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# **Invesco Balanced-Risk Commodity Strategy Fund**

Quarterly Schedule of Portfolio Holdings  
January 31, 2019



# Consolidated Schedule of Investments

January 31, 2019  
(Unaudited)

	Interest Rate	Maturity Date	Principal Amount (000)	Value
<b>U.S. Treasury Securities-28.66%</b>				
<b>U.S. Treasury Bills-14.80%<sup>(a)</sup></b>				
U.S. Treasury Bills <sup>(b)</sup>	2.18%	02/07/2019	\$ 86,600	\$ 86,568,579
U.S. Treasury Bills <sup>(b)</sup>	2.18%	02/07/2019	15,000	14,994,410
U.S. Treasury Bills	2.37%	03/14/2019	42,000	41,886,803
U.S. Treasury Bills	2.47%	06/13/2019	71,500	70,877,026
				214,326,818
<b>U.S. Treasury Notes-13.86%<sup>(c)</sup></b>				
U.S. Treasury Floating Rate Notes (3 mo. U.S. Treasury Bill Money Market Yield Rate)	2.40%	01/31/2020	62,880	62,870,860
U.S. Treasury Floating Rate Notes (3 mo. U.S. Treasury Bill Money Market Yield Rate + 0.03%)	2.44%	04/30/2020	64,000	63,988,995
U.S. Treasury Floating Rate Notes (3 mo. U.S. Treasury Bill Money Market Yield Rate + 0.04%)	2.45%	07/31/2020	74,000	73,970,364
				200,830,219
Total U.S. Treasury Securities (Cost \$415,180,535)				415,157,037
		Expiration Date		
<b>Commodity-Linked Notes-4.31%</b>				
Barclays Bank PLC, U.S. Federal Funds (Effective) rate minus 0.06% (linked to the Barclays Diversified Energy-Metals Total Return Index, multiplied by 3) (United Kingdom) <sup>(d)(e)</sup>		12/31/2019	11,800	11,852,546
Barclays Bank PLC, U.S. Federal Funds (Effective) rate minus 0.06% (linked to the Barclays Diversified Energy-Metals Total Return Index, multiplied by 3) (United Kingdom) <sup>(d)(e)</sup>		01/28/2020	23,500	27,550,989
International Bank for Reconstruction and Development, 3 month USD LIBOR rate minus 0.78% (linked to the Barclays Diversified Energy-Metals Total Return Index, multiplied by 2) (Supranational) <sup>(d)(e)</sup>		01/30/2020	30,000	23,034,985
Total Commodity-Linked Notes (Cost \$65,300,000)				62,438,520
			Shares	
<b>Money Market Funds-61.09%</b>				
Invesco Government & Agency Portfolio, Institutional Class, 2.29% <sup>(f)</sup>			277,495,614	277,495,614
Invesco Liquid Assets Portfolio, Institutional Class, 2.51% <sup>(f)</sup>			178,081,637	178,117,253
Invesco STIC (Global Series) PLC, U.S. Dollar Liquidity Portfolio (Ireland), Institutional Class, 2.52% <sup>(f)</sup>			144,530,826	144,530,826
Invesco Treasury Portfolio, Institutional Class, 2.29% <sup>(f)</sup>			284,962,987	284,962,987
Total Money Market Funds (Cost \$885,104,256)				885,106,680
TOTAL INVESTMENTS IN SECURITIES-94.06% (Cost \$1,365,584,791)				1,362,702,237
OTHER ASSETS LESS LIABILITIES-5.94%				86,093,706
NET ASSETS-100.00%				\$1,448,795,943

## Investment Abbreviations:

LIBOR - London Interbank Offered Rate  
USD - U.S. Dollar

## Notes to Consolidated Schedule of Investments:

- (a) Security traded on a discount basis. The interest rate shown represents the discount rate at the time of purchase by the Fund.
- (b) All or a portion of the value was pledged as collateral to cover margin requirements for open futures contracts. See Note 1E.
- (c) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on January 31, 2019.
- (d) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at January 31, 2019 was \$62,438,520, which represented 4.31% of the Fund's Net Assets.
- (e) Barclays Diversified Energy-Metals Total Return Index - a basket of indices that provide exposure to various components of the energy and metals markets. The underlying commodities comprising the indices are: Bent Crude Oil, Copper, Gasoil, Gold, Silver, Unleaded Gasoline, and WTI Crude Oil.
- (f) The money market fund and the Fund are affiliated by having the same investment adviser. The rate shown is the 7-day SEC standardized yield as of January 31, 2019.

