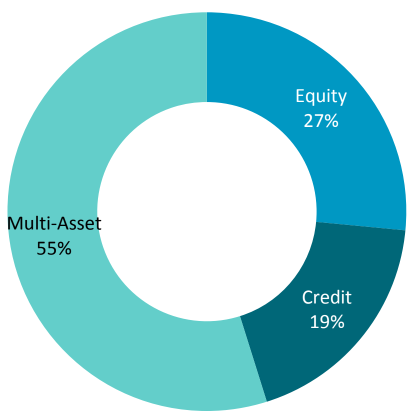
Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of May 31, 2018

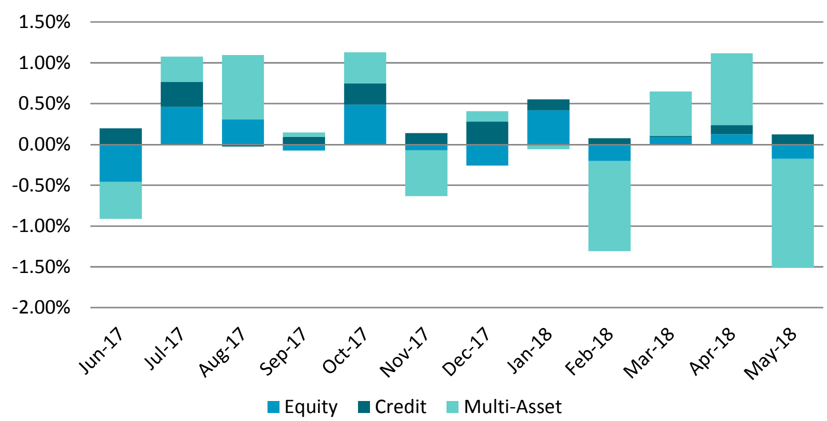
Performance summary[1,2,3]

Sub-Strategy Performance	Allocation at 5/31/2018	MTD		QTD		YTD		Trailing 12 Months		ITD Cumulative Performance	
		Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution
Equity	26.50%	(0.56%)	(0.18%)	(0.18%)	(0.05%)	0.74%	0.25%	2.19%	0.64%	26.43%	9.22%
Credit	18.64%	0.57%	0.12%	1.08%	0.24%	2.07%	0.46%	7.34%	1.72%	26.81%	7.89%
Multi-Asset	54.86%	(2.02%)	(1.33%)	(0.74%)	(0.47%)	(1.74%)	(1.10%)	(0.75%)	(0.47%)	11.82%	4.21%
Cash & Other			(0.10%)		(0.28%)		(0.83%)		(2.15%)		(9.29%)
Net Return			(1.49%)		(0.56%)		(1.21%)		(0.26%)		12.03%

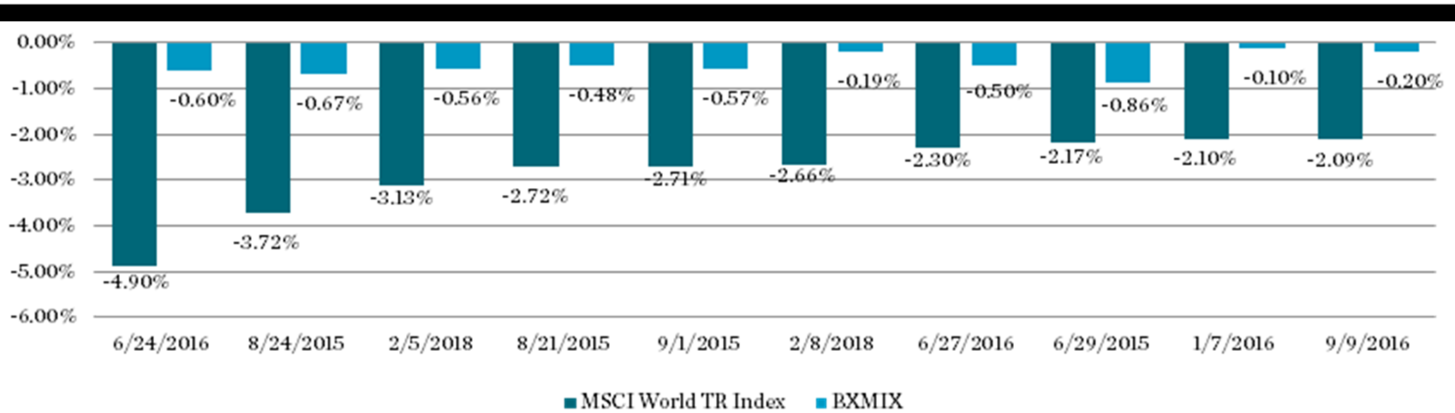
Sub-strategy summary[3]



