

# Invesco Fundamental High Yield Corporate Bond ETF



As of Dec. 31, 2019



## Fund Description

The Invesco Fundamental High Yield<sup>®</sup> Corporate Bond ETF (Fund) is based on the RAFI<sup>®</sup> Bonds US High Yield 1-10 Index (Index). The Fund will normally invest at least 80% of its total assets in high-yield corporate bonds that comprise the Index. The Index is comprised of US dollar-denominated bonds that are registered with the SEC or that are Rule 144A securities that provide for registration rights and whose issuers are public companies listed on a major US stock exchange. Only investible non-convertible, non-exchangeable, non-zero, fixed coupon high-yield corporate bonds qualify for inclusion in the Index. Based on the Fundamental Index<sup>®</sup> methodology developed by Research Affiliates, LLC, the Index is compiled and calculated by ALM Research Solutions, LLC. The Fund and the Index are rebalanced monthly and reconstituted annually in March.

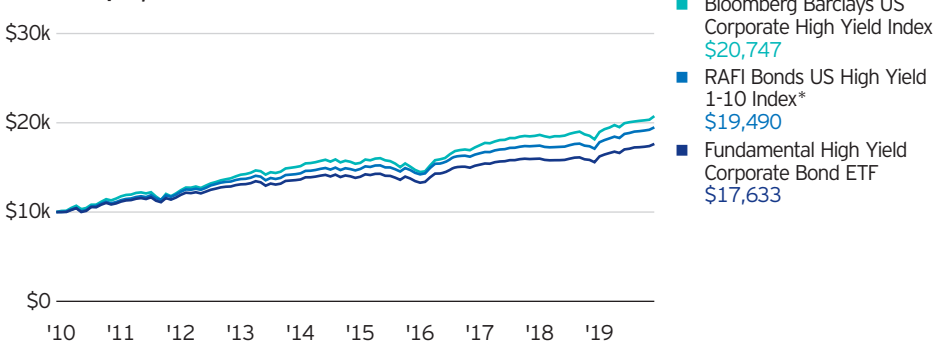
## Fund Data

Fundamental High Yield Corporate Bond ETF	PHB
Intraday NAV (IIV)	PHBIV
Number of Securities	226
Years To Maturity	4.90
Effective Duration	3.05 Yrs
CUSIP	46138E719
Listing Exchange	NYSE Arca
30-Day SEC Yield	3.00%
30-Day SEC Unsubsidized Yield	3.00%
Total Expense Ratio	0.50%

## Underlying Index Data

RAFI Bonds US High Yield 1-10	RAFIHY
Index Provider	Research Affiliates, LLC
Years to Maturity	4.89
Effective Duration	2.98 Yrs
Number of Securities	218
Average Yield to Worst	3.37%

## Growth of \$10,000



Data beginning 10 years prior to the ending date of Dec. 31, 2019. Fund performance shown at NAV.

## Fund Performance & Index History (%)

	1 year	3 year	5 year	10 year	Fund Inception
<b>Underlying Index</b>					
RAFI Bonds US High Yield 1-10 Index	13.98	5.83	5.84	7.06	-
<b>Benchmark Index</b>					
Bloomberg Barclays U.S. Corporate High Yield Index	14.32	6.37	6.13	7.57	7.57
<b>Fund</b>					
NAV	13.14	5.10	4.98	5.84	3.79
Market Price	13.41	5.09	4.92	5.77	3.60

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.

## 10-Year Index Statistics

	Alpha	Beta	Correlation	Sharpe Ratio	Volatility (%)
RAFI Bonds US High Yield 1-10 Index	-	-	-	1.35	4.82
Bloomberg Barclays U.S. Corporate High Yield Index	0.77	0.81	0.98	1.21	5.80

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

## Fund Inception: Nov. 15, 2007

**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.

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

RAFI Bonds US High Yield 1-10 Index\* performance prior to Aug. 2, 2010 reflects that of the original Underlying Index Wells Fargo<sup>®</sup> High Yield Bond Index. From Aug. 2, 2010, forward, the Index performance reflects that of the Underlying Index, RAFI Bonds US High Yield 1-10 Index AND IS NOT INTENDED FOR ANY THIRD PARTY USE.

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 Wells Fargo High Yield Bond Index is comprised of US dollar-denominated bonds registered for sale in the United States whose issuers are public companies listed on major US stock exchanges.

The Bloomberg Barclays US Corporate High Yield Index covers the US dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.

Annual Index Performance (%)		
	RAFI Bonds US High Yield 1-10 Index	Bloomberg Barclays U.S. Corporate High Yield Index
2010	12.96	15.12
2011	7.41	4.98
2012	13.78	15.81
2013	4.79	7.44
2014	2.97	2.45
2015	-1.85	-4.47
2016	14.19	17.13
2017	5.85	7.50
2018	-1.76	-2.08
2019	13.98	14.32

Credit Ratings (%)		
	S&P	Moody's
AA/Aa	-	-
A/A	-	-
BBB/Baa	17.77	8.54
BB/Ba	60.50	57.65
B/B	20.64	30.87
CCC/Caa	-	0.23
Not Rated/Not Rated	1.08	2.71

Maturity (years)		Weight (%)
0-1		2.28
1-5		49.26
5-10		48.23
10-15		0.22
15-20		-
20-25		-
25+		-

Fund Sector Allocations (%)	
Communication Services	10.00
Consumer Discretionary	21.45
Consumer Staples	1.82
Energy	11.03
Financials	6.71
Health Care	8.75
Industrials	11.16
Information Technology	11.11
Materials	10.48
Real Estate	5.15
Utilities	2.35

Top 10 Fund Holdings				
Name	Coupon (%)	Maturity	S&P/Moody's Rating	Weight (%)
EMC Corp	3.375	6/1/2023	BB-/WR	1.69
United Airlines Holdings Inc	4.250	10/1/2022	BB/Ba3	1.45
Ford Motor Co	4.346	12/8/2026	BBB-/Ba1	1.40
Ford Motor Credit Co LLC	5.584	3/18/2024	BBB-/Ba1	1.38
Western Digital Corp	4.750	2/15/2026	BB+/Baa3	1.10
Genworth Holdings Inc	7.625	9/24/2021	B/B2	1.09
Centene Corp	6.125	2/15/2024	BBB-/Ba1	0.98
Tenet Healthcare Corp	4.875	1/1/2026	BB-/Ba3	0.95
Yum! Brands Inc	3.750	11/1/2021	B+/B1	0.91
DaVita Inc	5.125	7/15/2024	B+/Ba3	0.90

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

#### 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.

The Fund may invest in privately issued securities, including 144A securities which are restricted (i.e. not publicly traded). The liquidity market for Rule 144A securities may vary, as a result, delay or difficulty in selling such securities may result in a loss to the Fund.

Non-investment grade securities may be subject to greater price volatility due to specific corporate developments, interest-rate sensitivity, negative perceptions of the market, adverse economic and competitive industry conditions and decreased market liquidity.

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.

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.

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 **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. **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 and select "Understanding Ratings" under Rating Resources and moodys.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. **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.

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.

Fundamental Index®, Research Affiliates®, Fundamental High Yield® and all other Research Affiliates trademarks, trade names, patented and patent-pending concepts are the exclusive property of Research Affiliates, LLC. The RAFI Bonds US High Yield 1-10 Index is calculated and maintained by ALM Research Solutions, Inc. (a wholly owned subsidiary of Ryan ALM, Inc.) in conjunction with Research Affiliates LLC and is the exclusive property of Research Affiliates.

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.