See accompanying notes which are an integral part of this consolidated schedule.

### Open Futures Contracts

Long Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
<b>Commodity Risk</b>					
Cocoa	697	May-2019	\$ 15,396,730	\$(1,405,437)	\$(1,405,437)
Corn	1,298	July-2019	25,489,475	(307,353)	(307,353)
Coffee "C"	494	March-2019	19,617,975	(1,435,485)	(1,435,485)
Gasoline Reformulated Blendstock Oxygenate Blending	1,300	February-2019	75,216,960	(2,105,561)	(2,105,561)
Cotton No. 2	1,541	March-2019	57,325,200	(3,937,286)	(3,937,286)
Soybeans	2,159	July-2019	101,688,900	2,741,573	2,741,573
Wheat	1,280	July-2019	33,728,000	(717,705)	(717,705)
Gold	659	April-2019	87,330,680	2,302,750	2,302,750
Total Futures Contracts				\$(4,864,504)	\$(4,864,504)

### Open Over-The-Counter Total Return Swap Agreements<sup>(a)(b)</sup>

Counterparty	Pay/Receive	Reference Entity <sup>(c)</sup>	Fixed Rate	Payment Frequency	Number of Contracts	Maturity Date	Notional Value	Upfront Payments Paid (Received)	Value	Unrealized Appreciation (Depreciation)
<b>Commodity Risk</b>										
Barclays Bank PLC	Receive	Barclays Heating Oil Roll Yield Excess Return Index	0.37%	Monthly	140,000	January-2020	\$ 33,707,772	\$-	\$ 783,944	\$ 783,944
Barclays Bank PLC	Receive	Barclays WTI Crude Roll Yield Excess Return Index	0.35	Monthly	57,000	March-2019	14,450,150	-	223,657	223,657
Barclays Bank PLC	Receive	Barclays Soybean Meal Seasonal Excess Return Index	0.52	Monthly	27,800	January-2020	27,975,279	-	79,480	79,480
Canadian Imperial Bank of Commerce	Receive	CIBC Dynamic Roll LME Copper Excess Return Index 2	0.30	Monthly	956,000	April-2019	70,972,675	-	2,736,263	2,736,263
Goldman Sachs International	Receive	S&P GSCI Cotton Excess Return Index	0.45	Monthly	1,025,000	September-2019	42,650,322	-	967,323	967,323
Goldman Sachs International	Receive	S&P GSCI Sugar Excess Return Index	0.37	Monthly	411,300	March-2019	66,864,671	-	388,679	388,679
JPMorgan Chase Bank, N.A.	Receive	S&P GSCI Gold Index Excess Return	0.09	Monthly	392,500	October-2019	39,791,964	-	1,101,630	1,101,630
JPMorgan Chase Bank, N.A.	Receive	J.P. Morgan Contag Beta Gas Oil Excess Return Index	0.25	Monthly	147,000	April-2019	35,713,562	-	978,888	978,888
Macquarie Bank Ltd.	Receive	Macquarie Single Commodity Silver type A Excess Return Index	0.16	Monthly	506,800	December-2019	89,454,102	-	2,125,367	2,125,367
Macquarie Bank Ltd.	Receive	Modified Macquarie Single Commodity Sugar type A Excess Return Index	0.34	Monthly	264,500	January-2020	39,356,648	-	884,752	884,752
Macquarie Bank Ltd.	Pay	Macquarie Aluminum Dynamic Selection Index	0.16	Monthly	929,000	January-2020	53,901,323	-	343,173	343,173
Macquarie Bank Ltd.	Pay	Macquarie Single Commodity Unleaded Gasoline type A ER Index	0.06	Monthly	11,000	January-2020	835,429	-	16,117	16,117
Merrill Lynch International	Receive	Merrill Lynch Gold Excess Return Index	0.25	Monthly	499,000	November-2019	23,051,495	-	1,218,658	1,218,658
Morgan Stanley Capital Services LLC	Receive	MS Soybean Oil Dynamic Roll Index	0.30	Monthly	128,500	April-2019	16,144,933	-	1,071,921	1,071,921

See accompanying notes which are an integral part of this consolidated schedule.

