

Blackstone Alternative Multi-Strategy Fund (BXMIX)

Blackstone

As of February 28, 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 assets⁶	\$5,850 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%
Div. & Interest Expense on Sec. Sold Short	0.63%
Other Expenses	0.64%
Gross Expense Ratio	3.15%

Portfolio managers

Name	Years at Blackstone
Gideon Berger	15.76 Years
Min Htoo	0.47 Year
Robert Jordan	6.49 Years
David Mehenny	7.26 Years
Ian Morris	7.76 Years
Alberto Santulin	14.76 Years
Stephen Sullens	16.68 Years

Morningstar Rating



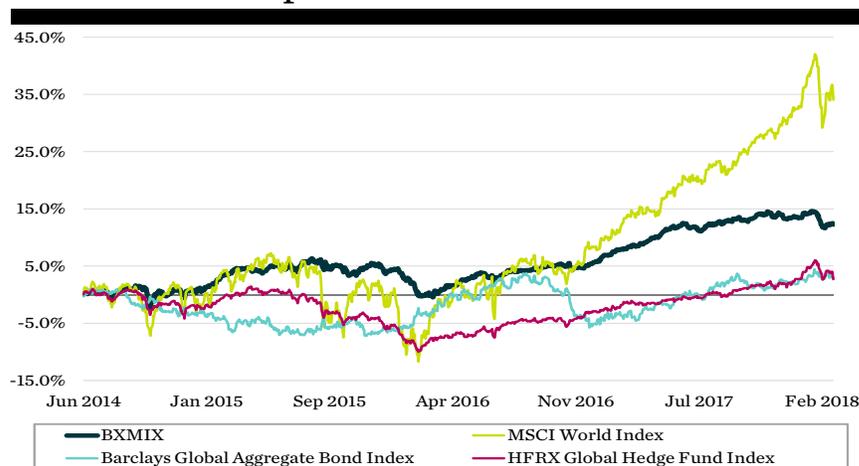
BXMIX: Four-Star Overall Morningstar Rating, out of 298 multialternative funds based on risk-adjusted returns as of 2/28/18.

Fund net performance^{1,2,3}

	12/31/2017			As of 02/28/2018				ITD Statistics			
	YTD	1Yr	ITD	Feb-18	YTD	1Yr	ITD	St. Dev.	Beta ⁴	Alpha ⁵	Sharpe
BXMIX	7.20%	7.20%	3.62%	(1.30%)	(1.03%)	3.56%	3.16%	3.23%	-	-	0.85
HFRX Global	5.99%	5.99%	0.77%	(2.42%)	(0.04%)	4.26%	0.72%	3.57%	0.57	2.73%	0.09
Barclays Gbl Agg	7.39%	7.39%	0.76%	(0.89%)	0.29%	6.01%	0.80%	5.10%	(0.10)	3.28%	0.08
MSCI World	23.07%	23.07%	8.34%	(4.10%)	0.98%	18.00%	8.23%	11.09%	0.18	1.67%	0.70

1. Performance is presented through February 28, 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.

Cumulative net performance^{1,2}



2. 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 February 28, 2018.

7. Gross expense ratio represents the expense ratio applicable to investors. Other Expenses includes remainder of other expenses, acquired fund fees & expenses, and fees waived and/or expenses reimbursed/recouped. Through August 31, 2020 Blackstone Alternative Investment Advisors LLC has agreed to waive its fees and/or reimburse expenses of the Fund so that certain of the Fund's expenses, together with the Fund's management fees, will not exceed 2.40% annualized. Please find the Fund's prospectus at www.bxmix.com.

Additional information and current performance data is available at www.bxmix.com.

Not FDIC Insured

May Lose Value

Not Bank Guaranteed

Sub-adviser allocations

MANAGER	STRATEGY	SUB-STRATEGY	CURRENT ALLOCATION
HealthCor	Equity Hedge	Equity Long Short	26%
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	18%
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	
Chatham ¹	Relative Value	Fixed Income - Corporate	
Caspian	Event Driven	Distressed/Restructuring	10%
Boussard & Gavaudan	Event Driven	Multi-Strategy	
Magnetar ³	Event Driven	Risk Arbitrage	
Nephila ¹	Event Driven	Reinsurance	
Emso	Macro	Discretionary Thematic	46%
H2O	Macro	Discretionary Thematic	
NWI ^{1,5}	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	

¹The 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%. Sub-adviser 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.

