



# VRP Invesco Variable Rate Preferred ETF

As of March 31, 2019

## Fund Description

The Invesco Variable Rate Preferred ETF (Fund) is based on the Wells Fargo® Hybrid and Preferred Securities Floating and Variable Rate Index (Index). The Fund will generally invest at least 90% of its total assets in preferred securities that comprise the Index. The Index is a market capitalization-weighted index designed to track the performance of preferred stock, as well as certain types of "hybrid securities" that are functionally equivalent to preferred stock based on equity features. The Fund and the Index are rebalanced monthly.

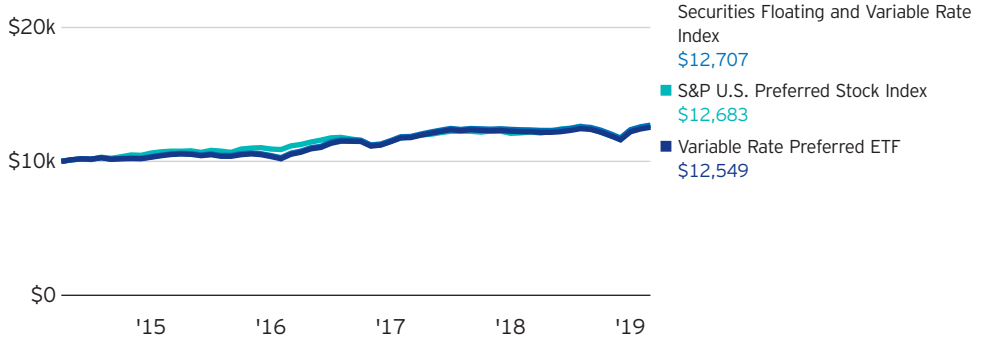
### Fund Data

|                               |           |
|-------------------------------|-----------|
| Variable Rate Preferred ETF   | VRP       |
| Intraday NAV (IIV)            | VRPIV     |
| Number of Securities          | 212       |
| CUSIP                         | 46138G870 |
| Listing Exchange              | NYSE Arca |
| 30-Day SEC Yield              | 4.43%     |
| 30-Day SEC Unsubsidized Yield | 4.43%     |
| Total Expense Ratio           | 0.50%     |

### Underlying Index Data

|  |                       |
|--|-----------------------|
| Wells Fargo Hybrid and Preferred Securities Floating and Variable Rate | PFLOT                 |
| Index Provider   | Wells Fargo & Company |
| Number of Securities   | 213                   |

## Growth of \$10,000



Data beginning Fund Inception and ending March 31, 2019. Fund performance shown at NAV.

## Fund Performance & Index History (%)

|  | YTD  | 1 year | 3 year | 5 year | 10 year | Fund Inception |
|--|------|--------|--------|--------|---------|----------------|
| <b>Underlying Index</b>  |      |        |        |        |         |                |
| Wells Fargo Hybrid and Preferred Securities Floating and Variable Rate Index | 8.16 | 2.90   | 6.18   | 5.24   | -       | 5.00           |
| <b>Benchmark Index</b>   |      |        |        |        |         |                |
| S&P U.S. Preferred Stock Index   | 8.02 | 4.00   | 4.36   | 5.29   | 12.83   | 4.96           |
| <b>Fund</b>  |      |        |        |        |         |                |
| NAV  | 8.13 | 2.77   | 6.02   | -      | -       | 4.73           |
| Market Price   | 9.27 | 2.83   | 5.94   | -      | -       | 4.68           |

Returns less than one year are cumulative. Performance data quoted represents past performance. Past performance is not a guarantee of future results; current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and Shares, when redeemed, may be worth more or less than their original cost. See [invesco.com](http://invesco.com) to find the most recent month-end performance numbers. Market returns are based on the midpoint of the bid/ask spread at 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times. Fund performance reflects fee waivers, absent which, performance data quoted would have been lower.

