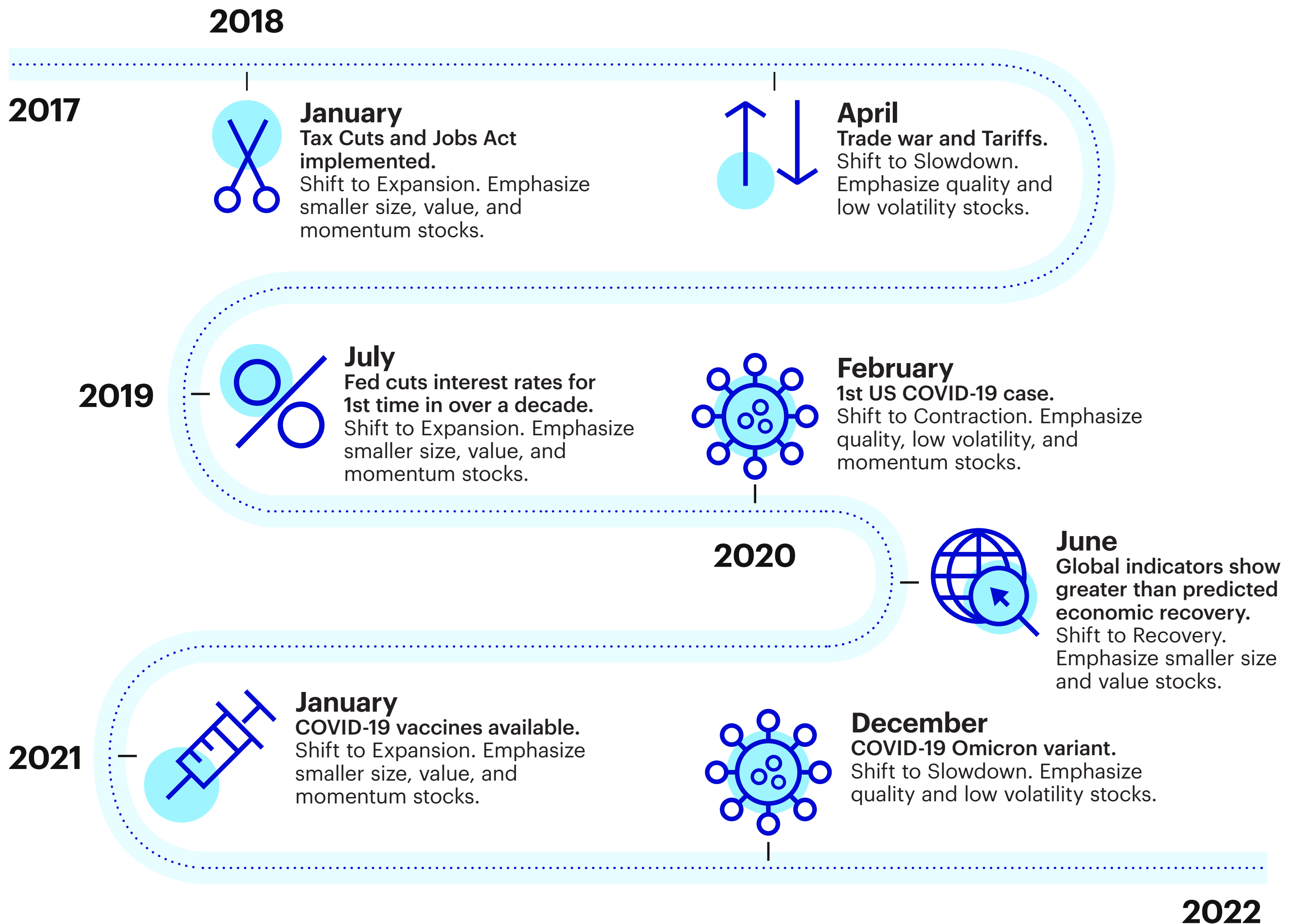
Invesco

Invesco Dynamic Growth Index

Adapting to changing markets

Market conditions can change quickly, and the Invesco Dynamic Growth Index seeks to adapt to changing markets using a rules-based process to allocate to positions expected to perform best in different market environments.

Market events 2017 – 2022 and adaptive stock exposure changes



As major market events happen, Invesco Dynamic Growth Index adapts. Economic data tells us what kind of market environment we are in; the index adapts to favor the types of companies that typically are expected to be in favor in that environment. When the markets change, the index changes to adapt.

For illustrative purposes only. The equity component of the Invesco Dynamic Growth Index uses a rules-based process. Data on leading economic indicators and global risk sentiment direct the model to one of four regimes (Recovery, Expansion, Slowdown, or Contraction) then emphasizes the 2-3 Factors expected to perform best in that regime (smaller size, value, momentum, high quality, and low volatility). The market events highlighted are not direct inputs into the rules-based process.

Source: Invesco Indexing, as of 2/4/2022. Forward-looking statements are not guarantees of future results. They involve risks, uncertainties, and assumptions, there can be no assurance that actual results will not differ materially from expectations. Past performance is not a guarantee of future results.

Why Invesco Dynamic Growth Index

Dynamic Equity Exposure. Bond exposure that responds to changes in market conditions. Adaptive asset allocation that seeks to smooth out the roller-coaster ups and downs of the market. All delivered in one package.

The Invesco Dynamic Growth Index is built on three key components with the goal of delivering attractive results along a steady path.

3

Main index components: Stocks, Bonds, and Cash, help diversify across varying market environments

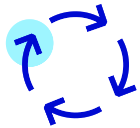
4

Types of market environments built into the stock component seeking to drive long-term returns in changing markets

5%

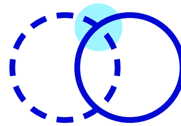
Volatility target guides ongoing risk management while seeking to maximize risk-adjusted returns

Three reasons to consider



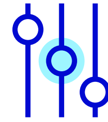
1 Dynamic Equity

Emphasizes stocks with characteristics expected to benefit from the current economic environment by anticipating changes in the business cycle and tilting towards those factors expected to outperform



2 Responsive Bond Exposure

Strategically allocated between long-term bonds and cash



3 Adaptive Asset Allocation

Exposures to stocks, bonds, and cash adjusted daily to seek to deliver a smoother performance profile for the Invesco Dynamic Growth Index over time

Diversification/Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns and does not assure a profit or protect against loss.

Although bonds generally present less short-term risk and volatility than stocks, the bond market is volatile and investing in bonds involves interest rate risk; as interest rates rise, bond prices usually fall, and vice versa. Bonds also entail issuer and counterparty credit risk, and the risk of default. Additionally, bonds generally involve greater inflation risk than stocks.

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