- Sub-adviser is not currently managing any Fund assets. Allocations may change at any time without notice.
- Effective February 15, 2018, Chatham no longer serves as a sub-adviser to the Fund.
- 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.
- Blackstone Strategic Capital Advisors L.L.C. ("BSCA"), an affiliate of BAIA. See Conflicts of Interest manages certain funds (the "BSCA Funds") that acquire equity interests in established alternative asset managers (the "Strategic Capital Managers"). One of the Strategic Capital Managers in which the BSCA Funds have a minority interest is Magnetar Capital Partners L.P., a control affiliate of Magnetar Asset Management LLC, a sub-adviser for the Fund. Allocations to Magnetar benefit the BSCA Funds and BSCA and reductions from Magnetar are detrimental to the BSCA Funds and BSCA. Accordingly, there may be a conflict between BAIA's fiduciary obligation to the Fund, on the one hand, and BAIA's interest in the success of the BSCA Funds, on the other hand. The Fund will not participate in any of the economic arrangements between the BSCA Funds and any Strategic Capital Manager with which the Fund invests.
- BAAM, an affiliate of BAIA, has entered into a joint venture with NWI to create Blackstone NWI Asset Management L.L.C. ("BNAM"), an emerging markets hedge fund manager. BNAM, BAAM and NWI share certain personnel and infrastructure.

Monthly net performance¹

	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%											-1.03%

¹ Performance is presented through February 28, 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.

Important Risks

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 10-year U.S. Treasury bond – 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.

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.

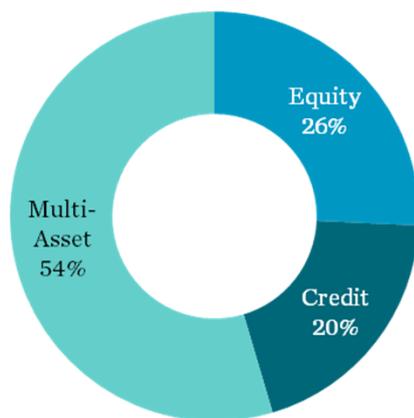
Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of February 28, 2018

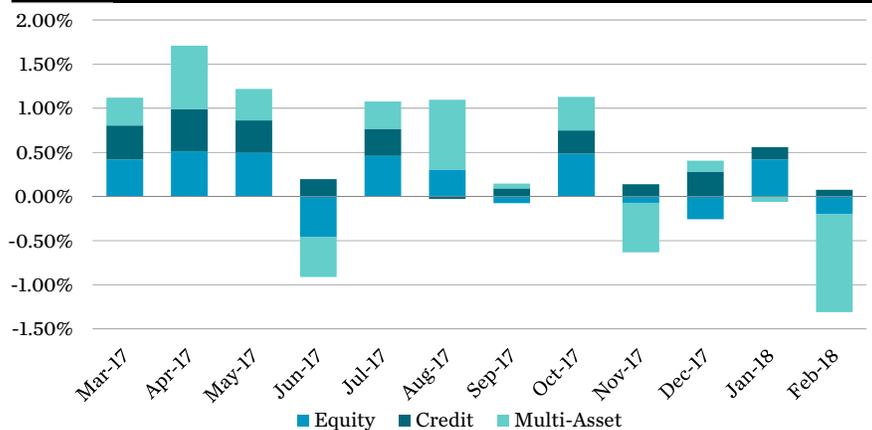
Performance summary^{1,2,3}

Sub-Strategy Performance	Allocation at 2/28/2018	MTD		QTD		YTD		Trailing 12 Months		ITD Cumulative Performance	
		Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution
Equity	25.72%	-0.73%	-0.20%	0.63%	0.22%	0.63%	0.22%	6.81%	2.07%	26.24%	9.16%
Credit	19.69%	0.32%	0.08%	0.93%	0.21%	0.93%	0.21%	10.23%	2.77%	25.40%	7.61%
Multi-Asset	54.60%	-1.78%	-1.11%	-1.85%	-1.17%	-1.85%	-1.17%	1.88%	0.85%	11.70%	4.12%
Cash & Other			-0.07%		-0.29%		-0.29%		-2.12%		-8.66%
Net Return			-1.30%		-1.03%		-1.03%		3.56%		12.24%