Trailing 12 month sub-strategy attribution[1,3]



BXMIX performance on worst 10 trading days for MSCI World since inception[4]



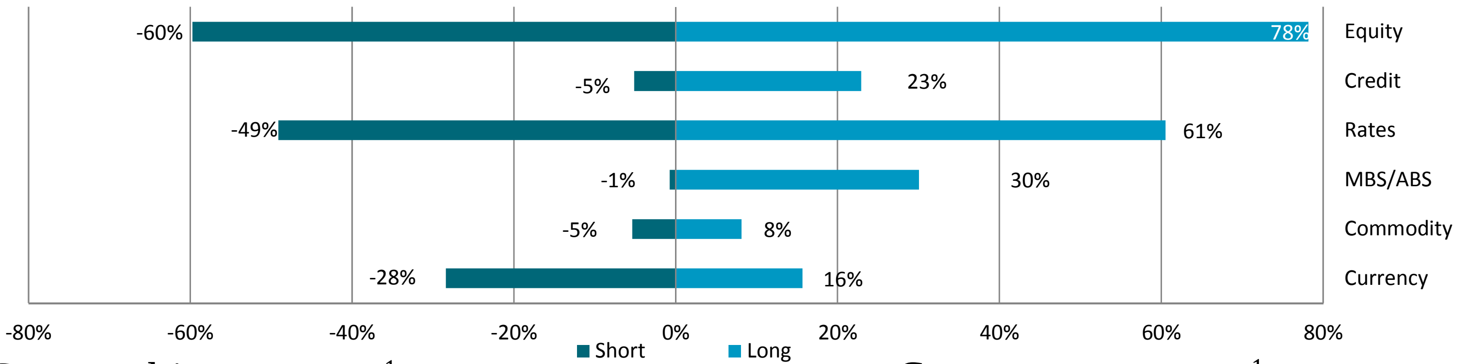
Because of the broadly diversified and low beta nature of the portfolio, BXMIX is not expected to participate in the full upside of broader equity markets. From 06/16/14 to 5/31/18, on the 10 best MSCI World TR trading days, the average daily returns for the MSCI World TR and BXMIX were 2.12% and 0.41% respectively. The MSCI World TR is not a benchmark or target for the Fund. Please see Glossary of Terms & Indices for index definitions."

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 May 31, 2018.

1. Sub-strategy performance is shown gross of all fees and expenses. Performance is estimated and unaudited.
2. 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
3. Sub-strategy allocations exclude exposures to Fund level cash, hedging and expenses and are adjusted pro-rata to equal 100%.
4. 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 Glossary of Terms & Indices for index definitions.

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 exposure[1]



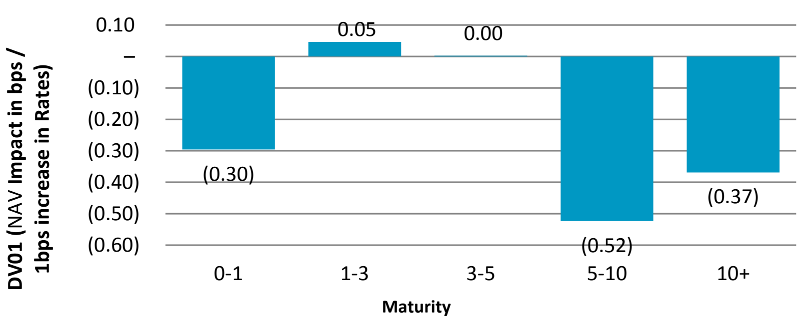
Geographic exposure[1]

	Long	Short	Net
US/Canada	110.86%	70.87%	39.99%
Core Europe	61.71%	49.96%	11.75%
Peripheral Europe	5.04%	1.00%	4.04%
Lat. Am./Caribbean	7.59%	1.81%	5.78%
Middle East/Africa	3.02%	2.40%	0.62%
Japan	6.20%	2.91%	3.30%
Asia general	16.64%	13.85%	2.80%
China/HK/Taiwan	4.42%	5.79%	-1.36%
Total	**215.49%**	**148.58%**	**66.91%**

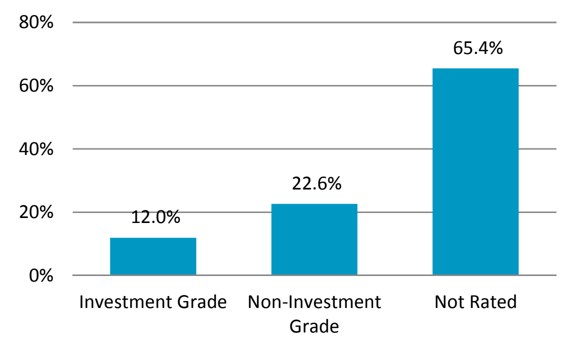
Currency exposure[1]

