



# Invesco CollegeBound Target Risk Portfolios

## Quarterly Commentary

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### Portfolio description

Invesco CollegeBound 529 target-risk portfolios are allocated across US equities, global equities, fixed income and capital preservation seeking to reflect a specific level of risk: conservative, moderate, growth or aggressive.

The portfolios utilize active investment options and smart beta products.

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### Investment objective

- The Invesco Conservative College Portfolio seeks to provide current income and some capital appreciation.
- The Invesco Moderate College Portfolio seeks to provide current income and some capital appreciation.
- The Invesco Growth College Portfolio seeks to provide capital appreciation.
- The Invesco Aggressive College Portfolio seeks to provide capital appreciation.

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### Portfolio management

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

### Market overview

- Global growth continued in the second quarter despite headwinds and uncertainty. The Trump administration's tariff package, announced on April 2nd, appeared to heighten fears, though the worst tariffs were later delayed by 90 days. Still, the new 10% baseline US tariff marked a major policy shift. Although US disinflation resumed, other Western economies saw modest inflation increases. Central banks in Canada, Europe and the UK cut interest rates, but the US Federal Reserve held steady.
- Tariff escalation appeared to mainly affect investor sentiment data, while overall growth proved more resilient than expected, aided by earlier global stimulus efforts and some easing of US tariff policies. Nevertheless, economists revised global growth forecasts downward. US government spending was prominent, with Congress advancing its package of tax and spending cuts, which boosted US equities but raised deficit concerns.
- Global equities rallied, led by Europe, the US and emerging markets (ex-China), while Chinese stocks lagged. The US dollar weakened and long-term US Treasury yields rose. Most of the first half of 2025 was dominated by market-negative US policy, but trade deals and tax cuts late in the second quarter appeared to reduce uncertainty and recession risks.
- Looking ahead, we remain cautiously optimistic about global risk assets, though volatility is likely to persist amid ongoing policy and geopolitical uncertainties. Resilient US economic data and healthy balance sheets provide some cushion against potential shocks.

### Portfolio overview

- Target Risk portfolios consist of allocations to equities, fixed income and capital preservation that seek to match a specific risk/reward profile – conservative, moderate, growth and aggressive.
- All Target Risk portfolios had positive absolute returns for the quarter. Portfolios with more conservative risk/reward profiles posted moderate returns, while portfolios with more growth-oriented risk/reward profiles had larger returns due to higher equity exposure. Each portfolio underperformed its custom benchmark. Portfolios designed for more risk-averse investors underperformed to a lesser extent than portfolios designed for investors who are more growth-focused.
- All asset classes contributed to absolute returns. Within equities, US large-cap growth and core equities, along with US multi-factor strategies, were top contributors. Within fixed income, high-yield debt and core bond strategies were leading contributors.
- Relative to the portfolios' respective benchmarks, asset allocation decisions, style selection effects and manager selection effects detracted. Asset allocation underperformance results from an underweight in non-US equities, which outperformed US equities. Manager selection underperformance was hampered by underlying managers in international growth equities and emerging markets equities. Style selection underperformance was mainly due to US multi-factor-based strategies and longer-duration US Treasuries.
- The top detractors from relative return were US multi-factor-based equity strategies and emerging markets equity strategies. The top contributors to relative return were mid-cap growth equities and high-yield debt.

**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 capweighted benchmarks and increase portfolio risk.

## Investment results

Average annual total returns (%) as of June 30, 2025  
Class A unit performance. Inception\*

									Benchmark Indexes			
	Invesco Conservative College Portfolio		Invesco Moderate College Portfolio		Invesco Growth College Portfolio		Invesco Aggressive College Portfolio		Bloomberg U.S. Aggregate Bond Index	MSCI EAFE Index	Russell 1000 Value Index	Bloomberg 3-Month Treasury Bellwether Index
Expense ratio (%)	0.78		0.79		0.79		0.79		-	-	-	-
<b>Period</b>	<b>Load</b>	<b>NAV</b>	<b>Load</b>	<b>NAV</b>	<b>Load</b>	<b>NAV</b>	<b>Load</b>	<b>NAV</b>				
Inception	3.95	4.43	5.57	6.05	6.82	7.31	2.52	3.67	-	-	-	-
5 Years	4.18	5.03	6.42	7.29	8.59	9.48	-	-	-0.73	11.16	13.93	2.81
3 Years	5.87	7.32	7.99	9.47	9.91	11.42	10.60	12.13	2.55	15.97	12.76	4.64
1 Year	4.31	8.69	6.40	10.86	8.71	13.22	9.60	14.20	6.08	17.73	13.70	4.73
Quarter	0.07	4.24	2.29	6.54	4.49	8.84	5.35	9.70	1.21	11.78	3.79	1.05

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 securities and changes in net asset value (NAV). Class A unit performance at load is shown as the max load of 4.00%. Performance shown at NAV for Class A units does not include applicable front-end sales charges, which would have reduced the performance. Returns less than one year are cumulative; all others are annualized. Index returns do not reflect any fees, expenses, or sales charges.