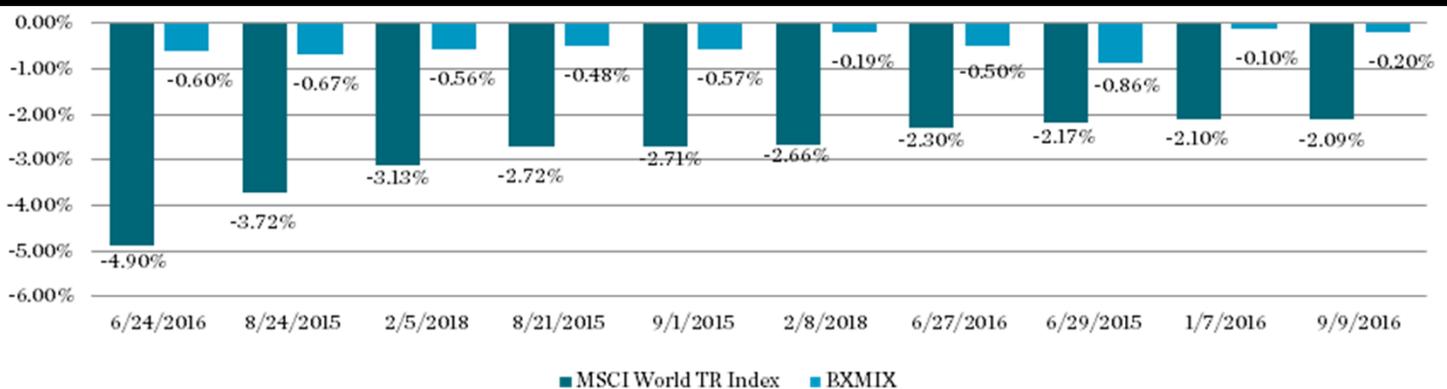
Sub-strategy summary³



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



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



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.bxmixon.com or by calling 855-890-7725. Index performance is shown for illustrative purposes only. You cannot invest directly in an index. Data is from June 16, 2014 to February 28, 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%.
- The indices presented are indicative and for illustrative purposes only. The volatility of the index presented may be materially different from that of the performance of the Fund. In addition, the index employs different investment guidelines and criteria than the Fund; as a result, the holdings in the Fund may differ significantly from the securities that comprise the index. The performance of the index has not been selected to represent an appropriate benchmark to compare to the performance of the Fund, but rather is disclosed to allow for comparison of the Fund's performance to that of well-known and widely recognized index. A summary of the investment guidelines for the index presented is available upon request. Performance of the index reflects the reinvestment of dividends. Please see glossary of terms at the end of this presentation for index definitions. The average daily return for BXMIX for the 10 best MSCI World TR days is 0.57%, while the average return of MSCI World TR for the 10 best MSCI World TR days was 2.07%.

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.

Additional information and current performance data is available at www.bxmixon.com.

Asset class exposure¹



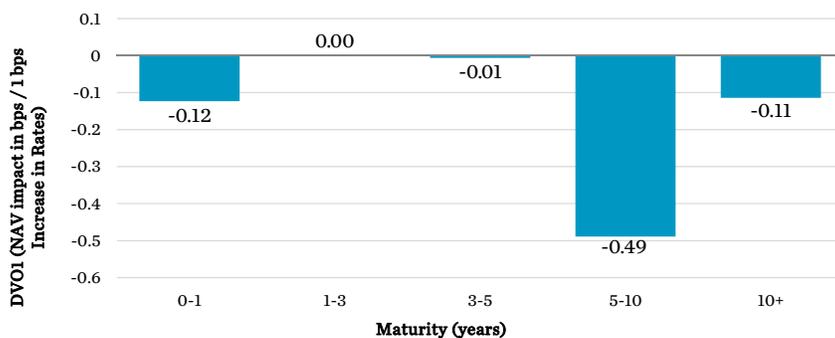
Geographic exposure¹

	Long	Short	Net
Asia general	7.90%	2.68%	5.22%
China/HK/Taiwan	4.54%	5.51%	-0.97%
Core Europe	33.98%	33.80%	0.18%
Japan	5.72%	3.15%	2.56%
Lat. Am./Caribbean	7.22%	1.17%	6.05%
Middle East/Africa	1.92%	1.40%	0.52%
Peripheral Europe	4.57%	1.28%	3.28%
US/Canada	99.84%	56.96%	42.89%
Total	165.68%	105.96%	59.73%

