



Invesco V.I. Conservative Balanced Fund

Effective April 30, 2021, Invesco Oppenheimer V.I. Conservative Balanced Fund was renamed Invesco V.I. Conservative Balanced Fund.



The Fund provides a complete list of its portfolio holdings four times each fiscal year, at the end of each fiscal quarter. For the second and fourth quarters, the list appears, respectively, in the Fund's semiannual and annual reports to shareholders. For the first and third quarters, the Fund files the list with the Securities and Exchange Commission (SEC) as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT filings are available on the SEC website, sec.gov. The SEC file numbers for the Fund are 811-07452 and 033-57340. The Fund's most recent portfolio holdings, as filed on Form N-PORT, have also been made available to insurance companies issuing variable annuity contracts and variable life insurance policies ("variable products") that invest in the Fund.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 959 4246 or at invesco.com/corporate/about-us/esg. The information is also available on the SEC website, sec.gov.

Information regarding how the Fund voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 is available at invesco.com/proxysearch. The information is also available on the SEC website, sec.gov.

Invesco Advisers, Inc. is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the US distributor for Invesco Ltd.'s retail mutual funds, exchange-traded funds and institutional money market funds. Both are wholly owned, indirect subsidiaries of Invesco Ltd.

This report must be accompanied or preceded by a currently effective Fund prospectus and variable product prospectus, which contain more complete information, including sales charges and expenses. Investors should read each carefully before investing.

Fund Performance

Performance summary

Fund vs. Indexes

Cumulative total returns, 12/31/20 to 6/30/21, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

Series I Shares	7.19%
Series II Shares	7.07
Russell 3000 Index [▼]	15.11
Bloomberg Barclays U.S. Aggregate Bond Index [▼]	-1.60
Custom Invesco V.I. Conservative Balanced Index [■]	4.07

Source(s): [▼]RIMES Technologies Corp.; [■]Invesco, RIMES Technologies Corp.

The **Russell 3000[®] Index** is an unmanaged index considered representative of the US stock market. The Russell 3000 Index is a trademark/service mark of the Frank Russell Co. Russell[®] is a trademark of the Frank Russell Co.

The **Bloomberg Barclays U.S. Aggregate Bond Index** is an unmanaged index considered representative of the US investment-grade, fixed-rate bond market.

The **Custom Invesco V.I. Conservative Balanced Index** is composed of 65% Bloomberg Barclays U.S. Aggregate Bond Index and 35% Russell 3000[®] Index.

The Fund is not managed to track the performance of any particular index, including the index(es) described here, and consequently, the performance of the Fund may deviate significantly from the performance of the index(es).

A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses; performance of a market index does not.

Average Annual Total Returns

As of 6/30/21

Series I Shares

Inception (2/9/87)	7.31%
10 Years	7.75
5 Years	8.62
1 Year	18.19

Series II Shares

Inception (5/1/02)	4.77%
10 Years	7.48
5 Years	8.35
1 Year	17.92

Effective May 24, 2019, Non-Service and Service shares of the Oppenheimer Conservative Balanced Fund/VA, (the predecessor fund) were reorganized into Series I and Series II shares, respectively, of Invesco Oppenheimer V.I. Conservative Balanced Fund (renamed Invesco V.I. Conservative Balanced Fund on April 30, 2021). Returns shown above, for periods ending on or prior to May 24, 2019, for Series I and Series II shares are those of the Non-Service shares and Service shares of the predecessor fund. Share class returns will differ from the predecessor fund because of different expenses.

The performance data quoted represent past performance and cannot guarantee future results; current performance may be lower or higher. Please contact your variable product issuer or financial adviser for

the most recent month-end variable product performance. Performance figures reflect Fund expenses, reinvested distributions and changes in net asset value. Performance figures do not reflect deduction of taxes a shareholder would pay on Fund distributions or sale of Fund shares. Investment return and principal value will fluctuate so that you may have a gain or loss when you sell shares.

Invesco V.I. Conservative Balanced Fund, a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds), is currently offered through insurance companies issuing variable products. You cannot purchase shares of the Fund directly. Performance figures given represent the Fund and are not intended to reflect actual variable product values. They do not reflect

sales charges, expenses and fees assessed in connection with a variable product. Sales charges, expenses and fees, which are determined by the variable product issuers, will vary and will lower the total return.

The most recent month-end performance at the Fund level, excluding variable product charges, is available at 800 451 4246. As mentioned above, for the most recent month-end performance including variable product charges, please contact your variable product issuer or financial adviser.

Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information.

Liquidity Risk Management Program

In compliance with Rule 22e-4 under the Investment Company Act of 1940, as amended (the "Liquidity Rule"), the Fund has adopted and implemented a liquidity risk management program in accordance with the Liquidity Rule (the "Program"). The Program is reasonably designed to assess and manage the Fund's liquidity risk, which is the risk that the Fund could not meet redemption requests without significant dilution of remaining investors' interests in the Fund. The Board of Trustees of the Fund (the "Board") has appointed Invesco Advisers, Inc. ("Invesco"), the Fund's investment adviser, as the Program's administrator, and Invesco has delegated oversight of the Program to the Liquidity Risk Management Committee (the "Committee"), which is composed of senior representatives from relevant business groups at Invesco.

As required by the Liquidity Rule, the Program includes policies and procedures providing for an assessment, no less frequently than annually, of the Fund's liquidity risk that takes into account, as relevant to the Fund's liquidity risk: (1) the Fund's investment strategy and liquidity of portfolio investments during both normal and reasonably foreseeable stressed conditions; (2) short-term and long-term cash flow projections for the Fund during both normal and reasonably foreseeable stressed conditions; and (3) the Fund's holdings of cash and cash equivalents and any borrowing arrangements. The Liquidity Rule also requires the classification of the Fund's investments into categories that reflect the assessment of their relative liquidity under current market conditions. The Fund classifies its investments into one of four categories defined in the Liquidity Rule: "Highly Liquid," "Moderately Liquid," "Less Liquid," and "Illiquid." Funds that are not invested primarily in "Highly Liquid Investments" that are assets (cash or investments that are reasonably expected to be convertible into cash within three business days without significantly changing the market value of the investment) are required to establish a "Highly Liquid Investment Minimum" ("HLIM"), which is the minimum percentage of net assets that must be invested in Highly Liquid Investments. Funds with HLIMs have procedures for addressing HLIM shortfalls, including reporting to the Board and the SEC (on a non-public basis) as required by the Program and the Liquidity Rule. In addition, the Fund may not acquire an investment if, immediately after the acquisition, over 15% of the Fund's net assets would consist of "Illiquid Investments" that are assets (an investment that cannot reasonably be expected to be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment). The Liquidity Rule and the Program also require reporting to the Board and the SEC (on a non-public basis) if a Fund's holdings of Illiquid Investments exceed 15% of the Fund's assets.

At a meeting held on March 22-24, 2021, the Committee presented a report to the Board that addressed the operation of the Program and assessed the Program's adequacy and effectiveness of implementation (the "Report"). The Report covered the period from January 1, 2020 through December 31, 2020 (the "Program Reporting Period"). The Report discussed notable events affecting liquidity over the Program Reporting Period, including the impact of the coronavirus pandemic on the Fund and the overall market. The Report noted that there were no material changes to the Program during the Program Reporting Period.

The Report stated, in relevant part, that during the Program Reporting Period:

- The Program, as adopted and implemented, remained reasonably designed to assess and manage the Fund's liquidity risk and was operated effectively to achieve that goal;
- The Fund's investment strategy remained appropriate for an open-end fund;
- The Fund was able to meet requests for redemption without significant dilution of remaining investors' interests in the Fund;
- The Fund did not breach the 15% limit on Illiquid Investments; and
- The Fund primarily held Highly Liquid Investments and therefore has not adopted an HLIM.

Schedule of Investments^(a)

June 30, 2021
(Unaudited)

	Shares	Value
Common Stocks & Other Equity Interests-48.26%		
Aerospace & Defense-1.18%		
Boeing Co. (The) ^(b)	3,550	\$ 850,438
Lockheed Martin Corp.	1,818	687,840
Raytheon Technologies Corp.	10,182	868,627
		2,406,905
Air Freight & Logistics-0.70%		
United Parcel Service, Inc., Class B	6,833	1,421,059
Alternative Carriers-0.00%		
ORBCOMM, Inc. ^(b)	375	4,215
Apparel Retail-0.58%		
Ross Stores, Inc.	9,465	1,173,660
Apparel, Accessories & Luxury Goods-0.37%		
Tapestry, Inc. ^(b)	17,117	744,247
Application Software-1.08%		
Olo, Inc., Class A ^(b)	2,547	95,232
Q2 Holdings, Inc. ^(b)	4,970	509,823
Workday, Inc., Class A ^(b)	6,627	1,582,130
		2,187,185
Automobile Manufacturers-0.63%		
General Motors Co. ^(b)	21,468	1,270,262
Automotive Retail-0.55%		
CarMax, Inc. ^(b)	8,619	1,113,144
Biotechnology-0.26%		
Seagen, Inc. ^(b)	3,321	524,319
Cable & Satellite-0.39%		
Charter Communications, Inc., Class A ^(b)	1,093	788,545
Commodity Chemicals-0.22%		
Valvoline, Inc.	13,634	442,560
Construction Machinery & Heavy Trucks-0.39%		
Caterpillar, Inc.	3,622	788,256
Construction Materials-0.38%		
Vulcan Materials Co.	4,405	766,778
Consumer Finance-0.59%		
Capital One Financial Corp.	7,695	1,190,340
Data Processing & Outsourced Services-1.45%		
Fiserv, Inc. ^(b)	8,897	951,000
Mastercard, Inc., Class A	5,440	1,986,090
		2,937,090
Distillers & Vintners-0.60%		
Constellation Brands, Inc., Class A	5,201	1,216,462
Diversified Banks-1.32%		
JPMorgan Chase & Co.	17,302	2,691,153

	Shares	Value
Diversified Metals & Mining-0.28%		
Compass Minerals International, Inc.	9,440	\$ 559,414
Electric Utilities-0.66%		
Avangrid, Inc.	26,143	1,344,534
Electrical Components & Equipment-0.25%		
Rockwell Automation, Inc.	1,765	504,825
Financial Exchanges & Data-0.75%		
Intercontinental Exchange, Inc.	12,900	1,531,230
Food Distributors-0.50%		
Sysco Corp.	13,198	1,026,144
Footwear-0.32%		
NIKE, Inc., Class B	4,147	640,670
Gas Utilities-1.05%		
National Fuel Gas Co.	10,207	533,316
ONE Gas, Inc.	16,995	1,259,669
Suburban Propane Partners L.P.	22,085	338,784
		2,131,769
Health Care Equipment-1.21%		
Boston Scientific Corp. ^(b)	18,211	778,702
CryoPort, Inc. ^(b)	6,532	412,170
DexCom, Inc. ^(b)	1,212	517,524
Zimmer Biomet Holdings, Inc.	4,627	744,114
		2,452,510
Health Care Facilities-0.39%		
HCA Healthcare, Inc.	3,859	797,810
Health Care Services-0.55%		
Guardant Health, Inc. ^(b)	2,269	281,787
LHC Group, Inc. ^(b)	4,189	838,889
		1,120,676
Health Care Supplies-0.20%		
Cooper Cos., Inc. (The)	1,006	398,648
Home Improvement Retail-0.53%		
Home Depot, Inc. (The)	3,379	1,077,529
Homebuilding-0.43%		
D.R. Horton, Inc.	9,703	876,860
Hotels, Resorts & Cruise Lines-0.24%		
Airbnb, Inc., Class A ^(b)	3,184	487,598
Human Resource & Employment Services-0.46%		
Korn Ferry	12,820	930,091
Industrial Conglomerates-0.44%		
Honeywell International, Inc.	4,117	903,064
Industrial Machinery-0.40%		
Stanley Black & Decker, Inc.	4,005	820,985

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Shares	Value
Industrial REITs-0.85%		
Prologis, Inc.	14,481	\$ 1,730,914
Insurance Brokers-0.48%		
Arthur J. Gallagher & Co.	6,942	972,435
Integrated Telecommunication Services-0.85%		
Verizon Communications, Inc.	30,775	1,724,323
Interactive Home Entertainment-0.81%		
Zynga, Inc., Class A ^(b)	154,290	1,640,103
Interactive Media & Services-5.29%		
Alphabet, Inc., Class A ^(b)	2,266	5,533,096
Bumble, Inc., Class A ^(b)	3,829	220,550
Facebook, Inc., Class A ^(b)	9,638	3,351,229
Snap, Inc., Class A ^(b)	24,137	1,644,696
		10,749,571
Internet & Direct Marketing Retail-2.10%		
Amazon.com, Inc. ^(b)	1,238	4,258,918
Internet Services & Infrastructure-0.06%		
Snowflake, Inc., Class A ^(b)	480	116,064
Investment Banking & Brokerage-0.34%		
Raymond James Financial, Inc.	5,329	692,237
Leisure Facilities-0.12%		
Cedar Fair L.P. ^(b)	5,485	245,893
Life Sciences Tools & Services-0.27%		
Avantor, Inc. ^(b)	15,586	553,459
Managed Health Care-0.98%		
UnitedHealth Group, Inc.	4,953	1,983,379
Metal & Glass Containers-0.22%		
Silgan Holdings, Inc.	10,567	438,530
Office REITs-0.21%		
Alexandria Real Estate Equities, Inc.	2,308	419,918
Office Services & Supplies-0.21%		
ACCO Brands Corp.	48,950	422,439
Oil & Gas Exploration & Production-0.48%		
Cabot Oil & Gas Corp.	56,108	979,646
Oil & Gas Storage & Transportation-0.29%		
Shell Midstream Partners L.P.	39,743	587,004
Pharmaceuticals-2.37%		
AstraZeneca PLC, ADR (United Kingdom) ^(c)	21,183	1,268,862
Bayer AG (Germany)	12,769	775,611
Catalent, Inc. ^(b)	8,464	915,128
Eli Lilly and Co.	6,039	1,386,071
Organon & Co. ^(b)	15,521	469,665
		4,815,337
Property & Casualty Insurance-0.66%		
Allstate Corp. (The)	10,213	1,332,184
Regional Banks-1.15%		
East West Bancorp, Inc.	8,757	627,789
First Citizens BancShares, Inc., Class A	1,020	849,395

	Shares	Value
Regional Banks-(continued)		
Signature Bank	3,464	\$ 850,932
		2,328,116
Restaurants-0.66%		
Starbucks Corp.	12,053	1,347,646
Semiconductor Equipment-0.97%		
Applied Materials, Inc.	13,893	1,978,363
Semiconductors-2.53%		
NVIDIA Corp.	2,983	2,386,698
QUALCOMM, Inc.	12,670	1,810,923
Texas Instruments, Inc.	4,853	933,232
		5,130,853
Soft Drinks-0.70%		
Coca-Cola Co. (The)	26,456	1,431,534
Specialty Chemicals-0.53%		
Diversey Holdings Ltd. ^(b)	32,753	586,606
NewMarket Corp.	1,554	500,357
		1,086,963
Specialty Stores-0.42%		
Tractor Supply Co.	4,583	852,713
Systems Software-3.48%		
Microsoft Corp.	22,649	6,135,614
VMware, Inc., Class A ^(b)	5,861	937,584
		7,073,198
Technology Hardware, Storage & Peripherals-1.60%		
Apple, Inc.	23,800	3,259,648
Trading Companies & Distributors-0.28%		
Fastenal Co.	10,875	565,500
Total Common Stocks & Other Equity Interests (Cost \$61,890,144)		97,987,425
	Principal Amount	
U.S. Dollar Denominated Bonds & Notes-18.62%		
Advertising-0.14%		
Interpublic Group of Cos., Inc. (The), 3.75%, 10/01/2021	\$ 154,000	155,357
4.20%, 04/15/2024	37,000	40,277
WPP Finance 2010 (United Kingdom), 3.75%, 09/19/2024	72,000	78,361
		273,995
Aerospace & Defense-0.15%		
BAE Systems Holdings, Inc. (United Kingdom), 3.85%, 12/15/2025 ^(d)	56,000	61,889
Boeing Co. (The), 2.20%, 02/04/2026	160,000	161,554
L3Harris Technologies, Inc., 3.85%, 06/15/2023	75,000	79,752
		303,195
Agricultural & Farm Machinery-0.16%		
Bunge Ltd. Finance Corp., 2.75%, 05/14/2031	326,000	329,822