**Open Over-The-Counter Total Return Swap Agreements<sup>(a)(b)</sup>—(continued)**

Counterparty	Pay/Receive	Reference Entity <sup>(c)</sup>	Fixed Rate	Payment Frequency	Number of Contracts	Maturity Date	Notional Value	Upfront Payments Paid (Received)	Value	Unrealized Appreciation (Depreciation)
Royal Bank of Canada	Receive	RBC Enhanced Brent Crude Oil O1 Excess Return Index	0.35%	Monthly	180,200	March-2019	\$ 52,688,228	\$-	\$ 0	\$ 0
Royal Bank of Canada	Receive	RBC Enhanced Copper LME O1 Excess Return Index	0.28	Monthly	24,000	May-2019	13,209,470	-	0	0
Subtotal – Appreciation								-	12,919,852	12,919,852
<b>Commodity Risk</b>										
Barclays Bank PLC	Receive	Barclays Live Cattle Roll Yield Excess Return Index	0.47	Monthly	182,000	January-2020	23,305,500	-	(219,019)	(219,019)
Barclays Bank PLC	Pay	Barclays WTI Crude Roll Yield Excess Return Index	0.35	Monthly	93,700	January-2020	23,754,018	-	(367,660)	(367,660)
Canadian Imperial Bank of Commerce	Pay	CIBC Soybean Oil Excess Return Index	0.09	Monthly	466,000	January-2020	20,787,421	-	(1,287,791)	(1,287,791)
Goldman Sachs International	Receive	S&P GSCI Soybean Meal Excess Return Index	0.30	Monthly	106,000	June-2019	110,085,134	-	(3,792,573)	(3,792,573)
Macquarie Bank Ltd.	Pay	Macquarie Single Commodity Zinc type A ER Index	0.12	Monthly	86,500	January-2020	14,378,774	-	(256,524)	(256,524)
Macquarie Bank Ltd.	Receive	Macquarie Aluminum Dynamic Selection Index	0.30	Monthly	1,533,000	December-2019	76,300,936	-	(477,376)	(477,376)
Macquarie Bank Ltd.	Pay	Macquarie Single Commodity Nickel type A ER Index	0.17	Monthly	242,000	April-2019	18,888,947	-	(809,514)	(809,514)
Morgan Stanley Capital Services LLC	Pay	Morgan Stanley MSCY2KWO Index	0.05	Monthly	56,500	January-2020	11,497,185	-	(81,213)	(81,213)
Morgan Stanley Capital Services LLC	Pay	Morgan Stanley MSCY2WHO Index	0.05	Monthly	40,500	January-2020	10,675,419	-	(83,321)	(83,321)
Morgan Stanley Capital Services LLC	Pay	Morgan Stanley MSCY2CNO Index	0.05	Monthly	55,000	January-2020	16,226,139	-	(108,460)	(108,460)
Morgan Stanley Capital Services LLC	Pay	Morgan Stanley MSCY2SYO Index	0.05	Monthly	79,800	January-2020	30,674,218	-	(711,561)	(711,561)
Subtotal – Depreciation								-	(8,195,012)	(8,195,012)
Total – Total Return Swap Agreements								\$-	\$ 4,724,840	\$ 4,724,840

<sup>(a)</sup> Open Over-The-Counter Total Return Swap Agreements are collateralized by cash held with the swap Counterparties in the amount of \$65,439,780.

<sup>(b)</sup> The Fund receives or pays payments based on any positive or negative return on the Reference Entity, respectively.

<sup>(c)</sup> The table below includes additional information regarding the underlying components of certain reference entities that are not publicly available.

**Reference Entity Components**

Reference Entity	Underlying Components	Percentage
Barclays Heating Oil Roll Yield Excess Return Index	Long Futures Contracts	
	Heating Oil	100%
Barclays WTI Crude Roll Yield Excess Return Index	Long Futures Contracts	
	WTI Crude	100%
Barclays Soybean Meal Seasonal Excess Return Index	Long Futures Contracts	
	Soybean Meal	100%
CIBC Dynamic Roll LME Copper Excess Return Index 2	Long Futures Contracts	

See accompanying notes which are an integral part of this consolidated schedule.