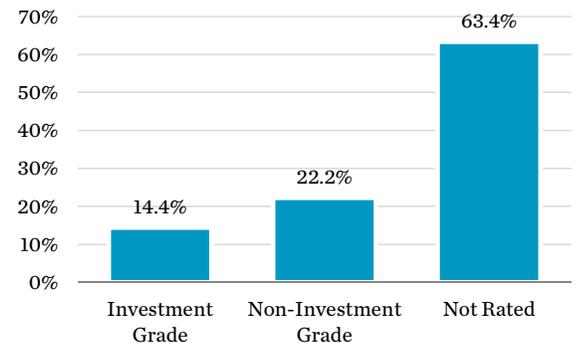
Currency exposure¹

Region	Long	Short	Net
Asia general	3.83%	1.43%	2.41%
China/HK/Taiwan	0.24%	0.59%	-0.35%
Core Europe	3.50%	15.06%	-11.56%
Japan	2.35%	0.67%	1.69%
Latin America	0.95%	0.80%	0.15%
Middle East/Africa	0.32%	0.34%	-0.02%
Peripheral Europe	0.39%	0.64%	-0.25%
US/Canada	2.35%	1.40%	0.95%
Total	13.92%	20.91%	-6.99%

Fixed income interest rate sensitivity³



Fixed income ratings^{1,2}



Equity exposure – sector breakdown¹

	Long	Short	Net
Consumer Discretionary	9.04%	6.78%	2.26%
Consumer Staples	2.50%	2.15%	0.35%
Energy	1.78%	2.69%	-0.91%
Financials	4.30%	4.36%	-0.07%
Health Care	11.99%	6.86%	5.13%
Industrials	4.69%	2.38%	2.30%
Information Technology	7.57%	10.19%	-2.62%
Materials	2.35%	1.78%	0.57%
Real Estate	0.56%	1.48%	-0.92%
Telecommunication Services	1.43%	0.76%	0.67%
Utilities	1.20%	0.60%	0.60%
Index*	19.67%	17.50%	2.17%
Unclassified**	3.63%	0.00%	3.63%
Total	70.69%	57.53%	13.16%

VaR analysis⁴

Date	VaR
2/28/18	1.80%

- 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.
- 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.
- 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.
- 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

February Market Commentary

February may be the shortest month of the year, but given the equity market turmoil that surfaced, it may have felt pretty long. The S&P 500 ended twelve of February's nineteen trading days with a move of over 1% in either direction. Three of those days ended down in excess of 2%, and by the end of the month's first week of trading, the index entered "market correction" territory with an overall pullback of over 10% from its January 26th peak. All this amid continued strong fourth quarter earnings announcements and a spate of share repurchases resulting both from stronger earnings and the recent GOP tax law.

So what happened? Equity market volatility (as measured by the so-called "Fear Gauge", the Cboe Volatility Index) spiked to a level last seen in November 2011 as a broad selloff in stocks reversed January's positive momentum. As stocks dropped, investors who had piled into equities on margin – funds borrowed against securities posted as collateral – were forced to deleverage, i.e. sell holdings to meet margin calls. Margin debt hit a record high in January – over \$665 billion¹ – prompting FINRA to issue an investor alert highlighting the risks of margin trading come a market downturn². This elevated level of margin trading may have amplified February's market rout.

But what may have triggered the correction to begin with? Early in the month, Jerome Powell was sworn in as Chairman of the Federal Reserve (the "Fed"), and the Fed penciled in three – and hinted at four – potential interest rate hikes for 2018 due to signs of a strengthening economy. Indeed, after a relatively flat 2017, the yield on the 10 year U.S. Treasury note – rose dramatically to 2.94% in the first couple months of this year. Recall that after the Great Financial Crisis of 2008, the Fed cut its target rate to zero in an attempt to encourage borrowing and thereby boost economic activity. This helped spark and sustain a nearly nine-year bull market by artificially increasing the relative appeal of risk assets. However, as the economy strengthens, the Fed is expected to increase the target federal funds rate, thus decreasing market-propping stimulus. This creates an awkward dynamic wherein good news for the economy may spell trouble for capital markets.