## 3-Year Index Statistics

|  | Alpha | Beta | Correlation | Sharpe Ratio | Volatility (%) |
|--|-------|------|-------------|--------------|----------------|
| Wells Fargo Hybrid and Preferred Securities Floating and Variable Rate Index | -     | -    | -           | 0.92         | 5.40           |
| S&P U.S. Preferred Stock Index   | 1.92  | 0.95 | 0.91        | 0.60         | 5.24           |

Alpha, beta and correlation are that of the underlying index.

## Fund Inception: May 1, 2014

Index returns do not represent Fund returns. An investor cannot invest directly in an index.

Neither the underlying Index nor the benchmark indexes charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown; nor do any of the indexes lend securities, and no revenues from

securities lending were added to the performance shown. In addition, the results actual investors might have achieved would have differed from those shown because of differences in the timing, amounts of their investments, and fees and expenses associated with an investment in the Fund.

The S&P U.S. Preferred Stock Index is an unmanaged index designed to measure the performance of the US

preferred stock market.

Shares are not FDIC insured, may lose value and have no bank guarantee.

Shares are not individually redeemable and owners of the Shares may acquire those Shares from the Fund and tender those Shares for redemption to the Fund in Creation Unit aggregations only, typically consisting of 100,000 Shares.

As of March 31, 2019

## Top 10 Fund Holdings

| Name                       | Coupon | Maturity   | S&P/Moody's Rating | Weight (%) |
|----------------------------|--------|------------|--------------------|------------|
| General Electric Co        | 5.000  | 12/31/2099 | BBB-/Baa3          | 3.27       |
| JPMorgan Chase & Co        | 6.221  | 12/31/2049 | BBB-/Baa2          | 2.62       |
| Wells Fargo & Co           | 6.381  | 12/31/2049 | BBB-/Baa2          | 2.03       |
| GMAC Capital Trust I       | 8.469  | 2/15/2040  | B/B1               | 1.72       |
| JPMorgan Chase & Co        | 5.000  | 12/29/2049 | BBB-/Baa2          | 1.51       |
| Wachovia Capital Trust III | 5.570  | 8/29/2049  | BBB-/Baa2          | 1.49       |
| Citigroup Capital XIII     | 9.121  | 10/30/2040 | BB+/Baa3           | 1.47       |
| Bank of America Corp       | 5.875  | 12/31/2049 | BBB-/Baa3          | 1.44       |
| JPMorgan Chase & Co        | 6.750  | 12/31/2049 | BBB-/Baa2          | 1.34       |
| Wells Fargo & Co           | 5.875  | 12/31/2049 | BBB-/Baa2          | 1.29       |

Please see the website for complete holdings information. Holdings are subject to change. Cash is excluded from the credit rating quality allocations table below.

## Credit Ratings (%)

|                     | S&P   | Moody's |
|---------------------|-------|---------|
| AA/Aa               | -     | -       |
| A/A                 | -     | 3.48    |
| BBB/Baa             | 59.56 | 59.05   |
| BB/Ba               | 33.19 | 29.29   |
| B/B                 | 3.23  | 2.70    |
| Not Rated/Not Rated | 4.01  | 5.47    |

## Maturity (years)

|       | Weight (%) |
|-------|------------|
| 0-1   | -          |
| 1-5   | -          |
| 5-10  | -          |
| 10-15 | -          |
| 15-20 | 0.31       |
| 20-25 | 6.32       |
| 25+   | 93.38      |

## Annual Index Performance (%)

|          | Wells Fargo Hybrid and Preferred Securities Floating and Variable Rate Index | S&P U.S. Preferred Stock Index |
|----------|--|--------------------------------|
| 2015     | 3.37   | 5.47                           |
| 2016     | 6.86   | 1.94                           |
| 2017     | 10.08  | 9.11                           |
| 2018     | -5.55  | -4.25                          |
| 2019 YTD | 8.16   | 8.02                           |

## Fund Sector Allocations (%)

|                        |       |
|------------------------|-------|
| Communication Services | 0.77  |
| Consumer Discretionary | 0.27  |
| Consumer Staples       | 0.58  |
| Energy                 | 9.36  |
| Financials             | 81.74 |
| Health Care            | -     |
| Industrials            | 4.03  |
| Information Technology | -     |
| Materials              | -     |
| Real Estate            | -     |
| Utilities              | 3.25  |

## About risk

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.