**Reference Entity Components—(continued)**

<b>Reference Entity</b>	<b>Underlying Components</b>	<b>Percentage</b>
	Copper	100%
S&P GSCI Cotton Excess Return Index	Long Futures Contracts	
	Cotton No.2	100%
S&P GSCI Sugar Excess Return Index	Long Futures Contracts	
	Sugar	100%
S&P GSCI Gold Index Excess Return	Long Futures Contracts	
	Gold	100%
J.P. Morgan Contag Beta Gas Oil Excess Return Index	Long Futures Contracts	
	Gas Oil	100%
Macquarie Single Commodity Silver type A Excess Return Index	Long Futures Contracts	
	Silver	100%
Modified Macquarie Single Commodity Sugar type A Excess Return Index	Long Futures Contracts	
	Sugar	100%
Macquarie Aluminum Dynamic Selection Index	Long Futures Contracts	
	Aluminum	100%
Macquarie Single Commodity Unleaded Gasoline type A ER Index	Long Futures Contracts	
	Unleaded Gasoline	100%
Merrill Lynch Gold Excess Return Index	Long Futures Contracts	
	Gold	100%
MS Soybean Oil Dynamic Roll Index	Long Futures Contracts	
	Soybean Oil	100%
RBC Enhanced Brent Crude Oil O1 Excess Return Index	Long Futures Contracts	
	Brent Crude	100%
RBC Enhanced Copper LME O1 Excess Return Index	Long Futures Contracts	
	Copper	100%
Barclays Live Cattle Roll Yield Excess Return Index	Long Futures Contracts	
	Live Cattle	100%
CIBC Soybean Oil Excess Return Index	Long Futures Contracts	
	Soybean Oil	100%
S&P GSCI Soybean Meal Excess Return Index	Long Futures Contracts	
	Soybean Meal	100%
Macquarie Single Commodity Zinc type A ER Index	Long Futures Contracts	
	Zinc	100%
Macquarie Aluminum Dynamic Selection Index	Long Futures Contracts	
	Aluminum	100%

See accompanying notes which are an integral part of this consolidated schedule.

**Reference Entity Components—(continued)**

<b>Reference Entity</b>	<b>Underlying Components</b>	<b>Percentage</b>
Macquarie Single Commodity Nickel type A ER Index	Long Futures Contracts	
	Nickel	100%
Morgan Stanley MSCY2KWO Index	Long Futures Contracts	
	Kansas Wheat	100%
Morgan Stanley MSCY2WHO Index	Long Futures Contracts	
	Wheat	100%
Morgan Stanley MSCY2CNO Index	Long Futures Contracts	
	Corn	100%
Morgan Stanley MSCY2SYO Index	Long Futures Contracts	
	Soybean	100%

See accompanying notes which are an integral part of this consolidated schedule.

# Notes to Quarterly Consolidated Schedule of Portfolio Holdings

January 31, 2019  
(Unaudited)

## NOTE 1—Significant Accounting Policies

Invesco Balanced-Risk Commodity Strategy Fund (the "Fund") will seek to gain exposure to the commodity markets primarily through investments in Invesco Cayman Commodity Fund III Ltd. (the "Subsidiary"), a wholly-owned subsidiary of the Fund organized under the laws of the Cayman Islands. The Subsidiary was organized by the Fund to invest in commodity-linked derivatives and other securities that may provide leveraged and non-leveraged exposure to commodities. The Fund may invest up to 25% of its total assets in the Subsidiary.

**A. Security Valuations** – Securities, including restricted securities, are valued according to the following policy.

Debt obligations (including convertible securities) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate (for unlisted equities), yield (for debt obligations), quality, type of issue, coupon rate (for debt obligations), maturity (for debt obligations), individual trading characteristics and other market data. Pricing services generally value debt obligations assuming orderly transactions of institutional round lot size, but a fund may hold or transact in the same securities in smaller, odd lot sizes. Odd lots often trade at lower prices than institutional round lots. Debt obligations are subject to interest rate and credit risks. In addition, all debt obligations involve some risk of default with respect to interest and/or principal payments.

A security listed or traded on an exchange (except convertible securities) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued by an independent pricing service they may be considered fair valued. Futures contracts are valued at the final settlement price set by an exchange on which they are principally traded. Listed options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and asked prices. For purposes of determining net asset value ("NAV") per share, futures and option contracts generally are valued 15 minutes after the close of the customary trading session of the New York Stock Exchange ("NYSE").

