



# Invesco Small Cap Growth Portfolio

## Quarterly Performance Commentary

CUSIPS: RZ:76222X786 RA:76222X794

### Investment objective

The portfolio seeks long-term growth of capital.

### Portfolio management

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Management is that of the underlying fund.

### Portfolio information

Tickers	A:INDTX	C:INDUX I:INDVX
Total net assets	\$17,120,722	
Total number of holdings	115	

Holdings shown are that of the underlying fund.

### Top equity holdings

% of total net assets

Presitex Consumer Healthcare Inc	1.50
Q2 Holdings Inc	1.44
Encompass Health Corp	1.44
Clean Harbors Inc	1.39
Cavo Industries Inc	1.38
Post Holdings Inc	1.33
TMX Group Ltd	1.32
RBC Bearings Inc	1.27
TechnipFMC PLC	1.26
Hamilton Lane Inc	1.25

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

### Top contributors

% of total net assets

1. Intra-Cellular Therapies Inc.	0.00
2. Root Inc.	0.67
3. TMX Group Ltd.	1.32
4. ADMA Biologics Inc.	1.24
5. Cavco Industries Inc.	1.38

Data shown is that of the underlying fund.

### Top detractors

% of total net assets

1. Freshpet Inc.	0.84
2. Astera Labs Inc.	0.00
3. Glaukos Corp.	1.05
4. Vaxcyte Inc.	0.40
5. BILL Holdings Inc.	0.68

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

- The first quarter of 2025 was marked by considerable volatility and economic uncertainty. The year started with positive expectations for the US economy and markets, but sentiment appeared to reverse by mid-February.
- The annualized growth rate for US Gross Domestic Product for 2024 was 2.8%. Unemployment stayed low, but employment data showed signs of softening. The Federal Reserve noted "inflation remains somewhat elevated" and held benchmark interest rates steady, with no cuts expected until mid-2025.
- The US economic policy uncertainty index has been near highs experienced during COVID and the 2008 financial crisis, an indication to us of the unpredictable magnitude, duration and outcome of global trade negotiations.
- We believe companies will provide very conservative guidance during the upcoming earnings season, which could further weigh on market sentiment.

### Performance highlights

- The portfolio's Class RZ units at net asset value (NAV) had a negative return and underperformed the Russell 2000 Growth Index during the quarter. (Please see the investment results table on page 2 for portfolio and index performance.)
- Stock selection in the consumer discretionary, financials, energy, health care, materials and real estate sectors added to relative return, while selection in the industrials, IT, consumer staples and communication services sectors detracted.

### Contributors to performance

- **Intra-Cellular Therapies** develops central nervous system treatments and was acquired by Johnson & Johnson (not a portfolio holding) during the quarter.
- **TMX** operates Canadian market exchanges for equities, fixed income, derivatives and energy. In our opinion, it has shown stable, defensive growth.
- **Root** offers property and casualty insurance, which is a stable, defensive industry. The company has secular technology-driven growth opportunities, in our view.
- **Prestige Consumer Healthcare** produces over-the-counter pharmaceuticals and, in our opinion, has demonstrated stable, defensive growth.

### Detractors from performance

- **Astera Labs** makes re-timers and switches that are paired with NVIDIA (not a portfolio holding) chips to clean up and optimize signals. It was a top contributor for the portfolio in 2024. However, the stock pulled back on concerns about sustainability of artificial intelligence (AI) capital expenditures.
- **Freshpet** produces fresh, healthy pet food and was a top contributor in 2024. It is a high-growth, high-valuation stock, which pulled back due to market rotation during the first quarter and concerns about economic growth deceleration.
- **BILL** develops accounts payable/receivable software for small to mid-sized businesses. It is a high-growth stock that pulled back due to market rotation during the quarter and concerns about spending by small businesses.
- **Everus Construction** provides construction and maintenance services and has benefited from demand in data center and utility infrastructure. The stock pulled back on concerns about sustainability of AI capital expenditures.

### Positioning and outlook

- Before the April 2nd tariff announcement, we had already been adjusting the portfolio to be somewhat more defensive by rotating into companies with lower economic cyclicality and stable business models. We have been reducing exposure and reallocating capital within sectors to mitigate risks of tariff impacts and potentially slower economic growth. We reduced exposure to AI-related stocks, capital markets and cyclicals.
- We foresee increased likelihood of a recession and have further focused on companies exhibiting high quality earnings and greater visibility for revenue.
- At the end of the first quarter, the portfolio's largest absolute weights were in the information technology (IT), health care, industrials, consumer discretionary and financials sectors. Relative to the Russell 2000 Index, the portfolio was overweight in IT, consumer discretionary, financials and materials at quarter end, while underweight industrials, health care, communication services, energy and real estate.

<b>Investment results</b>				
Average annual total returns (%) as of March 31, 2025				
Period	Class RZ units		Class RA units	Style-Specific Index
	Inception: 07/08/16		Inception: 07/08/16	Russell 2000 Growth Index
	Max Load 1.25%	NAV	NAV	
Inception	7.58	8.08	7.82	-
5 Years	9.29	10.20	9.92	10.78
3 Years	-3.26	-1.94	-2.18	0.78
1 Year	-10.69	-6.98	-7.26	-4.86
Quarter	-15.55	-12.05	-12.12	-11.12

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](http://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: Invesco

<b>Asset mix (%)</b>		<b>Expense ratios (%)</b>	
Dom Common Stock	94.23	Class RZ units	0.75
Intl Common Stock	6.04	Class RA units	1.00
Cash	-0.27	Total annual asset-based fee per the current Program Description.	

Data shown is that of the underlying fund.

A negative in Cash or Other, as of the date shown, is normally due to fund activity that has accrued or is pending settlement.

#### For more information you can visit us at [collegebound529.com](http://collegebound529.com)

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 2000® Growth Index is an unmanaged index considered representative of small-cap growth stocks. The Russell 2000 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.

Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained.

<b>Equity sector breakdown</b> (% of total net assets)	
IT	22.40
Health Care	22.10
Industrials	18.30
Consumer Discretionary	12.30
Financials	10.30
Materials	4.60
Consumer Staples	4.10
Energy	3.10
Real Estate	1.50
Utilities	0.90
Communication Services	0.70

Data shown is that of the underlying fund.

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## About risk

### Risks of the Underlying Holding

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

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

Investments in real estate related instruments may

be affected by economic, legal, or environmental factors that affect property values, rents or occupancies of real estate. Real estate companies, including REITs or similar structures, tend to be small- and mid-cap companies, and their shares may be more volatile and less liquid.

Stocks of small and medium-sized companies tend to be more vulnerable to adverse developments, may

be more volatile, and may be illiquid or restricted as to resale.

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.

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