Region	Long	Short	Net
Asia general	2.94%	3.59%	-0.64%
China/HK/Taiwan	0.21%	0.74%	-0.53%
Core Europe	6.97%	17.84%	-10.87%
Japan	1.97%	1.36%	0.62%
Latin America	0.60%	1.13%	-0.53%
Middle East/Africa	0.15%	1.18%	-1.03%
Peripheral Europe	0.09%	0.23%	-0.14%
US/Canada	2.73%	2.36%	0.37%
Total	**15.67%**	**28.43%**	**-12.76%**

Fixed income interest rate sensitivity[3]



Fixed income ratings[1,2]



Equity exposure – sector breakdown[1]

	Long	Short	Net
Energy	2.47%	3.41%	-0.94%
Materials	2.50%	1.33%	1.17%
Industrials	4.29%	1.88%	2.42%
Consumer Discretionary	7.94%	7.69%	0.25%
Consumer Staples	2.18%	1.84%	0.34%
Health Care	12.67%	6.75%	5.92%
Financials	8.56%	7.06%	1.51%
Real Estate	0.79%	1.58%	-0.79%
Information Technology	8.07%	9.95%	-1.89%
Telecommunication Services	1.04%	1.05%	-0.01%
Utilities	1.76%	0.48%	1.28%
Index**	22.23%	16.71%	5.52%
Unclassified***	3.67%	0.00%	3.67%
Total	**78.19%**	**59.73%**	**18.46%**

VaR analysis[4]

Date	VaR
5/31/18	2.29%

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.
3. Dv01 represents the estimated change in NAV for the fund, expressed in basis points, for a 1 basis point increase in interest rates across each of the maturity ranges shown. Fixed income instruments are typically held across a number of different currencies.
4. Value at Risk ("VaR") seeks to estimate, using historical data, the loss the Fund could suffer. VaR is calculated at a 99% confidence level for a one month holding period (20 business days) using a model based on historical Fund data. Please see the Glossary of Terms for a further explanation of VaR.

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

**Do not have a GICS sector assigned

Blackstone

May Market Commentary

Things looked shaky for a while as U.S.-led trade spats threatened to turn into full scale trade wars. But the stock market has calmed down and regained its footing, at least for now. It could be wishful thinking, but perhaps, the thinking goes, even if U.S. trade relations get worse before they get better with China, NAFTA and Europe, everyone will eventually take a deep breath, understand where their collective interests lie, and so limit the damage.

In May, the U.S. dollar continued to strengthen, giving the currency a two-month winning streak. While we believe the dollar may continue to rise in the short-term, we are mindful of potential medium-term risks. Prior to April 2018, the dollar had been on a sinking trend for sixteen months. That overall weakness made sense last year as the Fed was unexpectedly dovish as inflation surprised to the downside. But its continuing downward trend from late 2017 and into 2018 cannot be explained by interest rate differentials anymore. Indeed, the Fed pivoted to an unexpectedly hawkish stance over the past few months, so rate differentials in favor of the U.S. should have pushed the dollar up. Although sentiment on the dollar may be improving for now, there is still the mystery of what drove its broader decline before that, and it's important to understand because those forces could easily come back and drive market sentiment again. So what happened?

While stocks benefited from corporate tax cuts and strong earnings, the dollar sank on the dreaded twin deficits: expected $1 trillion per annum federal government budget deficits, coupled with a current account deficit of 2.5% of GDP and climbing in an era of trade tensions. Twin deficits suggest the U.S. is vulnerable not only from global imbalances, but domestic ones too. U.S. protectionism aims to fix the global half of the problem, while tax cuts, its proponents suggest, will boost tax revenues via supply side growth, fixing the domestic half of the problem[1].

It is almost certain that the U.S. will not be running trade surpluses anytime in the next few years, even if the U.S. extracts concessions from trading partners that reduce the deficit a bit. So here's the bottom line: any market regime shift that, for whatever reason, demands that the U.S. reduce its net foreign debt must either come through foreign asset outperformance (in local currency terms), a lower dollar (so as to deliver foreign asset outperformance via currency gains), or some combination of the two. We believe it is likely the dollar would take the brunt of the adjustment.

Forecasting currencies is notoriously difficult and there are signs that the dollar is finding some stabilization around current levels after a poor run and, as mentioned, may be ready for at least a short-run rebound. However, we do view the longer-term dollar dynamics as a risk worth monitoring, and on the margin as having an impact on our asset allocation to opportunities outside the U.S., if and when it overlaps with attractive themes and the right high-quality managers.