Preferred securities may be less liquid than many other securities, and in certain circumstances, an issuer of preferred securities may redeem the securities prior to a specified date.

The Fund 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.

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

Convertible securities are subject to the risks associated with both debt and equity securities. As with equity securities, declining common stock values may cause the value of the Fund's investments to decline. A debt security tends to decrease in value when interest rates rise. Many convertible securities are subject to the same risks as lower rated debt securities.

Hybrid securities are potentially more volatile than traditional equity securities and may carry credit and liquidity risks.

Perpetual subordinated debt typically has lower credit ratings and lower priority than other obligations of an issuer during bankruptcy, presenting a greater risk for nonpayment, and increasing as the priority of the obligation becomes lower.

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 Fund's return may not match the return of the Underlying Index. The Fund is subject to certain other risks. Please see the current prospectus for more information regarding the risk associated with an investment in the Fund.

The Fund is non-diversified and may experience greater volatility than a more diversified investment.

The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

Investments focused in a particular sector, such as financial, are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

The Fund's 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.

The **Intraday NAV** is a symbol representing estimated fair value based on the most recent intraday price of underlying assets. **Volatility** is the annualized standard deviation of index returns. **Beta** is a measure of relative risk and the slope of regression. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe Ratio indicates better risk-adjusted performance. **Correlation** indicates the degree to which two investments have historically moved in the same direction and magnitude. **Alpha** is a measure of performance on a risk-adjusted basis. **Credit ratings** are assigned by Nationally Recognized Statistical Rating Organizations based on assessment of the credit worthiness of the underlying bond issuers. The long-term ratings range from AAA (highest) to D (lowest) and are subject to change. Not rated indicates the debtor was not rated, and should not be interpreted as indicating low quality. Futures and other derivatives are not eligible for assigned credit ratings by any NRSRO and are excluded from quality allocations. For more information on rating methodologies, please visit the following NRSRO websites: [standardandpoors.com](http://standardandpoors.com) and select "Understanding Ratings" under Rating Resources and [moody.com](http://moody.com) and select "Rating Methodologies" under Research and Ratings. **Average Yield to Worst** is the lowest of all yield to calls or the yield to maturity. **Effective Duration** is a measure of a bond's sensitivity

to interest rate changes that reflects the change in a bond's price given a change in yield. This duration measure is appropriate for bonds with embedded options. The **30-Day SEC Yield** is based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. The **30-Day SEC Unsubsidized Yield** reflects the 30-day yield if the investment adviser were not waiving all or part of its fee or reimbursing the fund for part of its expenses. Total return would have also been lower in the absence of these temporary reimbursements or waivers.

Typically, security classifications used in calculating allocation tables are as of the last trading day of the previous month.

The Global Industry Classification Standard was developed by and is the exclusive property and a service mark of MSCI, Inc. and Standard & Poor's.

Wells Fargo is the Index Provider for the Fund. The Wells Fargo® Hybrid and Preferred Securities Floating and Variable Rate Index is a service mark of Wells Fargo & Company and has been licensed for use by the Adviser. The Fund is not sponsored, issued or advised by Wells Fargo & Company, Wells Fargo Securities, LLC or their subsidiaries and affiliates (collectively, "Wells Fargo") and Wells Fargo makes no representation regarding the advisability of investing in the Fund. The Fund is entitled to use the Underlying Index pursuant to a sub-licensing agreement with the Adviser.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.

**Before investing, investors should carefully read the prospectus and consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund, investors should ask their advisor(s) for a prospectus or download one at [invesco.com](http://invesco.com)**

Note: Not all products available through all firms or in all jurisdictions.