



Invesco Diversified Dividend Portfolio

Quarterly Performance Commentary

CUSIPS: RZ:76222X505 RA:76222X406

Investment objective

The portfolio seeks long-term growth of capital and, secondarily, current income.

Portfolio management

Peter Santoro, Caroline Le Feuvre, Craig Leopold, Chris McMeans

Management is that of the underlying fund.

Portfolio information

Total net assets \$143,520,906

Total number of holdings 75

Holdings shown are that of the underlying fund.

Top equity holdings	% of total net assets
JPMorgan Chase & Co	3.21
Walmart Inc	2.91
Chevron Corp	2.87
Merck & Co Inc	2.54
Wells Fargo & Co	2.32
Microsoft Corp	2.31
Johnson & Johnson	2.29
Morgan Stanley	2.22
Philip Morris International Inc	2.10
ConocoPhillips	2.01

Holdings are that of the underlying fund, subject to change and are not buy/sell recommendations.

Top contributors	% of total net assets
1. JPMorgan Chase & Co.	3.21
2. Merck & Co. Inc.	2.54
3. Walt Disney Co.	1.90
4. General Electric Co.	1.65
5. Walmart Inc.	2.91

Data shown is that of the underlying fund.

Top detractors	% of total net assets
1. EQT Corp.	0.00
2. Nestle S.A.	1.18
3. McDonald's Corp.	1.68
4. UnitedHealth Group Inc.	1.67
5. Comcast Corp.	0.00

Data shown is that of the underlying fund.

Portfolio commentary provided is based on the underlying fund.

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

Market overview

- US equity markets posted gains in the first quarter as investors continued to anticipate the end of US Federal Reserve interest rate hikes. Sector performance within the Russell 1000 Value Index was mostly positive. Real estate was the only sector to post a small loss for the quarter, while energy and financials posted the largest gains.
- We believe investors may place greater focus on dividend paying stocks in 2024. Historically, dividends have accounted for a larger part of total return than they have in the last decade due to outsized price gains (Source: Ned Davis Research). If we enter a period of more normal returns, we believe dividends should make up a much larger portion of total return.

Performance highlights

- The portfolio's Class RZ units at net asset value (NAV) underperformed its benchmark. (Please see the investment results table on page 2 for portfolio and index performance.)
- The financials sector was the largest contributor to absolute performance, while real estate contributed the least. An underweight in real estate added the most to relative return. Stock selection in consumer staples and communication services also added to relative return.
- Stock selection in energy and financials detracted the most from relative return. Within financials, not owning Berkshire Hathaway was the main cause of the portfolio's underperformance. The portfolio is not able to own the company because it does not pay a dividend.

Contributors to performance

- **JPMorgan Chase:** Shares rose along with the financial sector in general during the quarter. Management reported strong fourth quarter 2023 earnings that were above analyst expectations.
- **Merck:** Shares rose as the drug manufacturer reported fourth quarter revenue and adjusted earnings that beat analyst estimates amid strong demand for leading cancer drug Keytruda and HPV vaccine Gardasil.
- **Walt Disney:** Shares rose as the company continued to execute its turnaround plan and raised earnings guidance for the 2024 fiscal year.

Detractors from performance

- **EQT:** Shares of this independent natural gas production company fell after management announced it would acquire Equitrans Midstream Corp. (not a portfolio holding). We exited the position because several components of our thesis pertaining to capital allocation would be negatively affected by the deal. Also, the deal introduced risks over the next 18 months that complicate EQT's outlook.
- **Nestle:** Shares of this food and beverage manufacturer fell after the company reported that sales growth is expected to moderate this year as higher prices force customers to reduce spending. We took advantage of this short-term price weakness and added to the position during the quarter.
- **McDonald's:** Shares of the restaurant chain fell after the company reported same-store sales growth for the fourth quarter of 2023 that was below analyst expectations.

Positioning and outlook

- We took advantage of market volatility to initiate 11 new positions across various sectors. We sold eight positions. We opportunistically added to some existing positions and decreased weights in others.
- Sector exposure compared to the Russell 1000 Value Index has remained generally balanced. The largest overweights were in consumer staples, consumer discretionary and utilities. The largest underweights were in financials, real estate and energy. International exposure was about 8% and cash was about 1.6% at quarter end.
- We continue to emphasize the growth and sustainability of a company's dividend as we believe companies with these characteristics have historically outperformed over a full market cycle. No matter the backdrop, we focus on companies generating attractive free cash flow and we analyze their drivers and ability to support future dividend growth, as well as their balance sheet strength and flexibility.

Investment results				
Average annual total returns (%) as of March 31, 2024				
	Class RZ units		Class RA units	Style-Specific Index
	Inception: 07/08/16		Inception: 07/08/16	
Period	Max Load 1.25%	NAV	NAV	Russell 1000 Value Index
Inception	7.65	8.22	7.96	-
5 Years	8.52	9.41	9.14	10.32
3 Years	6.99	8.45	8.19	8.11
1 Year	13.14	17.85	17.49	20.27
Quarter	3.60	7.91	7.82	8.99

The performance quoted is past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that an account owner's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month-end performance information please call 877 615 4116, or visit collegebound529.com. Performance figures reflect reinvested distributions of the underlying security and changes in net asset value (NAV). Performance shown at NAV for Class RZ units does not include applicable front-end sales charges, which would have reduced the performance. Class RA units have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Index returns do not reflect any fees, expenses, or sales charges.

Index source: FactSet Research Systems Inc.

Asset mix (%)		Expense ratios (%)	
Dom Common Stock	90.79	Class RZ units	0.46
Intl Common Stock	8.26	Class RA units	0.71
Cash	0.95	Total annual asset-based fee per the current Program Description.	

Data shown is that of the underlying fund.

Equity sector breakdown	(% of total net assets)
Financials	20.00
Health Care	13.90
Industrials	13.70
Consumer Staples	10.80
IT	10.30
Consumer Discretionary	7.00
Energy	6.80
Utilities	5.80
Materials	4.10
Communication Services	3.70
Real Estate	3.10

Data shown is that of the underlying fund.

For more information you can visit us at collegebound529.com

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

Effective on or about June 25, 2021, Class RA and Class RZ units are closed to new investors. Existing Account Owners holding Class RA and Class RZ units are permitted to make additional investments in those classes, respectively. See the Program Description for more information.

The underlying fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

The Russell 1000® Value Index is an unmanaged index considered representative of large-cap value stocks. The Russell 1000 Value Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. An investment cannot be made directly in an index.

The S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

Risks of the Underlying Holding

A value style of investing is subject to the risk that the valuations never improve or that the returns will trail other styles of investing or the overall stock markets.

The portfolio is subject to certain other risks. Please see the current Program Description for more information regarding the risks associated with an investment in the portfolio.

Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.

For more information about CollegeBound 529, contact your financial advisor, call 877-615-4116, or visit www.collegebound529.com to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing. Invesco Distributors, Inc. is the distributor of CollegeBound 529.

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