BulletShares Suite of ETFs
A simple, flexible solution for a changing rate environment

Fixed income investing comes with a unique set of challenges. Secondary bond markets are known to be difficult to access and achieving the desired diversification can be time consuming and costly to investors. Moreover, when interest rates rise, bonds tend to lose value. Most fixed income funds provide limited options for a rising rate environment.

The BulletShares suite of funds offers a flexible, simple solution to bond investing – particularly in a rising rate environment.

Addressing the shortcomings of fixed income investing

Shortcomings of individual bonds	BulletShares solution
Time-intensive **due diligence** required	BulletShares ETFs are designed **by investment professionals** based on rigorous credit requirements – saving the time and expense of bond research.
Cumbersome in a **changing rate environment**	Investors can implement **laddering strategies** that potentially offer more control over duration, yield and total return.* Investors can implement **barbell strategies** that capture longer-duration yield opportunities, while defending against higher rates with shorter-term holdings.
Difficult to source and lack of diversification	Investors can choose from a wide range of **high yield, emerging markets and investment grade bonds** with broad sector exposure and varying maturities.
Minimum investment requirements – often as high as $10,000 per issue	BulletShares ETFs have **no minimum investment requirements** and are structured within the **cost[1]- and tax[2]-efficiency** of the ETF wrapper.

Shortcomings of traditional fixed income ETFs	BulletShares solution
Poor cash flow timing – Traditional fixed income ETFs typically don't distribute proceeds to investors as the underlying bonds mature – making cash flow timing difficult	Fund **proceeds are distributed to investors on or about the stated maturity date[3], allowing** investors to **match fund maturities with expected life events.**
Perpetual duration and reinvestment risk	BulletShares ETFs makes it easy to establish **bond laddering** strategies. By staggering fund maturities, laddering can help reduce interest rate, duration and reinvestment risk.
Lack of customization	BulletShares ETFs can be used to gain targeted, specific access to high yield, emerging markets or investment grade segments of the bond market, and to enhance a portfolio's overall diversification.

Diversification does not guarantee a profit or eliminate the risk of loss.
1 Since ordinary brokerage commissions apply for each buy and sell transaction, frequent trading activity may increase the cost of ETFs.
2 Invesco does not offer tax advice. Please consult your tax adviser for information regarding your own personal tax situation.
3 These ETFs do not seek to return any predetermined amount at maturity, and the amount an investor receives may be worth more or less than their original investment. In contrast, when an individual bond matures, an investor typically receives the bond's par (or face value). In some circumstances, the anticipated termination date of a fund may be earlier or later than the designated maturity date.

Defined maturity ETFs provide more control over duration, yield and total return that is largely unavailable through wrappers and individual bonds.

Key advantages

- **Well-positioned for a rising interest rate environment** – The BulletShares suite of exchange-traded funds (ETFs) makes it simple to employ ladder strategies, which can help navigate rising interest rate environments and mitigate interest rate risk. As bonds in a laddered portfolio mature, the cash distribution is generally reinvested in bonds with longer-dated maturities at current interest rates. Offering broad exposure to the yield curve, the strategy gives fixed income investors the opportunity to address movements in interest rates, while also maintaining the ability to customize cash flows to address individual needs.
- **The flexibility of defined maturities** – BulletShares ETFs feature defined maturities — investors receive fund proceeds as the underlying bonds mature[3]. This makes BulletShares ETFs ideal for preparing for future cash flow needs or implementing laddering strategies to help reduce interest rate, reinvestment and duration risk.
- **Broad diversification within an efficient ETF structure** – Investors in BulletShares ETFs can select from both high yield, emerging markets and investment grade bonds to access hundreds of underlying bonds within a single trade with broad sector exposure within the cost[1]- and tax[2]-efficient ETF structure.

Fixed income investing made simple
Fixed income investing doesn't have to be complicated. The BulletShares suite of ETFs provides the precision of individual bonds — without all the hassle — while offering greater flexibility than traditional fixed income ETFs.

Simplify fixed income investing with the BulletShares suite of ETFs.
To learn more, visit bulletshares.com.