Consider how this played out in February. On the 2nd, the Bureau of Labor Statistics released its findings that private-sector wages posted their best year-over-year growth in nearly a decade. The S&P 500 dropped 2.11%. On the 8th, the Labor Department released its weekly report of initial jobless claims, and its findings were lower than economists' expectations. Again, the S&P 500 plummeted 3.74%. On the 27th, Powell testified on Capitol Hill that U.S. economic health had improved. Yet again, the S&P 500 fell 1.26%. And what of the traditional diversifying counterpart to equities, namely, fixed income? On these same three days, the U.S. 10 year yield increased, which means the price dropped. When equity and fixed income prices drop in tandem, traditional diversification techniques may fail to preserve capital.

February's equity market correction may also be a symptom of growing discomfort with historically high stock prices relative to fundamentals (i.e. earnings). We have previously discussed the Cyclically Adjusted Price to Earnings or "CAPE" ratio, a metric designed to enable comparison of market valuations across economic cycles. By the start of February, the CAPE ratio had swollen to over 33x, which is topped only by valuations in the lead-up to the Dot Com Bubble³. Incidentally, net margin debt as a percentage of the total value of the New York Stock Exchange ("NYSE") recently surpassed the peak hit, once again, in the buildup to the Dot Com Bubble⁴. We can't help but wonder whether February's correction could portend additional turbulence in months to come – and if indeed it does, margin trading could exacerbate market volatility.

February makes for a good case study as to the potential benefits of a multialternative portfolio diversifier in times of elevated volatility. Across three days in the first half of February with drawdowns greater than 1%, the S&P 500 plummeted 9.64%, and the MSCI World plunged 7.45%; BXMIX, meanwhile, dropped just 1.21% as positive performance from certain of the Fund's credit and multi-asset exposures offset declines in equities⁵. Looking over the Fund's life as a whole, there were 72 trading days on which the S&P 500 index dropped 1% or more in a single day. Over the same period, this happened to the MSCI World index 56 times. As for BXMIX? Only once. The diversification that BXMIX provides may help mitigate volatility and weather drawdowns in equity markets.

As you think about your own portfolio and how it's currently positioned, consider how exposed you may be to future equity market volatility. With President Trump's focus on tariffs that could lead to trade wars, a market rattled by February's spike in volatility, and the Fed's blithe indication that rate hikes are probable through 2018, it's reasonable to consider potentially more volatile times ahead. Maintaining low beta to traditional asset classes and a low volatility profile, BXMIX seeks to avoid losses while maintaining diversified exposures that are less dependent on market movements.

1. FINRA, "Margin Statistics"

2. FINRA, "Investing with Borrowed Funds: No 'Margin' for Error". January 18, 2018.

3. CAPE Ratio Data. Professor Robert Schiller, Yale University, Department of Economics. February 28, 2018.

4. Wall Street Journal, "Investors' Zeal to Buy Stocks With Debt Leaves Markets Vulnerable". February 25, 2018.

5. Based on performance on 2/2/18, 2/5/18 and 2/8/18. The average daily return for BXMIX on the 3 best MSCI World TR trading days over the same period was 0.13%, while the average return of the MSCI World TR on those days was 1.23% and the average return of the S&P 500 TR on those days was 1.33%.

Review of February 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 BAIA⁶). In February, the Fund’s Class I share class returned -1.30%⁷ net of fees and expenses versus -3.69% and -4.10% for the S&P 500 and MSCI World indices, respectively, and versus -0.89% for the Barclays Global Aggregate Bond Index⁸.

Equity Strategies

Equity strategies detracted from performance in February, with some positioning among Equity Long/Short sub-strategies affected to a degree by the market correction. A handful of single-name healthcare exposures were notable negative performers on the month: positions in companies focusing on pharmaceuticals, biotech, and medical devices declined after disappointing fourth quarter earnings exacerbated the broader equity market slump. The Fund’s low equity beta was a strong contributor to performance in February, as short exposures implemented directly by BAIA helped the Fund to preserve capital amidst the market’s broader move lower. Notably, short holdings of a battery manufacturer and an industrial technology company both contributed positively as those companies’ shares fell on analyst reports expressing concern about profitability and competitive pressures. Equity Market Neutral sub-strategies also softened Equity Long/Short losses with modest positive contribution on the month.