Global macro strategies may be an obvious beneficiary, including currency trading, as are various emerging market themes, including some with unhedged currency exposure. In addition, Europe's domestic recovery with still-loose monetary conditions is providing opportunities in domestic-oriented event plays that are significantly sheltered from global forces too. Meanwhile, all things the same, a soft dollar tends to also provide a tailwind for oil prices and other commodities, which may influence other asset classes. Because of this, we have favored Macro strategies that seek to capture dislocations in select emerging and developed

[1] U.S. trade deficits are an outcome of the complex relationships that determine domestic saving and domestic investment (the difference being equal to the trade deficit). It is either a reflection of deficient domestic saving (perhaps exacerbated by large budget deficits) or excessive investment. Most observers think the former. Luckily, there still appears to be a global savings glut (ex-U.S.) that provides the U.S. with a steady flow of funds to comfortably fund the trade deficit for now.

markets. We also continue to favor Event Driven strategies that seek to systematically capture the deal risk premium inherent in M&A transactions across the globe.

Review of May 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 BAIA[2]). In May, the Fund's Class I share class returned -1.49%[3] net of fees and expenses versus 2.41% and 0.72% for the S&P 500 and MSCI World indices, respectively and versus -0.76% for the Barclays Global Aggregate Bond Index[4].

Equity Strategies

Equity strategies (-0.56%[5]) detracted from performance during the month of May. Although broad-based indices posted positive performance, there was wide dispersion amongst sectors, with Information Technology and Industrials generating gains while Healthcare was relatively flat and Financials were down. Despite a tough backdrop for Financials broadly, the Fund's exposure to the sector generated positive performance during the month as select bank exposures rallied on the continuation of the theme of U.S. banking consolidation. These gains, however, were offset by weakness in the Fund's Healthcare exposures. Long exposure to Medtech detracted, as did certain Healthcare sector-specific hedges. Short exposure to Real Estate and Energy also generated losses amidst the broader market rally.

Credit Strategies

Credit strategies (+0.57%[5]) contributed positive performance for the month with Fixed Income – Asset Backed sub-strategies leading gains. Credit Risk Transfer bonds continued to be a source of strength for the portfolio and experienced gains in May as the credit quality of certain exposures improved. Other mortgage-backed and asset-backed securities benefited from spread tightening and positive carry. These gains were partially offset by weakness in certain structured credit hedges. As described in last month's commentary, we believe in the long-term value of having hedged exposure across our book in order to isolate the credit risk that we want while simultaneously neutralizing broad market risk.

Multi-Asset Strategies

None of the indices presented herein are benchmarks or targets for the Fund.

[2] BAIA manages a portion of the Fund's assets directly. Such investments presently include allocations to BAIA's systematic risk premia trading strategy, a short-only fundamental equity strategy (advised by Gracian Capital on a non-discretionary basis), 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] 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.

[4] 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.

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

Multi-Asset strategies (-2.02%[5]) were the Fund's largest detractor in May. Earlier, we talked about strength in the U.S dollar in recent weeks. This dynamic has hurt many emerging market ("EM") currencies because a stronger dollar makes it harder for EM countries to repay USD-denominated debt. In a climate of a resurgent dollar, EM countries with current account deficits, high dollar-denominated debt, political uncertainty and dependency on oil tend to suffer. Some of our Multi-Strategy and Systematic-Diversified strategies were adversely affected by this dynamic. Elsewhere, within Macro strategies, the Fund's exposure to a quasi-sovereign entity detracted due to changes in senior management as well as a supply chain disruption. Additionally, targeted short equity exposure declined as certain e-commerce and online travel companies saw their shares spike on the back of better-than-expected first quarter earnings releases. These losses were partially offset by gains in certain Multi-Strategy and Event Driven strategies. Long exposure to U.S. equity indices and short exposure to the euro generated positive returns during the month. Furthermore, speculation that China may provide regulatory approval for several mergers in the semiconductor sector also boosted returns.

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.bxmix.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. **VaR:** A statistical technique used to measure and quantify the level of financial risk within a firm or investment portfolio over a specific time frame. Value at risk is used by risk managers in order to measure and control the level of risk which the firm undertakes. The risk manager's job is to ensure that risks are not taken beyond the level at which the firm can absorb the losses of a probable worst outcome. A VaR model has certain inherent limitations and it cannot be relied upon to predict or guarantee that the size or frequency of losses incurred by a Fund will be limited to any extent. As the VaR model relies on historical market data as one of its key inputs, if current market conditions differ from those during the historical observation period, the effectiveness of the VaR model in predicting the VaR of a Fund may be materially impaired. **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.

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.