

# Invesco Variable Rate Investment Grade ETF



As of Dec. 31, 2019



## Fund Description

The Invesco Variable Rate Investment Grade ETF (the "Fund") is an actively managed exchange-traded fund (ETF) that seeks to generate current income while maintaining low portfolio duration as a primary objective and capital appreciation as a secondary objective. Under normal market conditions, the Fund generally will invest at least 80% of its net assets, plus any borrowings, in a portfolio of investment-grade, variable rate instruments that are US dollar denominated and US issued. Invesco, Advisers, Inc., the sub-adviser to the Fund (Sub-Adviser), seeks to invest in floating rate US Treasuries, government sponsored agency mortgage-backed securities, US Agency debt, structured securities and floating rate investment grade corporates. The Fund is able to invest in other types of securities as outlined in the prospectus, including up to 20% in non-investment grade securities.

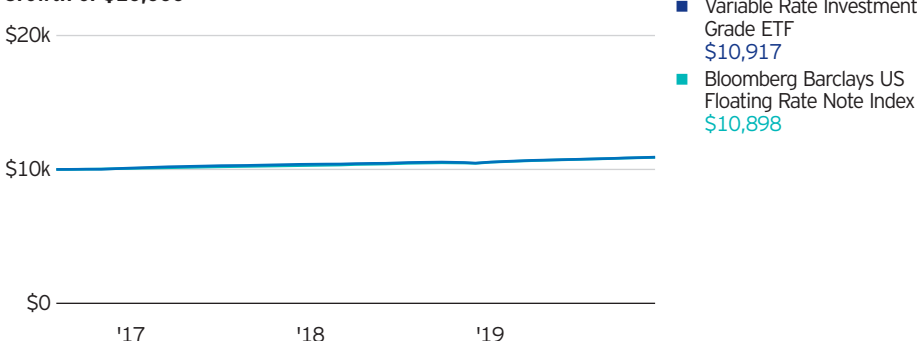
There are risks involved with investing in ETFs, including possible loss of money. Actively managed ETFs do not necessarily seek to replicate the performance of a specified index. Actively managed ETFs are subject to risks similar to stocks, including those related to short selling and margin maintenance. Ordinary brokerage commissions apply. The Fund's return may not match the return of the 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.

## Fund Data

Variable Rate Investment Grade ETF	VRIG
Intraday NAV (IIV)	VRIGIV
Number of Securities	159
CUSIP	46090A879
Listing Exchange	Nasdaq
30-Day SEC Yield	2.57%
30-Day SEC Unsubsidized Yield	2.49%
Total Expense Ratio	0.30%

## Growth of \$10,000

### Growth of \$10,000



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

## Fund Performance & Index History (%)

	1 year	3 year	5 year	10 year	Fund Inception
<b>Benchmark Index</b>					
Bloomberg Barclays US Floating Rate Note Index	4.28	2.73	2.07	1.70	2.66
<b>Fund</b>					
NAV	4.23	2.76	-	-	2.71
Market Price	4.56	2.77	-	-	2.66

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.

## 3-Year Statistics

	Alpha	Beta	Correlation	Sharpe Ratio	Volatility (%)
Invesco Variable Rate Investment Grade ETF	-	-	-	1.56	0.72
Bloomberg Barclays US Floating Rate Note Index	-0.15	1.17	0.91	1.83	0.60

Alpha, beta and correlation are that of the fund relative to each respective benchmark index.

## Fund Inception: Sept. 22, 2016

**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 50,000 Shares.

Bloomberg Barclays US Floating Rate Note Index measures the performance of US dollar-denominated, investment grade floating rate notes.

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

The Benchmark Indexes do not 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.

**Credit Ratings**

	Weight (%)
AAA	29.30
AA+	0.64
AA	1.46
AA-	8.64
A+	8.30
A	15.91
A-	11.65
BBB+	6.38
BBB	10.69
BBB-	1.92
BB+	1.07
BB	0.07
BB-	0.04
B+	2.33
B	1.24
Not Rated	0.36

**Weighted Average Life (years)**

<1	17.50
1-2	21.82
2-3	19.61
3-4	22.80
4-5	6.64
5-6	5.80
>6	5.83

**Fund Sector Allocations (%)**

<b>Treasuries</b>	9.41
<b>Residential Mortgage Backed Securities</b>	27.66
<b>Commercial Mortgage Backed Securities</b>	12.44
<b>Asset Backed Securities</b>	2.66
<b>Investment Grade Corps</b>	42.67
Aerospace/Defense	0.36
Automotive	3.79
Banking	22.32
Brokerage/Asset Managers/ Exchanges	0.02
Building Materials	0.47
Chemicals	0.27
Consumer Products	0.74
Diversified Manufacturing	0.06
Electric	0.69
Finance Companies	1.32
Food and Beverage	1.68
Healthcare	3.43
Independent Energy	0.68
Life Insurance	2.13
Midstream	0.38
Natural Gas	0.72
Pharmaceuticals	0.92
Property & Casualty	0.05
Refining	0.09
Technology	0.31
Wirelines	2.23
<b>High Yield Corps</b>	2.20
<b>Cash Securities</b>	2.96