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Airlines-0.31%		
Delta Air Lines, Inc./SkyMiles IP Ltd., 4.50%, 10/20/2025 ^(d)	\$ 142,391	\$ 153,083
4.75%, 10/20/2028 ^(d)	241,350	268,518
United Airlines Pass-Through Trust, Series 2020-1, Class A, 5.88%, 10/15/2027	194,137	215,816
		637,417
Apparel Retail-0.04%		
Ross Stores, Inc., 3.38%, 09/15/2024	85,000	90,182
Application Software-0.21%		
salesforce.com, inc., 2.90%, 07/15/2051	260,000	263,837
3.05%, 07/15/2061	158,000	161,013
		424,850
Asset Management & Custody Banks-0.14%		
Brookfield Asset Management, Inc. (Canada), 4.00%, 01/15/2025	67,000	73,350
CI Financial Corp. (Canada), 3.20%, 12/17/2030	120,000	123,284
Owl Rock Capital Corp., 2.63%, 01/15/2027	95,000	95,327
		291,961
Automobile Manufacturers-0.51%		
American Honda Finance Corp., 1.80%, 01/13/2031	92,000	90,974
Daimler Finance North America LLC (Germany), 2.55%, 08/15/2022 ^(d)	149,000	152,543
General Motors Financial Co., Inc., 4.20%, 11/06/2021	152,000	153,999
4.15%, 06/19/2023	71,000	75,434
Hyundai Capital America, 5.75%, 04/06/2023 ^(d)	91,000	98,931
4.13%, 06/08/2023 ^(d)	75,000	79,767
2.00%, 06/15/2028 ^(d)	181,000	179,756
Nissan Motor Acceptance Corp., 3.65%, 09/21/2021 ^(d)	207,000	208,393
		1,039,797
Automotive Retail-0.13%		
Advance Auto Parts, Inc., 1.75%, 10/01/2027	256,000	254,341
Biotechnology-0.08%		
AbbVie, Inc., 3.85%, 06/15/2024	145,000	157,340
Brewers-0.04%		
Anheuser-Busch InBev Worldwide, Inc. (Belgium), 8.20%, 01/15/2039	43,000	71,629
Building Products-0.04%		
Masco Corp., 1.50%, 02/15/2028	90,000	87,941

	Principal Amount	Value
Cable & Satellite-0.61%		
Charter Communications Operating LLC/ Charter Communications Operating Capital Corp., 1.83%(3 mo. USD LIBOR + 1.65%), 02/01/2024 ^(e)	\$ 148,000	\$ 152,199
3.50%, 06/01/2041	111,000	111,934
3.90%, 06/01/2052	154,000	157,255
3.85%, 04/01/2061	142,000	139,718
4.40%, 12/01/2061	74,000	79,667
Comcast Corp., 2.45%, 08/15/2052	74,000	66,994
2.65%, 08/15/2062	91,000	83,347
Cox Communications, Inc., 2.60%, 06/15/2031 ^(d)	120,000	121,933
3.60%, 06/15/2051 ^(d)	305,000	321,765
		1,234,812
Communications Equipment-0.03%		
Motorola Solutions, Inc., 4.60%, 02/23/2028	58,000	67,679
Computer & Electronics Retail-0.10%		
Dell International LLC/EMC Corp., 5.30%, 10/01/2029	87,000	105,062
Leidos, Inc., 2.30%, 02/15/2031	104,000	101,733
		206,795
Consumer Finance-0.10%		
Discover Bank, 4.65%, 09/13/2028	122,000	143,299
Synchrony Financial, 4.25%, 08/15/2024	56,000	61,223
		204,522
Distillers & Vintners-0.07%		
Pernod Ricard S.A. (France), 4.25%, 07/15/2022 ^(d)	134,000	139,152
Diversified Banks-3.47%		
Bank of America Corp., 3.37%, 01/23/2026 ^(f)	65,000	70,107
3.82%, 01/20/2028 ^(f)	42,000	46,651
4.27%, 07/23/2029 ^(f)	36,000	41,389
2.59%, 04/29/2031 ^(f)	58,000	59,836
2.69%, 04/22/2032 ^(f)	264,000	271,779
7.75%, 05/14/2038	115,000	181,816
BBVA USA, 2.50%, 08/27/2024	252,000	265,381
BPCE S.A. (France), 4.50%, 03/15/2025 ^(d)	184,000	202,970
Citigroup, Inc., 3.11%, 04/08/2026 ^(f)	78,000	83,518
4.08%, 04/23/2029 ^(f)	60,000	68,116
4.41%, 03/31/2031 ^(f)	65,000	75,973
2.56%, 05/01/2032 ^(f)	169,000	172,153
3.88% ^{(c)(f)(g)}	309,000	316,339
Series V, 4.70% ^{(f)(g)}	160,000	165,396
Commonwealth Bank of Australia (Australia), 2.69%, 03/11/2031 ^(d)	200,000	200,150
3.31%, 03/11/2041 ^(d)	200,000	203,944
Credit Agricole S.A. (France), 4.38%, 03/17/2025 ^(d)	304,000	334,930
7.88% ^{(d)(f)(g)}	200,000	226,501

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Diversified Banks-(continued)		
HSBC Holdings PLC (United Kingdom), 3.95%, 05/18/2024 ^(f)	\$ 109,000	\$ 115,812
4.04%, 03/13/2028 ^(f)	135,000	149,809
4.58%, 06/19/2029 ^(f)	183,000	211,646
4.60% ^{(f)(g)}	225,000	234,000
6.25% ^{(f)(g)}	203,000	215,180
ING Groep N.V. (Netherlands), 1.06%(SOFR + 1.01%), 04/01/2027 ^(e)	308,000	311,336
6.88% ^{(d)(f)(g)}	200,000	208,313
JPMorgan Chase & Co., 3.80%, 07/23/2024 ^(f)	92,000	98,049
2.08%, 04/22/2026 ^(f)	103,000	106,549
3.78%, 02/01/2028 ^(f)	75,000	83,335
3.54%, 05/01/2028 ^(f)	57,000	62,705
2.58%, 04/22/2032 ^(f)	165,000	169,459
3.11%, 04/22/2041 ^(f)	64,000	66,518
Mizuho Financial Group, Inc. (Japan), 2.17%, 05/22/2032 ^(f)	242,000	240,572
National Australia Bank Ltd. (Australia), 3.93%, 08/02/2034 ^{(d)(f)}	154,000	167,032
Royal Bank of Canada (Canada), 3.70%, 10/05/2023	65,000	69,758
Standard Chartered PLC (United Kingdom), 2.68%, 06/29/2032 ^{(d)(f)}	200,000	201,115
Sumitomo Mitsui Financial Group, Inc. (Japan), 1.47%, 07/08/2025	200,000	202,114
2.14%, 09/23/2030	160,000	156,309
Truist Bank, 2.64%, 09/17/2029 ^(f)	376,000	394,176
U.S. Bancorp, Series W, 3.10%, 04/27/2026	56,000	60,962
1.38%, 07/22/2030	59,000	56,937
United Overseas Bank Ltd. (Singapore), 2.00%, 10/14/2031 ^{(d)(f)}	200,000	200,324
Wells Fargo & Co., 3.58%, 05/22/2028 ^(f)	56,000	61,734
4.75%, 12/07/2046	43,000	54,526
Series BB, 3.90% ^{(f)(g)}	154,000	159,533
		7,044,752

Diversified Capital Markets-0.62%

Credit Suisse AG (Switzerland), 3.63%, 09/09/2024	197,000	214,118
Credit Suisse Group AG (Switzerland), 4.55%, 04/17/2026	154,000	174,517
4.19%, 04/01/2031 ^{(d)(f)}	250,000	281,207
5.10% ^{(d)(f)(g)}	201,000	207,784
UBS Group AG (Switzerland), 4.13%, 04/15/2026 ^(d)	160,000	179,527
4.38% ^{(d)(f)(g)}	200,000	204,840
		1,261,993

Diversified Chemicals-0.07%

Dow Chemical Co. (The), 3.63%, 05/15/2026	50,000	55,361
Eastman Chemical Co., 3.50%, 12/01/2021	90,000	91,187
		146,548

	Principal Amount	Value
Diversified REITs-0.05%		
Brixmor Operating Partnership L.P., 4.13%, 05/15/2029	\$ 37,000	\$ 41,497
4.05%, 07/01/2030	58,000	64,996
		106,493

Drug Retail-0.14%

CK Hutchison International 21 Ltd. (United Kingdom), 1.50%, 04/15/2026 ^(d)	280,000	281,785
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Electric Utilities-0.56%

AEP Texas, Inc., 3.95%, 06/01/2028 ^(d)	172,000	193,992
Consolidated Edison Co. of New York, Inc., 3.60%, 06/15/2061	148,000	153,443
EDP Finance B.V. (Portugal), 3.63%, 07/15/2024 ^(d)	231,000	248,442
Enel Finance International N.V. (Italy), 2.88%, 05/25/2022 ^(d)	313,000	319,918
NextEra Energy Capital Holdings, Inc., 0.57%(SOFR + 0.54%), 03/01/2023 ^(e)	121,000	121,682
Southern Co. (The), Series 21-A, 3.75%, 09/15/2051 ^(f)	96,000	96,734
		1,134,211

Electronic Equipment & Instruments-0.11%

Vontier Corp., 2.40%, 04/01/2028 ^(d)	120,000	119,351
2.95%, 04/01/2031 ^(d)	103,000	103,601
		222,952

Electronic Manufacturing Services-0.04%

Jabil, Inc., 3.00%, 01/15/2031	81,000	83,450
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Financial Exchanges & Data-0.03%

Intercontinental Exchange, Inc., 3.00%, 09/15/2060	60,000	58,177
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Food Retail-0.20%

Alimentation Couche-Tard, Inc. (Canada), 3.44%, 05/13/2041 ^(d)	205,000	211,942
3.63%, 05/13/2051 ^(d)	175,000	183,313
		395,255

Health Care REITs-0.14%

Healthcare Trust of America Holdings L.P., 3.50%, 08/01/2026	57,000	62,692
2.00%, 03/15/2031	58,000	56,109
Omega Healthcare Investors, Inc., 3.25%, 04/15/2033	163,000	162,848
		281,649

Health Care Services-0.19%

Cigna Corp., 4.13%, 11/15/2025	56,000	62,792
CVS Health Corp., 1.30%, 08/21/2027	82,000	80,487
Fresenius Medical Care US Finance II, Inc. (Germany), 5.88%, 01/31/2022 ^(d)	85,000	87,612
Fresenius Medical Care US Finance III, Inc. (Germany), 1.88%, 12/01/2026 ^(d)	150,000	150,141
		381,032

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Home Improvement Retail-0.12%		
Lowe's Cos., Inc., 2.63%, 04/01/2031	\$ 130,000	\$ 134,474
3.50%, 04/01/2051	104,000	111,730
		246,204
Homebuilding-0.03%		
D.R. Horton, Inc., 4.75%, 02/15/2023	65,000	68,741
Hotels, Resorts & Cruise Lines-0.17%		
Expedia Group, Inc., 4.63%, 08/01/2027	56,000	63,370
2.95%, 03/15/2031	275,000	279,234
		342,604
Independent Power Producers & Energy Traders-0.14%		
AES Corp. (The), 1.38%, 01/15/2026 ^(d)	57,000	56,468
2.45%, 01/15/2031 ^(d)	64,000	63,427
Deutsche Telekom International Finance B.V. (Germany), 4.38%, 06/21/2028 ^(d)	146,000	169,888
		289,783
Industrial Conglomerates-0.09%		
GE Capital International Funding Co. Unlimited Co., 3.37%, 11/15/2025	160,000	174,659
Industrial Machinery-0.08%		
IDEX Corp., 2.63%, 06/15/2031	152,000	154,684
Insurance Brokers-0.08%		
Arthur J. Gallagher & Co., 2.50%, 05/20/2031	66,000	66,720
3.50%, 05/20/2051	98,000	102,813
		169,533
Integrated Oil & Gas-0.26%		
BP Capital Markets America, Inc., 3.06%, 06/17/2041	214,000	216,091
2.94%, 06/04/2051	104,000	99,822
3.38%, 02/08/2061	143,000	144,099
Gray Oak Pipeline LLC, 2.60%, 10/15/2025 ^(d)	71,000	72,992
		533,004
Integrated Telecommunication Services-0.88%		
AT&T, Inc., 0.69%(SOFR + 0.64%), 03/25/2024 ^(e)	150,000	150,362
4.30%, 02/15/2030	75,000	86,755
2.55%, 12/01/2033 ^(d)	328,000	325,283
3.10%, 02/01/2043	88,000	86,402
3.50%, 09/15/2053 ^(d)	143,000	143,885
3.80%, 12/01/2057 ^(d)	43,000	44,882
3.50%, 02/01/2061	56,000	55,390
NBN Co. Ltd. (Australia), 2.63%, 05/05/2031 ^(d)	231,000	236,921

	Principal Amount	Value
Integrated Telecommunication Services-(continued)		
Verizon Communications, Inc., 0.85%, 11/20/2025	\$ 92,000	\$ 91,042
1.75%, 01/20/2031	54,000	51,789
2.55%, 03/21/2031	71,000	72,625
2.65%, 11/20/2040	50,000	48,206
3.40%, 03/22/2041	76,000	80,494
4.52%, 09/15/2048	40,000	49,575
2.88%, 11/20/2050	52,000	49,521
3.55%, 03/22/2051	38,000	40,654
3.00%, 11/20/2060	72,000	67,404
3.70%, 03/22/2061	96,000	102,982
		1,784,172
Interactive Home Entertainment-0.11%		
Activision Blizzard, Inc., 2.50%, 09/15/2050	103,000	92,692
Electronic Arts, Inc., 1.85%, 02/15/2031	143,000	138,337
		231,029
Internet & Direct Marketing Retail-0.54%		
Amazon.com, Inc., 1.00%, 05/12/2026	88,000	88,059
1.65%, 05/12/2028	82,000	82,752
2.10%, 05/12/2031	246,000	250,298
2.88%, 05/12/2041	289,000	298,541
3.10%, 05/12/2051	232,000	244,019
3.25%, 05/12/2061	131,000	138,289
		1,101,958
Internet Services & Infrastructure-0.05%		
VeriSign, Inc., 2.70%, 06/15/2031	101,000	102,735
Investment Banking & Brokerage-1.03%		
Goldman Sachs Group, Inc. (The), 0.61%(SOFR + 0.58%), 03/08/2024 ^(e)	276,000	276,841
3.50%, 04/01/2025	71,000	77,064
3.50%, 11/16/2026	37,000	40,266
0.83%(SOFR + 0.79%), 12/09/2026 ^(e)	545,000	544,099
1.09%, 12/09/2026 ^(f)	90,000	88,645
0.85%(SOFR + 0.81%), 03/09/2027 ^(e)	496,000	495,891
1.99%, 01/27/2032 ^(f)	99,000	96,236
2.62%, 04/22/2032 ^(f)	65,000	66,448
3.21%, 04/22/2042 ^(f)	69,000	72,280
Morgan Stanley, 5.00%, 11/24/2025	72,000	83,072
2.19%, 04/28/2026 ^(f)	52,000	54,016
4.43%, 01/23/2030 ^(f)	54,000	63,276
3.62%, 04/01/2031 ^(f)	66,000	73,741
2.80%, 01/25/2052 ^(f)	59,000	57,969
		2,089,844
Life & Health Insurance-0.68%		
American Equity Investment Life Holding Co., 5.00%, 06/15/2027	94,000	106,429