Investments in open-end and closed-end registered investment companies that do not trade on an exchange are valued at the end-of-day net asset value per share. Investments in open-end and closed-end registered investment companies that trade on an exchange are valued at the last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded.

Swap agreements are fair valued using an evaluated quote, if available, provided by an independent pricing service. Evaluated quotes provided by the pricing service are valued based on a model which may include end-of-day net present values, spreads, ratings, industry, company performance and returns of referenced assets. Centrally cleared swap agreements are valued at the daily settlement price determined by the relevant exchange or clearinghouse.

Foreign securities' (including foreign exchange contracts) prices are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the NYSE. If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that the investment adviser determines are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities' prices meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depositary Receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economic upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources. The last bid price may be used to value equity securities. The mean between the last bid and asked prices is used to value debt obligations, including corporate loans.

Securities for which market quotations are not readily available or became unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/asked quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

The Fund may invest in securities that are subject to interest rate risk, meaning the risk that the prices will generally fall as interest rates rise and, conversely, the prices will generally rise as interest rates fall. Specific securities differ in their sensitivity to changes in interest rates depending on their individual characteristics. Changes in interest rates may result in increased market volatility, which may affect the value and/or liquidity of certain Fund investments.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the consolidated financial statements may materially differ from the value received upon actual sale of those investments.

**B. Securities Transactions and Investment Income** – Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is

## **B. Securities Transactions and Investment Income – (continued)**

recorded on the accrual basis from settlement date. Bond premiums and discounts are amortized and/or accreted over the lives of the respective securities. Pay-in-kind interest income and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

The Fund may periodically participate in litigation related to Fund investments. As such, the Fund may receive proceeds from litigation settlements. Any proceeds received are included in the Consolidated Statement of Operations as realized gain (loss) for investments no longer held and as unrealized gain (loss) for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment securities reported in the Consolidated Statement of Operations and the Consolidated Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Fund's net asset value and, accordingly, they reduce the Fund's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Consolidated Statement of Operations and the Consolidated Statement of Changes in Net Assets, or the net investment income per share and the ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Fund and the investment adviser.

The Fund allocates income and realized and unrealized capital gains and losses to a class based on the relative net assets of each class.

**C. Country Determination** – For the purposes of making investment selection decisions and presentation in the Consolidated Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.

**D. Structured Securities** – The Fund may invest in structured securities. Structured securities are a type of derivative security whose value is determined by reference to changes in the value of underlying securities, currencies, interest rates, commodities, indices or other financial indicators ("reference instruments"). Most structured securities are fixed-income securities that have maturities of three years or less. Structured securities may be positively or negatively indexed (i.e., their principal value or interest rates may increase or decrease if the underlying reference instrument appreciates) and may have return characteristics similar to direct investments in the underlying reference instrument.

Structured securities may entail a greater degree of market risk than other types of debt securities because the investor bears the risk of the reference instruments. In addition to the credit risk of structured securities and the normal risks of price changes in response to changes in interest rates, the principal amount of structured notes or indexed securities may decrease as a result of changes in the value of the underlying reference instruments. Changes in the daily value of structured securities are recorded as unrealized gains (losses) in the Consolidated Statement of Operations. When the structured securities mature or are sold, the Fund recognizes a realized gain (loss) on the Consolidated Statement of Operations.

**E. Futures Contracts** – The Fund may enter into futures contracts to equitize the Fund's cash holdings or to manage exposure to interest rate, equity and market price movements and/or currency risks. A futures contract is an agreement between two parties ("Counterparties") to purchase or sell a specified underlying security, currency or commodity (or delivery of a cash settlement price, in the case of an index future) for a fixed price at a future date. The Fund currently invests only in exchange-traded futures and they are standardized as to maturity date and underlying financial instrument. Initial margin deposits required upon entering into futures contracts are satisfied by the segregation of specific securities or cash as collateral at the futures commission merchant (broker). During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by recalculating the value of the contracts on a daily basis. Subsequent or variation margin payments are received or made on non-LME futures contracts depending upon whether unrealized gains or losses are incurred. These amounts are reflected as receivables or payables on the Consolidated Statement of Assets and Liabilities. For LME contracts, subsequent or variation margin payments are not made and the value of the contracts is presented as unrealized appreciation or depreciation on the Statement of Assets and Liabilities. When LME or non-LME contracts are closed or expire, the Fund recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the Fund's basis in the contract. The net realized gain (loss) and the change in unrealized gain (loss) on futures contracts held during the period is included on the Consolidated Statement of Operations. The primary risks associated with futures contracts are market risk and the absence of a liquid secondary market. If the Fund were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Fund would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. Futures contracts have minimal Counterparty risk since the exchange's clearinghouse, as Counterparty to all exchange-traded futures, guarantees the futures against default. Risks may exceed amounts recognized in the Consolidated Statement of Assets and Liabilities.