Effective as of February 22, 2018, Endeavour Capital Advisors LLC (“Endeavor”) now serves as a sub-adviser to the Fund. Endeavour is a financial services sector specialist that combines bottom-up fundamental research with perspective on the macroeconomic, regulatory, and financial conditions that impact the industry. Please see the sub-adviser profile available at bxmix.com for more information about the sub-adviser and associated strategy.

Credit Strategies

Credit strategies contributed positively on the month, offsetting some of the losses from Equity and Multi-Asset strategies. Positive performance among credit strategies was driven by Fixed Income-Asset Backed sub-strategies, which benefitted from coupons from Credit Risk Transfer (“CRT”) bonds that we have discussed in previous months. Corporate senior secured credit positions traded slightly down on the month, marginally offsetting CRT performance.

Effective as of February 15, 2018, Chatham Asset Management, LLC (“Chatham”) no longer serves as a sub-adviser to the Fund.

Multi-Asset Strategies

Multi-Asset strategies were the largest detractors on the month, accounting for most of the Fund’s negative performance. Trend-following, long equity exposure to Asia and the U.S. detracted amid the February downturn. Real Estate Investment Trusts (“REITs”) and commodity exposure also detracted. Losses were distributed across a number of risk premia strategies. Diversification, however, helped to soften those losses with two newer strategies – Equity Sentiment (premised upon premia associated with correlations between momentum in other asset classes and equity market behavior) and Size (premised upon lower-liquidity premia associated with smaller market cap companies) – performing well in February. Additionally, some European telecom exposure and European equity hedges delivered some positive performance amid European markets’ selloff. Sub-advisers seeking to capture relative value among geographies contributed positively via long local interest rate exposure to South Africa and Russia, as well as long exposure to Egyptian Treasury Bills and short exposure to Australian government bonds. These gains, however, were offset by losses stemming from Argentinian sovereign credit, Mexican and Brazilian quasi-sovereign debt, and long currency positions in developing countries against the U.S. dollar.

Effective as of February 22, 2018, NWI Management, L.P. (“NWI”) serves as a sub-adviser to the Fund⁹. NWI is a global macro manager with experience in emerging market interest rates, currency, and credit. NWI’s strategy typically pursues investments and transactions in the securities of sovereign and corporate obligors, principally in emerging markets. Please see the sub-adviser profile available at bxmix.com for more information about the sub-adviser and associated strategy.

Sub-adviser and strategy additions and terminations are normal events in Blackstone’s hedge fund investment process and result from our dynamic evaluation of the top down assessment of the opportunity set for hedge fund strategies as well as the bottom up evaluation of a manager’s ability to deliver alpha in a given environment.

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6. 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.
 7. 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.bxmixon.com.
 8. 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 can not invest in indices.
 9. Blackstone Alternative Asset Management L.P. (“BAAM”), an affiliate of BAIA, has entered into a joint venture with NWI Management L.P. (“NWI”) to create Blackstone NWI Asset Management L.L.C. (“BNAM”), an emerging markets hedge fund manager. BNAM, BAAM and NWI share certain personnel and infrastructure.

Opinions expressed reflect the current opinions of BAIA as of the date of this material only and should not be the basis of any investment decisions. Past performance is not necessarily indicative of future results. There can be no assurance that the Fund or its underlying managers will achieve their investment objectives or avoid significant losses. The Fund is actively managed and allocations are subject to ongoing revision. Certain of the information provided herein has been obtained from or derived from BAIA’s underlying managers. BAIA does not guarantee the accuracy or completeness of such information.

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.blackstone.com/bxmixon. 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. 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. **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 all the developed markets in the world. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).

Additional Disclosures

Morningstar Disclosure

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The Morningstar Rating™ for funds, or “star rating”, is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

Blackstone Alternative Multi-Strategy Fund was rated against the following number of Multi-Alternative funds over the following time periods: 298 funds in the last three years. Past performance is no guarantee of future results. Morningstar Rating is for the I share class only; other classes may have different performance characteristics. Morningstar Risk-Adjusted rankings – Multialternative category – I share class three-year 4 stars out of 298 funds as of 2/28/2018.