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	Principal Amount	Value
Life & Health Insurance-(continued)		
Athene Global Funding, 1.20%, 10/13/2023 ^(d)	\$ 133,000	\$ 134,549
1.45%, 01/08/2026 ^(d)	64,000	64,102
2.95%, 11/12/2026 ^(d)	111,000	118,342
Athene Holding Ltd., 6.15%, 04/03/2030	72,000	91,133
3.95%, 05/25/2051	30,000	32,239
MAG Mutual Holding Co., 4.75%, 04/30/2041	509,000	509,000
Manulife Financial Corp. (Canada), 4.06%, 02/24/2032 ^(f)	54,000	59,666
Pacific LifeCorp, 3.35%, 09/15/2050 ^(d)	75,000	79,569
Prudential Financial, Inc., 5.20%, 03/15/2044 ^(f)	102,000	109,577
Reliance Standard Life Global Funding II, 2.75%, 01/21/2027 ^(d)	76,000	80,201
		1,384,807

Life Sciences Tools & Services-0.04%

Illumina, Inc., 2.55%, 03/23/2031	88,000	89,417
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Managed Health Care-0.14%

Kaiser Foundation Hospitals, Series 2021, 2.81%, 06/01/2041	135,000	138,001
3.00%, 06/01/2051	140,000	144,915
		282,916

Multi-Utilities-0.10%

Ameren Corp., 2.50%, 09/15/2024	45,000	47,374
Dominion Energy, Inc., Series C, 3.38%, 04/01/2030	56,000	61,039
WEC Energy Group, Inc., 1.38%, 10/15/2027	56,000	54,757
1.80%, 10/15/2030	50,000	48,019
		211,189

Office REITs-0.08%

Office Properties Income Trust, 4.50%, 02/01/2025	118,000	128,212
2.65%, 06/15/2026	33,000	33,515
		161,727

Oil & Gas Exploration & Production-0.05%

Canadian Natural Resources Ltd. (Canada), 2.05%, 07/15/2025	102,000	104,883
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Oil & Gas Storage & Transportation-0.30%

Energy Transfer L.P., 4.25%, 03/15/2023	59,000	61,932
4.00%, 10/01/2027	47,000	51,740
Kinder Morgan, Inc., 7.75%, 01/15/2032	116,000	166,562
MPLX L.P., 1.75%, 03/01/2026	74,000	74,840
4.25%, 12/01/2027	42,000	47,637
ONEOK, Inc., 6.35%, 01/15/2031	99,000	128,145
Williams Cos., Inc. (The), 3.70%, 01/15/2023	75,000	78,127
		608,983

	Principal Amount	Value
Other Diversified Financial Services-0.64%		
Avolon Holdings Funding Ltd. (Ireland), 2.13%, 02/21/2026 ^(d)	\$ 81,000	\$ 80,733
2.75%, 02/21/2028 ^(d)	97,000	96,035
Blackstone Holdings Finance Co. LLC, 1.60%, 03/30/2031 ^(d)	104,000	99,020
2.80%, 09/30/2050 ^(d)	48,000	48,037
Blackstone Secured Lending Fund, 2.75%, 09/16/2026 ^(d)	277,000	280,904
Blue Owl Finance LLC, 3.13%, 06/10/2031 ^(d)	159,000	158,135
Brookfield Finance, Inc. (Canada), 2.72%, 04/15/2031	119,000	122,631
LSEGA Financing PLC (United Kingdom), 1.38%, 04/06/2026 ^(d)	200,000	200,468
2.00%, 04/06/2028 ^(d)	203,000	205,434
		1,291,397

Packaged Foods & Meats-0.24%

Conagra Brands, Inc., 4.60%, 11/01/2025	72,000	82,116
Mondelez International Holdings Netherlands B.V., 2.00%, 10/28/2021 ^(d)	339,000	340,442
Tyson Foods, Inc., 3.90%, 09/28/2023	62,000	66,620
		489,178

Paper Packaging-0.12%

Berry Global, Inc., 1.65%, 01/15/2027 ^(d)	168,000	166,755
Packaging Corp. of America, 3.65%, 09/15/2024	62,000	67,036
		233,791

Pharmaceuticals-0.37%

Bayer US Finance II LLC (Germany), 3.88%, 12/15/2023 ^(d)	335,000	358,917
Mayo Clinic, Series 2021, 3.20%, 11/15/2061	114,000	123,307
Mylan, Inc., 3.13%, 01/15/2023 ^(d)	71,000	73,597
Takeda Pharmaceutical Co. Ltd. (Japan), 5.00%, 11/26/2028	160,000	192,797
		748,618

Precious Metals & Minerals-0.05%

Anglo American Capital PLC (South Africa), 3.63%, 09/11/2024 ^(d)	86,000	92,770
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Property & Casualty Insurance-0.15%

CNA Financial Corp., 3.45%, 08/15/2027	52,000	57,066
Fidelity National Financial, Inc., 3.40%, 06/15/2030	50,000	53,937
2.45%, 03/15/2031	77,000	76,863
W.R. Berkley Corp., 3.55%, 03/30/2052	110,000	117,429
		305,295

Railroads-0.06%

Union Pacific Corp., 2.15%, 02/05/2027	49,000	50,948
2.40%, 02/05/2030	60,000	62,070
		113,018

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	Principal Amount	Value
Real Estate Development-0.05%		
Essential Properties L.P., 2.95%, 07/15/2031	\$ 103,000	\$ 103,133
Regional Banks-0.86%		
Citizens Financial Group, Inc., 3.25%, 04/30/2030	33,000	35,789
2.64%, 09/30/2032	406,000	406,992
Fifth Third Bank N.A., 3.85%, 03/15/2026	160,000	177,589
Huntington Bancshares, Inc., 4.00%, 05/15/2025	75,000	83,234
PNC Financial Services Group, Inc. (The), 3.15%, 05/19/2027	57,000	62,360
Santander Holdings USA, Inc., 3.50%, 06/07/2024	56,000	59,937
SVB Financial Group, 2.10%, 05/15/2028	93,000	94,421
1.80%, 02/02/2031	125,000	119,759
4.10% ^{(f)(g)}	144,000	146,159
Series C, 4.00% ^{(f)(g)}	294,000	299,968
Zions Bancorporation N.A., 3.25%, 10/29/2029	250,000	262,430
		1,748,638
Reinsurance-0.08%		
Berkshire Hathaway Finance Corp., 2.85%, 10/15/2050	72,000	72,020
Global Atlantic Fin Co., 3.13%, 06/15/2031 ^(d)	88,000	88,712
		160,732
Residential REITs-0.10%		
American Homes 4 Rent L.P., 2.38%, 07/15/2031	35,000	34,480
3.38%, 07/15/2051	34,000	33,307
Spirit Realty L.P., 3.20%, 01/15/2027	45,000	47,948
VEREIT Operating Partnership L.P., 2.20%, 06/15/2028	42,000	42,685
2.85%, 12/15/2032	38,000	39,754
		198,174
Retail REITs-0.44%		
Agree L.P., 2.00%, 06/15/2028	72,000	71,486
2.60%, 06/15/2033	93,000	92,765
Kimco Realty Corp., 1.90%, 03/01/2028	91,000	91,059
2.70%, 10/01/2030	43,000	44,244
Kite Realty Group L.P., 4.00%, 10/01/2026	142,000	153,343
National Retail Properties, Inc., 3.50%, 04/15/2051	110,000	115,573
Realty Income Corp., 3.25%, 01/15/2031	60,000	65,468
Regency Centers L.P., 2.95%, 09/15/2029	54,000	56,926
Retail Properties of America, Inc., 4.75%, 09/15/2030	53,000	58,842
Scentre Group Trust 2 (Australia), 4.75%, 09/24/2080 ^{(d)(f)}	133,000	142,144
		891,850

	Principal Amount	Value
Semiconductors-0.62%		
Broadcom, Inc., 4.15%, 11/15/2030	\$ 81,000	\$ 90,924
2.45%, 02/15/2031 ^(d)	62,000	60,975
3.42%, 04/15/2033 ^(d)	194,000	203,955
3.47%, 04/15/2034 ^(d)	332,000	351,515
Marvell Technology, Inc., 2.95%, 04/15/2031 ^(d)	211,000	218,882
NXP B.V./NXP Funding LLC/NXP USA, Inc. (China), 3.88%, 06/18/2026 ^(d)	47,000	52,104
QUALCOMM, Inc., 2.15%, 05/20/2030	88,000	90,077
3.25%, 05/20/2050	86,000	93,075
Skyworks Solutions, Inc., 1.80%, 06/01/2026	30,000	30,397
3.00%, 06/01/2031	62,000	63,437
		1,255,341
Specialized REITs-0.34%		
American Tower Corp., 3.00%, 06/15/2023	62,000	64,995
4.00%, 06/01/2025	39,000	42,997
2.70%, 04/15/2031	205,000	211,689
CBRE Services, Inc., 2.50%, 04/01/2031	171,000	173,353
Crown Castle International Corp., 2.50%, 07/15/2031	195,000	196,643
		689,677
Systems Software-0.02%		
VMware, Inc., 3.90%, 08/21/2027	39,000	43,374
Technology Hardware, Storage & Peripherals-0.29%		
Apple, Inc., 4.38%, 05/13/2045	42,000	53,740
2.55%, 08/20/2060	264,000	247,011
2.80%, 02/08/2061	287,000	280,352
		581,103
Thriffs & Mortgage Finance-0.08%		
Nationwide Building Society (United Kingdom), 3.96%, 07/18/2030 ^{(d)(f)}	150,000	168,527
Tobacco-0.38%		
Altria Group, Inc., 2.45%, 02/04/2032	115,000	111,342
3.70%, 02/04/2051	136,000	129,230
4.00%, 02/04/2061	137,000	131,718
Imperial Brands Finance PLC (United Kingdom), 3.75%, 07/21/2022 ^(d)	328,000	336,610
Philip Morris International, Inc., 0.88%, 05/01/2026	69,000	68,162
		777,062
Trucking-0.28%		
Penske Truck Leasing Co. L.P./PTL Finance Corp., 4.00%, 07/15/2025 ^(d)	58,000	63,940
3.40%, 11/15/2026 ^(d)	66,000	71,590

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Trucking-(continued)		
Triton Container International Ltd. (Bermuda), 2.05%, 04/15/2026 ^(d)	\$ 207,000	\$ 208,287
3.15%, 06/15/2031 ^(d)	216,000	217,449
		561,266
Total U.S. Dollar Denominated Bonds & Notes (Cost \$36,059,424)		37,799,543

Asset-Backed Securities-12.63%

Alternative Loan Trust, Series 2005-29CB, Class A4, 5.00%, 07/25/2035	98,634	77,256
American Credit Acceptance Receivables Trust, Series 2017-4, Class D, 3.57%, 01/10/2024 ^(d)	91,018	91,498
Series 2018-3, Class D, 4.14%, 10/15/2024 ^(d)	20,413	20,658
Series 2018-4, Class C, 3.97%, 01/13/2025 ^(d)	28,612	28,691
Series 2019-3, Class C, 2.76%, 09/12/2025 ^(d)	148,384	149,890
AmeriCredit Automobile Receivables Trust, Series 2017-2, Class D, 3.42%, 04/18/2023	320,000	324,669
Series 2017-4, Class D, 3.08%, 12/18/2023	205,000	209,416
Series 2018-3, Class C, 3.74%, 10/18/2024	260,000	269,581
Series 2019-2, Class C, 2.74%, 04/18/2025	100,000	103,571
Series 2019-2, Class D, 2.99%, 06/18/2025	270,000	281,593
Series 2019-3, Class D, 2.58%, 09/18/2025	130,000	135,172
Angel Oak Mortgage Trust, Series 2020-1, Class A1, 2.16%, 12/25/2059 ^{(d)(h)}	85,330	85,990
Series 2020-3, Class A1, 1.69%, 04/25/2065 ^{(d)(h)}	273,709	276,664
Bain Capital Credit CLO Ltd. (Cayman Islands), Series 2017-2A, Class AR, 1.43% (3 mo. USD LIBOR + 1.25%), 07/25/2030 ^{(d)(e)}	423,812	424,072
Series 2017-2A, Class AR2, 1.00% (3 mo. USD LIBOR + 1.18%), 07/25/2034 ^{(d)(e)}	424,000	424,345
Banc of America Funding Trust, Series 2007-1, Class 1A3, 6.00%, 01/25/2037	24,727	24,298
Series 2007-C, Class 1A4, 3.05%, 05/20/2036 ^(h)	8,292	8,354
Banc of America Mortgage Trust, Series 2004-E, Class 2A6, 2.76%, 06/25/2034 ^(h)	22,084	22,579
Bank, Series 2019-BNK16, Class XA, 10, 1.12%, 02/15/2052 ⁽ⁱ⁾	1,558,916	92,128

	Principal Amount	Value
Bear Stearns Adjustable Rate Mortgage Trust, Series 2005-9, Class A1, 0.76% (1 yr. U.S. Treasury Yield Curve Rate + 2.30%), 10/25/2035 ^(e)	\$ 146,662	\$ 149,710
Series 2006-1, Class A1, 0.65% (1 yr. U.S. Treasury Yield Curve Rate + 2.25%), 02/25/2036 ^(e)	50,326	51,160
Benchmark Mortgage Trust, Series 2018-B1, Class XA, 10, 0.65%, 01/15/2051 ⁽ⁱ⁾	2,167,829	58,993
Capital Auto Receivables Asset Trust, Series 2017-1, Class D, 3.15%, 02/20/2025 ^(d)	40,000	40,057
Series 2018-2, Class C, 3.69%, 12/20/2023 ^(d)	65,124	65,246
CarMax Auto Owner Trust, Series 2017-4, Class D, 3.30%, 05/15/2024	110,000	111,155
CCG Receivables Trust, Series 2018-1, Class B, 3.09%, 06/16/2025 ^(d)	56,628	56,687
Series 2018-2, Class C, 3.87%, 12/15/2025 ^(d)	60,000	61,131
Series 2019-2, Class B, 2.55%, 03/15/2027 ^(d)	105,000	107,966
Series 2019-2, Class C, 2.89%, 03/15/2027 ^(d)	100,000	102,505
CD Mortgage Trust, Series 2017-CD6, Class XA, 10, 1.06%, 11/13/2050 ⁽ⁱ⁾	835,656	31,846
Chase Home Lending Mortgage Trust, Series 2019-ATR1, Class A15, 4.00%, 04/25/2049 ^{(d)(h)}	16,114	16,531
Chase Mortgage Finance Trust, Series 2005-A2, Class 1A3, 3.10%, 01/25/2036 ^(h)	54,487	52,519
CHL Mortgage Pass-Through Trust, Series 2005-26, Class 1A8, 5.50%, 11/25/2035	34,423	28,679
Series 2006-6, Class A3, 6.00%, 04/25/2036	21,944	16,530
Citigroup Commercial Mortgage Trust, Series 2013-GC17, Class XA, 10, 1.17%, 11/10/2046 ⁽ⁱ⁾	399,616	7,996
Series 2014-GC21, Class AA, 3.48%, 05/10/2047	59,454	61,960
Series 2017-C4, Class XA, 10, 1.23%, 10/12/2050 ⁽ⁱ⁾	2,237,536	108,233
Citigroup Mortgage Loan Trust, Series 2006-AR1, Class 1A1, 2.48% (1 yr. U.S. Treasury Yield Curve Rate + 2.40%), 10/25/2035 ^(e)	128,646	134,351
CNH Equipment Trust, Series 2017-C, Class B, 2.54%, 05/15/2025	70,000	70,702
Series 2019-A, Class A4, 3.22%, 01/15/2026	120,000	125,144
COLT Mortgage Loan Trust, Series 2020-1, Class A1, 2.49%, 02/25/2050 ^{(d)(h)}	151,920	153,020
Series 2020-2, Class A1, 1.85%, 03/25/2065 ^{(d)(h)}	117,801	118,547