**F. Swap Agreements** – The Fund may enter into various swap transactions, including interest rate, total return, index, currency and credit default swap contracts ("CDS") for investment purposes or to manage interest rate, currency, commodity or credit risk. Such transactions are agreements between Counterparties. These agreements may contain among other conditions, events of default and termination events, and various covenants and representations such as provisions that require the Fund to maintain a pre-determined level of net assets, and/or provide limits regarding the decline of the Fund's NAV over specific periods of time. If the Fund were to trigger such provisions and have open derivative positions at that time, the Counterparty may be able to terminate such agreement and request immediate payment in an amount equal to the net liability positions, if any.

Interest rate, total return, index, and currency swap agreements are two-party contracts entered into primarily to exchange the returns (or differentials in rates of returns) earned or realized on particular predetermined investments or instruments. The gross returns to be exchanged or "swapped" between the parties are calculated with respect to a notional amount, i.e., the return on or increase in value of a particular dollar amount invested at a particular interest rate or return of an underlying asset, in a particular foreign currency, or in a "basket" of securities representing a particular index. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference less a financing rate, if any. As a receiver, the Fund would receive payments based on any positive total return and would



## F. Swap Agreements – (continued)

owe payments in the event of a negative total return. As the payer, the Fund would owe payments on any net positive total return, and would receive payment in the event of a negative total return.

A total return swap is an agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income generated and capital gains, if any. The unrealized appreciation (depreciation) on total return swaps includes dividends on the underlying securities and financing rate payable from the Counterparty. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference less a financing rate, if any. As a receiver, the Fund would receive payments based on any positive total return and would owe payments in the event of a negative total return. As the payer, the Fund would owe payments on any net positive total return, and would receive payment in the event of a negative total return.

Changes in the value of swap agreements are recognized as unrealized gains (losses) in the Consolidated Statement of Operations by “marking to market” on a daily basis to reflect the value of the swap agreement at the end of each trading day. Payments received or paid at the beginning of the agreement are reflected as such on the Consolidated Statement of Assets and Liabilities and may be referred to as upfront payments. The Fund accrues for the fixed payment stream and amortizes upfront payments, if any, on swap agreements on a daily basis with the net amount, recorded as a component of realized gain (loss) on the Consolidated Statement of Operations. A liquidation payment received or made at the termination of a swap agreement is recorded as realized gain (loss) on the Consolidated Statement of Operations. The Fund segregates cash or liquid securities having a value at least equal to the amount of the potential obligation of a Fund under any swap transaction. Cash held as collateral is recorded as deposits with brokers on the Consolidated Statement of Assets and Liabilities. Entering into these agreements involves, to varying degrees, lack of liquidity and elements of credit, market, and Counterparty risk in excess of amounts recognized on the Consolidated Statement of Assets and Liabilities. Such risks involve the possibility that a swap is difficult to sell or liquidate; the Counterparty does not honor its obligations under the agreement and unfavorable interest rates and market fluctuations. It is possible that developments in the swaps market, including potential government regulation, could adversely affect the Fund’s ability to terminate existing swap agreements or to realize amounts to be received under such agreements. A short position in a security poses more risk than holding the same security long. As there is no limit on how much the price of the security can increase, the Fund’s exposure is unlimited.

**G. Other Risks** – The Fund will seek to gain exposure to commodity markets primarily through an investment in the Subsidiary and through investments in exchange-traded funds and commodity-linked derivatives. The Subsidiary, unlike the Fund, may invest without limitation in commodities, commodity-linked derivatives and other securities, such as exchange-traded and commodity-linked notes, that may provide leveraged and non-leveraged exposure to commodity markets. The Fund is indirectly exposed to the risks associated with the Subsidiary’s investments.

**H. Leverage Risk** – Leverage exists when the Fund can lose more than it originally invests because it purchases or sells an instrument or enters into a transaction without investing an amount equal to the full economic exposure of the instrument or transaction.