\*The inception date is July 8, 2016 for Invesco Conservative College Portfolio, Invesco Moderate College Portfolio and Invesco Growth College Portfolio. The inception date is October 22, 2021 for the Invesco Aggressive College Portfolio.

Expense ratios shown are the total annual asset-based fees per the current Program Description. See Program Description for more information.

Index sources: Invesco, FactSet Research Systems, Inc.

## Target-based portfolio asset allocations (% of total net assets)

Asset category/product name	Invesco Aggressive College Portfolio	Invesco Conservative College Portfolio	Invesco Moderate College Portfolio	Invesco Growth College Portfolio
<b>US equities</b>	<b>65.13</b>	<b>24.51</b>	<b>41.32</b>	<b>58.49</b>
Invesco Discovery Mid Cap Growth Fund	5.52	0.00	3.75	5.22
Invesco Main Street Small Cap Fund	4.48	0.00	2.57	3.92
Invesco PureBeta MSCI USA ETF	25.06	11.73	16.70	22.73
INVECO RUSSELL 1000 DYNAMIC	30.07	12.78	18.30	26.63
<b>Global equities</b>	<b>29.88</b>	<b>11.41</b>	<b>20.08</b>	<b>27.32</b>
Invesco Developing Markets Fund	8.41	3.12	5.67	7.65
Invesco Global Real Estate Income Fund	2.49	1.45	1.50	2.24
INVECO INT L DEV DYNAMIC	6.01	3.21	4.15	5.70
Invesco Oppenheimer International Growth Fund	9.96	3.62	6.67	9.07
Invesco S&P Emerging Markets Low Volatility ETF	3.00	0.00	2.09	2.65
<b>Fixed Income</b>	<b>4.99</b>	<b>58.35</b>	<b>38.60</b>	<b>14.20</b>
Invesco Core Plus Bond Fund	3.99	11.90	7.66	3.16
INVECO EQUAL WEIGHT 0-30 ETF	1.00	15.90	12.47	5.04
Invesco Floating Rate ESG Fund	0.00	2.88	1.96	0.72
INVECO HIGH YIELD CLASS R6	0.00	12.02	8.34	3.37
Invesco Short Duration Inflation Protected Fund	0.00	6.84	2.91	0.95
Invesco Short Term Bond Fund	0.00	8.82	5.26	0.95
<b>Capital preservation</b>	<b>0.00</b>	<b>5.73</b>	<b>0.00</b>	<b>0.00</b>
Invesco Government and Agency Portfolio	0.00	1.87	0.00	0.00
Invesco Stable Value Separate Account	0.00	3.85	0.00	0.00

Current allocations may differ. Holdings are subject to change and are not buy/sell recommendations. May not equal 100% due to rounding.

Asset allocation percentages apply to all unit classes of the respective portfolios. Invesco CollegeBound 529 target risk portfolios offers Class A, Class C and Class I units nationally. Class I units are available only to certain investors. See the Program Description for more information.

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

Invesco CollegeBound 529 target risk portfolios utilize custom benchmarks, which are comprised of the following indexes: Bloomberg U.S. Aggregate Bond Index is an unmanaged index considered representative of the U.S. investment-grade, fixed-rate bond market. MSCI EAFE Index is an unmanaged index considered representative of stocks of Europe, Australasia and the Far East. The index is computed using the net return, which withholds applicable taxes for non-resident investors. Russell 1000 Index is an unmanaged index considered representative of large-cap stocks. The Russell 1000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. The Bloomberg U.S. Treasury Bellwethers (3M) Index measures the performance of treasury bills with maturities of less than three months. An investment cannot be made into an index.

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## About risk

The portfolio is subject to the risks of the underlying investments. Market fluctuations may change the target weightings in the underlying investments and certain factors may cause the fund to withdraw its investments therein at a disadvantageous time.

In general, stock values fluctuate, sometimes widely, in response to activities specific to the company as well as general market, economic and political conditions.

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.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty and

management risks. An investment in a derivative could lose more than the cash amount invested.

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.

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.

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

Mortgage- and asset-backed securities are subject to prepayment or call risk, which is the risk that the borrower's payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. Securities may be prepaid at a price less than the original purchase value.

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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***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](http://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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