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	Principal Amount	Value
COMM Mortgage Trust, Series 2012-CR5, Class XA, IO, 1.65%, 12/10/2045 ⁽ⁱ⁾	\$ 292,368	\$ 5,119
Series 2013-CR6, Class AM, 3.15%, 03/10/2046 ^(d)	255,000	261,863
Series 2014-CR20, Class ASB, 3.31%, 11/10/2047	47,279	49,272
Series 2014-CR21, Class AM, 3.99%, 12/10/2047	865,000	935,407
Series 2014-LC15, Class AM, 4.20%, 04/10/2047	140,000	150,908
Series 2014-UBS6, Class AM, 4.05%, 12/10/2047	495,000	533,978
Credit Suisse Mortgage Trust, Series 2021-NQM1, Class A1, 0.81%, 05/25/2065 ^{(d)(h)}	82,918	82,794
Series 2021-NQM2, Class A1, 1.18%, 02/25/2066 ^{(d)(h)}	93,017	93,130
CSAIL Commercial Mortgage Trust, Series 2020-C19, Class A3, 2.56%, 03/15/2053	571,000	593,993
CSMC Mortgage-Backed Trust, Series 2006-6, Class 1A4, 6.00%, 07/25/2036	96,203	74,520
Dell Equipment Finance Trust, Series 2019-1, Class C, 3.14%, 03/22/2024 ^(d)	330,000	334,130
Series 2019-2, Class D, 2.48%, 04/22/2025 ^(d)	110,000	111,321
Drive Auto Receivables Trust, Series 2017-1, Class D, 3.84%, 03/15/2023	42,712	42,912
Series 2018-1, Class D, 3.81%, 05/15/2024	63,551	64,303
Series 2018-2, Class D, 4.14%, 08/15/2024	149,908	152,992
Series 2018-3, Class D, 4.30%, 09/16/2024	176,393	180,707
Series 2018-5, Class C, 3.99%, 01/15/2025	124,911	126,500
Series 2019-1, Class C, 3.78%, 04/15/2025	193,660	195,452
DT Auto Owner Trust, Series 2017-3A, Class E, 5.60%, 08/15/2024 ^(d)	173,192	175,949
Series 2018-3A, Class C, 3.79%, 07/15/2024 ^(d)	34,692	34,831
Ellington Financial Mortgage Trust, Series 2020-1, Class A1, 2.01%, 05/25/2065 ^{(d)(h)}	56,989	57,750
Series 2021-1, Class A1, 0.80%, 02/25/2066 ^{(d)(h)}	85,923	85,762
Exeter Automobile Receivables Trust, Series 2019-2A, Class C, 3.30%, 03/15/2024 ^(d)	276,288	279,290
Series 2019-4A, Class D, 2.58%, 09/15/2025 ^(d)	230,000	236,318
Extended Stay America Trust, Series 2021-ESH, Class B, 1.46% (1 mo. USD LIBOR + 1.38%), 07/15/2038 ^{(d)(e)}	105,000	105,492
First Horizon Alternative Mortgage Securities Trust, Series 2005-FA8, Class 1A6, 0.74% (1 mo. USD LIBOR + 0.65%), 11/25/2035 ^(e)	47,343	21,281

	Principal Amount	Value
Ford Credit Floorplan Master Owner Trust, Series 2019-3, Class A2, 0.67% (1 mo. USD LIBOR + 0.60%), 09/15/2024 ^(e)	\$ 550,000	\$ 553,748
FREMF Mortgage Trust, Series 2013-K25, Class C, 3.74%, 11/25/2045 ^{(d)(h)}	60,000	62,030
Series 2013-K26, Class C, 3.72%, 12/25/2045 ^{(d)(h)}	40,000	41,460
Series 2013-K27, Class C, 3.62%, 01/25/2046 ^{(d)(h)}	110,000	114,126
Series 2013-K28, Class C, 3.61%, 06/25/2046 ^{(d)(h)}	450,000	468,874
GS Mortgage Securities Trust, Series 2012-GC6, Class A3, 3.48%, 01/10/2045	30,494	30,553
Series 2013-GC16, Class AS, 4.65%, 11/10/2046	65,000	69,950
Series 2013-GC12, Class AAB, 2.68%, 06/10/2046	11,720	11,886
Series 2014-GC18, Class AAB, 3.65%, 01/10/2047	46,674	48,276
Series 2020-GC47, Class A5, 2.38%, 05/12/2053	225,000	232,719
GSR Mortgage Loan Trust, Series 2005-AR, Class 6A1, 3.08%, 07/25/2035 ^(h)	5,776	5,996
Hertz Vehicle Financing III L.P., Series 2021-2A, Class A, 1.68%, 12/27/2027 ^(d)	113,000	112,939
Hertz Vehicle Financing LLC, Series 2021-1A, Class A, 1.21%, 12/26/2025 ^(d)	104,000	103,995
HomeBanc Mortgage Trust, Series 2005-3, Class A2, 0.71% (1 mo. USD LIBOR + 0.62%), 07/25/2035 ^(e)	1,633	1,637
JP Morgan Chase Commercial Mortgage Securities Trust, Series 2013-C10, Class AS, 3.37%, 12/15/2047	325,000	337,130
Series 2013-C16, Class AS, 4.52%, 12/15/2046	330,000	355,349
Series 2013-LC11, Class AS, 3.22%, 04/15/2046	78,000	80,868
Series 2014-C20, Class AS, 4.04%, 07/15/2047	245,000	262,992
Series 2016-JP3, Class A2, 2.43%, 08/15/2049	121,837	122,158
JP Morgan Mortgage Trust, Series 2007-A1, Class 5A1, 2.58%, 07/25/2035 ^(h)	35,298	36,119
JPMBB Commercial Mortgage Securities Trust, Series 2014-C24, Class B, 4.12%, 11/15/2047 ^(h)	270,000	282,981
Series 2014-C25, Class AS, 4.07%, 11/15/2047	105,000	113,499
Series 2015-C27, Class XA, IO, 1.29%, 02/15/2048 ⁽ⁱ⁾	2,038,712	71,701

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Life Mortgage Trust, Series 2021-BMR, Class A, 0.77% (1 mo. USD LIBOR + 0.70%), 03/15/2038 ^{(d)(e)}	\$ 130,000	\$ 130,348
Series 2021-BMR, Class B, 0.95% (1 mo. USD LIBOR + 0.88%), 03/15/2038 ^{(d)(e)}	215,000	215,604
Series 2021-BMR, Class C, 1.17% (1 mo. USD LIBOR + 1.10%), 03/15/2038 ^{(d)(e)}	105,000	105,372
Madison Park Funding XLVIII Ltd., Series 2021-48A, Class A, 1.29% (3 mo. USD LIBOR + 1.15%), 04/19/2033 ^{(d)(e)}	618,000	618,122
MASTR Adjustable Rate Mortgages Trust, Series 2004-13, Class 2A2, 2.70%, 04/21/2034 ^(h)	12,898	13,128
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2013-C9, Class AS, 3.46%, 05/15/2046	240,000	249,348
Series 2014-C19, Class AS, 3.83%, 12/15/2047	720,000	775,140
Morgan Stanley Capital I Trust, Series 2017-HR2, Class XA, IO, 0.92%, 12/15/2050 ⁽ⁱ⁾	762,134	31,407
Morgan Stanley ReRemic Trust, Series 2012-R3, Class 1B, 6.00%, 11/26/2036 ^{(d)(h)}	153,016	147,991
Mortgage-Linked Amortizing Notes, Series 2012-1, Class A10, 2.06%, 01/15/2022	71,006	71,689
Neuberger Berman Loan Advisers CLO 24 Ltd., Series 2017-24A, Class AR, 1.21% (3 mo. USD LIBOR + 1.02%), 04/19/2030 ^{(d)(e)}	276,000	276,212
Neuberger Berman Loan Advisers CLO 40 Ltd., Series 2021-40A, Class A, 1.25% (3 mo. USD LIBOR + 1.06%), 04/16/2033 ^{(d)(e)}	250,000	250,787
OCP CLO Ltd. (Cayman Islands), Series 2017-13A, Class A1A, 1.44% (3 mo. USD LIBOR + 1.26%), 07/15/2030 ^{(d)(e)}	250,000	250,148
Series 2020-8RA, Class A1, 1.44% (3 mo. USD LIBOR + 1.22%), 01/17/2032 ^{(d)(e)}	366,000	366,216
Octagon Investment Partners 31 Ltd., Series 2017-1A, Class AR, 1.24% (3 mo. USD LIBOR + 1.05%), 07/20/2030 ^{(d)(e)}	250,000	250,296
Octagon Investment Partners 49 Ltd., Series 2020-5A, Class A1, 1.43% (3 mo. USD LIBOR + 1.22%), 01/15/2033 ^{(d)(e)}	339,000	339,388
OHA Loan Funding Ltd., Series 2016-1A, Class AR, 1.45% (3 mo. USD LIBOR + 1.26%), 01/20/2033 ^{(d)(e)}	272,907	273,667
Prestige Auto Receivables Trust, Series 2019-1A, Class C, 2.70%, 10/15/2024 ^(d)	115,000	117,001
Progress Residential Trust, Series 2020-SFR1, Class A, 1.73%, 04/17/2037 ^(d)	360,000	365,700

	Principal Amount	Value
RBSSP Resecuritization Trust, Series 2010-1, Class 2A1, 2.24%, 07/26/2045 ^{(d)(h)}	\$ 1,234	\$ 1,240
Residential Accredit Loans, Inc. Trust, Series 2006-QS13, Class 1A8, 6.00%, 09/25/2036	5,020	4,772
Residential Mortgage Loan Trust, Series 2020-1, Class A1, 2.38%, 02/25/2024 ^{(d)(h)}	86,049	87,393
Santander Drive Auto Receivables Trust, Series 2017-3, Class D, 3.20%, 11/15/2023	192,400	194,347
Series 2018-1, Class D, 3.32%, 03/15/2024	97,120	98,414
Series 2018-2, Class D, 3.88%, 02/15/2024	170,000	172,960
Series 2018-5, Class C, 3.81%, 12/16/2024	35,147	35,251
Series 2019-2, Class D, 3.22%, 07/15/2025	195,000	201,523
Series 2019-3, Class D, 2.68%, 10/15/2025	165,000	169,162
Santander Retail Auto Lease Trust, Series 2019-A, Class C, 3.30%, 05/22/2023 ^(d)	320,000	325,278
Series 2019-B, Class C, 2.77%, 08/21/2023 ^(d)	115,000	117,420
Series 2019-C, Class C, 2.39%, 11/20/2023 ^(d)	205,000	209,280
Star Trust, Series 2021-1, Class A1, 1.22%, 05/25/2065 ^{(d)(h)}	258,443	259,443
Series 2021-SFR1, Class A, 0.68% (1 mo. USD LIBOR + 0.60%), 04/17/2038 ^{(d)(e)}	652,884	652,659
Starwood Mortgage Residential Trust, Series 2020-1, Class A1, 2.28%, 02/25/2050 ^{(d)(h)}	109,844	111,220
Symphony CLO XXII Ltd., Series 2020-22A, Class A1A, 1.48% (3 mo. USD LIBOR + 1.29%), 04/18/2033 ^{(d)(e)}	250,000	251,193
Textainer Marine Containers VII Ltd., Series 2021-2A, Class A, 2.23%, 04/20/2046 ^(d)	286,134	290,532
TICP CLO XV Ltd., Series 2020-15A, Class A, 1.47% (3 mo. USD LIBOR + 1.28%), 04/20/2033 ^{(d)(e)}	256,000	256,963
Tricon American Homes Trust, Series 2020-SFR2, Class A, 1.48%, 11/17/2039 ^(d)	279,725	276,578
UBS Commercial Mortgage Trust, Series 2017-C5, Class XA, IO, 1.14%, 11/15/2050 ⁽ⁱ⁾	1,486,430	65,401
Verus Securitization Trust, Series 2020-1, Class A1, 2.42%, 01/25/2060 ^{(d)(i)}	217,635	220,760
Series 2020-1, Class A2, 2.64%, 01/25/2060 ^{(d)(i)}	99,729	101,205
Series 2020-INV1, Class A1, 0.33%, 03/25/2060 ^{(d)(h)}	68,398	69,355
Series 2021-1, Class A1B, 1.32%, 01/25/2066 ^{(d)(h)}	107,606	107,951
Series 2021-R1, Class A1, 0.82%, 10/25/2063 ^{(d)(h)}	223,633	223,720

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	Principal Amount	Value
Visio Trust, Series 2020-1R, Class A1, 1.31%, 11/25/2055 ^(d)	\$ 141,580	\$ 142,055
WaMu Mortgage Pass-Through Ctfs. Trust, Series 2003-AR10, Class A7, 2.55%, 10/25/2033 ^(h)	35,024	35,417
Series 2005-AR14, Class 1A4, 2.89%, 12/25/2035 ^(h)	39,308	39,822
Series 2005-AR16, Class 1A1, 2.72%, 12/25/2035 ^(h)	37,915	38,638
Wells Fargo Commercial Mortgage Trust, Series 2015-NXS1, Class ASB, 2.93%, 05/15/2048	245,836	253,213
Series 2017-C42, Class XA, IO, 1.02%, 12/15/2050 ⁽ⁱ⁾	1,060,793	50,634
Westlake Automobile Receivables Trust, Series 2018-1A, Class D, 3.41%, 05/15/2023 ^(d)	15,562	15,581
Series 2019-3A, Class C, 2.49%, 10/15/2024 ^(d)	265,000	269,516
WFRBS Commercial Mortgage Trust, Series 2013-C14, Class AS, 3.49%, 06/15/2046	155,000	161,330
Series 2014-C20, Class AS, 4.18%, 05/15/2047	150,000	160,602
Series 2014-LC14, Class AS, 4.35%, 03/15/2047 ^(h)	165,000	177,172
World Financial Network Credit Card Master Trust, Series 2018-B, Class A, 3.46%, 07/15/2025	245,000	246,596
Series 2018-C, Class A, 3.55%, 08/15/2025	490,000	494,738
Series 2019-A, Class A, 3.14%, 12/15/2025	75,000	76,376
Series 2019-B, Class A, 2.49%, 04/15/2026	260,000	265,615
Series 2019-C, Class A, 2.21%, 07/15/2026	225,000	230,299
Zaxby's Funding LLC, Series 2021-1A, Class A2, 3.24%, 07/30/2051 ^(d)	350,000	356,488
Total Asset-Backed Securities (Cost \$25,441,399)		25,653,729

U.S. Government Sponsored Agency Mortgage-Backed Securities-10.77%

Collateralized Mortgage Obligations-0.80%

Fannie Mae Interest STRIPS, IO, 7.00%, 06/25/2023 to 04/25/2032 ^(k)	23,667	1,917
7.50%, 08/25/2023 to 11/25/2023 ^(k)	28,984	1,501
6.50%, 02/25/2032 to 02/25/2033 ^(k)	103,420	18,999
6.50%, 02/25/2033 ⁽ⁱ⁾	28,556	5,041
6.00%, 06/25/2033 to 08/25/2035 ^(k)	78,045	13,858
5.50%, 09/25/2033 to 06/25/2035 ^(k)	216,370	36,610
6.00%, 09/25/2035 ⁽ⁱ⁾	31,870	5,515

