



Press Release

For immediate release

Invesco Enhances its Market-Leading Factor Suite with the Addition of New Fixed Income ETFs

Eight New Products Utilize Expertise from Invesco Fixed Income Team Through Indexes Developed by Invesco Indexing

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DOWNERS GROVE, IL July 25, 2018 – Invesco Ltd. (NYSE: IVZ), a leading global provider of exchange-traded funds (ETFs), today announced the launch of a new suite of factor ETFs that brings together some of the best of Invesco’s passive and active capabilities. The [Invesco Fixed Income Factor ETF Suite](#), which includes eight products, will leverage the intellectual capital of Invesco’s Fixed Income team by partnering with the recently formed Invesco Indexing division. The ETFs included in Invesco’s Fixed Income Factor suite are the first to apply the expert research of Invesco’s active management to create rules-based, proprietary indexes created at Invesco.

Invesco’s Fixed Income team has more than 34 years of experience in fixed income investing and fixed income active management. Invesco offers fixed income products across the firm in various types of investment vehicles including a robust fixed income ETF suite. Additionally, Invesco also has the largest platform of smart beta fixed income ETFs, both in terms of number of products (nine) and assets under management (AUM) of \$6.5 billion (as of June 29, 2018).

Invesco Indexing, Invesco’s self-indexing business unit, has developed all underlying indexes for the Invesco Fixed Income Factor ETF Suite. This is the first ETF suite where Invesco harnessed the in-house expertise of Invesco’s active managers into rules-based indexes.

“Self-indexing is a natural extension of Invesco’s commitment to pursuing better outcomes for our clients and we are excited to have the capacity to address their diverse needs,” said Andrew Waisburd, Head of Invesco Indexing. “Our ability to internally build index instruments will allow Invesco to leverage our company-wide factor and fixed income proficiency to create more nuanced products that better incorporate the full range of its investment capabilities.”

Invesco Adds Self-Indexing Capability

With the introduction of self-indexing, Invesco expands its ability to create client-driven new products by joining its internal research and investment expertise within an ETF wrapper. Invesco can now use its internal experience to design indexed products that deliver precise, innovative solutions in multiple asset classes and various vehicles.

Invesco Indexing collaborated with Invesco’s Fixed Income Team to create a methodology based on the same models that the team utilizes in several active funds. The strategic composition of each index was selected by Invesco Indexing from an investment universe of all U.S. dollar-denominated bonds issued by global companies, governments, and government agencies, including bonds that meet the index provider’s eligibility qualifications. The resulting indexes, which will rebalance monthly, were then used as the underlying indexes for the new suite of factor ETFs.

Invesco Indexing will oversee and maintain the underlying indexes it designed and has chosen ICE Data Services, which is part of Intercontinental Exchange as its source for the underlying constituent pricing and reference data. ICE Data Services will provide the daily calculation and dissemination of the fixed income factor indexes. Invesco Indexing has also assumed management of the BulletShares USD Corporate Bond and USD High Yield Corporate Bond Indexes since Invesco acquired them from Guggenheim in April 2018 and now manages 33 fixed income indexes in total.

Growth of Factor ETF Product Line

Invesco has a long history in factor investing, since launching the first factor ETF in 2003¹. Investors implementing factors to create personalized portfolio outcomes with Fixed Income Factor ETFs will benefit from Invesco’s tenure in the space and deep expertise.

“Invesco was the pioneer in the smart beta fixed income ETF space with our first launch in 2007 and based on client demand we continue to introduce new fixed income ETFs that can serve as attractive portfolio diversifiers,” said Dan Draper, Global Head of ETFs at Invesco. “With the launch of the new self-indexed Fixed Income Factor Suite, investors have a new way to gain broad-based exposure in fixed income, while using factors to navigate the challenges in the current rising rate environment.”

The Fixed Income Factor Suite offers investors low-cost² fixed income factor solutions. Similar to Invesco’s equity factor ETFs, the Fixed Income Factor ETFs can help tilt a portfolio to a number of factors through a single factor fund, or help enhance portfolio efficiency through a multi-factor fund. The funds will be overseen by a team of experienced factor ETF experts led by Peter Hubbard, Director, ETF Portfolio Management, and Jeff Kernagis, Senior ETF Portfolio Manager for Fixed Income. The two Investment Grade style bond ETFs are the first of a kind in the factor space.

Invesco Fixed Income Factor Suite	Ticker
Invesco Corporate Income Defensive ETF	IHYD
Invesco Corporate Income Value ETF	IHYV
Invesco Emerging Markets Debt Defensive ETF	IEMD
Invesco Emerging Markets Debt Value ETF	IEMV
Invesco Investment Grade Defensive ETF	IIGD
Invesco Investment Grade Value ETF	IIGV
Invesco Multi-Factor Core Fixed Income ETF	IMFC
Invesco Multi-Factor Core Plus Fixed Income ETF	IMFP

With the addition of these funds, Invesco now has 84 ETFs in its factor line-up. This robust suite of factor ETFs, the largest from any ETF provider, offers investors access to factor exposures that expand portfolio construction opportunities.

The new Fixed Income Factor ETFs represent the first instance of Invesco directly leveraging investment ideas from Invesco Fixed Income’s Multi-Sector & Global Strategies team into a rules-based strategy that emphasizes consistency. Invesco’s Fixed Income team shared its unique perspective and specialized background so that Invesco Indexing could capture the team’s proficiency within fixed income factor indexes. These strategies seek to take advantage of recurring market risk premia found in fixed income to deliver key outcomes across a variety of fixed income asset classes.

About Invesco Ltd.

Invesco is an independent investment management firm dedicated to delivering an investment experience that helps people get more out of life. NYSE: IVZ; www.invesco.com.

¹ Invesco Dynamic Market ETF (Ticker: PWC) launched May 1, 2003.

² Since ordinary brokerage commissions apply for each buy and sell transaction, frequent trading activity may increase the cost of ETFs.

Important Information

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

Factor investing is an investment strategy in which securities are chosen based on certain characteristics and attributes.

Beta is a measure of risk representing how a security is expected to respond to general market movements. Smart Beta represents an alternative and selection index based methodology that seeks to outperform a benchmark or reduce portfolio risk, or both. Smart beta funds may underperform cap-weighted benchmarks and increase portfolio risk.

“Market-leading factor suite” based on first-to-market innovations, assets under management and depth and breadth of factor products as of June 30, 2018.

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 Funds are subject to certain other risks. Please see the current prospectus for more information regarding the risk associated with an investment in the Fund.

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

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.

The Funds are non-diversified and may experience greater volatility than a more diversified investment.

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.

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 Funds call 800 983 0903 or visit invesco.com for [prospectus/summary prospectus](#).

Invesco Indexing LLC (index provider) and Invesco Distributors, Inc. (ETF distributor) are wholly owned, indirect subsidiaries of Invesco Ltd.

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 10,000, 50,000, 75,000, 80,000, 100,000, 150,000 or 200,000 Shares.

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