

BAB

Invesco Taxable Municipal Bond ETF

Analyst Report

BAB will offer exposure to an index which is designed to track the performance of U.S. dollar-denominated Build America Bonds publicly issued by U.S. states and territories, and their political subdivisions, in the U.S. market. Unlike most municipal bonds, Build America Bonds are taxable securities, eliminating one of the advantages that has traditionally allowed municipalities to issue debt at lower rates than otherwise comparable corporate debt. Here's the unique element of Build America Bonds: the U.S. Treasury makes a payment to the issuers of direct-payment Build America Bonds equal to 35% of the total interest payable to investors. So if a municipality issues a \$100 million Build America Bond with a taxable coupon of 10%, the issuer would make an annual interest payment to investors of \$10 million and would receive a \$3.5 million payment from the Treasury, resulting in an effective interest rate of 6.5%. BAB invests primarily in investment grade debts, giving investors safety during unstable markets, and with an average coupon rate above 5%, the ETF will also offer an attractive yield.

ESG Themes and Scores

N/A

ESG Rate

N/A

Global Percentile

N/A

Peer Percentile

Performance Data

	BAB	ETF Database Category Average	Factset Segment Average
1 Month	0.61%	0.63%	0.88%
3 Month	0.57%	1.58%	2.29%
YTD Return	0.55%	1.79%	2.20%
1 Year Return	5.51%	5.27%	5.29%
3 Year Return	4.38%	2.37%	2.63%
5 Year Return	-0.60%	0.43%	0.31%

Top 5 Holdings

Symbol	Holding	% Assets
Other	State of Illinois (United States) 5.1% 01-JUN-2033	1.39%
Other	California St 7.55% 01-APR-2039	1.27%
Other	California St 7.6% 01-NOV-2040	0.85%
Other	California St 7.5% 01-APR-2034	0.83%
Other	Illinois St 6.9% 01-MAR-2035	0.80%

Vitals

Issuer	Invesco
Brand	Invesco
Structure	ETF
Expense Ratio	0.28%
Inception	Nov 17, 2009
Index Tracked	ICE BofA US Taxable Municipal Securities Plus

ETF Database Themes

Category	National Munis
Asset Class	Bond
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Fixed Income: U.S. - Government, Local Authority/Municipal Investment Grade
Category	Government, Local Authority/Municipal
Focus	Investment Grade
Niche	Broad Maturities
Strategy	Vanilla
Weighting	Market Value