	Principal Amount	Value
Collateralized Mortgage Obligations-(continued)		
Fannie Mae REMICs, IO, 5.50%, 06/25/2023 to 07/25/2046 ^(k)	\$ 353,935	\$ 287,052
6.61% (6.70% - (1.00 x 1 mo. USD LIBOR)), 02/25/2024 to 05/25/2035 ^{(e)(k)}	91,604	16,388
3.00%, 11/25/2027 ^(k)	106,533	6,111
7.01% (7.10% - (1.00 x 1 mo. USD LIBOR)), 11/25/2030 ^{(e)(k)}	31,932	5,429
7.81% (7.90% - (1.00 x 1 mo. USD LIBOR)), 11/25/2031 ^{(e)(k)}	46,933	9,039
7.86% (7.95% - (1.00 x 1 mo. USD LIBOR)), 01/25/2032 ^{(e)(k)}	10,860	2,078
8.01% (8.10% - (1.00 x 1 mo. USD LIBOR)), 03/25/2032 ^{(e)(k)}	12,601	2,688
7.91% (8.00% - (1.00 x 1 mo. USD LIBOR)), 04/25/2032 to 12/25/2032 ^{(e)(k)}	150,330	31,033
8.02% (8.10% - (1.00 x 1 mo. USD LIBOR)), 12/18/2032 ^{(e)(k)}	14,975	2,620
8.16% (8.25% - (1.00 x 1 mo. USD LIBOR)), 02/25/2033 to 05/25/2033 ^{(e)(k)}	70,467	16,385
7.46% (7.55% - (1.00 x 1 mo. USD LIBOR)), 10/25/2033 ^{(e)(k)}	9,056	1,977
5.96% (6.05% - (1.00 x 1 mo. USD LIBOR)), 03/25/2035 to 07/25/2038 ^{(e)(k)}	28,674	4,295
6.66% (6.75% - (1.00 x 1 mo. USD LIBOR)), 03/25/2035 ^{(e)(k)}	4,852	806
6.51% (6.60% - (1.00 x 1 mo. USD LIBOR)), 05/25/2035 ^{(e)(k)}	250,294	38,427
3.50%, 08/25/2035 ^(k)	297,393	36,769
6.01% (6.10% - (1.00 x 1 mo. USD LIBOR)), 10/25/2035 ^{(e)(k)}	23,071	4,166
6.45% (6.54% - (1.00 x 1 mo. USD LIBOR)), 06/25/2037 ^{(e)(k)}	44,199	8,115
6.46% (6.55% - (1.00 x 1 mo. USD LIBOR)), 10/25/2041 ^{(e)(k)}	60,894	11,813
6.06% (6.15% - (1.00 x 1 mo. USD LIBOR)), 12/25/2042 ^{(e)(k)}	196,497	40,596
PO, 0.00%, 09/25/2023 ^(l)	7,725	7,632
4.00%, 08/25/2026 to 08/25/2047 ^(k)	212,086	27,887
6.00%, 11/25/2028	19,717	22,242
0.34% (1 mo. USD LIBOR + 0.25%), 08/25/2035 ^(e)	21,286	21,346
24.23% (24.57% - (3.67 x 1 mo. USD LIBOR)), 03/25/2036 ^(e)	30,105	49,050
23.86% (24.20% - (3.67 x 1 mo. USD LIBOR)), 06/25/2036 ^(e)	3,308	5,258
23.86% (24.20% - (3.67 x 1 mo. USD LIBOR)), 06/25/2036 ^(e)	18,008	29,066
1.03% (1 mo. USD LIBOR + 0.94%), 06/25/2037 ^(e)	14,881	14,994
1.50%, 01/25/2040	25,395	25,460
5.00%, 04/25/2040 to 09/25/2047 ^{(e)(k)}	574,870	130,830

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Collateralized Mortgage Obligations-(continued)		
Freddie Mac Multifamily Structured		
Pass-Through Cdfs.,		
Series KC02, Class X1, IO, 1.91%, 03/25/2024 ⁽ⁱ⁾	\$ 4,835,370	\$ 43,737
Series KC03, Class X1, IO, 0.63%, 11/25/2024 ⁽ⁱ⁾	2,711,847	38,894
Series K734, Class X1, IO, 0.79%, 02/25/2026 ⁽ⁱ⁾	2,058,913	53,236
Series K735, Class X1, IO, 1.10%, 05/25/2026 ⁽ⁱ⁾	2,032,211	85,497
Series K093, Class X1, IO, 1.09%, 05/25/2029 ⁽ⁱ⁾	1,648,911	109,687
Freddie Mac REMICs,		
1.50%, 07/15/2023	82,087	82,688
6.50%, 03/15/2032 to 06/15/2032	58,272	68,329
3.50%, 05/15/2032	15,331	16,415
24.48% (24.75% - (3.67 x 1 mo. USD LIBOR)), 08/15/2035 ^(e)	6,489	10,717
0.47% (1 mo. USD LIBOR + 0.40%), 09/15/2035 ^(e)	38,910	39,293
4.00%, 04/15/2040 to 03/15/2045 ^(k)	90,557	11,073
IO, 7.58% (7.65% - (1.00 x 1 mo. USD LIBOR)), 07/15/2026 to 03/15/2029 ^{(e)(k)}	47,501	5,601
3.00%, 06/15/2027 to 05/15/2040 ^(k)	350,381	21,734
2.50%, 05/15/2028 ^(k)	66,285	3,590
6.63% (6.70% - (1.00 x 1 mo. USD LIBOR)), 01/15/2035 ^{(e)(k)}	188,040	30,180
6.68% (6.75% - (1.00 x 1 mo. USD LIBOR)), 02/15/2035 ^{(e)(k)}	11,527	1,787
6.65% (6.72% - (1.00 x 1 mo. USD LIBOR)), 05/15/2035 ^{(e)(k)}	83,593	12,315
6.93% (7.00% - (1.00 x 1 mo. USD LIBOR)), 12/15/2037 ^{(e)(k)}	11,914	2,344
5.93% (6.00% - (1.00 x 1 mo. USD LIBOR)), 04/15/2038 ^{(e)(k)}	5,069	801
6.00% (6.07% - (1.00 x 1 mo. USD LIBOR)), 05/15/2038 ^{(e)(k)}	39,295	6,903
6.18% (6.25% - (1.00 x 1 mo. USD LIBOR)), 12/15/2039 ^{(e)(k)}	18,707	3,184
6.03% (6.10% - (1.00 x 1 mo. USD LIBOR)), 01/15/2044 ^{(e)(k)}	77,051	11,205
Freddie Mac STRIPS,		
IO, 7.00%, 04/01/2027 ^(k)	23,908	3,004
3.00%, 12/15/2027 ^(k)	136,506	8,452
3.27%, 12/15/2027 ⁽ⁱ⁾	34,939	1,880
6.50%, 02/01/2028 ^(k)	6,287	849
6.00%, 12/15/2032 ^(k)	19,727	3,030
PO, 0.00%, 06/01/2026 ^(l)	6,162	5,978
		1,625,396

	Principal Amount	Value
Federal Home Loan Mortgage Corp. (FHLMC)-0.09%		
9.00%, 08/01/2022 to 05/01/2025	\$ 322	\$ 348
6.50%, 07/01/2028 to 04/01/2034	10,985	12,427
7.00%, 10/01/2031 to 10/01/2037	32,449	37,329
5.00%, 12/01/2034	1,365	1,533
5.50%, 09/01/2039	109,314	126,217
		177,854
Federal National Mortgage Association (FNMA)-1.40%		
8.50%, 07/01/2032	687	690
7.50%, 01/01/2033	25,875	29,764
6.00%, 03/01/2037	61,011	72,456
TBA, 2.00%, 07/01/2036 ^(m)	2,660,000	2,743,800
		2,846,710
Government National Mortgage Association (GNMA)-2.34%		
7.50%, 01/15/2023 to 06/15/2024	4,737	4,768
8.00%, 04/15/2023	761	764
7.00%, 01/15/2024	4,007	4,023
IO, 7.43% (7.50% - (1.00 x 1 mo. USD LIBOR)), 02/16/2032 ^{(e)(k)}	24,751	95
6.48% (6.55% - (1.00 x 1 mo. USD LIBOR)), 04/16/2037 ^{(e)(k)}	162,286	30,574
6.58% (6.65% - (1.00 x 1 mo. USD LIBOR)), 04/16/2041 ^{(e)(k)}	77,167	12,039
4.50%, 09/16/2047 ^(k)	206,052	30,622
6.13% (6.20% - (1.00 x 1 mo. USD LIBOR)), 10/16/2047 ^{(e)(k)}	181,407	33,469
TBA, 2.50%, 07/01/2051 ^(m)	4,465,000	4,620,926
		4,737,280
Uniform Mortgage-Backed Securities-6.14%		
TBA, 2.00%, 07/01/2051 ^(m)	12,352,000	12,472,625
Total U.S. Government Sponsored Agency Mortgage-Backed Securities (Cost \$22,130,918)		21,859,865
U.S. Treasury Securities-8.77%		
U.S. Treasury Bonds-0.98%		
2.25%, 05/15/2041	571,700	595,015
1.88%, 02/15/2051	1,457,600	1,391,552
		1,986,567
U.S. Treasury Notes-7.79%		
0.13%, 06/30/2023	1,932,000	1,927,434
0.25%, 06/15/2024	1,958,200	1,946,344
0.88%, 06/30/2026	7,493,800	7,490,580
1.25%, 06/30/2028	593,200	594,173
1.63%, 05/15/2031	3,800,600	3,859,391
		15,817,922
Total U.S. Treasury Securities (Cost \$17,642,982)		17,804,489

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	Shares	Value
Preferred Stocks-0.43%		
Asset Management & Custody Banks-0.05%		
Bank of New York Mellon Corp. (The), 4.70%, Series G, Pfd. ^(f)	96,000	\$ 105,000
Diversified Banks-0.24%		
Citigroup, Inc., 5.00%, Series U, Pfd. ^(f)	240,000	251,784
JPMorgan Chase & Co., 3.66%, Series I, Pfd. ^(e)	238,000	238,892
		490,676
Investment Banking & Brokerage-0.08%		
Charles Schwab Corp. (The), 4.00%, Series H, Pfd. ^(f)	166,000	170,026
Other Diversified Financial Services-0.06%		
Equitable Holdings, Inc., 4.95%, Series B, Pfd. ^(f)	105,000	114,450
Total Preferred Stocks (Cost \$844,155)		880,152
	Principal Amount	
Agency Credit Risk Transfer Notes-0.40%		
Fannie Mae Connecticut Avenue Securities, Series 2014-C04, Class 2M2, 5.09% (1 mo. USD LIBOR + 5.00%), 11/25/2024 ^(e)	\$ 109,426	112,405
Series 2016-C02, Class 1M2, 6.09% (1 mo. USD LIBOR + 6.00%), 09/25/2028 ^(e)	140,510	148,429
Freddie Mac, Series 2014-DN3, Class M3, STACR [®] , 4.09% (1 mo. USD LIBOR + 4.00%), 08/25/2024 ^(e)	68,326	69,762
Series 2014-HQ2, Class M3, STACR [®] , 3.84% (1 mo. USD LIBOR + 3.75%), 09/25/2024 ^(e)	235,971	241,513
Series 2018-HQA1, Class M2, STACR [®] , 2.39% (1 mo. USD LIBOR + 2.30%), 09/25/2030 ^(e)	85,411	86,737
Series 2018-DNA2, Class M1, STACR [®] , 0.89% (1 mo. USD LIBOR + 0.80%), 12/25/2030 ^{(d)(e)}	49,435	49,443
Series 2018-DNA3, Class M1, STACR [®] , 0.84% (1 mo. USD LIBOR + 0.75%), 09/25/2048 ^{(d)(e)}	177	177
Series 2018-HQA2, Class M1, STACR [®] , 0.84% (1 mo. USD LIBOR + 0.75%), 10/25/2048 ^{(d)(e)}	28,180	28,183
Series 2019-HRP1, Class M2, STACR [®] , 1.49% (1 mo. USD LIBOR + 1.40%), 02/25/2049 ^{(d)(e)}	59,848	60,283
Series 2020-DNA5, Class M1, STACR [®] , 1.32% (30 Day Average SOFR + 1.30%), 10/25/2050 ^{(d)(e)}	17,240	17,242
Total Agency Credit Risk Transfer Notes (Cost \$831,018)		814,174

	Principal Amount	Value
Municipal Obligations-0.13%		
Texas (State of) Transportation Commission (Central Texas Turnpike System), Series 2020 C, Ref. RB, 3.03%, 08/15/2041 (Cost \$265,000)	\$ 265,000	\$ 267,709
TOTAL INVESTMENTS IN SECURITIES (excluding investments purchased with cash collateral from securities on loan)-100.01% (Cost \$165,105,040)		203,067,086
	Shares	
Investments Purchased with Cash Collateral from Securities on Loan		
Money Market Funds-0.79%		
Invesco Private Government Fund, 0.02% ^{(n)(o)(p)}	482,990	482,990
Invesco Private Prime Fund, 0.12% ^{(n)(o)(p)}	1,126,526	1,126,976
Total Investments Purchased with Cash Collateral from Securities on Loan (Cost \$1,609,966)		1,609,966
TOTAL INVESTMENTS IN SECURITIES-100.80% (Cost \$166,715,006)		204,677,052
OTHER ASSETS LESS LIABILITIES-(0.80)%		(1,631,700)
NET ASSETS-100.00%		\$203,045,352

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Investment Abbreviations:

ADR	- American Depositary Receipt
CLO	- Collateralized Loan Obligation
Ctfs.	- Certificates
IO	- Interest Only
LIBOR	- London Interbank Offered Rate
Pfd.	- Preferred
PO	- Principal Only
RB	- Revenue Bonds
Ref.	- Refunding
REIT	- Real Estate Investment Trust
REMICs	- Real Estate Mortgage Investment Conduits
SOFR	- Secured Overnight Financing Rate
STACR [®]	- Structured Agency Credit Risk
STRIPS	- Separately Traded Registered Interest and Principal Security
TBA	- To Be Announced
USD	- U.S. Dollar

Notes to Schedule of Investments:

- (a) Industry and/or sector classifications used in this report are generally according to the Global Industry Classification Standard, which was developed by and is the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.
- (b) Non-income producing security.
- (c) All or a portion of this security was out on loan at June 30, 2021.
- (d) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at June 30, 2021 was \$25,674,472, which represented 12.64% of the Fund's Net Assets.
- (e) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on June 30, 2021.
- (f) Security issued at a fixed rate for a specific period of time, after which it will convert to a variable rate.
- (g) Perpetual bond with no specified maturity date.
- (h) Interest rate is redetermined periodically based on the cash flows generated by the pool of assets backing the security, less any applicable fees. The rate shown is the rate in effect on June 30, 2021.
- (i) Interest only security. Principal amount shown is the notional principal and does not reflect the maturity value of the security. Interest rate is redetermined periodically based on the cash flows generated by the pool of assets backing the security, less any applicable fees. The rate shown is the rate in effect on June 30, 2021.
- (j) Step coupon bond. The interest rate represents the coupon rate at which the bond will accrue at a specified future date.
- (k) Interest only security. Principal amount shown is the notional principal and does not reflect the maturity value of the security.
- (l) Zero coupon bond issued at a discount.
- (m) Security purchased on a forward commitment basis. This security is subject to dollar roll transactions. See Note 1M.
- (n) Affiliated issuer. The issuer and/or the Fund is a wholly-owned subsidiary of Invesco Ltd., or is affiliated by having an investment adviser that is under common control of Invesco Ltd. The table below shows the Fund's transactions in, and earnings from, its investments in affiliates for the six months ended June 30, 2021.

	Value December 31, 2020	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation	Realized Gain	Value June 30, 2021	Dividend Income
Investments Purchased with Cash Collateral from Securities on Loan:							
Invesco Private Government Fund	\$-	\$ 4,493,807	\$ (4,010,817)	\$-	\$-	\$ 482,990	\$ 10*
Invesco Private Prime Fund	-	7,723,954	(6,596,978)	-	-	1,126,976	170*
Total	\$-	\$12,217,761	\$(10,607,795)	\$-	\$-	\$1,609,966	\$ 180

* Represents the income earned on the investment of cash collateral, which is included in securities lending income on the Statement of Operations. Does not include rebates and fees paid to lending agent or premiums received from borrowers, if any.

- (o) The rate shown is the 7-day SEC standardized yield as of June 30, 2021.
- (p) The security has been segregated to satisfy the commitment to return the cash collateral received in securities lending transactions upon the borrower's return of the securities loaned. See Note 11.