**I. Collateral** – To the extent the Fund has designated or segregated a security as collateral and that security is subsequently sold, it is the Fund’s practice to replace such collateral no later than the next business day.

## NOTE 2–Additional Valuation Information

Generally Accepted Accounting Principles (“GAAP”) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods, giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3), generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment’s assigned level:

Level 1 – Prices are determined using quoted prices in an active market for identical assets.

Level 2 – Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 – Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used.

Unobservable inputs reflect the Fund’s own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of January 31, 2019. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the consolidated financial statements may materially differ from the value received upon actual sale of those investments.

	Level 1	Level 2	Level 3	Total
<b>Investments in Securities</b>				
U.S. Treasury Securities	\$ –	\$415,157,037	\$–	\$ 415,157,037
Commodity-Linked Notes	–	62,438,520	–	62,438,520
Money Market Funds	885,106,680	–	–	885,106,680
<b>Total Investments in Securities</b>	<b>885,106,680</b>	<b>477,595,557</b>	<b>–</b>	<b>1,362,702,237</b>

	Level 1	Level 2	Level 3	Total
<b>Other Investments - Assets*</b>				
Futures Contracts	5,044,323	-	-	5,044,323
Swap Agreements	-	12,919,852	-	12,919,852
	5,044,323	12,919,852	-	17,964,175
<b>Other Investments - Liabilities*</b>				
Futures Contracts	(9,908,827)	-	-	(9,908,827)
Swap Agreements	-	(8,195,012)	-	(8,195,012)
	(9,908,827)	(8,195,012)	-	(18,103,839)
<b>Total Other Investments</b>	<b>(4,864,504)</b>	<b>4,724,840</b>	<b>-</b>	<b>(139,664)</b>
<b>Total Investments</b>	<b>\$880,242,176</b>	<b>\$482,320,397</b>	<b>\$-</b>	<b>\$1,362,562,573</b>

\* Unrealized appreciation (depreciation).

### NOTE 3—Derivative Investments

The Fund may enter into an International Swaps and Derivatives Association Master Agreement (“ISDA Master Agreement”) under which a fund may trade OTC derivatives. An OTC transaction entered into under an ISDA Master Agreement typically involves a collateral posting arrangement, payment netting provisions and close-out netting provisions. These netting provisions allow for reduction of credit risk through netting of contractual obligations. The enforceability of the netting provisions of the ISDA Master Agreement depends on the governing law of the ISDA Master Agreement, among other factors.

For financial reporting purposes, the Fund does not offset OTC derivative assets or liabilities that are subject to ISDA Master Agreements in the Consolidated Statement of Assets and Liabilities.

#### Value of Derivative Investments at Period-End

The table below summarizes the value of the Fund’s derivative investments, detailed by primary risk exposure, held as of January 31, 2019:

	Value Commodity Risk
<b>Derivative Assets</b>	
Unrealized appreciation on futures contracts – Exchange-Traded	\$ 5,044,323
Unrealized appreciation on swap agreements – OTC	12,919,852
Total Derivative Assets	17,964,175
Derivatives not subject to master netting agreements	(5,044,323)
Total Derivative Assets subject to master netting agreements	\$ 12,919,852

	Value Commodity Risk
<b>Derivative Liabilities</b>	
Unrealized depreciation on futures contracts – Exchange-Traded	\$ (9,908,827)
Unrealized depreciation on swap agreements – OTC	(8,195,012)
Total Derivative Liabilities	(18,103,839)
Derivatives not subject to master netting agreements	9,908,827
Total Derivative Liabilities subject to master netting agreements	\$ (8,195,012)

#### Effect of Derivative Investments for the three months ended January 31, 2019

The table below summarizes the gains (losses) on derivative investments, detailed by primary risk exposure, recognized in earnings during the period:

	Location of Gain (Loss) on Consolidated Statement of Operations Commodity Risk
<b>Realized Gain (Loss):</b>	
Futures contracts	\$(20,310,272)
Swap agreements	(33,143,446)
<b>Change in Net Unrealized Appreciation (Depreciation):</b>	
Futures contracts	7,074,234
Swap agreements	19,706,640
Total	\$(26,672,844)

The table below summarizes the average notional values of futures contracts and swap agreements held during the period.

	<b>Futures Contracts</b>	<b>Swap Agreements</b>
Average notional value	\$450,250,727	\$824,774,887