**Top 10 Fund Holdings**

Name	Coupon (%)	Maturity	S&P/Moody's Rating	Weight (%)
United States Treasury Floating Rate Note	1.826	10/31/2021	AA+/Aaa	6.44
United States Treasury Floating Rate Note	1.746	7/31/2021	AA+/Aaa	3.08
Invesco Variable Rate Preferred ETF	0.000	-	NR/NR	2.11
Fannie Mae Connecticut Avenue Securities	4.792	7/25/2024	NR/NR	1.73
Freddie Mac Structured Agency Credit Risk Debt	3.142	3/25/2029	NR/NR	1.55
Invitation Homes	3.187	12/17/2036	NR/A2	1.54
Freddie Mac Structured Agency Credit Risk Debt	4.092	9/25/2030	NR/NR	1.51
Athene Global Funding	3.319	7/1/2022	A/NA	1.48
Banco Santander	3.544	4/11/2022	A-/Baa1	1.46
Ford Motor Credit	0.000	2/12/2020	BBB-/Ba1	1.39

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

**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.

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

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.

Obligations issued by US Government agencies and instrumentalities may receive varying levels of support from the government, which could affect the fund's ability to recover should they default.

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

The Fund currently intends to effect creations and redemptions principally for cash, rather than principally in-kind because of the nature of the Fund's investments. As such, investments in the Fund may be less tax efficient than investments in ETFs that create and redeem in-kind.

If interest rates fall, it is possible that issuers of callable securities will call or prepay their securities before maturity, causing the Fund to reinvest proceeds in securities bearing lower interest rates and reducing the Fund's income and distributions.

Risks of collateralized loan obligations include the possibility that distributions from collateral securities will not be adequate to make interest or other payments, the quality of the collateral may decline in value or default, the collateralized loan obligations may be subordinate to other classes, values may be volatile, and disputes with the issuer may produce unexpected investment results.

Defaulted securities involve the substantial risk that principal will not be repaid and may be subject to restrictions on resale.

Instruments issued by government agencies, including the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"), are generally only backed by the general creditworthiness and reputation of the issuing government agency and are not backed by the full faith and credit of the U.S. government. As a result, there is uncertainty as to the current status of many obligations that are placed under conservatorship of the federal government.

An investment in exchange-traded funds (ETFs) may trade at a discount to net asset value, fail to develop an active trading market, halt trading on the listing exchange, fail to track the referenced index, or hold troubled securities. ETFs may involve duplication of management fees and certain other expenses. Certain of the ETFs the fund invests in are leveraged, which can magnify any losses on those investments.

For mortgage-backed securities, if interest rates rise, borrowers may prepay mortgages more slowly than originally expected. This may further reduce market value and lengthen durations.

Preferred securities may include provisions that permit the issuer to defer or omit distributions for a certain period of time, and reporting the distribution for tax purposes may be required, even though the income may not have been received. Further, preferred securities may lose substantial value due to the omission or deferral of dividend payments.

Income generated from the Fund is based primarily on prevailing interest rates, which can vary widely over the short- and long-term. If interest rates drop, the Fund's income may drop as well.

Reinvestment risk is the risk that a bond's cash flows (coupon income and principal repayment) will be reinvested at an interest rate below that on the original bond.

**Credit Ratings** are based on S&P, 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. NR indicates the debtor was not rated, and should not be interpreted as indicating low quality. If securities are rated differently by the rating agencies, the higher rating is applied. Credit ratings are based largely on the rating agency's investment analysis at the time of rating and the rating assigned to any particular security is not necessarily a reflection of the issuer's current financial condition. The rating assigned to a security by a rating agency does not necessarily reflect its assessment of the volatility of a security's market value or of the liquidity of an investment in the security. For more information on the rating methodology, please visit the following NRSRO websites: [standardandpoors.com](http://standardandpoors.com) and select 'Understanding Ratings' under Rating Resources on the home page; [moody.com](http://moody.com) and select 'Rating Methodologies' under Research and Ratings on the home page; [fitchratings.com](http://fitchratings.com) and select 'Ratings Definitions' on the home page. **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.

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.