Open Futures Contracts^(a)

Long Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
Interest Rate Risk					
U.S. Treasury 2 Year Notes	120	September-2021	\$26,438,437	\$ (41,487)	\$ (41,487)
U.S. Treasury 5 Year Notes	108	September-2021	13,330,406	(31,296)	(31,296)
U.S. Treasury Ultra Bonds	11	September-2021	2,119,563	82,218	82,218
Subtotal-Long Futures Contracts				9,435	9,435

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Open Futures Contracts^(a)—(continued)

Short Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
Interest Rate Risk					
U.S. Treasury 10 Year Notes	21	September-2021	\$ (2,782,500)	\$ (11,857)	\$ (11,857)
U.S. Treasury 10 Year Ultra Notes	54	September-2021	(7,948,969)	(116,491)	(116,491)
U.S. Treasury Long Bonds	6	September-2021	(964,500)	(22,560)	(22,560)
Subtotal—Short Futures Contracts				(150,908)	(150,908)
Total Futures Contracts				\$(141,473)	\$(141,473)

^(a) Futures contracts collateralized by \$131,459 cash held with Merrill Lynch International, the futures commission merchant.

Portfolio Composition

*By security type, based on Net Assets
as of June 30, 2021*

Common Stocks & Other Equity Interests	48.26%
U.S. Dollar Denominated Bonds & Notes	18.62
Asset-Backed Securities	12.63
U.S. Government Sponsored Agency Mortgage-Backed Securities	10.77
U.S. Treasury Securities	8.77
Security Types Each Less Than 1% of Portfolio	0.96
Money Market Funds Plus Other Assets Less Liabilities	(0.01)

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Assets and Liabilities

June 30, 2021

(Unaudited)

Assets:

Investments in securities, at value (Cost \$165,105,040)*	\$203,067,086
Investments in affiliated money market funds, at value (Cost \$1,609,966)	1,609,966
Other investments: Variation margin receivable – futures contracts	6,029
Deposits with brokers: Cash collateral – exchange-traded futures contracts	131,459
Cash	19,285,446
Receivable for: Investments sold	3,544,447
Fund shares sold	14,823
Dividends	54,611
Interest	393,882
Principal paydowns	484
Investment for trustee deferred compensation and retirement plans	64,601
Total assets	228,172,834

Liabilities:

Payable for: Investments purchased	22,927,541
Fund shares reacquired	179,254
Collateral upon return of securities loaned	1,609,966
Accrued fees to affiliates	156,116
Accrued other operating expenses	190,004
Trustee deferred compensation and retirement plans	64,601
Total liabilities	25,127,482
Net assets applicable to shares outstanding	\$203,045,352

Net assets consist of:

Shares of beneficial interest	\$143,803,047
Distributable earnings	59,242,305
	\$203,045,352

Net Assets:

Series I	\$153,857,621
Series II	\$ 49,187,731

Shares outstanding, no par value, with an unlimited number of shares authorized:

Series I	8,003,198
Series II	2,598,152
Series I: Net asset value per share	\$ 19.22
Series II: Net asset value per share	\$ 18.93

* At June 30, 2021, securities with an aggregate value of \$1,567,648 were on loan to brokers.

Statement of Operations

For the six months ended June 30, 2021

(Unaudited)

Investment income:

Interest (net of foreign withholding taxes of \$39)	\$ 1,213,869
Dividends (net of foreign withholding taxes of \$4,434)	674,376
Dividends from affiliated money market funds (includes securities lending income of \$804)	804
Total investment income	1,889,049

Expenses:

Advisory fees	734,391
Administrative services fees	150,971
Custodian fees	23,356
Distribution fees - Series II	60,386
Transfer agent fees	11,660
Trustees' and officers' fees and benefits	10,038
Reports to shareholders	26,931
Professional services fees	24,834
Taxes	3,772
Other	3,059
Total expenses	1,049,398
Less: Fees waived	(316,328)
Net expenses	733,070
Net investment income	1,155,979

Realized and unrealized gain (loss) from:

Net realized gain (loss) from: Unaffiliated investment securities	7,329,585
Foreign currencies	(66)
Futures contracts	86,811
	7,416,330
Change in net unrealized appreciation (depreciation) of: Unaffiliated investment securities	5,495,321
Foreign currencies	(146)
Futures contracts	(107,539)
	5,387,636
Net realized and unrealized gain	12,803,966
Net increase in net assets resulting from operations	\$13,959,945

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Changes in Net Assets

For the six months ended June 30, 2021 and the year ended December 31, 2020

(Unaudited)

	June 30, 2021	December 31, 2020
Operations:		
Net investment income	\$ 1,155,979	\$ 2,932,017
Net realized gain	7,416,330	9,808,548
Change in net unrealized appreciation	5,387,636	13,778,816
Net increase in net assets resulting from operations	13,959,945	26,519,381
Distributions to shareholders from distributable earnings:		
Series I	-	(6,277,496)
Series II	-	(1,887,499)
Total distributions from distributable earnings	-	(8,164,995)
Share transactions-net:		
Series I	(7,754,586)	(7,271,309)
Series II	(2,219,608)	(2,260,271)
Net increase (decrease) in net assets resulting from share transactions	(9,974,194)	(9,531,580)
Net increase in net assets	3,985,751	8,822,806
Net assets:		
Beginning of period	199,059,601	190,236,795
End of period	\$203,045,352	\$199,059,601

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Financial Highlights

(Unaudited)

The following schedule presents financial highlights for a share of the Fund outstanding throughout the periods indicated.

	Net asset value, beginning of period	Net investment income ^(a)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends from net investment income	Distributions from net realized gains	Total distributions	Net asset value, end of period	Total return ^(b)	Net assets, end of period (000's omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed ^(c)	Ratio of net investment income to average net assets	Portfolio turnover ^{(d)(e)}
Series I														
Six months ended 06/30/21	\$17.93	\$0.11	\$ 1.18	\$ 1.29	\$ -	\$ -	\$ -	\$19.22	7.19%	\$153,858	0.67% ^(f)	0.99% ^(f)	1.22% ^(f)	138%
Year ended 12/31/20	16.31	0.27	2.11	2.38	(0.36)	(0.40)	(0.76)	17.93	14.86	150,983	0.67	0.99	1.60	311
Year ended 12/31/19	14.43	0.33	2.16	2.49	(0.36)	(0.25)	(0.61)	16.31	17.51	144,384	0.67	1.00	2.11	68
Year ended 12/31/18	15.92	0.32	(1.13)	(0.81)	(0.31)	(0.37)	(0.68)	14.43	(5.32)	140,290	0.67	0.98	2.05	60
Year ended 12/31/17	14.86	0.27	1.09	1.36	(0.30)	-	(0.30)	15.92	9.25	166,015	0.67	0.94	1.74	76
Year ended 12/31/16	14.46	0.26	0.49	0.75	(0.35)	-	(0.35)	14.86	5.26	172,573	0.67	0.94	1.78	68
Series II														
Six months ended 06/30/21	17.68	0.09	1.16	1.25	-	-	-	18.93	7.07	49,188	0.92 ^(f)	1.24 ^(f)	0.97 ^(f)	138
Year ended 12/31/20	16.09	0.23	2.08	2.31	(0.32)	(0.40)	(0.72)	17.68	14.59	48,077	0.92	1.24	1.35	311
Year ended 12/31/19	14.24	0.29	2.13	2.42	(0.32)	(0.25)	(0.57)	16.09	17.22	45,853	0.92	1.25	1.86	68
Year ended 12/31/18	15.71	0.27	(1.10)	(0.83)	(0.27)	(0.37)	(0.64)	14.24	(5.53)	43,029	0.92	1.23	1.80	60
Year ended 12/31/17	14.67	0.23	1.07	1.30	(0.26)	-	(0.26)	15.71	8.95	51,633	0.92	1.19	1.49	76
Year ended 12/31/16	14.28	0.22	0.48	0.70	(0.31)	-	(0.31)	14.67	4.96	51,743	0.92	1.19	1.53	68

^(a) Calculated using average shares outstanding.

^(b) Includes adjustments in accordance with accounting principles generally accepted in the United States of America. Total returns are not annualized for periods less than one year, if applicable and do not reflect charges assessed in connection with a variable product, which if included would reduce total returns.

^(c) Does not include indirect expenses from affiliated fund fees and expenses of 0.00% for the years ended December 31, 2019, 2018, 2017 and 2016, respectively.

^(d) The portfolio turnover rate excludes purchase and sale transactions of To Be Announced (TBA) mortgage-related securities of \$489,567,330 and \$509,769,207, \$685,887,902 and \$703,549,464, \$729,295,309 and \$711,803,922 and \$737,550,642 and \$742,753,245 for the years ended December 31, 2019, 2018, 2017 and 2016, respectively.

^(e) Portfolio turnover is calculated at the fund level and is not annualized for periods less than one year, if applicable.

^(f) Ratios are annualized and based on average daily net assets (000's omitted) of \$152,621 and \$48,709 for Series I and Series II shares, respectively.

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Notes to Financial Statements

June 30, 2021
(Unaudited)

NOTE 1—Significant Accounting Policies

Invesco V.I. Conservative Balanced Fund, formerly Invesco Oppenheimer V.I. Conservative Balanced Fund, (the “Fund”) is a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) (the “Trust”). The Trust is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end series management investment company. Information presented in these financial statements pertains only to the Fund. Matters affecting the Fund or each class will be voted on exclusively by the shareholders of the Fund or each class. Current Securities and Exchange Commission (“SEC”) guidance, however, requires participating insurance companies offering separate accounts to vote shares proportionally in accordance with the instructions of the contract owners whose investments are funded by shares of each Fund or class.

The Fund’s investment objective is to seek total return.

The Fund currently offers two classes of shares, Series I and Series II, both of which are offered to insurance company separate accounts funding variable annuity contracts and variable life insurance policies (“variable products”).

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 946, *Financial Services - Investment Companies*.

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements.

A. Security Valuations - Securities, including restricted securities, are valued according to the following policy.

Debt obligations (including convertible securities) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service.

Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate (for unlisted equities), yield (for debt obligations), quality, type of issue, coupon rate (for debt obligations), maturity (for debt obligations), individual trading characteristics and other market data. Pricing services generally value debt obligations assuming orderly transactions of institutional round lot size, but a fund may hold or transact in the same securities in smaller, odd lot sizes. Odd lots often trade at lower prices than institutional round lots. Debt obligations are subject to interest rate and credit risks. In addition, all debt obligations involve some risk of default with respect to interest and/or principal payments.

A security listed or traded on an exchange (except convertible securities) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued by an independent pricing service they may be considered fair valued. Futures contracts are valued at the final settlement price set by an exchange on which they are principally traded. Listed options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and asked prices. For purposes of determining net asset value (“NAV”) per share, futures and option contracts generally are valued 15 minutes after the close of the customary trading session of the New York Stock Exchange (“NYSE”).

Investments in open-end and closed-end registered investment companies that do not trade on an exchange are valued at the end-of-day net asset value per share. Investments in open-end and closed-end registered investment companies that trade on an exchange are valued at the last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded.

Swap agreements are fair valued using an evaluated quote, if available, provided by an independent pricing service. Evaluated quotes provided by the pricing service are valued based on a model which may include end-of-day net present values, spreads, ratings, industry, company performance and returns of referenced assets. Centrally cleared swap agreements are valued at the daily settlement price determined by the relevant exchange or clearinghouse.

Foreign securities’ (including foreign exchange contracts) prices are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the NYSE. If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that the investment adviser determines are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities’ prices meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depositary Receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economic upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources. The last bid price may be used to value equity securities. The mean between the last bid and asked prices is used to value debt obligations, including corporate loans.

Securities for which market quotations are not readily available or became unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust’s officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/asked quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security’s fair value.

The Fund may invest in securities that are subject to interest rate risk, meaning the risk that the prices will generally fall as interest rates rise and, conversely, the prices will generally rise as interest rates fall. Specific securities differ in their sensitivity to changes in interest rates depending on their individual characteristics. Changes in interest rates may result in increased market volatility, which may affect the value and/or liquidity of certain Fund investments.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer’s assets, general market conditions which are not specifically related to the particular issuer, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, regional or global instability, natural or environmental disasters, widespread disease or other public health issues, war, acts of terrorism or adverse investor sentiment generally and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

B. Securities Transactions and Investment Income - Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is recorded on an accrual basis from settlement date and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. Pay-in-kind interest income and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Paydown gains and losses

on mortgage and asset-backed securities are recorded as adjustments to interest income. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

The Fund may periodically participate in litigation related to Fund investments. As such, the Fund may receive proceeds from litigation settlements. Any proceeds received are included in the Statement of Operations as realized gain (loss) for investments no longer held and as unrealized gain (loss) for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Fund's net asset value and, accordingly, they reduce the Fund's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and the Statement of Changes in Net Assets, or the net investment income per share and the ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Fund and the investment adviser.

The Fund allocates income and realized and unrealized capital gains and losses to a class based on the relative net assets of each class.

- C. Country Determination** – For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.
- D. Distributions** - Distributions from net investment income and net realized capital gain, if any, are generally declared and paid to separate accounts of participating insurance companies annually and recorded on the ex-dividend date.
- E. Federal Income Taxes** – The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), necessary to qualify as a regulated investment company and to distribute substantially all of the Fund's taxable earnings to shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.
- The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained. Management has analyzed the Fund's uncertain tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.
- The Fund files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally, the Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.
- F. Expenses** - Fees provided for under the Rule 12b-1 plan of a particular class of the Fund and which are directly attributable to that class are charged to the operations of such class. All other expenses are allocated among the classes based on relative net assets.
- G. Accounting Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount. In addition, the Fund monitors for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.
- H. Indemnifications** – Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust is indemnified against certain liabilities that may arise out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts, including the Fund's servicing agreements, that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.
- I. Securities Lending** – The Fund may lend portfolio securities having a market value up to one-third of the Fund's total assets. Such loans are secured by collateral equal to no less than the market value of the loaned securities determined daily by the securities lending provider. Such collateral will be cash or debt securities issued or guaranteed by the U.S. Government or any of its sponsored agencies. Cash collateral received in connection with these loans is invested in short-term money market instruments or affiliated money market funds and is shown as such on the Schedule of Investments. The Fund bears the risk of loss with respect to the investment of collateral. It is the Fund's policy to obtain additional collateral from or return excess collateral to the borrower by the end of the next business day, following the valuation date of the securities loaned. Therefore, the value of the collateral held may be temporarily less than the value of the securities on loan. When loaning securities, the Fund retains certain benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security. Lending securities entails a risk of loss to the Fund if, and to the extent that, the market value of the securities loaned were to increase and the borrower did not increase the collateral accordingly, and the borrower failed to return the securities. The securities loaned are subject to termination at the option of the borrower or the Fund. Upon termination, the borrower will return to the Fund the securities loaned and the Fund will return the collateral. Upon the failure of the borrower to return the securities, collateral may be liquidated and the securities may be purchased on the open market to replace the loaned securities. The Fund could experience delays and costs in gaining access to the collateral and the securities may lose value during the delay which could result in potential losses to the Fund. Some of these losses may be indemnified by the lending agent. The Fund bears the risk of any deficiency in the amount of the collateral available for return to the borrower due to any loss on the collateral invested. Dividends received on cash collateral investments for securities lending transactions, which are net of compensation to counterparties, are included in *Dividends from affiliated money market funds* on the Statement of Operations. The aggregate value of securities out on loan, if any, is shown as a footnote on the Statement of Assets and Liabilities.
- J. Foreign Currency Translations** – Foreign currency is valued at the close of the NYSE based on quotations posted by banks and major currency dealers. Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of portfolio securities (net of foreign taxes withheld on disposition) and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not separately account for the portion of the results of operations resulting from changes in foreign exchange rates on investments and the fluctuations arising from changes in market prices of securities held. The combined results of changes in foreign exchange rates and the fluctuation of market prices on investments (net of estimated foreign tax withholding) are included with the net realized and unrealized gain or loss from investments in the Statement of Operations. Reported net realized foreign currency gains or losses arise from (1) sales of foreign currencies, (2) currency gains or losses realized between the trade and settlement dates on securities transactions, and (3) the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized

foreign currency gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

The Fund may invest in foreign securities, which may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests and are shown in the Statement of Operations.

- K. Forward Foreign Currency Contracts** – The Fund may engage in foreign currency transactions either on a spot (i.e. for prompt delivery and settlement) basis, or through forward foreign currency contracts, to manage or minimize currency or exchange rate risk.