Invesco offers investors a broad range of ETFs — domestic and international equity, fixed income, and currency — to provide the core building blocks for portfolios, access to hard-to-reach market segments, as well as targeted investment choices. With a history of purposeful innovation, including many industry "firsts," Invesco delivers what we believe are distinct and relevant strategies for institutional investors, private wealth advisors, and the clients they serve.

Duration is a measure of the sensitivity of the price (the value of principal) of a fixed income investment to a change in interest rates. Duration is expressed as a number of years.There are risks involved with investing in ETFs, including possible loss of money. Shares are not actively managed and are subject to risks similar to those of stocks, including those regarding short selling and margin maintenance requirements. Ordinary brokerage commissions apply. The funds' return may not match the return of the underlying index. The funds are subject to certain other risks. Please see the current prospectus for more information regarding the risk associated with an investment in the funds. ■ Investments focused in a particular sector are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments. ■ The funds are non-diversified and may experience greater volatility than a more diversified investment. ■ Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa. ■ During the final year of the funds' operations, as the bonds mature and the portfolio transitions to cash and cash equivalents, the funds' yield will generally tend to move toward the yield of cash and cash equivalents and thus may be lower than the yields of the bonds previously held by the funds and/or bonds in the market. ■ An issuer may be unable or unwilling to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating. ■ The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues. ■ Income generated from the funds is based primarily on prevailing interest rates, which can vary widely over the short- and long-term. If interest rates drop, the funds' income may drop as well. During periods of rising interest rates, an issuer may exercise its right to pay principal on an obligation later than expected, resulting in a decrease in the value of the obligation and in a decline in the funds' income. ■ An issuer's ability to prepay principal prior to maturity can limit the funds' potential gains. Prepayments may require the funds to replace the loan or debt security with a lower yielding security, adversely affecting the funds' yield. ■ The funds currently intend to effect creations and redemptions principally for cash, rather than principally in-kind because of the nature of the funds' investments. As such, investments in the funds may be less tax efficient than investments in ETFs that create and redeem in-kind. ■ Unlike a direct investment in bonds, the funds' income distributions will vary over time and the breakdown of returns between fund distributions and liquidation proceeds are not predictable at the time of investment. For example, at times the funds may make distributions at a greater (or lesser) rate than the coupon payments received, which will result in the funds returning a lesser (or greater) amount on liquidation than would otherwise be the case. The rate of fund distribution payments may affect the tax characterization of returns, and the amount received as liquidation proceeds upon fund termination may result in a gain or loss for tax purposes. ■ During periods of reduced market liquidity or in the absence of readily available market quotations for the holdings of the fund, the ability of the fund to value its holdings becomes more difficult and the judgment of the sub-adviser may play a greater role in the valuation of the fund's holdings due to reduced availability of reliable objective pricing data. ■ The funds' use of a representative sampling approach will result in its holding a smaller number of securities than are in the underlying Index, and may be subject to greater volatility.

BulletShares High Yield ETFs
The values of junk bonds fluctuate more than those of high quality bonds and can decline significantly over short time periods.

BulletShares Emerging Markets ETFs
Non-investment grade securities may be subject to greater price volatility due to specific corporate developments, interest-rate sensitivity, negative perceptions of the market, adverse economic and competitive industry conditions and decreased market liquidity.

The funds may invest in privately issued securities, including 144A securities which are restricted (i.e. not publicly traded). The liquidity market for Rule 144A securities may vary, as a result, delay or difficulty in selling such securities may result in a loss to the fund.

The funds may hold illiquid securities that it may be unable to sell at the preferred time or price and could lose its entire investment in such securities.

Government obligors in emerging market countries are among the world's largest debtors to commercial banks, other governments, international financial organizations and other financial instruments. Issuers of sovereign debt or the governmental authorities that control repayment may be unable or unwilling to repay principal or interest when due, and the fund may have limited recourse in the event of default. Without debt holder approval, some governmental debtors may be able to reschedule or restructure their debt payments or declare moratoria on payments.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial advisor/financial consultant before making any investment decisions. Note: Not all products are available through all firms.

Before investing, investors should carefully read the prospectus/summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund call 800 983 0903 or visit invesco.com for the prospectus/ summary prospectus.

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