



Invesco Short Duration Inflation Protected Portfolio

Quarterly Performance Commentary

CUSIPS: RZ:76222X364 RA:76222X372

Investment objective

The portfolio seeks to provide protection from the negative effects of unanticipated inflation.

Portfolio management

Brian Schneider, Robert Young

Management is that of the underlying fund.

Portfolio information

Total net assets \$7,393,427

Total number of holdings 12

Holdings shown are that of the underlying fund.

Holdings statistics (%)

Weighted Average Effective Maturity (years) 2.90

Effective Duration 2.86

Data shown is that of the underlying fund.

Holdings by maturity

US Treasuries	Coupon rate (%)	Total net assets (%)
7/15/2020	1.25	7.50
1/15/2021	1.13	8.44
4/15/2021	0.13	9.40
7/15/2021	0.63	8.02
1/15/2022	0.13	9.04
4/15/2022	0.13	9.06
7/15/2022	0.13	8.88
1/15/2023	0.13	8.85
4/15/2023	0.63	9.53
7/15/2023	0.38	8.85
1/15/2024	0.63	8.97
4/15/2024	0.50	3.44
Other assets less liabilities		0.01

Data shown is that of the underlying fund. May not equal 100% due to rounding.

Portfolio commentary provided is based on the underlying fund.

Market overview

- US Treasury Inflation-Protected Securities (TIPS) had a positive return for the second quarter, with the ICE BofA Merrill Lynch 1-5 Year US Inflation-Linked Treasury Index gaining 1.78%. Positive inflation accruals and coupon payments added to the positive price returns that resulted from falling real yields.
- The 2 to 5-year maturity segment of the TIPS yield curve remained inverted during the second quarter. Yields on longer-dated bonds fell due to slower growth expectations and subdued inflation. Yields on 2-year and 5-year maturities ended the quarter at 0.62% and 0.23%, respectively. The average yield of the ICE BofA Merrill Lynch 1-5 Year US Inflation-Linked Treasury Index fell 0.02% during the quarter to end at 0.38%.
- Short-term TIPS underperformed their nominal US Treasury bond counterparts on a maturity-matched basis for the quarter. Inflation expectations decreased during the quarter as real yields on TIPS decreased less than nominal yields on Treasuries, causing breakevens to decrease. The difference between yields on maturity-matched nominal Treasuries and TIPS is a measure of inflation expectations, also known as breakeven inflation (the amount of inflation needed for TIPS to break even with nominal Treasuries).

Performance highlights

- Invesco Short Duration Inflation Protected Portfolio Class RZ units at net asset value (NAV) performed in line with its benchmark, the BofA Merrill Lynch 1-5 Year US Inflation-Linked Treasury Index (before fees). (Please see the investment results table on page 2 for portfolio and index performance.)

Contributors to performance

- The fund seeks to match the performance of its index. There were no contributors to relative performance.

Detractors from performance

- The fund seeks to match the performance of its index. There were no detractors from relative performance.

Positioning and outlook

- The annual inflation rate increased 0.1% to 2.0% in April, but this was followed by consecutive dips in May and June to end the quarter at 1.6%. This was mainly driven by the recent decline in energy prices. We expect US inflation to increase over 2019 but not materially, supported by stabilizing housing prices and higher prices of core goods due to increased demand. US growth is likely to be below market expectations in the second half of the year. We expect the US Federal Reserve to maintain accommodative monetary policies, with interest rate cuts likely unless there are significant positive surprises in economic data.

Investment results				
Average annual total returns (%) as of June 30, 2019				
	Class RZ units		Class RA units	Style-Specific Index
	Inception: 07/08/16		Inception: 07/08/16	
Period	Max Load 4.00%	NAV	NAV	ICE BofAML 1-5 Year US Inflation-Linked Treasury Index
Inception	-0.13	1.26	1.00	-
1 Year	-1.05	3.08	2.79	3.40
Quarter	-2.35	1.76	1.68	1.81

The performance quoted is past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that an account owner's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month-end performance information please call 877 615 4116, or visit collegebound529.com. Performance figures reflect reinvested distributions of the underlying security and changes in net asset value (NAV). Performance shown at NAV for Class RZ units does not include applicable front-end sales charges, which would have reduced the performance. Class RA units have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Index returns do not reflect any fees, expenses, or sales charges.

Index source: FactSet Research Systems Inc.

Credit quality breakdown (% of total)	
Cash	0.01
AAA	99.99

Data shown is that of the underlying fund.

Ratings source: Standard & Poor's, Moody's or Fitch, as applicable. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. If securities are rated differently by the rating agencies, the higher rating is applied. Not Rated indicates the debtor was not rated and should not be interpreted as indicating low quality. A negative in Cash indicates fund activity that has accrued or is pending settlement. For more information on the rating methodology, please visit www.standardandpoors.com and select 'Understanding Ratings' under Rating Resources on the homepage; www.moodys.com and select 'Rating Methodologies' under Research and Ratings on the homepage; www.fitchratings.com and select 'Ratings Definitions' on the homepage.

Expense ratios (%)	
Class RZ units	0.30
Class RA units	0.54
Total annual asset-based fee per the current Program Description.	

Investment categories (%)	
U.S. Government Bonds	99.99
Cash	0.01

Data shown is that of the underlying fund. May not equal 100% due to rounding.

For more information you can visit us at collegebound529.com

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Class RZ units and Class RA units are available only to certain investors who are residents of the State of Rhode Island. See the Program Description for more information. The ICE BofA Merrill Lynch 1-5 Year US Inflation-Linked Treasury Index is a subset of The BofA Merrill Lynch US Inflation-Linked Treasury Index including all securities with a remaining term to final maturity less than five years. An investment cannot be made directly in an index.

Effective duration is a modified duration calculation which incorporates the expected duration-shortening effect of an issuer's embedded call provision. **Weighted average effective maturity (WAM)** is a measure, as estimated by the underlying fund's portfolio managers, of the length of time the average security in a bond fund will mature or be redeemed by its issuer. It takes into account mortgage prepayments, puts, adjustable coupons and potential call dates.

About risk

Risks of the Underlying Holding

An issuer may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty and management risks. An investment in a derivative could lose more than the cash amount invested.

Inflation-indexed securities generally fluctuate in response to changes in real interest rates, and the underlying fund's income from its investments in these securities is likely to fluctuate considerably more than income distributions on its investments in more

traditional fixed-income securities.

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

Because the underlying fund operates as a passively managed index fund, adverse performance of a particular stock ordinarily will not result in its elimination from the underlying fund's portfolio. Ordinarily, the Adviser will not sell the underlying fund's portfolio securities except to reflect changes in the securities that comprise the Index, or as may be necessary to raise cash to pay underlying fund shareholders who sell underlying fund shares.

The underlying fund's use of a representative sampling approach will result in its holding a smaller

number of securities than are in the index and in holding securities not included in the index. As a result, underperformance of securities held by the fund could result in a greater decline in NAV than would be the case if all of the securities in the index were held, and the underlying fund may not track the return of the index as well as it would have if it held all of the securities in the index.

The portfolio is subject to certain other risks. Please see the current Program Description for more information regarding the risks associated with an investment in the portfolio.

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For more information about CollegeBound 529, contact your financial advisor, call 877-615-4116, or visit www.collegebound529.com to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing. Invesco Distributors, Inc. is the distributor of CollegeBound 529.

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All data provided by Invesco unless otherwise noted.