The Fund may also enter into forward foreign currency contracts for the purchase or sale of a security denominated in a foreign currency in order to “lock in” the U.S. dollar price of that security, or the Fund may also enter into forward foreign currency contracts that do not provide for physical settlement of the two currencies, but instead are settled by a single cash payment calculated as the difference between the agreed upon exchange rate and the spot rate at settlement based upon an agreed upon notional amount (non-deliverable forwards). The Fund will set aside liquid assets in an amount equal to the daily mark-to-market obligation for forward foreign currency contracts.

A forward foreign currency contract is an obligation between two parties (“Counterparties”) to purchase or sell a specific currency for an agreed-upon price at a future date. The use of forward foreign currency contracts does not eliminate fluctuations in the price of the underlying securities the Fund owns or intends to acquire but establishes a rate of exchange in advance. Fluctuations in the value of these contracts are measured by the difference in the contract date and reporting date exchange rates and are recorded as unrealized appreciation (depreciation) until the contracts are closed. When the contracts are closed, realized gains (losses) are recorded. Realized and unrealized gains (losses) on the contracts are included in the Statement of Operations. The primary risks associated with forward foreign currency contracts include failure of the Counterparty to meet the terms of the contract and the value of the foreign currency changing unfavorably. These risks may be in excess of the amounts reflected in the Statement of Assets and Liabilities.

- L. Futures Contracts** – The Fund may enter into futures contracts to manage exposure to interest rate, equity and market price movements and/or currency risks. A futures contract is an agreement between Counterparties to purchase or sell a specified underlying security, currency or commodity (or delivery of a cash settlement price, in the case of an index future) for a fixed price at a future date. The Fund currently invests only in exchange-traded futures and they are standardized as to maturity date and underlying financial instrument. Initial margin deposits required upon entering into futures contracts are satisfied by the segregation of specific securities or cash as collateral at the futures commission merchant (broker). During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by recalculating the value of the contracts on a daily basis. Subsequent or variation margin payments are received or made depending upon whether unrealized gains or losses are incurred. These amounts are reflected as receivables or payables on the Statement of Assets and Liabilities. When the contracts are closed or expire, the Fund recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the Fund’s basis in the contract. The net realized gain (loss) and the change in unrealized gain (loss) on futures contracts held during the period is included on the Statement of Operations. The primary risks associated with futures contracts are market risk and the absence of a liquid secondary market. If the Fund were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Fund would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. Futures contracts have minimal Counterparty risk since the exchange’s clearinghouse, as Counterparty to all exchange-traded futures, guarantees the futures against default. Risks may exceed amounts recognized in the Statement of Assets and Liabilities.

- M. Dollar Rolls and Forward Commitment Transactions** - The Fund may enter into dollar roll transactions to enhance the Fund’s performance. The Fund executes its dollar roll transactions in the *to be announced* (“TBA”) market whereby the Fund makes a forward commitment to purchase a security and, instead of accepting delivery, the position is offset by the sale of the security with a simultaneous agreement to repurchase at a future date.

The Fund accounts for dollar roll transactions as purchases and sales and realizes gains and losses on these transactions. These transactions increase the Fund’s portfolio turnover rate. The Fund will segregate liquid assets in an amount equal to its dollar roll commitments.

Dollar roll transactions involve the risk that a Counterparty to the transaction may fail to complete the transaction. If this occurs, the Fund may lose the opportunity to purchase or sell the security at the agreed upon price. Dollar roll transactions also involve the risk that the value of the securities retained by the Fund may decline below the price of the securities that the Fund has sold but is obligated to purchase under the agreement. Dollar roll transactions covered in this manner are not treated as senior securities for purposes of a Fund’s fundamental investment limitation on borrowings.

- N. COVID-19 Risk** - The COVID-19 strain of coronavirus has resulted in instances of market closures and dislocations, extreme volatility, liquidity constraints and increased trading costs. Efforts to contain its spread have resulted in travel restrictions, disruptions of healthcare systems, business operations and supply chains, layoffs, lower consumer demand, and defaults, among other significant economic impacts that have disrupted global economic activity across many industries. Such economic impacts may exacerbate other pre-existing political, social and economic risks locally or globally.

The ongoing effects of COVID-19 are unpredictable and may result in significant and prolonged effects on the Fund’s performance.

- O. Other Risks** - Active trading of portfolio securities may result in added expenses, a lower return and increased tax liability.

Mortgage- and asset-backed securities, including collateralized debt obligations and collateralized mortgage obligations, are subject to prepayment or call risk, which is the risk that a borrower’s payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. This could result in the Fund reinvesting these early payments at lower interest rates, thereby reducing the Fund’s income. Mortgage- and asset-backed securities also are subject to extension risk, which is the risk that an unexpected rise in interest rates could reduce the rate of prepayments, causing the price of the mortgage- and asset-backed securities and the Fund’s share price to fall. An unexpectedly high rate of defaults on the mortgages held by a mortgage pool may adversely affect the value of mortgage-backed securities and could result in losses to the Fund. Privately-issued mortgage-backed securities and asset-backed securities may be less liquid than other types of securities and the Fund may be unable to sell these securities at the time or price it desires.

Obligations of U.S. Government agencies and authorities receive varying levels of support and may not be backed by the full faith and credit of the U.S. Government, which could affect the Fund’s ability to recover should they default. No assurance can be given that the U.S. Government will provide financial support to its agencies and authorities if it is not obligated by law to do so.

- P. Leverage Risk** – Leverage exists when the Fund can lose more than it originally invests because it purchases or sells an instrument or enters into a transaction without investing an amount equal to the full economic exposure of the instrument or transaction.

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

The Trust has entered into a master investment advisory agreement with Invesco Advisers, Inc. (the "Adviser" or "Invesco"). Under the terms of the investment advisory agreement, the Fund accrues daily and pays monthly an advisory fee to the Adviser based on the annual rate of the Fund's average daily net assets as follows:

Average Daily Net Assets*	Rate
First \$ 200 million	0.750%
Next \$ 200 million	0.720%
Next \$ 200 million	0.690%
Next \$ 200 million	0.660%
Over \$ 800 million	0.600%

* The advisory fee paid by the Fund shall be reduced by any amounts paid by the Fund under the administrative services agreement with the Adviser.

For the six months ended June 30, 2021, the effective advisory fee rate incurred by the Fund was 0.74%.

Under the terms of a master sub-advisory agreement between the Adviser and each of Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Canada Ltd. and separate sub-advisory agreements with Invesco Capital Management LLC and Invesco Asset Management (India) Private Limited (collectively, the "Affiliated Sub-Advisers") the Adviser, not the Fund, will pay 40% of the fees paid to the Adviser to any such Affiliated Sub-Adviser(s) that provide(s) discretionary investment management services to the Fund based on the percentage of assets allocated to such Affiliated Sub-Adviser(s). Invesco has also entered into a sub-advisory agreement with OppenheimerFunds, Inc. to provide discretionary management services to the Fund.

The Adviser has contractually agreed, through at least April 30, 2022, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement (excluding certain items discussed below) of Series I shares to 0.67% and Series II shares to 0.92% of the Fund's average daily net assets (the "expense limits"). In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. Unless Invesco continues the fee waiver agreement, it will terminate on April 30, 2022. During its term, the fee waiver agreement cannot be terminated or amended to increase the expense limits or reduce the advisory fee waiver without approval of the Board of Trustees. To the extent that the annualized expense ratio does not exceed the expense limits, the Adviser will retain its ability to be reimbursed for such fee waivers or reimbursements prior to the end of each fiscal year.

Further, the Adviser has contractually agreed, through at least June 30, 2023, to waive the advisory fee payable by the Fund in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Fund of uninvested cash (excluding investments of cash collateral from securities lending) in such affiliated money market funds.

For the six months ended June 30, 2021, the Adviser waived advisory fees of \$316,328.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Fund has agreed to pay Invesco a fee for costs incurred in providing accounting services and fund administrative services to the Fund and to reimburse Invesco for fees paid to insurance companies that have agreed to provide certain administrative services to the Fund. These administrative services provided by the insurance companies may include, among other things: maintenance of master accounts with the Fund; tracking, recording and transmitting net purchase and redemption orders for Fund shares; maintaining and preserving records related to the purchase, redemption and other account activity of variable product owners; distributing copies of Fund documents such as prospectuses, proxy materials and periodic reports, to variable product owners, and responding to inquiries from variable product owners about the Fund. Pursuant to such agreement, for the six months ended June 30, 2021, Invesco was paid \$14,193 for accounting and fund administrative services and was reimbursed \$136,778 for fees paid to insurance companies. Invesco has entered into a sub-administration agreement whereby State Street Bank and Trust Company ("SSB") serves as fund accountant and provides certain administrative services to the Fund. Pursuant to a custody agreement with the Trust on behalf of the Fund, SSB also serves as the Fund's custodian.

The Trust has entered into a transfer agency and service agreement with Invesco Investment Services, Inc. ("IIS") pursuant to which the Fund has agreed to pay IIS a fee for providing transfer agency and shareholder services to the Fund and reimburse IIS for certain expenses incurred by IIS in the course of providing such services. For the six months ended June 30, 2021, expenses incurred under the agreement are shown in the Statement of Operations as *Transfer agent fees*.

The Trust has entered into a master distribution agreement with Invesco Distributors, Inc. ("IDI") to serve as the distributor for the Fund. The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Series II shares (the "Plan"). The Fund, pursuant to the Plan, pays IDI compensation at the annual rate of 0.25% of the Fund's average daily net assets of Series II shares. The fees are accrued daily and paid monthly. Of the Plan payments, up to 0.25% of the average daily net assets of the Series II shares may be paid to insurance companies who furnish continuing personal shareholder services to customers who purchase and own Series II shares of the Fund. For the six months ended June 30, 2021, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

For the six months ended June 30, 2021, the Fund incurred \$1,257 in brokerage commissions with Invesco Capital Markets, Inc., an affiliate of the Adviser and IDI, for portfolio transactions executed on behalf of the Fund.

Certain officers and trustees of the Trust are officers and directors of the Adviser, IIS and/or IDI.

NOTE 3—Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods, giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3), generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 - Prices are determined using quoted prices in an active market for identical assets.

Level 2 - Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 - Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of June 30, 2021. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

	Level 1	Level 2	Level 3	Total
Investments in Securities				
Common Stocks & Other Equity Interests	\$97,211,814	\$ 775,611	\$-	\$ 97,987,425
U.S. Dollar Denominated Bonds & Notes	-	37,799,543	-	37,799,543
Asset-Backed Securities	-	25,653,729	-	25,653,729
U.S. Government Sponsored Agency Mortgage-Backed Securities	-	21,859,865	-	21,859,865
U.S. Treasury Securities	-	17,804,489	-	17,804,489
Preferred Stocks	-	880,152	-	880,152
Agency Credit Risk Transfer Notes	-	814,174	-	814,174
Municipal Obligations	-	267,709	-	267,709
Money Market Funds	-	1,609,966	-	1,609,966
Total Investments in Securities	97,211,814	107,465,238	-	204,677,052
Other Investments - Assets*				
Futures Contracts	82,218	-	-	82,218
Other Investments - Liabilities*				
Futures Contracts	(223,691)	-	-	(223,691)
Total Other Investments	(141,473)	-	-	(141,473)
Total Investments	\$97,070,341	\$107,465,238	\$-	\$204,535,579

* Unrealized appreciation (depreciation).

NOTE 4—Derivative Investments

The Fund may enter into an International Swaps and Derivatives Association Master Agreement (“ISDA Master Agreement”) under which a fund may trade OTC derivatives. An OTC transaction entered into under an ISDA Master Agreement typically involves a collateral posting arrangement, payment netting provisions and close-out netting provisions. These netting provisions allow for reduction of credit risk through netting of contractual obligations. The enforceability of the netting provisions of the ISDA Master Agreement depends on the governing law of the ISDA Master Agreement, among other factors.

For financial reporting purposes, the Fund does not offset OTC derivative assets or liabilities that are subject to ISDA Master Agreements in the Statement of Assets and Liabilities.

Value of Derivative Investments at Period-End

The table below summarizes the value of the Fund’s derivative investments, detailed by primary risk exposure, held as of June 30, 2021:

	Value
Derivative Assets	
Unrealized appreciation on futures contracts – Exchange-Traded ^(a)	\$ 82,218
Derivatives not subject to master netting agreements	(82,218)
Total Derivative Assets subject to master netting agreements	\$ -
Derivative Liabilities	
Unrealized depreciation on futures contracts – Exchange-Traded ^(a)	\$(223,691)
Derivatives not subject to master netting agreements	223,691
Total Derivative Liabilities subject to master netting agreements	\$ -

^(a) The daily variation margin receivable at period-end is recorded in the Statement of Assets and Liabilities.

Effect of Derivative Investments for the six months ended June 30, 2021

The table below summarizes the gains (losses) on derivative investments, detailed by primary risk exposure, recognized in earnings during the period:

	Location of Gain (Loss) on Statement of Operations
	Interest Rate Risk
Realized Gain:	
Futures contracts	\$ 86,811
Change in Net Unrealized Appreciation (Depreciation):	
Futures contracts	(107,539)
Total	\$ (20,728)

The table below summarizes the average notional value of derivatives held during the period.

	Futures Contracts
Average notional value	\$56,362,072

NOTE 5—Trustees' and Officers' Fees and Benefits

Trustees' and Officers' Fees and Benefits include amounts accrued by the Fund to pay remuneration to certain Trustees and Officers of the Fund. Trustees have the option to defer compensation payable by the Fund, and *Trustees' and Officers' Fees and Benefits* also include amounts accrued by the Fund to fund such deferred compensation amounts. Those Trustees who defer compensation have the option to select various Invesco Funds in which their deferral accounts shall be deemed to be invested. Finally, certain current Trustees were eligible to participate in a retirement plan that provided for benefits to be paid upon retirement to Trustees over a period of time based on the number of years of service. The Fund may have certain former Trustees who also participate in a retirement plan and receive benefits under such plan. *Trustees' and Officers' Fees and Benefits* include amounts accrued by the Fund to fund such retirement benefits. Obligations under the deferred compensation and retirement plans represent unsecured claims against the general assets of the Fund.

NOTE 6—Cash Balances

The Fund is permitted to temporarily carry a negative or overdrawn balance in its account with SSB, the custodian bank. Such balances, if any at period-end, are shown in the Statement of Assets and Liabilities under the payable caption *Amount due custodian*. To compensate the custodian bank for such overdrafts, the overdrawn Fund may either (1) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (2) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco, not to exceed the contractually agreed upon rate. The Fund may not purchase additional securities when any borrowings from banks or broker-dealers exceed 5% of the Fund's total assets, or when any borrowings from an Invesco Fund are outstanding.

NOTE 7—Tax Information

The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from GAAP. Reclassifications are made to the Fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryforward) under income tax regulations. The tax character of distributions paid during the year and the tax components of net assets will be reported at the Fund's fiscal year-end.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Fund to utilize. The ability to utilize capital loss carryforwards in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

The Fund did not have a capital loss carryforward as of December 31, 2020.

NOTE 8—Investment Transactions

The aggregate amount of investment securities (other than short-term securities, U.S. Government obligations and money market funds, if any) purchased and sold by the Fund during the six months ended June 30, 2021 was \$56,411,057 and \$68,560,363, respectively. Cost of investments, including any derivatives, on a tax basis includes the adjustments for financial reporting purposes as of the most recently completed federal income tax reporting period-end.

Unrealized Appreciation (Depreciation) of Investments on a Tax Basis

Aggregate unrealized appreciation of investments	\$40,934,275
Aggregate unrealized (depreciation) of investments	(2,502,260)
Net unrealized appreciation of investments	\$38,432,015

Cost of investments for tax purposes is \$166,103,564.

NOTE 9—Share Information

Summary of Share Activity

	Six months ended June 30, 2021 ^(a)		Year ended December 31, 2020	
	Shares	Amount	Shares	Amount
Sold:				
Series I	104,933	\$ 1,951,005	293,180	\$ 4,958,390
Series II	91,664	1,670,752	407,137	6,648,678
Issued as reinvestment of dividends:				
Series I	-	-	366,462	6,277,496
Series II	-	-	111,753	1,887,499
Reacquired:				
Series I	(521,379)	(9,705,591)	(1,093,831)	(18,507,195)
Series II	(212,639)	(3,890,360)	(649,731)	(10,796,448)
Net increase (decrease) in share activity	(537,421)	\$(9,974,194)	(565,030)	\$ (9,531,580)

^(a) There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 72% of the outstanding shares of the Fund. The Fund and the Fund's principal underwriter or adviser, are parties to participation agreements with these entities whereby these entities sell units of interest in separate accounts funding variable products that are invested in the Fund. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as, securities brokerage, third party record keeping and account servicing and administrative services. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

Calculating your ongoing Fund expenses

Example

As a shareholder of the Fund, you incur ongoing costs, including management fees; distribution and/or service fees (12b-1); and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period January 1, 2021 through June 30, 2021.

The actual and hypothetical expenses in the examples below do not represent the effect of any fees or other expenses assessed in connection with a variable product; if they did, the expenses shown would be higher while the ending account values shown would be lower.

Actual expenses

The table below provides information about actual account values and actual expenses. You may use the information in this table, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled "Actual Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes

The table below also provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return.

The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs. Therefore, the hypothetical information is useful in comparing ongoing costs, and will not help you determine the relative total costs of owning different funds.

	Beginning Account Value (01/01/21)	ACTUAL		HYPOTHETICAL (5% annual return before expenses)		Annualized Expense Ratio
		Ending Account Value (06/30/21) ¹	Expenses Paid During Period ²	Ending Account Value (06/30/21)	Expenses Paid During Period ²	
Series I	\$1,000.00	\$1,071.90	\$3.44	\$1,021.47	\$3.36	0.67%
Series II	1,000.00	1,070.70	4.72	1,020.23	4.61	0.92

¹ The actual ending account value is based on the actual total return of the Fund for the period January 1, 2021 through June 30, 2021, after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's expense ratio and a hypothetical annual return of 5% before expenses.

² Expenses are equal to the Fund's annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 181/365 to reflect the most recent fiscal half year.

Approval of Investment Advisory and Sub-Advisory Contracts

At meetings held on June 10, 2021, the Board of Trustees (the Board or the Trustees) of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) as a whole, and the independent Trustees, who comprise over 75% of the Board, voting separately, approved the continuance of the Invesco V.I. Conservative Balanced Fund's (formerly, Invesco Oppenheimer V.I. Conservative Balanced Fund) (the Fund) Master Investment Advisory Agreement with Invesco Advisers, Inc. (Invesco Advisers and the investment advisory agreement) and the Master Intergroup Sub-Advisory Contract for Mutual Funds with Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Canada Ltd. and separate sub-advisory contracts with Invesco Capital Management LLC and Invesco Asset Management (India) Private Limited and Oppenheimer Funds, Inc. (collectively, the Affiliated Sub-Advisers and the sub-advisory contracts) for another year, effective July 1, 2021. After evaluating the factors discussed below, among others, the Board approved the renewal of the Fund's investment advisory agreement and the sub-advisory contracts and determined that the compensation payable thereunder by the Fund to Invesco Advisers and by Invesco Advisers to the Affiliated Sub-Advisers is fair and reasonable.

The Board's Evaluation Process

The Board has established an Investments Committee, which in turn has established Sub-Committees that meet throughout the year to review the performance of funds advised by Invesco Advisers (the Invesco Funds). The Sub-Committees meet regularly with portfolio managers for their assigned Invesco Funds and other members of management to review detailed information about investment performance and portfolio attributes of these funds. The Board has established additional standing and ad hoc committees that meet regularly throughout the year to review matters within their purview. The Board took into account evaluations and reports that it received from its committees and sub-committees, as well as the information provided to the Board and its committees and sub-committees throughout the year, in considering whether to approve each Invesco Fund's investment advisory agreement and sub-advisory contracts.

As part of the contract renewal process, the Board reviews and considers information provided in response to detailed requests for information submitted to management by the independent Trustees with assistance from legal counsel to the independent Trustees. The Board receives comparative investment performance and fee and expense data regarding the Invesco Funds prepared by Broadridge Financial Solutions, Inc. (Broadridge), an independent mutual fund data provider, as well as information on the composition of the peer groups provided by Broadridge and its methodology for determining peer groups. The Board also receives an independent written evaluation from the Senior Officer, an officer of the Invesco Funds who reports directly to the independent Trustees. The Senior Officer's evaluation is prepared as part of his responsibility to manage the process by which the

Invesco Funds' proposed management fees are negotiated during the annual contract renewal process to ensure they are negotiated in a manner that is at arms' length and reasonable. In addition to meetings with Invesco Advisers and fund counsel throughout the year and as part of meetings convened on April 27, 2021 and June 10, 2021, the independent Trustees also discussed the continuance of the investment advisory agreement and sub-advisory contracts in separate sessions with the Senior Officer and with independent legal counsel.

The discussion below is a summary of the Senior Officer's independent written evaluation with respect to the Fund's investment advisory agreement and sub-advisory contracts, as well as a discussion of the material factors and related conclusions that formed the basis for the Board's approval of the Fund's investment advisory agreement and sub-advisory contracts. The Trustees' review and conclusions are based on the comprehensive consideration of all information presented to them during the course of the year and in prior years and are not the result of any single determinative factor. Moreover, one Trustee may have weighed a particular piece of information or factor differently than another Trustee. The information received and considered by the Board was current as of various dates prior to the Board's approval on June 10, 2021.

Factors and Conclusions and Summary of Independent Written Fee Evaluation

A. Nature, Extent and Quality of Services Provided by Invesco Advisers and the Affiliated Sub-Advisers

The Board reviewed the nature, extent and quality of the advisory services provided to the Fund by Invesco Advisers under the Fund's investment advisory agreement, and the credentials and experience of the officers and employees of Invesco Advisers who provide these services, including the Fund's portfolio manager(s). The Board's review included consideration of Invesco Advisers' investment process and oversight, credit analysis, and research capabilities. The Board considered information regarding Invesco Advisers' programs for and resources devoted to risk management, including management of investment, enterprise, operational, liquidity, valuation and compliance risks, and technology used to manage such risks. The Board also received and reviewed information about Invesco Advisers' role as administrator of the Invesco Funds' liquidity risk management program. The Board received a description of Invesco Advisers' business continuity plans and of its approach to data privacy and cybersecurity, including related testing. The Board considered how the cybersecurity and business continuity plans of Invesco Advisers and its key service providers operated in the increased remote working environment resulting from the novel coronavirus ("COVID-19") pandemic. The Board also considered non-advisory services that Invesco Advisers and its affiliates provide to the Invesco Funds, such as various back office support functions, third party oversight, internal audit, valuation, portfolio trading and legal and compliance. The Board observed that Invesco Advisers has been able to effectively manage, operate and oversee the Invesco Funds through the challenging COVID-19 pandemic

period. The Board reviewed and considered the benefits to shareholders of investing in a Fund that is part of the family of funds under the umbrella of Invesco Ltd., Invesco Advisers' parent company, and noted Invesco Ltd.'s depth and experience in running an investment management business, as well as its commitment of financial and other resources to such business. The Board concluded that the nature, extent and quality of the services provided to the Fund by Invesco Advisers are appropriate and satisfactory.

The Board reviewed the services that may be provided by the Affiliated Sub-Advisers under the sub-advisory contracts and the credentials and experience of the officers and employees of the Affiliated Sub-Advisers who provide these services. The Board noted the Affiliated Sub-Advisers' expertise with respect to certain asset classes and that the Affiliated Sub-Advisers have offices and personnel that are located in financial centers around the world. As a result, the Board noted that the Affiliated Sub-Advisers can provide research and investment analysis on the markets and economies of various countries in which the Fund may invest, make recommendations regarding securities and assist with security trades. The Board concluded that the sub-advisory contracts may benefit the Fund and its shareholders by permitting Invesco Advisers to use the resources and talents of the Affiliated Sub-Advisers in managing the Fund. The Board concluded that the nature, extent and quality of the services that may be provided to the Fund by the Affiliated Sub-Advisers are appropriate and satisfactory.

B. Fund Investment Performance

The Board considered Fund investment performance as a relevant factor in considering whether to approve the investment advisory agreement. The Board did not view Fund investment performance as a relevant factor in considering whether to approve the sub-advisory contracts for the Fund, as no Affiliated Sub-Adviser currently manages assets of the Fund.

The Board compared the Fund's investment performance over multiple time periods ending December 31, 2020 to the performance of funds in the Broadridge performance universe and against the Custom Invesco V.I. Conservative Balanced Index (Index). The Board noted that performance of Series I shares of the Fund was in the first quintile of its performance universe for the one year period, the second quintile for the three year period, and the third quintile for the five year period (the first quintile being the best performing funds and the fifth quintile being the worst performing funds). The Board noted that performance of Series I shares of the Fund was above the performance of the Index for the one year period. The Board considered that the Fund was created in connection with Invesco Ltd.'s acquisition of Oppenheimer Funds, Inc. and its subsidiaries (the "Transaction") and that the Fund's performance prior to the closing of the Transaction on May 24, 2019 is that of its predecessor fund. The Board recognized that the performance data reflects a snapshot in time as of a particular date and that selecting a different performance period could produce different results. The Board also reviewed more recent Fund performance as well as other performance metrics, which did not change its conclusions.

C. Advisory and Sub-Advisory Fees and Fund Expenses

The Board compared the Fund's contractual management fee rate to the contractual management fee rates of funds in the Fund's Broadridge expense group. The Board noted that the contractual management fee rate for Series I shares of the Fund was above the median contractual management fee rate of funds in its expense group. The Board noted that the term "contractual management fee" for funds in the expense group may include both advisory and certain non-portfolio management administrative services fees, but that Broadridge is not able to provide information on a fund by fund basis as to what is included. The Board also reviewed the methodology used by Broadridge in calculating expense group information, which includes using each fund's contractual management fee schedule (including any applicable breakpoints) as reported in the most recent prospectus or statement of additional information for each fund in the expense group. The Board also considered comparative information regarding the Fund's total expense ratio and its various components. The Board noted that the Fund's contractual management fees were in the fourth quintile of its expense group and discussed with management reasons for such relative contractual management fees.

The Board noted that Invesco Advisers has contractually agreed to waive fees and/or limit expenses of the Fund for the term disclosed in the Fund's registration statement in an amount necessary to limit total annual operating expenses to a specified percentage of average daily net assets for each class of the Fund.

The Board noted that Invesco Advisers and the Affiliated Sub-Advisers do not manage other similarly managed mutual funds or client accounts.

The Board also considered the services that may be provided by the Affiliated Sub-Advisers pursuant to the sub-advisory contracts, as well as the fees payable by Invesco Advisers to the Affiliated Sub-Advisers pursuant to the sub-advisory contracts.

D. Economies of Scale and Breakpoints

The Board considered the extent to which there may be economies of scale in the provision of advisory services to the Fund and the Invesco Funds, and the extent to which such economies of scale are shared with the Fund and the Invesco Funds. The Board considered that the Fund benefits from economies of scale through contractual breakpoints in the Fund's advisory fee schedule, which generally operate to reduce the Fund's expense ratio as it grows in size. The Board noted that the Fund also shares in economies of scale through Invesco Advisers' ability to negotiate lower fee arrangements with third party service providers. The Board noted that the Fund may also benefit from economies of scale through initial fee setting, fee waivers and expense reimbursements, as well as Invesco Advisers' investment in its business, including investments in business infrastructure, technology and cybersecurity.

E. Profitability and Financial Resources

The Board reviewed information from Invesco Advisers concerning the costs of the advisory and other services that Invesco Advisers and its affiliates provide to the Fund and the Invesco Funds and the profitability of Invesco Advisers and its affiliates in providing these services in the aggregate and on an individual Fund-by-Fund basis. The Board considered the methodology used for calculating profitability and

noted that such methodology had recently been reviewed and enhanced. The Board noted that Invesco Advisers continues to operate at a net profit from services Invesco Advisers and its affiliates provide to the Invesco Funds in the aggregate and to most Funds individually. The Board did not deem the level of profits realized by Invesco Advisers and its affiliates from providing such services to be excessive, given the nature, extent and quality of the services provided. The Board noted that Invesco Advisers provided information demonstrating that Invesco Advisers is financially sound and has the resources necessary to perform its obligations under the investment advisory agreement, and provided representations indicating that the Affiliated Sub-Advisers are financially sound and have the resources necessary to perform their obligations under the sub-advisory contracts. The Board reviewed information from Invesco Advisers concerning the costs of the advisory and other services that Invesco Advisers and its affiliates provide to the Fund and the Invesco Funds and the profitability of Invesco Advisers and its affiliates in providing these services in the aggregate and on an individual Fund-by-Fund basis. The Board considered the methodology used for calculating profitability and noted that such methodology had recently been reviewed and enhanced. The Board noted that Invesco Advisers continues to operate at a net profit from services Invesco Advisers and its affiliates provide to the Invesco Funds in the aggregate and to most Funds individually. The Board did not deem the level of profits realized by Invesco Advisers and its affiliates from providing such services to be excessive, given the nature, extent and quality of the services provided. The Board noted that Invesco Advisers provided information demonstrating that Invesco Advisers is financially sound and has the resources necessary to perform its obligations under the investment advisory agreement, and provided representations indicating that the Affiliated Sub-Advisers are financially sound and have the resources necessary to perform their obligations under the sub-advisory contracts.

F. Collateral Benefits to Invesco Advisers and its Affiliates

The Board considered various other benefits received by Invesco Advisers and its affiliates from the relationship with the Fund, including the fees received for providing administrative, transfer agency and distribution services to the Fund. The Board received comparative information regarding fees charged for these services, including information provided by Broadridge and other independent sources. The Board reviewed the performance of Invesco Advisers and its affiliates in providing these services and the organizational structure employed to provide these services. The Board noted that these services are provided to the Fund pursuant to written contracts that are reviewed and subject to approval on an annual basis by the Board based on its determination that the services are required for the operation of the Fund.

The Board considered the benefits realized by Invesco Advisers and the Affiliated Sub-Advisers as a result of portfolio brokerage transactions executed through "soft dollar" arrangements. The Board noted that soft dollar arrangements may result in the Fund bearing costs to purchase research that may be used by Invesco Advisers or the Affiliated Sub-Advisers with other clients and may reduce Invesco Advisers' or the Affiliated Sub-Advisers' expenses. The Board

also considered that it receives from Invesco Advisers periodic reports that include a representation to the effect that these arrangements are consistent with regulatory requirements. The Board did not deem the soft dollar arrangements to be inappropriate.

The Board considered that the Fund's uninvested cash and cash collateral from any securities lending arrangements may be invested in registered money market funds or, with regard to securities lending cash collateral, unregistered funds that comply with Rule 2a-7 (collectively referred to as "affiliated money market funds") advised by Invesco Advisers. The Board considered information regarding the returns of the affiliated money market funds relative to comparable overnight investments, as well as the fees paid by the affiliated money market funds to Invesco Advisers and its affiliates. In this regard, the Board noted that Invesco Advisers receives advisory fees from these affiliated money market funds attributable to the Fund's investments. The Board also noted that Invesco Advisers has contractually agreed to waive through varying periods an amount equal to 100% of the net advisory fee Invesco Advisers receives from the affiliated money market funds with respect to the Fund's investment in the affiliated money market funds of uninvested cash, but not cash collateral. The Board concluded that the advisory fees payable to Invesco Advisers from the Fund's investment of cash collateral from any securities lending arrangements in the affiliated money market funds are for services that are not duplicative of services provided by Invesco Advisers to the Fund.

The Board also received information about commissions that an affiliated broker may receive for executing certain trades for the Fund. Invesco Advisers and the Affiliated Sub-Advisers advised the Board of the benefits to the Fund of executing trades through the affiliated broker and that such trades were executed in compliance with rules under the federal securities laws and consistent with best execution obligations.